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SITTING DAYS—2012

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FORTY-THIRD PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

Her Excellency Ms Quentin Bryce, Companion of the Order of Australia

House of Representatives Office holders
Speaker—Hon. Peter Neil Slipper MP
Deputy Speaker—Ms Anna Elizabeth Burke MP
Second Deputy Speaker—Hon. Bruce Craig Scott MP
Members of the Speaker’s Panel—Hon. Dick Godfrey Harry Adams MP,
Mrs Yvette Maree D’Ath MP, Mr Steven Georganas MP, Ms Sharon Joy Grierson MP,
Dr Andrew Keith Leigh MP, Ms Kirsten Fiona Livermore MP,
Mr Geoffrey Raymond Lyons MP, Mr Robert George Mitchell MP, Mr John Paul Murphy MP,
Mr Robert James Murray Oakeshott MP, Ms Deborah Mary O’Neill MP,
Ms Amanda Louise Rishworth MP, Mr Michael Stuart Symon MP,
Mr Kelvin John Thomson MP, Ms Maria Vamvakinou MP,
Mr Anthony Harold Curties Windsor MP

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

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

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

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

Printed by authority of the House of Representatives
## Members of the House of Representatives

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**PARTY ABBREVIATIONS**

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

## Heads of Parliamentary Departments

Clerk of the Senate—R Laing  
Clerk of the House of Representatives—B Wright  
Secretary, Department of Parliamentary Services—C Mills
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The DEPUTY SPEAKER (Ms AE Burke) took the chair at 09:00, made an acknowledgement of country and read prayers.

**BILLS**

**Superannuation Legislation Amendment (Trustee Obligations and Prudential Standards) Bill 2012**

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

**Transport Safety Investigation Amendment Bill 2012**

Mr FITZGIBBON (Hunter—Chief Government Whip) (09:01): by leave—I move:

That the following bills be referred to the Federation Chamber for further consideration: the Transport Safety Investigation Amendment Bill 2012 and the Maritime Legislation Amendment Bill 2012.

Question agreed to.

**Maritime Legislation Amendment Bill 2012**

Mr FITZGIBBON (Hunter—Chief Government Whip) (09:01): by leave—I move:

That the following bills be referred to the Federation Chamber for further consideration: the Transport Safety Investigation Amendment Bill 2012 and the Maritime Legislation Amendment Bill 2012.

Question agreed to.

**Statute Law Revision Bill 2012**

First Reading

Bill and explanatory memorandum presented by Ms Roxon.

Bill read a first time.

Second Reading

Ms ROXON (Gellibrand—Attorney-General and Minister for Emergency Management) (09:02): I move:

That this bill be now read a second time.

The government is doing what we need to do to make the Commonwealth statute book simpler, clearer and easier to understand. Most recently we introduced legislation to substantially reduce redundant legislation through the Legislative Instruments Act (Sunsetting Measures) Bill, in close consultation with affected industries.

This Statute Law Revision Bill is another small step towards that goal.

Statute law revision bills have been used for the last 30 years to improve the quality of Commonwealth legislation. The bills do not make substantive changes to the law but still perform the important function of repairing minor errors in the Commonwealth statute books, which accumulated across successive government amendments, and improving the accuracy and useability of consolidated versions of Commonwealth acts.

This continual process of statutory review complements the government’s commitment to creating clearer Commonwealth laws. The review process undertaken in the preparation of this bill serves to ensure that the statute book contains less clutter in the form of outdated cross-references or by repealing obsolete acts.

Schedules 1, 2, 6 and 7 of this bill achieve three main ends:

1. correcting minor and technical errors in acts, such as grammatical and numbering errors,
2. correcting amendments or amending acts which are erroneous, misdescribed or redundant, and
3. repealing obsolete amending provisions and acts.

By removing or amending outdated or unclear legislative provisions, this bill helps make the law clearer, more consistent and easier to access.

Schedule 3 removes specific references to the Civil Aviation Regulations, replacing them with references to regulations made
under the Civil Aviation Act 1988'. This replaces specific references to regulations with references to the principal act, which are more generic and robust.

Current drafting practice is to avoid referring to a particular regulation by name. This reduces the risk of reader confusion and error in cases where the names of regulations change or the contents of the regulations alter.

Schedule 4 makes amendments consequential on amendments to the Acts Interpretation Act 1901 and the enactment of the Legislative Instruments Act 2003. The amendments repeal provisions relating to acting appointments that are redundant as they are now covered by section 33AB and 33A of the Acts Interpretation Act 1901. These items also add notes referring to the general acting appointment rules in the Acts Interpretation Act 1901.

The schedule also includes an item which updates a reference from section 49A of the Acts Interpretation Act 1901 to section 14 of the Legislation Instruments Act 2003. This is necessary as the content of section 49A, which was repealed in 2003, is now replicated in section 14.

Finally, schedule 5 of the bill amends a number of acts to ensure that Commonwealth ministers are identified by reference to the administration of identified legislation rather than by specific name, and Commonwealth departments are identified by reference to the minister administering identified legislation or a particular matter, rather than by specific name.

Currently, when the names of ministers or departments change, or when responsibility for particular legislation is transferred between ministers or departments, the Governor-General makes substituted reference orders under sections 19B and 19BA of the Acts Interpretation Act 1901. The orders allow references to specific ministers or departments in legislation to be read as though they are references to the correct minister or department. This means that users of Commonwealth legislation have to read the legislation in conjunction with these orders.

The amendments contained in schedule 5 will greatly reduce reliance on section 19B and 19BA orders and the need for such orders to be made in the future. This is because the amendments insert more generic references to ministers and departments in Commonwealth acts.

For example, instead of referring to the specific title of the minister for finance, after these amendments have been passed they will refer to the generic title of finance minister. This will be defined as 'the minister administering the Financial Management and Accountability Act 1997'. The new reference would remain accurate even if the specific title of the minister with that responsibility changes over time. This will improve the clarity and useability of Commonwealth acts.

I thank the Office of Parliamentary Counsel, and officers across many government departments, for the significant time and effort that went into preparing this bill. This is just one demonstration of the OPC's drafting expertise, attention to detail and commitment to ensuring that Commonwealth legislation is clear, accurate and effective.

I commend this bill to the House.

Debate adjourned.

**International Monetary Agreements Amendment (Loans) Bill 2012**

**First Reading**

Bill and explanatory memorandum presented by Mr Bradbury.

Bill read a first time.
Second Reading

Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (09:07): I move:

That this bill be now read a second time.

The bill amends the International Monetary Agreements Act 1947 to allow Australia to accept two amendments to the terms and conditions of the New Arrangements to Borrow (NAB) of the International Monetary Fund (IMF) adopted by the IMF executive board on 16 November 2011 and 21 December 2011.

The NAB is a voluntary set of credit arrangements between the IMF and a number of its members. Australia has been a participant in the NAB since its inception in 1998.

The purpose of the NAB is to act as the backstop to the normal quota based resources of the IMF, by providing the IMF with recourse to borrow from its members when supplementary resources are needed to forestall or cope with an impairment of the international monetary system, or to deal with a crisis that threatens the stability of the system.

In response to the turmoil of the global financial crisis, in April 2009, G20 leaders in London committed to increase the size of the NAB to give the IMF the resources it needs to play its role in crisis prevention and resolution. Australia played its part in this global effort, and when the expanded NAB, currently totalling 370 billion special drawing rights (SDR), which is around $530 billion, came into effect on 11 March 2011, Australia’s NAB credit line increased from SDR 801 million, which is around $1.2 billion, to around SDR 4.4 billion, which is around $6.3 billion.

This increase in the NAB, whilst a timely and necessary measure, raised the IMF’s reliance on voluntary borrowed resources to an unprecedented level. In order to reduce the IMF’s reliance on voluntary borrowed resources and to maintain the IMF as a quota based institution, members of the IMF agreed on 15 December 2010 to a doubling of IMF quota resources with a corresponding reduction in the size of NAB credit arrangements.

The increase in IMF quotas will come into effect when the necessary threshold of consents has been received by members. The quota increase will also enhance the legitimacy of the IMF by enabling a redistribution of quota and voting shares towards dynamically growing emerging economies, in particular those in the Asian region.

Accordingly, when Australia’s IMF quota increase comes into effect, our NAB commitment will be reduced from its current level of SDR 4.37 billion to SDR 2.22 billion, around $3.2 billion. The 2010 quota increase was included in the 2011-12 budget, and will take effect when the required threshold of consents from IMF members is met.

In addition to decreasing the size of the NAB, this bill will reflect agreed amendments to renew the NAB for a further five-year period, commencing on 17 November 2012, and to facilitate the NAB rollback while avoiding the risk of a temporary negative impact on IMF liquidity.

Debate adjourned.

Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

to which the following amendment was moved:
(1) Schedule 1, item 25, page 10 (after line 8), after section 198AD, insert:

198ADA 12 month limit on transfer to offshore processing country

(1) The Minister must ensure that a person who is transferred to an offshore processing country under section 198AD is transferred to Australia no later than 12 months after the day on which the person arrived in the offshore processing country.

(2) Subsection (1) does not apply in relation to a person who is not in the offshore processing country 12 months after the day on which the person arrived in the country.

(3) Section 198AD does not apply in relation to a person who is transferred to Australia under subsection (1).

to which the following amendment was moved:
(1) Schedule 1, item 25, page 6 (lines 14 to 16), omit paragraph (d), substitute:

(d) the designation of a country to be an offshore processing country need be determined only by reference to the fact that the country is a party to the Refugees Convention or the Refugees Protocol.

(2) Schedule 1, item 25, page 6 (lines 20 to 23), omit subsection 198AB(2), substitute:

(2) The only conditions for the exercise of the power under subsection (1) are that the Minister thinks that it is in the national interest to designate the country to be an offshore processing country, and that the country is a party to the Refugees Convention or the Refugees Protocol.

(3) Schedule 1, item 25, page 8 (lines 7 to 9), omit paragraph (f), substitute:

(f) a copy of the instruments of accession by the country to the Refugees Convention or the Refugees Protocol.

The DEPUTY SPEAKER (09:11): The original question was that this bill be now read a second time. To this the honourable member for Melbourne has moved an amendment and the honourable member for Cook has moved an amendment to the member for Melbourne's amendment to the motion for the second reading. The immediate question is that the amendment moved by the member for Cook to the amendment moved by the member for Melbourne be agreed to.

Mr RAMSEY: I continue from last night. The government then, of course, recognised that the policy they had found themselves with was a disaster, and the new Prime Minister, Julia Gillard, announced that the asylum seeker policy was one of the three items on which a good government had lost its way when she removed the member for Griffith from the Lodge. Along with the mining tax and dealing with the CO₂ emissions, notwithstanding that, within a month she declared there would be no carbon tax under a government which she led. That is when we first heard of the Timor solution, and of course that turned out to be a rolled gold disaster. We moved on from the Timor solution and then, of course, there was the Malaysia people swap deal, which was a little beauty really because it said that we would give them 800 people over four years and we would take 4,000 of theirs. It is no wonder the Malaysians were pretty keen to do that deal.

There are problems surrounding the Malaysian deal, and I believe the coalition has been right to resist the implementation of it. In fact, in May last year the UN High Commissioner for Human Rights, Navi Pillay, said:

If Australia is serious about this policy of sending 800 people out to Malaysia, then I think it violates refugee law. They cannot send individuals to a country that has not ratified the torture convention, the convention on refugees.

One of the problems I have always had with the Malaysia deal is the treatment of children, because, on one hand, if the government say, 'We'll send back everybody who arrives in a boat,' then, of course, they will be sending children, minors, back to a
very uncertain future in Malaysia, and it is certainly a future that we can offer no guarantees in. If on the other hand they say, 'We will not send back children,' then, of course, the government guarantee that the boats will be loaded with children, because no government would ever separate parents and children in any kind of refugee or people swap deal. That has brought us, finally, to the position where the Prime Minister was forced to outsource her own job by appointing Angus Houston's panel to advise a path, and they have come back with 22 recommendations.

The biggest and most obvious recommendations are the resumption of processing on Nauru and Manus Island, which is exactly what the coalition had been calling for and what the Prime Minister had totally rejected as an unworkable solution for the last two years. Of course the coalition supports these moves, but it should be recorded that we have consistently called for the full reinstatement of the Pacific solution, and that means the temporary protection visas and the intention to tow back where possible—hence the amendments coming forth from the member for Cook, which seek to bring the full package into play.

Can Nauru work on its own? I am not sure, but it is a step in the right direction. But it is important to note when we are discussing temporary protection visas that the Houston panel has recognised some of these issues with its identification of the family reunion packages and the no-advantage test to try and reduce the attraction to asylum seekers or boat people to take the risk to get to Australia. It is paramount that the correct path to settlement in Australia be through the official channels.

In that light we will be supporting the government to get this change underway. We welcome the change but, of course, it has come far too late. I support the amendment from the member for Cook.

The DEPUTY SPEAKER (Ms AE Burke): The immediate question is that the amendment moved by the member for Cook to the amendment moved by the member for Melbourne be agreed to.

Mr CRAIG KELLY (Hughes) (09:16): I am pleased to support the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011 because this bill is the first step in cleaning up the giant mess that will be recorded as one of the most catastrophic failures of policy in our nation's history. And we all know that history. Back in 1999, under the Howard government, we had a problem. In that year 3,721 asylum seekers embarked on that dangerous voyage on 86 boats. The following year people smugglers sent 2,939 asylum seekers off on boats. In 2001, 5,516 made that dangerous voyage on 43 boats. And during that time we had lives lost. Over 353 people were drowned at sea during that period.

One of the most vocal critics of that situation at the time was our current Prime Minister, who said, 'Another boat arrival; another policy failure.' So the Howard government took the necessary action with a three-pronged policy: processing on Nauru, temporary protection visas and turning the boats around where possible. And it worked.

Between 1999 and the introduction of the Pacific solution in late 2001 over 12,000 asylum seekers had arrived by boat. In the entire seven years of the Pacific solution, between 2002 and 2008, just 278 asylum seekers arrived—an average of fewer than 50 a year. The facts are that the Howard government policies worked. Lives were saved. In the seven years following its introduction no deaths were recorded. And by the time the 2007 election rolled around

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just four people were left in detention. However, for his efforts Prime Minister Howard was the victim of grubby politics and point-scoring. He was vilified and denigrated and abused from pillar to post.

And then we had the election in 2007 of the Rudd government, which, after coming to power, commenced to unwind all three pillars of Howard's proven and successful policies. And while the chardonnay set clinked their glasses and toasted the unwinding of the coalition's policies the people smugglers celebrated with them. Labor had put them back into business.

Labor's policy was summed up by the comments made by the immigration minister, Senator Evans, who in November 2008 said:

Labor committed to abolishing the Pacific Solution and this was one the first things the Rudd Labor Government did on taking office. It was also one of my greatest pleasures ...

How tragically misguided. Look what we have seen since. Since Labor took power in November 2007, a total of 22,518 asylum seekers have been escorted by our Navy to Christmas Island on 386 boats. That number, 22,518 people, is more than the entire populations of many of our country towns, such as Goulburn, Armidale, Forster-Tuncurry, Cessnock, Grafton or Taree.

And we have seen asylum seekers riot at Villawood detention centre, setting fire to nine buildings, including a medical centre and dining hall. In July last year, we witnessed the spectacle of Australian Federal Police having to fire tear gas and bean-bag rounds at asylum seekers on Christmas Island after riots broke out. We have seen the 2009 tragedy of SIEV36, where asylum seekers set fire to the boat while Navy personnel were on board. Five passengers were killed in the explosion, and Navy personnel were injured.

We had the morale of our Navy undermined, when a sailor was recently admonished by an asylum seeker who wanted more care taken with his bag because it contained a laptop. Another sailor lamented, 'Last I checked, I was not a baggage handler at the airport but a sailor in the Royal Australian Navy.'

And we have seen damage to our international reputation, with Australia having been accused of breaching the rights of Indonesian children by jailing them as adults after they came as crew on the boats. And we had the Four Corners expose of the adventures of Captain Emad, where an alleged leader of a people smuggling racket had successfully disguised himself as an asylum seeker and was operating within a very few kilometres of this very parliament.

The DEPUTY SPEAKER (Ms AE Burke): The member for Hughes needs to return to the bill before the House. It has been a wide-ranging debate. He has given us a good history lesson, but he needs to refer to the bill.

Mr CRAIG KELLY: Another reason this bill is important is to rein in the costs. But we have seen the blow-out in costs: $4.7 billion—$4,700 million! We will never know what services, what infrastructure, the Australian community has missed out on because of that $4.7 billion.

Let's look at those numbers again to see why this bill is important. In the seven years of the Pacific solution, 2002 to 2008, 278 asylum seekers arrived. In the 4½ years since these policies were introduced, over 22,000 asylum seekers have arrived. Yet, despite all this evidence, for four long years, all we have seen from this government is denial. We have seen the fraud of the East Timor solution. We have seen the farce of the Malaysia solution, struck down by the High Court.
We should never forget that the coalition has called on the government to reopen Nauru no fewer than 106 times. Instead of taking the necessary action, this government has given us every excuse under the sun as to why they cannot open Nauru. Firstly, we had the excuse that Nauru was not a signatory to the UN convention. This time last year the Prime Minister claimed in this very parliament that Nauru would not work and should not be reopened because it would be a waste of taxpayers' money. No wonder members of this government are hiding in their offices, not participating in this debate! The history records that the Howard government was right and its policies should never have been reversed.

I say enough is enough. What about our Westminster system of ministerial responsibility? Our very system of government is built on that principle, whereby a minister takes the blame if something goes wrong. It is a fundamental tenet of our Westminster system that cabinet ministers bear the ultimate responsibility for their actions. But it is hard to completely blame the hapless minister for immigration, for we know, from reports in the Australian newspaper yesterday, that on 13 October last year our immigration minister saw the light and urged our Prime Minister to reopen Nauru to stop the boats. We know that argument was rejected, and it was reported yesterday that it was rejected simply for political reasons.

We would have hoped that the immigration minister would have had the backbone to resign from cabinet. Instead, he continued to be part of the charade and part of the denial, and the boats kept coming. Since that time, 10 months ago, 123 boats have arrived, carrying 9,777 asylum seekers, and the death toll has risen. Another 338 people have drowned. Let's call a spade a spade. If the Prime Minister had not been so stubborn, if she had put the national interest first, ahead of her own political interest, the human tragedy and the cost of Labor's failed border protection policies could have all been avoided.

At the end of last week the expert report was received. After reading that report, a true leader would have put their ego, their vanity and their pride to one side, walked into this parliament, stood at the dispatch box, looked the public in the eye and said those three magic words: 'I am sorry.' The Prime Minister should have said, 'I am sorry for vilifying former Prime Minister Howard and his asylum seeker policy for over a decade—

The DEPUTY SPEAKER: The member for Hughes has to talk to the bill.

Mr CRAIG KELLY: I am, Madam Deputy Speaker.

The DEPUTY SPEAKER: No, you are not. I would ask you to go back to the bill. Thank you.

Mr CRAIG KELLY: This bill is important. It seeks to reopen Nauru. Before we deal with that, one of the important steps is to acknowledge the mistakes of the past. Those mistakes from the past go to saying sorry. As I said, the Prime Minister truly ought to come to the dispatch box and say she is sorry to the Father of the House, who is proudly sitting in front of me, the member for Berowra. Our former immigration minister for years had to suffer bile, abuse and venom being spat at him, when he had the policies that worked, that stopped boats and stopped lives being lost.

A true leader would say, 'I am sorry,' to the Australian taxpayer for the $4,700 million that has been wasted. A true leader would say sorry to our Australian Navy, which has turned into a water taxi service, ferrying tens of thousands of people on leaky boats to Christmas Island. A true leader would say, 'I am sorry,' to the thousands languishing in refugee camps around the
world whom this government's policies have pushed further back in the queue. We should never forget the Prime Minister's words: If more boats arrive, fewer people can be sponsored under our special humanitarian program.

That is what has happened—more than 8,000 people have been pushed back in the queue and are languishing in refugee camps around the world. Finally, a true leader would walk into this parliament, stand at the dispatch box and say they were sorry for the almost 1,000 people having drowned at sea since Labor undid these policies.

It would help if we just had a simple admission that this government was wrong, rather than the deferral of responsibility—

The DEPUTY SPEAKER: The member for Hughes will refer to the bill or I will sit him down.

Mr CRAIG KELLY: There is quite a lot more I would like to say on this bill; however—

The DEPUTY SPEAKER: There is a difference between talking on the bill and talking to the issue, and that is the point I am trying to make. Before the House at the moment is a bill, and when you are speaking to the bill that is what you must refer to.

Mr CRAIG KELLY: There are many other speakers on our side who wish to speak on this bill, and as there is a risk of being cut short and guillotined I will leave my comments there.

Mrs BRONWYN BISHOP (Mackellar) (09:28): I rise to address the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011 and the amendments moved both by the government and by the opposition. From the outset, we have to put into context what this debate about offshore processing of illegal boat arrivals is really all about. It is a question of believing in the nation-state. The nation-state says that you believe you protect your borders and, in the words of John Howard, you say who will come to this country and the manner in which they will come. That was always the basis upon which the Pacific solution of the Howard government was developed. It was designed specifically to say that we will protect the integrity of our nation and our shores and determine who comes to this country and how. When the debate ensued after the Pacific solution was introduced—which was totally effective, because it did stop people getting on boats—the question of placing asylum seekers' lives at risk was very much part of that debate and was raised by us as part and parcel of the reason we needed that effective solution.

When the abuse did indeed come to the member for Berowra it was full of bile, it was full of malice and it at no stage had the interest of the Australian nation at heart. The present Prime Minister infamously said then, 'Another boat arrival is another policy failure'. All of her policies on this issue have been a failure. The policy initiatives of the former Prime Minister Mr Rudd were equally a failure. He dismantled the effective policy that was in place and he did it because he was caving in to the left, who do not believe in the nation-state.

And the Greens not only do not believe in the nation-state but also believe in totally open borders: whoever can come here should be able to stay. There are members of the Labor Party who have a similar belief. It is simply a statement of fact that they do not believe in the nation-state. We well remember the former Senator Brown saying in one of his farewell speeches: 'Fellow earthlings, we believe in world government. We abrogate the rights of nations to rule themselves.'
It is important that, in the context in which this debate has taken place, the opposition has stayed firm—on every occasion—to the policy that was introduced by the Howard government: the Pacific solution. It has fundamental tenets in addition to enabling Nauru and Manus Island to be reinstated. It is essential that we again have temporary protection visas. Temporary protection visas take the sugar off the table. This was the term used by the Indonesian government to say that we should act to take incentives away from the trade for people being smuggled or brought illegally to Australia.

Temporary protection visas importantly mean that there is no family reunion, which explains why we had boatload after boatload of single males coming to this country, who were put up in rented houses and given benefits. Tens of thousands of Australians who are on waiting lists for public housing do not get the same consideration. The blowout in expenditure of something like $4.7 billion is money that could have gone toward such things as the National Disability Insurance Scheme. It could have gone towards the Commonwealth's honouring some of its obligations, if it is interested in the Gonski scheme. It could have gone towards a whole lot of policies. Instead, the stubbornness of the Prime Minister in refusing to reinstate an effective policy has meant a waste of money—to the disadvantage of the Australian people. Twenty-two thousand people have come since that policy failure. And there have been those dreadful deaths.

In debating this bill the coalition is saying that we support the legislation because it will again allow Nauru and Manus Island to be designated countries where asylum seekers can be taken for offshore processing. It is interesting to note that the mechanism used by the government to bring this about is to say that there will be a legislative instrument made, which will list a country—one country—per legislative instrument. It must then lie on the table, or be introduced to the parliament, for five sitting days before it becomes effective. Currently, the way subordinate legislation works, it becomes effective the moment it is signed. If it is subsequently challenged with a disallowance motion it becomes void. The problem here is that there could have been an instrument made, and many boat arrivals, and the fact that it became void subsequently would not affect the fact that they were already here. This is a new mechanism that the government has decided to use rather than write into the legislation that Nauru and Manus Island shall be permitted, as designated countries, for offshore processing of illegal arrivals or asylum seekers.

This is just stage 1 of reintroducing the successful policy of the Howard government. It is valid to make the point that the Prime Minister showed sheer stubbornness by playing politics continually through this. She was first playing with the idea of Timor-Leste, then playing with the idea of Malaysia. The High Court, in its judgment, clearly said that the minister for immigration was unable to make the declaration that the human rights of people who were sent there in this proposed disgusting trade in human flesh would be protected. The High Court said, 'You are incapable of making that judgment on the evidence available.' That responsibility rests fairly and squarely with the minister for immigration. It was his making a statement, which he clearly was unable to do, that caused the failure of that policy. Again, the Prime Minister was aiding and abetting.

The Prime Minister then needed a mechanism. She needed some way to do a backflip in order to agree with the policy statement forwarded by the coalition. She has done that by outsourcing government
policy to a committee of three. It came back with a statement that using Nauru and Manus Island would be a sensible way to go, that Malaysia was not possible. In soft language it said that it needed an enormous amount of additional work. Temporary protection visas got a tick—but have a bit of fuzz around them. The important thing is, from the coalition's point of view—and from the Australian people's point of view—that the whole system needs to be completed.

There need to be temporary protection visas and there needs to be an instruction to the Northern Command to commence turning back boats where it is safe to do so. The Houston committee would know—and, as former head of the Australian Defence Force, Air Marshal Houston, would know—of the capacity for the Navy to turn back boats safely when required to do so.

It is important that everybody realise that in our supporting this legislation we are not walking away from the rest of our policy. We are standing up for our whole policy and we are saying to the government, 'You have used a mechanism by which you can agree on this point.' Can I say to you: try and find another mechanism so you can agree to the rest of it and introduce a sensible policy which will then again truly stop the boats and reinstate a determination to protect this nation's borders and say to the Australian people that we do believe in the nation state of Australia and we are not prepared to see it have its power to secure its borders treated in a way you, the government, have done previously.

Mr FLETCHER (Bradfield) (09:38): I am very pleased to rise to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. This bill removes section 198A of the Migration Act as well as doing some other things consequent upon the amendments the government has just proposed. Section 198A has been a very important section and at the centre of the approach taken by the Howard government when it introduced the Pacific solution to deal with the sharp increase in the number of asylum seekers arriving by boat. Section 198A sets out the safeguards that Australia would insist upon before sending asylum seekers to a third country to reside while their asylum claim was being heard. The section sets out the safeguards that the minister is required to declare exist, including that the relevant country provides access to effective procedures for assessing their need for protection, provides protection for persons seeking asylum, provides protection to persons who are given refugee status and meets relevant human rights standards.

When the bill before the House was first introduced we opposed it because of its provision which would have removed section 198A. In our view, section 198A was a critical safeguard that was an important part of the overall policy framework the Howard government introduced. It was a safeguard to ensure that Australia was meeting our obligations to asylum seekers while we also sought to achieve the critically important policy objective of maintaining control of Australia's borders and maintaining control of our immigration program. Therefore in the form that this bill was originally introduced and in the form in which it was debated in this House a few weeks ago we were not satisfied that the regime that the present government proposes to introduce in place of section 198A was a satisfactory regime. That proposed new regime is the one set out in subdivision B of the bill, originally to be entitled 'Offshore Processing'. In our view, that subdivision set out materially lower standards which the minister was required to meet before he or she could declare an offshore country as suitable for Australia to
send asylum seekers to. Following the debate in this parliament a few weeks ago, the government subsequently commissioned and has now received the report of the expert panel on asylum seekers and the government has now reintroduced this bill together with, very importantly, some amendments.

There are two main classes of amendment that the government has introduced. One class, as is so typical of this government, is to deal with the window dressing, and throughout the bill the term ‘offshore processing’ is replaced with the term ‘regional processing’. The substantive amendment is the one that would add proposed subsections 198AB(1A) and (1B). The important thing about those amendments is that they require that before the minister can give effect to his declaration that a particular country could be a regional processing country—that is to say, before the minister’s declaration could come into effect and before therefore the minister could implement the decision and begin sending asylum seekers to that third country for them to stay while their claims for asylum were considered—there would have to be either a resolution passed by both houses of parliament or a period of five sitting days in which the minister's declaration had been laid before each house and during which no disallowance motion had been passed by either house. So that is an important additional safeguard which has been added in and is a material difference from what was in the form of the bill that was previously considered.

The government is seeking to give the impression that all of this is part of it moving immediately to restore offshore processing in Nauru and in Manus Island in Papua New Guinea, the same locations where processing occurred for several years under the Howard government as part of a policy framework which was demonstrably successful in materially reducing and essentially eliminating the flow of asylum seekers by boat. The important point about the amendment and the bill before the House this morning is that to reopen offshore processing in Manus Island and in Nauru does not require this bill or this amendment. The minister could make a declaration to that effect under the existing act. Nevertheless, the coalition have indicated that we will support the bill as amended. But we also make the point that this has been a long, painful, convoluted process to get to this point.

In the first phase of what has effectively been a three-stage process, between 2000 and 2007, the Howard government developed and implemented an effective policy to reduce the number of asylum seekers arriving by boat to very low numbers indeed—from 4,137 in 2000-01, over the five years to 2006-07 the annual arrival numbers dropped to 0, 82, 0, 61 and 133.

The second phase of the convoluted process by which we have come to have this bill before the House is that Labor came to power in 2007 promising a complete reversal of policy. I looked at its 2007 party platform yesterday. One of the items in that party platform was as follows:

Labor will end the so-called 'Pacific Solution', with its huge cost to Australian taxpayers. Consequent upon that, once in power the Labor government set about rapidly dismantling the Howard government's policy framework and shredding the hard-won credibility that Australia had built up on this topic with people smugglers and with people who might be considering making the risky and dangerous journey to Australia by boat. The people smugglers got the new message very quickly, and arrival numbers soared. By 2009-10 there were over 1,000, and in the
three subsequent years it has been around five times that number.

The third stage in getting to the provisions in the bill before the House this morning has been the far-too-slowly dawning recognition that the Rudd-Gillard government has made a huge mistake. It has harmed Australia’s national interest and has also given extraordinary encouragement to people smugglers. The predictable but tragic consequences have been that many more people chose to make the highly dangerous voyage to Australia by boat. One of the most disturbing parts of the expert group’s report is table 7, on page 84, which sets out what is known about the deaths of asylum seekers coming to Australia by boat. That shows a total number of 964 deaths that are known to have occurred since 2000, over 600 of which have occurred since Labor came to power and changed the policy.

The other very unfortunate consequence of what has happened in the long road to the bill that is now before us is that the Labor government has effectively abandoned control of the Australian government’s humanitarian program, which, as the expert panel’s report notes, currently stands at 13,750 places. Control of that program has essentially been abandoned to the people smugglers so that, rather than Australia and its government deciding who amongst the world’s 15 million refugees should come into Australia under that humanitarian program, we have effectively subcontracted that decision making to international criminals.

The long and convoluted road to the bill before the House this morning is a powerful illustration of a lesson that applies in so many areas of public policy. It takes hard work and detailed analysis and thinking, based on the evidence, to develop a good policy. It also takes time to put it in place and have it work. In an area like the asylum seeker debate, where emotions—for understandable reasons—run very high, it is particularly incumbent on governments to carefully and responsibly assess the evidence and the data, to implement policies which have a clear objective and which have a reasonable prospect of achieving that objective. Unfortunately, over the last five years the current government has abandoned evidence based policymaking in this area, and it is only now that we are starting to see a return to a more sensible approach. The expert panel report does bring together a substantial body of evidence, but all of that has been available to the Rudd-Gillard government for the last five years. Unfortunately, thanks to this inglorious episode in Australian public policy, many people have suffered very significantly. The most obvious category is the hundreds of people who have tragically died as a result of taking very risky and dangerous voyages to Australia due to policy settings which have encouraged them to do so and which have in particular encouraged people smugglers to operate businesses running people to Australia.

Another group that has suffered are the thousands of people in refugee camps around the world who might already now be in Australia under our special humanitarian program had we not effectively subcontracted management of that program to international criminals. And of course, as many of my colleagues have noted, a significant amount of public money has been squandered due to mismanagement in this area—money that could have been spent on the many other important priorities government faces.

This has been an inglorious episode in Australian public policy. The coalition will support the bill that is before the House today. It is a matter for deep regret that it has
been such a painful and convoluted process to get to this point.

Mr JOHN COBB (Calare) (09:49): I rise today to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011, and I do that in full knowledge—in fact, full certainty—that the people of Calare are committed to and want an orderly, safe refugee and migration program for Australia and are horrified by the events of the last four to five years.

It is an incredible blight on this government that we stand here today, on 15 August 2012, debating a piece of legislation that is just a part of what the coalition has been telling the government to reintroduce for years. In fact, in April 2010—almost 2½ years ago—I issued a press release that stated:

Australia's immigration has drastically risen under the Rudd Labor Government and the number of illegal boat arrivals has reached record highs.

If Kevin Rudd cannot control the population of Christmas Island what hope does he have controlling the population of Australia

At that time he made the member for Watson the population minister. I am not quite sure what happened to that.

The problem of people coming to Australia illegally on boats, risking their own lives and the lives of their children, and pouring money into the pockets of people smugglers, was a serious issue back then. But as we all know now, not long after that press release was issued the member for Griffith, Kevin Rudd, did lose control and was replaced as Prime Minister by the Member for Lalor.

But still the boats kept coming—in fact, 246 boats carrying 15,879 people since the change of leadership, to be exact. And the government kept fumbling. And people drowned at sea. And now we stand here discussing legislation that should have been introduced years ago or never redone in the first place.

If the Prime Minister, Julia Gillard, had not been so stubborn, the human tragedy and costs of Labor's current border protection policies could have all been avoided. For four years, Julia Gillard, the Prime Minister, has said offshore processing at Nauru would not work. Despite the evidence of 22,000 illegal arrivals, almost 1,000 deaths, damage to our international reputation and a $4.7 billion blow-out in costs, Julia Gillard, the Prime Minister, refused to change course. Now she has reluctantly accepted one part of the coalition's plan for stronger borders.

I note that the Houston panel's report has recommendations including: offshore processing in Nauru and on Manus Island in Papua New Guinea to be established as soon as practical; legislation to be introduced to the parliament to allow offshore processing of illegal boat arrivals at designated countries and to reserve to the parliament the provision to allow or disallow the legislative instrument that designates those countries; prohibition of family reunion through Australia's humanitarian program for people arriving by boat and instead making boat arrivals apply for family reunion through the family stream of the migration program; noting that turning back irregular maritime vessels can be operationally achieved and can constitute an effective deterrent to these ventures; and noting that protections for asylum seekers set out in the Malaysian people swap are inadequate. These recommendations substantially endorse the coalition's approach to stopping the boats.

The tragedies that could have been averted and the disasters that could have been prevented had the Labor government opposite simply listened does not bear thinking about—not necessarily listened to
us, the opposition, but simply listened to the facts. The facts showed that the Howard government's border protection policies worked and should never have been removed. The current legislation before us does not do everything that needs to be done. As well as reopening Nauru, we need to bring back temporary protection visas, and we need to commit to turning back boats when it is safe and practical to do so.

I mentioned earlier the electorate of Calare, the electorate I have the honour to serve, which is the oldest part of Australia in agricultural and mining terms. I can tell the House that the people of Calare have, overwhelmingly, said to me, whether they be of Aboriginal descent or the most recent arrivals through Australia's legal, safe, orderly migration and refugee program—whichever side of that they might be—or whether in the middle, that Australia cannot be a party to having encouraged the sorts of disasters we have seen over the last few years. On top of that we must only have people coming to Australia under an orderly, stand-in-line, migration or refugee program, as the people I speak to have done themselves. That is what they expect others to have to do as well, because every illegal that comes here puts someone who is doing it legally at the back of the line.

Dr STONE (Murray) (09:55): I, too, wish to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. The people of Murray, who I represent, have more than an academic or passing interest in fixing the failures of Labor's refugee strategies. We have been a major destination for what the media commonly refers to as the 'boat people'. Many ask to be directed to Shepparton as they are processed at Christmas Island. We have always welcomed waves of refugees and economically driven migration over generations, including Jewish families escaping from Nazi Germany, Italians, Greeks, Macedonians, Albanians, Dutch and Turks. They have all been seeking a better life after the collapse of peace and prosperity in Europe. Some came as assisted migrants and some were unassisted. Most came with very little and proceeded to build productive and peaceful lives in the Goulburn and Murray valleys.

That occurred until the change in the pattern of carefully managed migration and refugee settlement in the country. That change occurred, of course, in November 2007 when Labor came into office. Before that time there was no sense that our system of refugee settlement was corrupted or unfair, with your chances of settlement in Australia dependent on your contacts with criminal networks and your capacity to pay hard cash to jump the queue. When Labor dismantled John Howard's anti-people-smuggling strategy, they changed the fairness and equity of access to Australia for the world's most vulnerable and desperate— for the African families in camps in Kenya, who were struggling to stay alive due to malnutrition as much as the physical dangers if they moved out of those camps.

Labor's incompetence allowed the selection of people to fill the humanitarian refugee intakes to pass into the hands of the criminals running the people-smuggling rackets. The people smugglers' criteria for who got on their boats and who consequently could arrive on Christmas Island or Cocos Island was based on one thing only, and continues to be based on one thing only: the individual's capacity to pay. What other country would stand by and allow this to happen while, literally, millions of other refugees waste away in camps in different parts of Africa and the Middle East? Those families will never have the hard cash to buy their way into the country, but their needs may be substantially greater, and often are,
than those of people who can buy their way onto a boat. And certainly they have the same capacity—some have more capacity—to take advantage of the peace offered with resettlement in Australia.

This action must go down as one of the most shameful episodes in our settlement history: the episode of Labor dismantling a policy that was working and replacing it with a strategy that gave people smugglers a whole new set of cash flow and profit. It is shameful because the Howard government had a solution when the people smugglers first tried to corrupt our intake of refugees many years before. We introduced a multipronged strategy of offshore processing specifically on Nauru and Manus Island, where the arrivals were cared for by Australian officials under humane and careful strategies that all Australians were comfortable with. We only issued temporary protection visas, reflecting the United Nations refugee policies, which do not require that permanent settlement be granted immediately to a legitimate refugee.

We said that if your home country's political climate calmed after, say, two years or so and it was safe for you to return then we would assist you to go back home. We did not allow family reunion during this period of temporary protection. We also said that we would turn boats back, where it was safe to do so, and there were many cases where boats were turned and people went back to Indonesia, where they had often been for many years. We made it very clear to the people traffickers and smugglers that their customers could not expect a fast-track entry into our country simply because they paid the price demanded as they stepped into the leaking boats.

I have not mentioned, yet, the fact that Labor's changed strategy not only gave a whole new line of profit to smugglers but also led to hundreds of drownings at sea. We do not know quite how many, because quite obviously there are boats that disappear without a trace. As we speak, there is a suspicion that another boat went down just a few days ago. There is a suggestion that a boat left Indonesia but there is no sight of that boat now.

There have been more than 600—perhaps more than 1,000—drowned at sea under Labor's watch. There have also been thousands of arrivals at Christmas Island. And those arrivals—every one of them—have taken up the humanitarian places, where they have been found to be genuine refugees, denying a capacity for the government to check, in those camps in Kenya, on who has the greatest claim on resettlement and support as a refugee in Australia.

I think this is a most abhorrent time in Australia, where we have allowed this particular set of circumstances to continue since 2007. We have before us legislation that will at least address one of the issues of offshore processing, whereby now the Labor government understands, as a result of its expert advice from the independent panel, that Nauru at least should be reopened for offshore processing. Of course the coalition supports that. We are concerned, however, that that is only one in the basket of strategies that is required to put people smugglers out of business. We hope that this first step might be a warning to the smugglers that they are not to take for granted the wonderful cash flow from smuggled people. Time will tell.

As I said, the coalition will support this first move back to sanity and to the country being able, once again, to be in charge of its refugee intake. I personally support that move of course, as the member for Murray and as the member who spends a great deal
of time comforting, in particular, my Congolese and Sudanese refugee constituents, who wait in vain for family reunion, to having loved ones in desperate camps rescued and brought to Australia but who find that the queues have been filled, time and time again, by those who have the cash to pay their passage on a leaky boat to Australia.

Ms PARKE (Fremantle) (10:03): I welcome the fact that we are finally considering here some kind of shared commitment to the resolution of a terrible and sometimes shameful policy and political deadlock. And I absolutely respect and acknowledge the very difficult work undertaken by the expert committee led by Angus Houston in getting us to this point. But in so doing I reflect with great disappointment that this area of policy has been dealt with and discussed over the last decade in a way that represents a very low ebb in the tides of Australian politics and public policy.

The discussion has often been so full of distortion, misrepresentation, fear mongering, point-scoring and even righteousness that it cannot be called a debate. To the extent that we regard this outcome as a compromise it is still a compromise at the lower end of what we are capable of as a nation. We strive as a country for excellence in so many areas, and in so many areas we achieve that excellence. Here we have not excelled. Both the parliamentary process and the wider political process in which all of us, as parliamentarians and members of the media, share a part has not excelled. We have not excelled in presenting the facts to the Australian people, in crushing out the lies and easing the ill-founded fears, in lifting the miasma of misunderstanding and intolerance, and in arguing from principle towards reason and compassion.

I therefore welcome the Houston report's clear-eyed presentation of the evidence and policy considerations and a number of its recommendations, including the recommendation with regard to an appropriately funded, evidence based research program to address the gap in evidence and knowledge in this area. I also welcome the recognition that people undertaking dangerous boat journeys do so because their alternatives in transit countries are limited or non-existent, hence the report's discussion of the need to improve the availability of protection for asylum seekers while their claims are being processed and to deliver durable outcomes, including improved access to timely and fair processing of asylum seekers' claims for refugee status, safety and support, while claims are being determined and subsequently, including guarantees against non-refoulement and arbitrary detention; access to education, employment and health care; and expanded opportunities for durable outcomes.

I acknowledge the sadness, frustration and sense of urgency felt throughout the Australian community arising from the hundreds of asylum seeker deaths that have occurred through dangerous boat journeys in recent times. I recognise the spirit and best intentions behind the Houston report and the government's response in accepting the report's recommendations. I strongly welcome the proposal to increase the humanitarian intake to 20,000, and thereafter to 27,000, and the commitment to capacity-building as part of a more integrated regional cooperation approach. However, I would not be doing my duty on behalf of many of my constituents and fellow Labor Party members if I did not convey the deep sense of discomfort they and I feel regarding specific aspects of the path we are embarking on today as a parliament. 'Cruel to be kind' is a
cliche that I am not sure is ever actually justified. In particular, there are strong concerns about the devastating consequences, including severe mental health issues, of detention of asylum seekers for indeterminate periods on Nauru and Manus Island. This was the proved experience under the Howard government's Pacific solution and the criteria have not yet been developed that would prevent such detention, in this case being appropriately described as arbitrary and potentially indefinite.

As my predecessor, Dr Carmen Lawrence, has written:

Not surprisingly, every independent inquiry into immigration detention has drawn attention to the poor mental health of detainees and the particular risks to children’s well-being.

... ...

Such research has revealed high rates of post-traumatic stress disorder, depression, anxiety and panic attacks, attempted suicides and self harm. The longer people are held in detention, the worse the symptoms are likely to be, adding to the already high levels of psychopathology among those who’ve experienced persecution, harassment, torture and physical assaults.

Certainly, if the key criterion for the length of detention is the amount of time an asylum seeker would have had to wait if they had pursued UNHCR assessment within the region, then the wait could well be indefinite, because, for many asylum seekers, including those coming from places like Afghanistan and Sri Lanka, there are no queues to join and no orderly UNHCR paths to safe haven in this country or elsewhere.

I also question the premise that asylum seekers coming to Australia by boat should not have any advantage over others who pursue orderly migration paths, not least because this idea of an orderly path or queue is simply a myth. The only reason we have the sense in this country that asylum seekers who arrive by boat are taking the place of those resettled from refugee camps is that we have operated a quota system that throws these two distinct categories together. This creates an administrative fiction, and there is no reason that we could not have a category and quota for resettlement in addition to meeting our fundamental obligation to assess the asylum claims of those who quite legitimately and legally seek humanitarian refuge in Australia.

It is not widely understood that Australia's resettlement of refugees out of refugee camps, one of the best such programs in the world, is something that we do as a good global citizen and is a very important contribution to the global challenge presented by the millions of refugees, but we do not have a legal obligation to operate this program. We do, however, have international legal obligations under the UN refugee convention to assess the claims of people who arrive and seek asylum, regardless of the manner of their arrival or whether or not they have valid travel or identity documents. As Graham Thom, Amnesty International Australia's national refugee coordinator, has written:

The origin of the notion of ‘queue jumping’, as Australians understand it in the current refugee debate, lies not in the fact that people living in refugee camps are more deserving of our protection, but in the fact that the previous Australian Government initiated a policy linking the onshore and offshore programs in a fixed quota system.

For that reason I welcome the Houston report's proposal in recommendation 21 that:

... the linkage between the onshore and offshore components of the Humanitarian Program be reviewed …

I consider that such review should be implemented as soon as possible.

The refugee convention prohibits the punishing of asylum seekers for the manner...
of their arrival. It is now proposed to lock up those who arrive by boat for an indefinite time on a remote island, while those who arrive by plane—who have often travelled to Australia under false pretences by obtaining a tourist, student or other visa and then claimed asylum once in the country—are not kept in detention and are permitted to remain in the community while their claims are assessed. As noted by Mike Steketee Global Mail on Monday:

There is a myth … that refugees who travel by plane do so legally, while those who catch a boat are "illegals".

… … …

both groups of people are equally entitled to use these means to claim asylum.

Mr Steketee also points out that Australia has an active program to disrupt the travel of people to Australia by plane, including by the exclusion of certain nationalities. He says:

The obvious reason why people risk their lives on leaky fishing boats is that they do not have an alternative.

Graham Thom also said:

As long as refugees have little chance of finding safety through official channels many will be forced to seek protection through dangerous unofficial channels. A successful regional approach can only work if refugees and asylum seekers' access to protection is improved, as evenly as possible, across all regional countries.

Amnesty International believes that Australia has a key role to play in developing a regional approach to refugees that in the long term reduces the need for people to flee their homeland, in the medium term reduces the need for refugees to flee countries of first asylum and in the short term provides refugees with more access to official migration routes throughout the region.

This approach must never be viewed as a substitute for the long-established obligation to offer protection to vulnerable people asking for our help.

It is a lack of safe options across the region which forces refugees onto boats to Australia. Improving this situation is absolutely key to stopping people taking dangerous boat journeys.

The political discussion in recent years about stopping the boats and the people smugglers' business model has said very little about what it means to be a refugee. My own UN experience tells me that people do not leave or stay away from their homes without very good reason. In this context I would like to recount the words of President Vaira Vike-Freiberga of Latvia, who fled her country as a child after the Second World War. She made the following comments at a 2001 meeting of parties to the refugee convention. She said:

No one leaves their home willingly or gladly. When people leave en masse the place of their birth, the place where they live it means there is something very deeply wrong with the circumstances in that country and we should never take lightly these flights of refugees fleeing across borders. They are a sign, they are a symptom, they are proof that something is very wrong somewhere on the international scene. When the moment comes to leave your home, it is a painful moment.

…… …

It can be a costly choice. Three weeks and three days after my family left the shores of Latvia, my little sister died. We buried her by the roadside, we were never able to return or put a flower on her grave.

And I like to think that I stand here today as a survivor who speaks for all those who died by the roadside, some buried by their families and others not and for all those millions across the world today who do not have a voice who cannot be heard but they are also human beings, they also suffer, they also have their hopes, their dreams and their aspirations. Most of all they dream of a normal life.

…… …

I entreat you ladies and gentlemen when you think about the problems of refugees, think of them not in the abstract think of them not in the
bureaucratic language of decisions and declarations, and priorities in a sense that you normally think of things. I entreat you think of the human beings who are touched by your decisions, think of the lives who wait on your help.

We can try to make it as difficult as possible for people to get on boats to Australia. But, as the Houston report notes:

A more comprehensive and sustainable regional framework for improving protection and asylum systems is a key prerequisite for creating safer alternatives to people smuggling.

In the meantime, there is a fundamental lack of protection that is causing people to leave their homes and to leave transit countries. Rather than attempts at deterrence, and punishment for those not deterred, we need to create the conditions that give people safety and hope. I look forward to seeing a constructive bipartisan approach going forward from this week's resolution, an approach that is fully consonant with our great values and capacity as a nation.

Mr CHRISTENSEN (Dawson) (10:14):

Before I begin my remarks, can I sympathise with the member for Fremantle. While I disagree completely with a lot of what she has said here, I do defend her right to say it. She is obviously one of the few members of the other side who are consistent in their approach in opposition to Nauru as a place for asylum seekers to go. I believe she should have the right to say it and the right to vote that way, but, as we all know, doing so would have consequences for her on that side of the House.

I rise to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. This is another bill brought before this place, but not because it is government policy—it is not. It is not because the Labor Party believes it is the right thing to do, because it does not. This bill is not even before us today because the government believes it is in the nation's interest. It does not believe that. The expert panel, appointed by the Labor Party, does believe it is the right thing to do. The coalition thinks it is at least part of the right thing to do. And the Australian people know that it is the right thing to do. Even lifelong supporters of the ALP know that this amendment is the right thing to do.

The only reason this amendment is before this place now is it is another means of clinging to power. This government has been dragged kicking, screaming and whining about how it is everyone else's fault. It is not anyone else's fault. This debacle, this embarrassing retreat, is a walk of shame entirely of this government's own making. But even now, even when they are forced to adopt the very coalition policy that they gleefully tore down four years ago, they refuse to apologise. They refuse to quite simply say: 'We got it wrong.'

The coalition supports the recommendation of the expert panel not because it is a panel of experts but because it is coalition policy. It was coalition policy when John Howard stopped the boats and it is coalition policy now. It has never stopped being coalition policy, even when the Prime Minister—then shadow minister for immigration—back in May 2003, in this chamber, said Nauru was 'costly, unsustainable and wrong as a matter of principle'. How can a government be so convinced with its policies, so enamoured with pandering to the business needs of criminals that it tears down a policy that was working?

They were convinced that offshore processing was somehow inhumane. Now it is a must. Not only did they want to process offshore but also they entered into a people-trafficking deal with Malaysia. What was so wrong five years ago is now so right. It is a complete reversal of offshore processing, a
complete reversal of turning back the boats, a complete reversal of temporary protection visas and a complete reversal of signatories to the UN refugee convention.

This government has adopted just about every stance possible on border protection. There have been more positions in the Labor Party than there are in the Kama Sutra when it comes to border protection. More than a year ago we were watching the amazing race to the bottom of the barrel as this government ran around like a headless chook, looking for any kind of solution to this problem except the one that worked. First it was East Timor—not that the East Timorese knew anything about it—and then it was Manus Island, but that was quickly forgotten about, and then it was over to Malaysia.

It was an amazing race to the bottom of the barrel. I was waiting for a Las Vegas solution to be next but, given the cost of the Malaysia deal, we probably did not need one. Surely we had reached the bottom of this policy barrel when this government put out the call for everyday Australian families to adopt an asylum seeker. 'Adopt a refugee.' It sounded like a joke at the time. The government ran out of room to put all of the asylum seekers in detention, because of its open door policy—so it wanted volunteers to rent a room to an illegal immigrant. It was like an April Fools' Day joke a month too late, particularly when I read from the Daily Telegraph on 3 May:

The Federal Government will pay families up to $300 a week to temporarily house asylum seekers in their homes to help deal with the increasing flood of arrivals.

It went on to say:

Under a plan slated to start next month, the Government will seek to access the 5000 homes registered under the privately run Australian Homestay Network (AHN) to host asylum seekers released from detention on bridging visas.

There is an interesting sidenote in the regional city of Mackay, which is home to more than half the constituents of my electorate. Even if you combined North Mackay, South Mackay, West Mackay and East Mackay, the main suburbs of Mackay, according to the 2011 census data, there would be just 10,299 homes. Even that is not enough to house the 11,048 people who have arrived by boat since the Malaysia solution announcement.

There was a much quicker way to arrive at a solution that works. Assuming a government was ignorant and arrogant enough to insist on breaking the system in the first place, if you look at the recommendations of the expert panel to whom the Prime Minister outsourced her job and the immigration minister's job there is a common theme. In the Australian yesterday there was a summary of the recommendations and the coalition's stance, and certainly the government's stance, on each of these issues. I will go through them. It said:

Policy should be based on principles of fairness, regional co-operation, a no-advantage principle for boat arrivals and adherence to international obligations—
This is existing coalition policy—
Increase Australia's humanitarian intake from 13,750 annually to 20,000—
This is already offered by the coalition—
The government expand its capacity-building initiatives in the region and significantly boost its allocation of resources—
This is existing coalition policy—
Advance bilateral co-operation with Indonesia, including around search-and-rescue efforts and the treatment of Indonesian minors who crew asylum-seeker vessels—
This is existing coalition policy—
Establish a processing centre in Nauru—
This is existing coalition policy—

CHAMBER
Establish a processing centre in PNG—
This is existing coalition policy—
Boat arrivals are no longer to sponsor family to come to Australia under the Special Humanitarian Program—
Once again, this is coalition policy—
Negotiate better outcomes for the removals and returns of failed asylum-seekers—
This is existing coalition policy—
Australian agencies be appropriately funded to continue to disrupt people-smuggling activities—
This is existing coalition policy—
Law enforcement agencies continue to counter the involvement of Australian residents in people-smuggling—
This is existing coalition policy—
Work with regional partners to establish joint operational guidelines for search and rescues—
This is existing coalition policy. We could have shortcut this whole process years ago, with outsourcing the immigration minister's job to a panel. The Prime Minister could have just gone onto the coalition's websites and downloaded our policy. Here it is. You can have it for free!

Now that it is starting to adopt good policy, can this government actually stop the boats? That is the question now. This is the government that invented the pink batts scheme, this is the government that brought us overpriced school halls and countless other botched, budget-blowing schemes. It will certainly waste a lot of money trying to stop the boats. We know that. The cost of running Nauru, according to the government, will be vastly more than under the Howard government because, apparently, someone must have dragged the island further away during the past four or five years. In question time last year, on 21 September, the Prime Minister was asked to correct her claim that reopening Nauru would cost $1 billion, given that the total cost of processing asylum seekers on Nauru and Manus Islands over the six years under the Howard government was just $239 million. The Prime Minister's response was this: 'What the member might want to recognise is how far away it is and the fact that all resources need to be flown to Nauru.' Has dangerous climate change been so bad that it has moved Nauru several thousand kilometres away from Australia in five years? How ridiculous. This is the person who is supposed to be in charge of this country.

Coalition speakers are not here today to gloat, as one of the rare speakers opposite suggested. What we are saying is that what should be taken away from this debate is a dire warning to all Australian people that this is a Labor government. Take it in. Breathe in the incompetence. See the waste. Get angry at the lies and deception that we have been fed. The time will soon come when the Australian people will have their say and they must remember the four years of incompetence, waste and tragedy on this issue of illegal immigration. And should they grant the Liberal-National coalition the great honour of restoring this nation, we will build on the policies in this amendment. The coalition will restore a full policy that has been proven to work. Temporary protection visas will fill the gaps because they would remove completely what the people smugglers are so desperate to sell, and that is permanent residency. Imagine a people smuggler trying to sell permanent residency if temporary protection visas were introduced today by this government or, hopefully, next year by the next government. How could they ask their clients pay, say, $10,000 to get on a leaky boat to come over to Australia if they had to tell them: 'If you arrive in Australia illegally and if you are found to be a genuine refugee, you will be processed offshore in Nauru, and if you are designated to go to Australia, you will only
receive a temporary protection visa. A temporary protection visa is as it sounds. It is not permanent and if the threat goes away in your own country that you are running from you will be sent back home. The temporary protection visas will void forever and a day any attempt you make to become a permanent resident of Australia, because you attempted illegal entry."

Government have a long way to go to actually get this policy right. They have it partly right here today because they are adopting part of coalition policy, which is Nauru and Manus Islands. When the full coalition policy is in place and competently run, by a competent Liberal-National coalition government, only then will proper border protection be fully restored to this country.

Mr ANDREWS (Menzies) (10:26): I rise to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011 and the amendments which have been moved to it. I want to place my remarks in the context of this broader debate because why we are discussing this bill today is because we have a government which four years ago took a solution and created a problem. Now four years later, after more than 20,000 illegal arrivals, after some 1,000 deaths at sea—and they are just the ones that we know of—and a cost blowout of $4.7 billion, a $4.700 million cost blowout, we are getting a partial reinstatement of the solution. This is being done without any apology to this place or the people of Australia and without any explanation as to why the policy failed. Let me remind the House that the Prime Minister is the very person who said about the Pacific solution that it was costly and unsustainable, who described it as a farce and said that it was an illusion, not a solution. So, without apology and without explanation, now that which was a farce in the Prime Minister's own previous words is now a solution to the problem. All this has been done with the same brazen hubris for which this Prime Minister and this government have become renowned.

I say it is a partial solution, and this goes to some of the amendments before the House. As speaker after speaker on the side of the parliament has pointed out, there was a suite of measures that were put in place by the Howard government in order to try and stem the flow of people arriving by leaky boat from overseas. Amongst those measures was not just the provision which is now being reinstated, namely to process people offshore at Nauru and Manus Islands, but also the temporary protection visas which the previous speaker mentioned in this debate. It was that suite of measures, not simply the overseas processing, which led to just a trickle of people coming by boat by the last year of the Howard government, the year in which I was the immigration minister. So the government is on notice in this debate that if this measure, this partial measure, does not succeed then it is to blame, it is responsible, because it has not been prepared to reinstate the entire solution.

The government that took the solution that was working, which had stopped the flow of boats to Australia, and all the dangers associated with that—it took that solution and created a problem—is now only partially reinstating the solution.

This exposes two things. The first is the total lack of evidence based policymaking by this government. Whether in relation to this matter before the House at the moment or to a range of other issues, this is a government that announces a policy proposal and then tries to find some evidence to back it up. The reality is that this is a government that is not engaged in proper evidence based
policymaking over a whole range of issues, and this is just one example of that.

The second thing, which goes to the amendment moved by the opposition, is the hypocrisy on the left in Australia in relation to these matters. Whether we are talking about boat people, global warming, same-sex unions or a host of other issues, we have been lectured and hectored by the voices of the Left in the Australian media and elsewhere that only their version of morality is true and correct. And it has happened over and over again. They have made criticisms of the member for Berowra, Philip Ruddock, in relation to putting this policy in place in the first place—and generally of John Howard and the entire government. We were hectored day after day that somehow what we had done was immoral.

It was not just a disagreement in terms of what policy should be put in place, not just a disagreement about a particular policy prescription, but a view that this was in fact an immoral government led by an immoral Prime Minister with immoral ministers and immoral backbenchers. That is what we were told, day after day, by the Left in this country: that stopping the boats was immoral, as if there were no other moral principles in play. How about the moral principle in relation to exploiting people—of saying, 'We will take US$10,000 per head from you and put you on a leaky fishing boat that may or may not reach Christmas Island or Ashmore Reef'? What about the morality of that? No, there was nothing about that; that was not part of it.

What about the morality of putting people on a boat, knowing that the thing might leak somewhere in the middle of the Indian Ocean? What about the morality of that? No, there was nothing about that. This was simply one version of morality, which was preached day after day after day by the Left in Australia, as if their version of the world were the only version that is true. And if you disagree with them on this or the other matters I spoke about earlier, whether it be global warming, same-sex unions or whatever you want to add to that list—it is a long list, and I will not detain the House with the whole list—then you are a racist, or a bigot, or a homophobe, or a nationalist, or something else. The ad hominem personal attacks went on day after day after day.

I hear the deafening silence from the other side. At least the previous speaker, the member for Fremantle, had the decency, the integrity and the consistency to come in and voice her continuing concern, from her perspective. But where are all the other voices on the other side—those who lectured and hectored us? They are all gone, all disappeared, all silent. All have slunk back to their offices in this building without anything to say about this. This exposes the total hypocrisy of that left-wing attack over the last four, five, six or 10 years in Australia. Any time I hear someone from the Left, or from the other side, saying that policies that are put forward on the basis of evidence somehow make us racist or bigoted or nationalistic or whatever the latest attack is, then we can simply say: 'Remember Nauru. Remember the policy that you said was immoral. Remember the policy that you said was a farce. Remember the policy that you said was unsustainable. And now, brazenly, you are embracing it.'

This exposes, once and for all, the lack of character, the lack of evidence based policymaking and the total failure of the totalitarian impulse on the other side for their own view of the way in which this country should be run. The Australian people should never forget this incident—not simply because it is at least a partial putting back in place of a policy that worked, but because of...
the total exposure of the hypocrisy of the Left.

Mr VAN MANEN (Forde) (10:34): I, like many of my colleagues contributing to this debate on the Migration Legislation (Offshore Processing and Other Measures) Bill 2011, stand here today curious as to why we are seeing only one leg of the policies we have been promulgating for the past 10 years or so being reintroduced. But I suppose, as with anything with this government, something is better than nothing. We have spent the past 4½ years, which has been more than long enough, saying that offshore processing on Nauru or Manus Island or elsewhere was the solution to the people-smuggling business, and we proved that in our time in government.

That is more than four years in which the Prime Minister has said it would not work, and now we have the expert panel recommendations that vindicate our stance over these past 4½ years. In that time we have watched as the strength of our border protection framework has deteriorated. The fragile state of our borders has boosted the people-smuggling trade and, sadly, has resulted in nearly 1,000 people—as we can best ascertain—losing their lives at sea.

But it is heartening to see that at least the member for Moreton has recognised, as reported in the Telegraph today:

Any party which has a policy that results in 700 deaths at sea needs to revise its policy. Maybe we should have revised it earlier.

I can only concur with those comments. As we have seen over the past 4½ years, some 22½ thousand people arrived in 386 boats. While the boats roll in, the costs continue to blow out and the Prime Minister has refused to accept our recommendations over that time, which included reopening Nauru. It has taken a so-called expert panel to produce a report that vindicates our policy stance over the past 4½ years, and five or six years prior to that, to give the green light to Nauru and a red light to Malaysia.

This has left the rest of us wondering why this did not happen years ago, or even six weeks ago when we were last in this place having this debate. The stubbornness and pig-headedness of this government and the failure to recognise or acknowledge what works—maybe because it was not their idea—has resulted in lives being lost and in taxpayers' money being wasted.

The panel has made 22 recommendations, including: reopening of Nauru and Manus Island for offshore processing; introducing legislation to the parliament to allow offshore processing of illegal boat arrivals at designated countries and provide parliament with the provision to allow or disallow the legislative instrument that designates those countries; and prohibiting family reunion through Australia's humanitarian program for people arriving by boat instead making boat arrivals apply for family reunion through the family stream of the migration program. The report says that turning back irregular maritime vessels or as we call it 'turning back the boats' can be operationally achieved and can constitute an effective deterrent to the people smugglers. These are just some of the recommendations contained in the Houston report.

The Prime Minister has said in this place over the past 24 hours that the government is now willing to pursue or reopen Nauru and Manus Island, and we sincerely hope that that is followed through, is well managed and well instituted, because the government's track record to date on any number of programs leaves a lot to be desired. As has been mentioned by my colleagues' contributions, the reopening of Nauru is one part of a three-part strategy we as a coalition had in place that successfully stemmed the
We have consistently argued that these proven policies have worked in the past and will work again today. It is that combination that is going to provide the ultimate deterrent. I must stress that it is only the proven policies of the coalition that will ultimately provide the solution to this ongoing problem.

For now, let us not waste any more time and let us not waste any more lives or blow any more of our taxpayers' hard earned money. Let us have this initial start of reopening Nauru and Manus Island brought to fruition and implemented so that we can start working towards a long-term sustainable solution to this problem.

Mr BUCHHOLZ (Wright) (10:41): I rise to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011 that is currently being debated before the House. I take the opportunity to associate myself with some of the earlier comments of my colleagues and particularly of the Leader of the Opposition, Tony Abbott. This is an emotional debate and it is a sensitive debate. It is a situation in which we need to have a common sense approach.

I have been asked to reduce the time of my speech to five minutes so that we can let other members put their comments on the record. With the time available to me I want to ask us, as a parliament: how did we get here? How did we get to this point where we have such a breakdown in policy? What was motivating the decision makers? Was it pride? Was it polls? What was it? What was the motivator that continued to allow this parliament to allow lives to be lost senselessly at sea? I do not know the answers, but I think we need to have a good look at ourselves and the way that this matter has been handled.

We are a kind and generous nation. We do our heavy lifting when it comes to taking refugees. There were comments made in this parliament by members greater than me. They said that we will decide who comes to this nation and under what circumstances they come. With our policy decisions we were able to keep our borders protected. We were able to save lives and nearly 1,000 lives have been lost, for what measure or for what gain.

I understand the intent of the policy behind the Malaysian deal, the five-for-one swap, as trying to act as a deterrent, but it was fundamentally flawed. An expert committee, an expert panel, in the way of a High Court decision, said that that could not happen. I raise that because throughout this debate we have been too flippant and too quick to reach out and grasp these catchcries of 'expert panels' and 'expert advice'. Well—guess what!—it has all been wrong. Just about every piece of expert advice, other than the eminent advice that we have received of late, has been proven to be wrong. There has not been one apology; the advisers will probably actually get some promotions. As sure as anything, there may even be some more money in their budget. Ultimately, the decisions that were given to this parliament, to this government, from so-called experts to this day have proven to be wrong. The evidence I give to support that the advice was wrong is that people died.

This is an issue that Australian people want fixed. In my electorate people come up to me and say, 'You've got to stop the boats.' Those who are most passionate and emotional about trying to stop the boats are our newer Australians. There is a real emotion because they have done the right
thing to get here by coming through a front door. They are proud new Australians. Generations of farmers in my area—Germans, Scots, Italians, Vietnamese, Greeks—are the ones who are most motivated and most vocal in the community. They say to me, 'Please stop the boats,' because they saw what happened in their countries with poor immigration policy.

We hear now cries from the government that we should put politics aside in this debate. This is the parliament of Australia, and it is all about politics. Everything in this place is about politics, because that is what we do. It is all about politics, and if it was not about politics you would not have heard the comments earlier on, from our Prime Minister, that no rational person—'I put it as highly as that,' the Prime Minister said—would suggest that in 10 or 20 years we would still be processing asylum claims on Nauru. You have heard it from previous speakers, and I do not want to go down that track again, because you get the gist. But do not be so flippant as to think that it is not about politics. It is.

This is a sensitive issue. I take the opportunity in closing to thank the government for what would have been a difficult decision—to accept the recommendations from the Houston committee. With my hand on my heart I say that I hope that we have turned the corner. I take the opportunity to thank the government for moving us a positive step forward and hopefully saving some more lives.

Mrs MIRABELLA (Indi) (10:48): If some members on the government side had their way I would not be standing here speaking, because on this very critical issue that goes to the protection of our borders and the ability of a national government to exercise its sovereign responsibilities, we have been told, 'You can't speak on these issues,' even though it has been a burning sore for this government since the very day they dismantled the policies that worked. But this is the Australian parliament.

This is not about delaying a vote; this is about putting on the record some comments about a fundamental failure of the Labor Party as a party and of the Labor Party as the government. We have heard so much about the playing of politics, and the very beginning of the Labor Party's criticism of the Howard government's approach was playing politics. It was playing the politics of the elite.

We were criticised in government not only because we successfully implemented policies that stopped the boats—there were only four irregular boat entrants in detention when we lost office—but because, in this great democracy that is Australia, we listened to what the Australian people wanted. That is the fundamental problem with the Labor Party: they have been taken over by the fringe left, which would be more comfortable in the Greens, and they sneer at the concerns and the values of mainstream Australia.

It is very interesting, this playing politics of the elite. Who did they listen to back then? I came across some typical comments. These were made by Julian Burnside on 11 June 2002. He said:

The Pacific Solution was an immediate and astonishingly popular response to the Tampa case.

He went on to say:

The Howard government won the approval of an unthinking electorate with its response to Tampa, but it forever sacrificed any claim to moral decency.

That is who the Labor Party have been playing to. They have contempt for the basic belief that the majority of Australians have. The majority of Australians want to believe...
that their national government, as a sovereign government, has the ability, the power, the resources and, importantly, the desire to fulfil one of its basic constitutional responsibilities, which is to protect its borders. Whether it is illegal goods or irregular entrants coming into this country, what is so offensive about that to the Labor Party? It is their stubbornness to accept that perhaps old-fashioned—just like our Constitution!—notion that a sovereign government should be in a position to reflect the wishes and aspirations of the people it seeks to represent, and that means protecting our borders.

That is why, when John Howard made the statement, 'We will decide who comes to this country, and the circumstances under which they come,' there was a resonating head nod across the nation.

Somehow, that slogan was used against us, as if it was somehow mean, terrible, nasty and immoral. What is immoral is when a government believes it knows better than the people of its nation, when a government has such arrogance and panders to the views of the snooty elites instead of representing the silent majority. Look at newspaper clippings of the time. An editorial in the Canberra Times, 'Pacific Solution: an indelible stain', read:

Labor's quick action to end this offensive policy is to be applauded, though it will take time to rehabilitate Australia's damaged international reputation. Those responsible for the Pacific Solution face an almost impossible task in erasing this blot on their record, and deservedly so.

What absolute rubbish. We were the envy of so many countries in Europe. They looked to us for policy solutions in dealing with their irregular entrants. We have a more recent editorial from the Sydney Morning Herald, 'A balanced view of asylum seeker policy'. When will we hear the apologies from those who demonised a very responsible policy that was in our national interest? We will not hear them because they will choke on those words, but history will record that the Howard government had humane policies, had appropriate policies, had responsible policies and reacted democratically to the concerns of the Australian people.

So why have we had a backflip from the government? Is it because they are concerned about the number of irregular boat entrants? No. The only reason this Prime Minister has backflipped is that it is a political problem. Finally, democracy has caught up with the government and they realise that it is doing them damage in the electorate. So they think: 'How can we get out of this? Let's outsource our policy making. Let's give it to someone else so we don't have to take responsibility for all those people who applauded us and cried and said we were the moral crusaders for demonising Howard. Let's absolve ourselves of the responsibility of making a decision and outsource our policy.' I reckon if you outsource your basic responsibility of making fundamental policy in this country you should also outsource your salary. So that was the reason. It was not any desire to stem the flow of illegal entrants or to destroy the product that criminal gangs have in smuggling people. It was absolute, pure, politics.

On this side of the House we do believe that those of us elected, particularly when we sit on the other side of the House, have a solemn and moral duty to the people of this nation. We have a solemn and moral responsibility to make decisions in the national interest, to increase Australians' lot in life, to improve their standard of living, to improve their opportunities, to protect them, to give them the sort of nation they want. And that fundamental responsibility necessarily demands that a national government protect its borders.
We have seen the exaggerated claims about how much Nauru would cost. We have seen all the comments. We have the media releases from Ms Gillard when she was shadow minister for population and immigration, saying 'Pacific solution an illusion, not an answer'; 'Pacific solution: the farce continues' and 'the Pacific solution unravels'. The Prime Minister and her government need to take responsibility for the cost blow-out of $4.7 billion that the reversal of John Howard's policies has caused.

The Prime Minister said 'I'm over it.' She may well be over it. Of course she wants to sweep it under the carpet, get to the end of the year, and pretend and say: 'Look at all the problems I've fixed. I've got a solution. We've got the carbon tax. I'm going to save the world some emissions with the carbon tax. I've fixed the boat problem.' She will not solve anything, because this is only a partial solution, and her heart is not really in it, and Australians know that her heart is not really in it. Do you know what they are saying? You cross the country and from one end to the other people are echoing some of the Prime Minister's words—they are over her, and they are over her government.

Mrs ANDREWS (McPherson) (10:58): I rise also to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. The coalition has consistently supported good policy and opposed the bad. What I want to see is good policy on border protection. Sadly and tragically, that has been lacking from this government. The coalition's border protection policy has three core elements, which are: firstly, turning back boats, a straightforward and uncompromising deterrent, where circumstances permit; secondly, processing offshore in a third country, namely Nauru; and, thirdly, providing temporary protection visas to illegal arrivals who are found to be genuine refugees.

Since the Pacific solution was abolished by the Labor government, a series of policy failures have been witnessed by the Australian people. These failures have resulted in approximately 22,000 illegal arrivals on about 400 boats as well as—tragically—almost 1,000 deaths.

The Howard government was committed to strong border protection policies, and today the coalition continues this important commitment. Former Prime Minister John Howard boldly and rightly stated, 'We will decide who comes to this country and the circumstances in which they come.' That declaration best encapsulates the policies we must pursue to ensure that our borders are kept strong. The Pacific solution worked and was clearly demonstrated to be effective in stopping the people-smuggling trade. But the Labor government pursued an agenda that has been proven not to work, and they doggedly stuck to that agenda even when it was beyond doubt that their policies had failed. Offshore processing centres on Nauru and Manus Island worked; it was clearly demonstrated that offshore processing worked as a deterrent. Offshore processing should never have been abolished, and it should be reintroduced. Another key part of the Howard government's success on border protection measures was the introduction of temporary protection visas. But in 2008 the Rudd government ended the temporary protection visa system, and this has led to a significant increase in the number of boat arrivals. Temporary protection visas worked, and they provided an effective deterrent to unauthorised boat arrivals. That is why the coalition remains committed to reintroducing temporary protection visas.

For the last four years the Prime Minister has refused to listen to the opposition on
It was not until the Prime Minister of Australia contracted out her job to a committee led by Angus Houston that a common-sense approach to border protection was established. The committee's report substantially endorses the coalition's rational approach to border protection. It makes 22 recommendations, including: offshore processing in Nauru and on Manus Island; the introduction of legislation to the parliament to allow processing of illegal boat arrivals in designated countries and reserving to the parliament the provision to allow or disallow the legislative instrument that designates those countries; prohibiting family reunion through Australia's humanitarian program for people arriving by boat and instead making boat arrivals apply for family reunion through the family stream of the migration program; and the finding that turning back irregular maritime arrivals can be operationally achieved and can constitute an effective deterrent to people-smuggling ventures. These recommendations are effectively the same as those in the opposition's bill, and we therefore support the report.

For four years the Prime Minister said that offshore processing at Nauru would not work. For four years Australia's borders have suffered and been weakened. For four years Australia's reputation has been tarnished. The people-smuggling business has grown out of control. All of this has occurred because the Prime Minister has been too stubborn to admit that Labor got it wrong. The stubbornness that rejected Nauru is the same logic that is still rejecting other proven policies. To the Prime Minister I say: pride comes before a fall. Too much has been lost over the last four years, and Australians have every right to continue to question the judgement of a Prime Minister who is continually getting it so wrong.

The coalition has consistently supported good, strong policy, and offshore processing on Nauru has been part of a strong border protection policy that has been proven to work. Reopening the processing centre on Nauru is not the entire solution to stopping the boats and securing our borders, but it is an integral part of our plan to break the chain in illegal migration. Previously on Nauru the coalition was able to effectively ensure the welfare, support, processing and protection of every person through to the time of their departure. I support the reopening of the processing centres on Nauru and Manus Island, and I support the bill as amended.

Mr SCHULTZ (Hume) (11:04): I rise to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. This bill should have been passed at the last parliamentary sitting but, unfortunately, because of vanity and arrogance, that did not occur.

The issuing of the recommendations in the Houston report on illegal boat arrivals was preceded by incompetence, by tokenistic expressions of loyalty to our country and its people and by the government's trashing of its obligation to protect our borders from illegal breaches by unauthorised people. All of this resulted in the shutdown of what was once a controlled, respected and professional immigration process. The long-accepted statement by PM John Howard that 'we will decide who comes to this country and the circumstances in which they come' was contemptuously ignored and discarded until the humiliating acknowledgement by the Prime Minister's expert panel that the Prime Minister was wrong and the coalition policy was right.

If Prime Minister Julia Gillard had not been so stubborn, the human tragedy and cost of Labor's failed border protection policies could have been avoided, and the
millions of dollars in taxpayers' funds which have been wasted on those policies could instead have been appropriately used on much-needed projects to benefit all Australians. For four years Prime Minister Gillard and her government had said that offshore processing at Nauru would not work. For four years Australia's borders had been weak, lives had been lost at sea, Australia's reputation with its neighbours had been tarnished, costs had blown out and people smuggling had flourished. All this happened because Prime Minister Gillard was too stubborn to admit that Labor had got it wrong.

I acquaint the House with a book that I read during the last sitting break. It was written, poignantly, about the Kokoda Track. It was centred around the very significant sacrifices made by young men from all walks of life. They were young Australians who died in very tragic, debilitating and horrifying circumstances on the Kokoda Track in their attempt to protect this great country of ours from people who would, but for their sacrifice, have invaded the country. I feel passionate about that and I become emotionally involved because those young Australians did it to protect our borders. In today's day and age, the government should acknowledge and protect the borders around this great country of ours on behalf of the Australian people for whom they made their sacrifice.

For four years, the current Labor government have been too stubborn to admit they got it wrong. The report of the Expert Panel on Asylum Seekers gave a green light for Nauru, a red light for the Malaysia people swap and a rejection of the Prime Minister's rhetoric on Nauru. Australians have to wonder why this did not happen years ago—why the pretext that Nauru would not work, why the wild claims it would cost billions to reopen and why the stubbornness that has done so much damage to Australia and its people? Too much has been lost over the past four years and Australians have every right to continue to question the judgment of a Prime Minister who continually gets it wrong. The stubbornness that rejected Nauru for years is the same stubbornness that is still rejecting other proven policies, such as temporary protection visas and turning the boats around. Prime Minister Gillard was proved wrong on Nauru and she is still wrong on TPVs and turning the boats around.

At the weekend, I spoke to a number of my constituents who came out here in the 1950s and the 1960s under the orderly immigration process operated by the Australian government. They are absolutely astounded and angry that people coming into the country illegally through the backdoor are being treated with kid gloves. When they came to this country, they accepted the detention process to which they were subjected. They got on with their lives, made a contribution to this country and became very successful and loyal citizens of Australia.

The coalition has consistently argued for proven policies that work together to strengthen Australia. The coalition's policies on borders have been proven to work. The people smugglers' business model needs to be broken. These policies work together and, when combined, entirely destroy the people-smuggler process. The coalition understands, as do the majority of Australians, that the Howard government solutions worked then and will work now. We will reintroduce offshore processing on Nauru when we are elected at the next election. Offshore processing will guarantee that the rights of asylum seekers are protected. We will return to a system of temporary protection visas because people will be safe but not granted
permanent residency with all the benefits that go with it unless they pass all of the tests which ensure they are not nor will be a threat to this country.

We know there can be circumstances where boats can be turned back safely, as Sri Lankan and Indonesian authorities have shown. The coalition has constantly and consistently supported good policy and opposed bad policy. The coalition will support the legislation to reopen Nauru. Offshore processing at Nauru has been part of the coalition's border protection policy for over a decade. Reopening Nauru is not the entire solution to stopping the boats, but it is a part of our plan to stop the boats altogether. I support this legislation because the government has finally succumbed to pressure from the Australian people, and to pressure on Labor MPs out in their constituencies, and has taken the advice of the Expert Panel on Asylum Seekers to return to offshore processing, which is contained in the bill. When we get into government we will make sure that this legislation is amended to include the processes to finalise the coalition policy for the Australian people.

Mr ALEXANDER (Bennelong) (11:12): Earlier today the Prime Minister welcomed back Australia's Olympic team. With great fanfare she immersed herself in the celebration of Australia's sporting achievements. Many stories have come out of the Olympic Games, but few can rival the silver medal won by Australia's youngest Olympian, 16-year-old platform diver Brittany Broben. After an assortment of handstands and backflips, it took Brittany a 2½ somersault with a 1½ twist to ultimately claim second place. I am sure our Prime Minister looks at this young athlete with great envy as, despite Brittany's tender years, it seems even she has learnt to master the backflip better than our nation's most senior political leader.

For many years we have heard the cry from our Prime Minister that she would never support the coalition's policy of an offshore processing centre in Nauru, that she would tear the place down, that it did not work and that she would never call the Nauru Prime Minister to discuss the matter. Yet now, with a backflip which puts her in the bronze medal position, the Prime Minister has put her pride aside, picked up the diplomatic phone and announced to our nation that the coalition was right all along.

Prime Minister, we welcome your backflip. It may have taken four years too long, but we are glad you finally accept that this is a crucial part of the policy that works, a policy that stops people from taking that forsaken boat journey, from risking their lives and the lives of their families.

As any of Brittany Broben's year 11 classmates can tell you, the numbers do not lie. Since you started dismantling offshore processing, 22,000 people have arrived by boat and nearly 1,000 have lost their lives at sea. In the six years prior to that—the duration of the Howard government's offshore processing policy—only 272 people arrived by boat.

This is an extraordinary discrepancy that is shamefully stained with the blood of those 1,000 lives. It is little wonder that even refugee advocate Paris Aristotle has embraced offshore processing—because it works. Our goal is to stop people risking their lives, to stop people dying at sea.

We can be generous in our humanitarian program, we can lift our intake to 20,000 people a year and do our bit to help the most vulnerable people in the region, but we also need to manage policies that deter people from taking that dangerous journey. It was the trifecta of policies under the Howard
government that achieved this goal and saved countless lives. Prime Minister, we applaud your backflip but, as I said before, this is only enough for bronze. There are three legs to this policy stool, and it is only the complete package that will win you a gold medal. Temporary protection visas and turning the boats around are crucial elements in achieving the goal you so desperately yearn for. Surely, the first backflip—that little taste of humble pie—has taught you the joy of a bronze medal.

Prime Minister, year 11 students will tell you that the triple backflip is the only policy that works. It is time to go one up on Brittany Broben; it is time to go for policy gold. Prime Minister, the nation awaits your decision. In unison we cry, 'Prime Minister, don't let us down; don't let any more drown.' Stopping the boats, and therefore stopping the loss of life at sea, is just the first step in this lengthy process of policy debate. It is only when this problem is resolved—when we can process a humanitarian intake in an orderly manner and fulfil our duties under the refugee convention—that we as policy makers can turn productively and proactively to even better policies. Once we can move on from the daily scramble to rescue lives in leaky boats, we can then explore ways in which we can help our nation grow, to take the next step in the 21st century and to make our electorate proud of both our achievements and our ability to help those less fortunate.

The challenge before us is to implement a policy that will deter economic migrants from taking a dangerous journey in search of a better life, while balancing our domestic economic needs and our international humanitarian obligations. The varying incarnations of Australian asylum seekers policy over the past four decades have raised more questions than answers. How does a government act in the best interests of its people while remaining true to its core values? Is deterrence the best, the most important, element of our policy? What cultural foundations are we laying down for the applicants that pass through our detention system and are finally accepted as genuine refugees? Is our country full? Or do we stand by our national anthem and have boundless plains to share? Are there other options?

What have we learnt from our own history and from the example of other nations? In 1949, the first year of the Menzies government, the Snowy Mountains Hydro-Electric Power Act was passed by this House. What became the most significant engineering achievement in our nation's history was built with great assistance from people fleeing war-torn Europe. Hundreds of thousands of displaced people were crammed into refugee camps across Europe, patiently waiting for the opportunity of a better life. The Australian government balanced our humanitarian obligations with our national responsibilities, and a simple negotiation was made—priority in our refugee program was given to those that had the skills to assist in the construction of the Snowy Hydro and would make a commitment to work and live in the surrounding community. We would never be in a position to offer salvation to everyone who needed it, so instead we attracted people with the ability and the willingness to contribute to the building of our nation, those who wanted to earn a stake in our nation's future. The result speaks for itself.

I offer this little trip down memory lane with a view towards the future debate on this vexed issue of refugee policy. Once our Prime Minister has accepted to implement the only raft of policies proven to stop the boats and save lives, perhaps we as a nation can embark on a new conversation. We have so many challenges that sit patiently awaiting forthright leadership and policy
direction. What methods can we use to finally deliver high-speed rail to our nation, 50 years after the Japanese began using this nation-building technology? How can we invest in half of our nation's land mass and make the desert bloom, just as the Israelis have done for the past 60 years? When we have a wet season creating floods in the north of our country and drought causing irreparable damage to our southern food bowl, why can't we find the manpower to redress the balance?

Many of us look forward to the day when the implementation of good policy to patch up our nation's problems can lead to clear air so that these kinds of productive nation-building conversations can return to our pubs and clubs and to the halls of this great institution. In the meantime we are still standing on the diving platform, staring down at the water below and trying to convince our Prime Minister that even a year 11 student knows that a triple backflip is the only answer.

The DEPUTY SPEAKER (Mr Lyons) (11:20): I look forward to the sporting analogies from the member for Boothby.

Dr SOUTHCOTT (Boothby) (11:20): Thank you, Mr Deputy Speaker, but I do not think I could match the eloquence of the member for Bennelong on the Olympic silver diving medallist. I welcome the opportunity to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. It is an important issue and an important piece of legislation. This is a debate about protecting our borders and protecting the rights of those seeking asylum. The sad thing about this debate is that it has taken almost five years of policy failures, and failures by the government to secure our borders, to come to this point. We have seen policy failure after policy failure when it comes to border protection. In the manner to which we have become accustomed with this government, their position on border security has flip-flopped. There is nothing more disconcerting to the Australian people than seeing an Australian government flip-flopping in the area of national security and border protection.

Over the past 10 years Labor have supported turning back the boats and they have opposed turning back the boats; they have supported offshore processing and opposed offshore processing; they have supported temporary protection visas and opposed temporary protection visas. I have spoken about this before, but one of the problems with what the Labor government did once they started to unpick the border protection regime which the Howard government left in place is that the whole thing began to unravel. They put the people smugglers back in business. There are not many businesses that have thrived under this government, but the people smuggler business has.

The government proved that they were a soft touch on border protection. The boats started arriving, but for a long time the government was in denial that there was even a problem. Since the government took office with their intention to abolish the Howard government's border protection measures 22,518 people have arrived on 386 boats. Tragically, over that time more than 1,000 have lost their lives on the journey. In fact, we heard news last night of another boat with another 71 passengers. I have been around long enough to remember the current Prime Minister saying, when she was the Labor immigration spokesperson, 'Another boat, another policy failure.' Under this government we have had 386 boats and 386 policy failures.
Under the Howard government this program cost less than $100 million, but it has now blown out to more than $1 billion under the current government. The government's failure to manage our borders has cost taxpayers an extra $4.7 billion since they abolished the coalition's proven border protection measures.

Most governments find problems and create solutions; this government found a solution and created a problem. It does not stop there: there was their incompetently managed *Oceanic Viking* standoff, their failed freeze on asylum seeker processing and their announcement of the East Timor solution before they had even asked East Timor if they would participate. But the government's latest, most significant failing regarding border security was their five-for-one Malaysia people-swap. It was another border protection failure from an incompetent government. The Malaysia people-swap solution was condemned by both houses of parliament and was struck down by the High Court, yet they persisted with it.

One of the fundamental responsibilities for any Australian government is to protect our borders. Core business for an Australian government is managing the economy, managing national security and managing our borders. It was only when the Prime Minister was forced to delegate her responsibility to an expert panel six weeks ago that things changed. The government were forced to delegate their responsibility to an expert panel because they did not have a border protection policy, they did not know what they believed in anymore and they did not know what to do. The expert panel has recommended substantially what the coalition had in place and what the coalition has been recommending for years. For four years, the Prime Minister has said that offshore processing on Nauru would not work. That solution was not good enough for the government six weeks ago when the coalition proposed it, but it is good enough for them now. The Houston panel made 22 recommendations, including offshore processing on Nauru and Manus Islands, and made the observations that turning boats around can be operationally achieved and that the protections under the government's Malaysia solution were inadequate.

Unlike the flip-flops from the government, when it comes to managing asylum seekers the coalition has had a clear and consistent, tried and tested policy on border protection for more than a decade. It is a policy that has three elements at its core: firstly, turning back the boats when the circumstances permit and, more importantly, when it is safe to do so; secondly, offshore processing in a third country, namely Nauru, subject to clear human rights protections consistent with our obligations; and, thirdly, temporary protection visas, for those who are found to be genuine refugees, that deny access to the family reunion program. This is a set of policies that has been proven to work. They worked then and they will work now. Between 2002 and 2007—over the last five years of the Howard government—on average, fewer than three boats arrived per year in our waters. The coalition's policies put the people smugglers out of business. Under this government the only business which has thrived is the people smuggler business.

Reopening Nauru and Manus Islands is not the entire solution to stopping the boats, but it is one part of the coalition's plan to stopping the boats. The government's decision to implement the Houston report and reopen Nauru and Manus Island is a humiliating backdown in a long list of policy failures, a long list of backflips, but it is the prudent thing to do. Therefore, we will be supporting this legislation.
Mr MATHESON (Macarthur) (11:27): On behalf of the people of Macarthur, I rise to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. The coalition has had a clear message for the past five years. Our plan is simple: bring back the tried and tested policies that worked. Bring back offshore processing on Nauru, bring back temporary protection visas, remove the incentive to jump the queue and encourage people to wait their turn. Our policy has always been fair and equitable. Since Labor abolished these proven measures almost 22,000 people have turned up on more than 375 boats. So far in 2012 we have seen an average of 1,000 people arrive each month, setting a new record for arrivals by month and year. This is twice the number of arrivals estimated in the government's budget, which has cumulatively blown out over the forward estimates by $4.7 billion during the past three years. I can understand why Australia is such an attractive choice for people living in difficult circumstances overseas. But with its bad policy this Labor government has encouraged people to jump the queue and put their lives and their children's lives at risk. Since this Labor government came to office 386 boats carrying 22,518 people have arrived illegally. The cost to taxpayers of Labor's border protection failures since it abolished the Howard government's proven border protection measures has blown out by $4.7 billion during the past three years. I can understand why Australia is such an attractive choice for people living in difficult circumstances overseas. But with its bad policy this Labor government has encouraged people to jump the queue and put their lives and their children's lives at risk.

Since this Labor government came to office 386 boats carrying 22,518 people have arrived illegally. The cost to taxpayers of Labor's border protection failures since it abolished the Howard government's proven border protection measures has blown out by $4.7 billion during the past three years. We have seen illegal boats continue to arrive in record numbers and a record number of asylum seekers placed in detention or in the community. This is a very serious issue that people in my community raise with me on a regular basis. The people of Macarthur can see the urgent need for something to be done before more lives are lost as a result of this evil trade in people's lives.

It is a sad fact that for too long those opposite have put their own interests ahead of the safety and wellbeing of people who live in the most vulnerable and difficult of circumstances. It was easy for this government to criticise the proven and successful policies of the coalition by sideling them as harsh, cruel and unkind. The Prime Minister herself said, in 2003:

"Labor will end the so-called Pacific solution—the processing and detaining of asylum seekers on Pacific islands—because it is costly, unsustainable and wrong as a matter of principle."

This Labor government claims to be strong on border security, but we have seen their policy fail time and time again. It was John Howard's policy that stopped the boats, stopped the people smugglers and stopped the deaths at sea.

We need to send a strong message that if people are going to spend thousands of dollars to risk their lives to come to Australia then they are going to be processed offshore. This message should not be clouded under any circumstances. Today, the government is backflipping on what, in 2008, the then immigration minister declared was the proudest day of his life. Why has it taken them four years to work out that they have created this problem and that their policy has failed?

Since the coalition's compromise was rejected six weeks ago, 47 boats carrying 2,815 people have arrived on our shores. Since Labor's Malaysia people-swap failed in the High Court, 146 boats carrying more than 10,000 people turned up. Since the abolition of temporary protection visas, 386 boats and 22,518 people have turned up. The saddest part in all of this is not the $4.7 billion worth of budget blow-outs; it is that more than 1,000 people have perished at sea.

This is not a time for stubbornness or grandstanding; this is a time for action. The
people of Macarthur have been rightly concerned about the border protection crisis created by this government. This Friday I will host a community forum on immigration and border security with the shadow minister for immigration, the member for Cook, who has continuously held out the olive branch to the government. So far, more than 160 residents in Macarthur have signed up to attend so that they can raise their concerns with me and the shadow minister about this government's border protection crisis. This sends a strong and clear message to the government: fix the problem, implement a real solution and stop endangering the lives of men, women and children in some of the most vulnerable and difficult situations in the world.

Another strong and clear endorsement of the tried and tested policies of the coalition is the Houston panel report. This report made 22 recommendations, including establishing offshore processing in Nauru and Manus Island; introducing legislation to allow offshore processing of illegal boat arrivals at designated countries; prohibiting family reunion through Australia's humanitarian program for people arriving by boat, instead making illegal boat arrivals apply for family reunion through the family stream of the migration program; and a no-advantage test for asylum seekers waiting to enter the country illegally. The report also highlights that turning back irregular maritime vessels can be done and can be an effective deterrent to the product being peddled by people smugglers.

The last and most effective deterrent to the people-smuggling trade is temporary protection visas, which the Prime Minister has stubbornly ruled out. This is just another reason why the people of Macarthur are frustrated with this government's continual preference for politics over people. I doorknocked my electorate recently and one of the most common issues residents brought up with me was illegal boat arrivals. They can see that the government's current policy is not working and they understand the need for something to be done urgently to stop this illegal trade.

For four years this government has said that offshore processing at Nauru would not work, that it would cost billions of dollars to set up and that boats could not be turned around. During this time, hundreds of lives have been lost at sea, our nation has damaged its reputation with our neighbours, costs have blown out by incredible amounts and the people-smuggling trade has boomed. I support this legislation but, as my colleagues have said before me, reopening Nauru is not the entire solution to stopping the boats. All the measures of the Howard government need to be implemented to solve this problem, including temporary protection visas and actively turning back the boats where it is safe to do so.

Mrs GRIGGS (Solomon) (11:34): I rise to add my comments to the debate on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill. The Northern Territory is currently home to a significant number of asylum seekers housed within detention centres. Our community, like many others, feels the strain not only with the provision of services for the housing, administration and processing of these people but, just as importantly, with the social and health implications of detention.

Let us be honest: the implications of boat arrivals, the impost on resources across the board and the divide on this issue across the nation are necessary considerations when formulating corrective actions to address this issue. Stopping the boats is but one segment of the overall issue. Beyond the boats, the need for effective, timely and stringent processes must be addressed to facilitate the
processing of those persons already in detention and, additionally, to set a road map for future arrivals.

Public sentiment on this issue is broad. In my own electorate of Solomon, there is much concern not just about the sheer numbers of boats and people arriving but also about the expense associated with detention and also the detention centres themselves. There is significant discontent across a broad sector of the community about the disparity between the expense in detaining persons, including the facilities provided and the level of access to taxpayer funded services, and those services accessed by local Australian citizens.

The issue of asylum seekers, boat arrivals and people-smuggling is about Australian sovereignty. It is about balancing the needs of those who flee their homes and embark upon the often dangerous journey to travel here, and the needs of the broader Australian community, who remain compassionate to the honest seekers of asylum but whose patience is waning and who wish to see an end to the boats' arrival.

The coalition welcomes the step-down by this government in accepting that previous models, such as Nauru, remain pivotal in the implementation of a solution to address the issue of boat arrivals. The Rudd-Gillard Labor government dismantled practices set in place by the Howard government for the management of boats which were proven to work.

The arrogance of this government to simply dismantle practices that worked, without consideration for the long-term implications both socially and fiscally, reflects absolute incompetence. Blame for the current situation sits squarely at the feet of the government of the day and with Prime Minister Gillard.

Constituents of mine remain deeply angered at how, in a few short years, the instances of boat arrivals have gone through the roof and billions of dollars are now being spent to fund the necessary measures to save, detain and process those arriving illegally on boats. Additionally, once the boats started arriving again and the business of people smuggling ramped up, the Rudd-Gillard Labor governments, without a strategic plan, dug their collective toes in about Nauru, not for the benefit of Australians but for political one-upmanship.

We had the Timor option and then the Malaysia solution, yet in four years, with all the rhetoric from this Gillard Labor government, has one boat been stopped? Has the number of boat arrivals fallen? Has the trade of people smuggling diminished? The answer to all three questions is no. The boats keep coming, almost with the regularity of a Manly ferry. The budget associated with this issue continues to climb uncontrollably, ensuring that funds for other existing and prospective measures to build our nation remain on the backburner or poorly implemented.

The Gillard Labor government has delivered more detention beds than hospital beds in my electorate—and hospital beds are desperately needed. The Gillard Labor government promised affordable housing for my electorate, yet the only housing it has provided has been housing for detainees in the various detention centres purposely built in my electorate. To use a well-worn quote from Prime Minister Gillard, 'moving forward', the opportunity now exists for the Gillard Labor government to address the wrongs of the past four years and implement measures to stop the boats. This includes offshore processing at Nauru. It is disappointing that, to get to the point we are at today, here in this place debating this issue, it took a report by an expert panel on
asylum seekers which made 22 recommendations for this government to act responsibly and formulate a way forward.

It is with mixed emotions, including sadness and anger, that I add to this debate. I am saddened by the significant loss of life over the past four years with the transit of illegal boats. I am angered that lives were lost while this government failed to act by implementing strategies to stem the flow of boats and diminish the potential for loss of life. But I am pleased and confident that now, at least, a plan is at hand and the future of asylum seeker arrivals by boat and the business of people smuggling may finally be on the right path and there will be a stop to the illicit business of putting boatloads of people to sea.

The Prime Minister should swallow her pride and apologise. If she were not so stubborn, the human cost for Labor's failed border protection policies could have most likely been avoided. For four years, she has said that offshore processing at Nauru would not work. Despite the evidence of 22,000 illegal arrivals, almost 1,000 deaths at sea, damage to Australia's international reputation and a $4.7 billion blow-out in costs, Prime Minister Gillard refused to change course. Despite the evidence, Prime Minister Gillard did what she could to trash the coalition's assertions that offshore processing at Nauru was good policy, claiming that it would not work and that the centre would cost billions to reopen.

The Prime Minister has now reluctantly accepted one part of the coalition's plan for stronger borders. The coalition will support the legislation to allow offshore processing but knows the government consistently mismanages the implementation of projects. With over 1,600 spin doctors on its books, the Gillard Labor government knows how to spin and make announcements, but it has consistently failed at managing the implementation of major policies. Pink batts, school halls and the NBN are all reminders of a government that can spend but not manage projects. Even now, the government is reluctantly reopening Nauru but refusing to implement the other two proven border protection policies: temporary protection visas and turning around the boats where it is safe to do so.

The coalition has consistently argued for proven policies that work and strengthen Australia's borders. The coalition's policies on border protection have been proven to work and in the past they destroyed the people smuggler model. The fact is, without the full implementation of the suite of Howard government policy outcomes, the same level of protection, including a 99 per cent reduction in boat arrivals, is unlikely. The coalition understand that the Howard government solutions worked then and will work again. We will reintroduce offshore processing on Nauru, because the rights of asylum seekers will be protected. We will return to a system of temporary protection visas, because people will be safe but not granted permanent residency with all the benefits that go with it. And we know there can be circumstances where boats can be turned back safely—as Sri Lankan and Indonesian authorities have shown—because the people smugglers' business model needs to be broken.

Mr WINDSOR (New England) (11:43): I rise to support the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. Firstly, I want to recognise the members of the expert panel that went to work on this task, a task on which this parliament—or the Senate at least—was unable to achieve an outcome. I thank Angus Houston, Paris Aristotle and Michael L'Estrange for their work.
I was one of the parliamentarians on that committee for the briefing of the expert panel, but they were the custodians of the recommendations.

I would like to say a number of things about their recommendations. I think that most of the debate so far, whether it be in the press or the parliament, really has been based on Nauru and Manus Island. The members of the expert panel went to great lengths, both in private and public briefings, to make the point that they were recommending a package of arrangements. It is not a revisiting of the so-called Pacific solution. If that were the case I would not be supporting it because a Nauru solution in itself will not work. I think it is fairly clear that all it would do in reality is buy some short-term advantage for someone. But if the other pieces of the jigsaw puzzle are actually plugged together and worked on, in particular the regional arrangement recommendations that were made, including Malaysia—but not just in terms of Malaysia—and Indonesia and the other countries that are involved, and also having a greater relationship with the UNHCR, and also the geo-regional context of their recommendations, these are probably far more important than the selection of a couple of islands in terms of fixing the problem in the long term.

I congratulate the members of the panel. It was an awesome task. They have been able to achieve an outcome where the politics of this building was unable to. We have seen movement from all sides of politics towards a number of recommendations.

I would also thank those members of the cross-party group that took the time to come together: the members of the Liberal Party, Labor Party, the National Party, the crossbenches and the Greens. On a number of occasions they came together to talk about these issues. I personally found it to be an extraordinary learning curve and one where it was very interesting to see people who obviously disagreed on some of the issues but were able to hear each other out and listen to various views from people who have far greater knowledge than I and many others had. There were people from all persuasions making their views heard. We had people from the Navy, the Australian Federal Police, the UNHCR, the various humanitarian and refugee groups—people who have been working on the ground. I am not suggesting that the expert panel has come up with any sort of mirror image of what the cross-party group was talking about, but in terms of the regional framework there may well be a role for that group to continue to participate to make sure that we just do not stop at Nauru and Manus Island. My view, and I think it is the view of some others in the building, is that if that is the objective it eventually will fail. Whoever is in government at the time of the failure will be up to the people.

The poison pill in the current debate relates very much to the no-advantage test. That has been discussed by a number of people. It has not really been adequately explained how it will work and what impact it will have on individuals, particularly having seen the circumstances that the previous arrangement with Nauru, in particular, had on the mental health of some people.

The package has a whole range of incentive/disincentive arrangements, whether that be increasing the humanitarian intake, or the family reunion arrangements, or whether it be sending negative messages to people smugglers and people who would board their boats. There is a range of messages that go to a range of different people. Therein lies a number of issues. First, and I refer back to Angus Houston's reference to the package, if
we diminish the package and start to cherry-pick, as some would like to do, the capacity to succeed in reducing the number of people risking their lives at sea could be diminished.

The poison pill I refer to is this. If a no-advantage test is applied to those who take the journey, that may well have a positive impact on reducing the number of people who are encouraged by people smugglers to take the journey. But the negative impact is that they may well be determined to have very long stays on Nauru or Manus Island or other venues that might be determined in the future. Some would see that as being one of the negative signals to go out to the people-smuggling business world and those who would hand over their $10,000, the message being that it is not worth it because there will be no advantage. You will go somewhere and then you will be treated as if you had not gone anywhere, so why waste your money.

The poison pill in that, in my view, which goes to the politics of it, is that, if that occurs and does not reduce the number of boats—because the balance of the package is not addressed if it is just left to being Nauru and Manus Island, which is the politics of this place at the moment—then there will no doubt come a time when the politics of the people of Australia will reverse. I guess it will most likely be in an Abbott government, if the polls are any indication of the future. But I think if the general public see people left on Manus Island or Nauru for extreme periods of time, and a whole range of mental issues arising, the political tide will swing back the other way—and the demands that led to the current government making changes to the previous government’s arrangements will, in fact, start to blow back the other way. We saw issues like Cornelia Rau and others, where there was a great deal of sympathy expressed by the Australian community, the very same people who are expressing a different view at the moment—that they want the boats stopped, for a whole range of reasons. Most of us agree that we do not want people drowning at sea. Others have varying views as to where they should be processed, how many more we should take—there are a diversity of views that flow from there. But if you go forward three or four years, and there is an issue in relation to the no-advantage tests, and there are very real issues in terms of people's mental health et cetera, that will again become a political issue for the government of the day. That will be interesting viewing in itself.

The regional framework that the expert panel and the cross-party group spent quite some time on reflected on how that could be constructed. There were various issues about those within the Bali process and those who were either signatories to the refugee convention, or non-signatories, and the legal protections that could be afforded to unaccompanied minors—all of those issues that were talked about when the Oakeshott bill was put forward some six or seven weeks ago now, which achieved an outcome in the lower house but was unable to in the Senate. All of those issues are still very live issues.

I was interested to hear the expert panel say—and I hope I am not verbalising them, and others who have raised the issue—that perhaps the convention arrangements of the 1950s are not the major stepping blocks that we should be using this century, particularly given the make-up of the signatories within our own region. I would like to see that regional attempt to develop a broader framework within the region, irrespective of whether countries are signatories to the convention or not, but those legal protections are required. We would all think that they are within the convention agreement now, but I think the point has been made that you could still have very similar or the same protections without being a signatory. Now, I know that will create some issues for some
people, but through the Bali process, and other processes that have been engaged in, we have to make sure that the process goes forward rather than just stops after today; otherwise, as I have said, the process will most probably fail at some stage or another.

May I conclude my remarks by recognising one person who I think has made an extraordinary contribution to this debate in this parliament, over many years—and I know that she isn't comfortable with the outcome that the parliament is debating at the moment—and that is the member for Pearce. I thank her for her role in terms of the cross-party arrangements that were put in place and for the invitation to a number of people to come and talk to that cross-party group. I thank her for her efforts on behalf of people less fortunate than ourselves. She has experienced firsthand the heartache and experiences that many people have had, which I have not—and I think many of us, as members of parliament, have not had those same experiences. But I would encourage her to look to the future in relation to the regional agreements. And, hopefully, all of us within this place, after today's victory or defeat—depending on whoever's side you happen to be on or want to take advantage of—will all try and work together on a regional framework and, rather than find reasons not to do things, let us try and find, as we did in the cross-party committee, reasons to do things that are positive in terms of a regional framework for the future.

Thank you.

Mrs MOYLAN (Pearce) (11:59): Can I begin by associating myself with the comments made by the member for New England about the work of the informal cross-party group and the goodwill that really existed within that group to try to find a sensible way to break the deadlock that this parliament found itself in earlier. I thank the member for New England for so capably chairing that group, in the times that we met, and I look forward to continuing to work with him and my other colleagues to better understand the complex suite of issues that this parliament is going to continue to be confronted with.

Angus Houston, Paris Aristotle and Michael L'Estrange, having wrestled with a very complex matter, have endeavoured to find a way out of the impasse of the previous sitting of parliament. I would like today to record my thanks to them for the comprehensive package of measures that they have recommended. I feel that I can confidently endorse many of those recommendations.

The bill before us today, the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011, is the legislative response to facilitate one of those recommendations. I welcome the fact that central to the suite of policy suggestions by the expert panel is a recommendation that encompasses a joint approach with the region to develop common standards of protections and processing and durable outcomes by way of a regional framework, something that I have often spoken about in this place and beyond.

Importantly, as part of that central recommendation, is the commitment of Australia to increase its refugee intake in the humanitarian refugee program. There is, undoubtedly, an expectation by the expert panel that these measures and a no-advantage policy will work to stop the boats from leaving Indonesia and other destinations. Arguably, the tension for us as policymakers in this place is the desire to prevent more deaths at sea and to offer protection to those confronted with arguably one of the worst human dilemmas: to be forced to take a decision to leave one's
homeland under the threat of persecution or death and to seek asylum in a foreign land.

Much has been said and written about the value of so-called deterrent policies and, to date, few have worked effectively. The reality is that desperation drives people to take unimaginable risks. As Malcolm Fraser said:

… a democratic government such as Australia … could never be nasty enough to match the terror, the persecution that is meted out by the Taliban …

The suggestion of the expert panel of no advantage means a return to the so-called Pacific solution. This bill will facilitate that policy in both UN convention countries and non-convention countries through the use of a disallowable instrument.

This legislation circumvents the High Court ruling on the previous legislation of the government to enable the Malaysia swap deal. This bill strips out the ordinary protections of law which have previously been afforded people found to be refugees under the UN convention. In the unfettered power that this legislation confers on the Minister for Immigration and Citizenship, transfers of asylum seekers to third countries can take place without restriction or without consideration of the adequacy or the existence of human rights laws in the country to which asylum seekers may be transferred. The exile is, to say the least, a bit open-ended, as no disadvantage will ensure that those taking a risky boat journey will wait the same amount of time they would have if they were waiting in Malaysia or Indonesia. Some may say that that is fair. The difficulty is how we measure that. On the radio this morning I heard Rick Towlie, the UNHCR representative for the Asia-Pacific region, speaking about the difficulty of that because, in a practical sense, it may be for an entire lifetime. At this time the government is unable to tell any of us how that will be calculated, so conceivably people may remain there for a lifetime.

Apart from these issues, I do have grave reservations about how this bill and these powers may impact on children and, in particular, on unaccompanied minors, as the bill seeks to ‘clarify the provisions’ of the Immigration (Guardianship of Children) Act 1946, the IGOC Act. This will mean that the minister no longer has guardianship responsibility once minors are transferred to a third country. Again, this matter was raised in that High Court decision. I would not be so concerned about this, because it has been a point that I argued under the previous government, if we could find a way to ensure effective protection for people transferred to non-signatory countries or signatory countries. I would not be comfortable with it, but I would go along with it. I have to say that I had rather a robust argument on this matter with the former Prime Minister. Indeed, the expert panel was advised by John Menadue and Arja Keski Nummi, of the Centre for Policy Development, that whatever decisions are taken about offshore processing we need to ensure there is a robust framework of effective protection.

The difficulty that I see with this bill before us today is that there is nothing in it which would give any of us in this place comfort at this moment that those effective protections will be in place. That, again, was a critical issue in the recent High Court ruling on the Malaysia swap legislation. It is central to the decency of any policy that we pass in this place. It has been a matter of faith for many that the return to asylum seeker centres on Nauru and Manus Islands would stop the boats and that offshore processing is an effective deterrent. In my view, these dry and formulaic arguments should not be allowed to mask the now known consequences of such a policy. In July, Wendy Bacon, writing in New Matilda,
wrote about our 'Nauru amnesia'. It is a sad litany of events when people are put on places like Nauru and Manus, including: a lack of public scrutiny; shameful physical facilities, including an understaffed and underequipped hospital; and indefinite detention in places that offer no permanent resettlement options.

The original agreement with Nauru was for six months— including young children—were there for years. The President of Nauru was not, at that time, at all happy about that situation. There were physical and psychological consequences which are still being felt today. Many critical reports were made by government and non-government agencies who visited Manus Island and Nauru. These agencies made sensible recommendations about how we could improve our treatment of these people from a humanitarian perspective. It always grieved me that we either discredited, in many cases, or ignored that advice.

It is sobering to examine the incremental, but in my view regressive, suite of refugee asylum policies we managed to pass or put up in this parliament in the years up to 2005—and now we are going beyond that. I said 'up to 2005' because that was the period covered in From White Australia to Woomera: the Story of Australian Immigration, a book by James Jupp. He explains:

In its long history of refugee settlement Australia had:

- never forcibly removed asylum seekers from its territory until all avenues of appeal had been exhausted;
- never transferred asylum seekers outside its territory to camps managed on its behalf and at its expense;
- never denied the possibility of permanent residence and family reunion to those eventually accepted as refugees;
- never experienced mass protests and hunger strikes at detention centres;
- never redefined its borders to exclude offshore territories; and
- never alienated most of those engaged in refugee settlement work.

In my view, today we add to this policy regression.

It is very clear that nothing I do or say today is going to change what happens in this parliament—that this legislation will pass. I do understand that there is immense public pressure, but I think we all really need to search within ourselves to see if we cannot perhaps do better than what this bill offers. It concerns me deeply that we continue with policies which are, I feel, so disproportionate to the actual dimensions of the issue Australia faces.

Mr TUDGE (Aston) (12:10): I would like to associate myself with many of the comments which coalition MPs have made on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. I do not wish to go over the ground already covered by previous speakers, but I will make three brief points. The first is that I reject the suggestion from the government that we are somehow delaying the opening of Nauru by continuing this debate today. As the government knows, and particularly as the Leader of the House, Minister Albanese, knows, we are supporting this bill. Therefore, the government is able to get on with the job of opening Nauru as quickly as possible. Indeed, the Prime Minister knows this. With great fanfare yesterday and with the media in tow, she had members of the Defence Force in her office to give them instructions about how to go about opening Nauru. I ask Minister Albanese to stop the politicking in this regard and allow members of parliament to have their say on this very important issue.
important issue, an issue which many of us feel very deeply and strongly about. The fact that it is uncomfortable for Liberals to remind the government about their past positions and about their policy failings over the last four years is not reason enough to shut down debate in this chamber.

The second point is that I am pleased the government has finally swallowed its pride and decided to reopen Nauru—four years after it disastrously decided to close it. I hope the government's measures will work. Anyone who suggests that we want boats to continue to arrive, as one journalist put to me yesterday, is cynical beyond belief. If boats continue to arrive, more people will drown. If boats continue to arrive, fewer people from the refugee camps of Africa and Asia will be able to be given refuge in this country. If boats continue to arrive, we will still expend billions of dollars trying to process them. We want the boats to stop. That has been our policy for a decade. So we are hoping the measures the government has put forward through this package will have that impact and will stop the people-smuggling business. I am afraid to say, however, that I am concerned that they will not. I say that for a few reasons.

If you want to stop the people-smuggling business, three things are required. Firstly, you need the full suite of policy measures to be implemented. Reopening Nauru is one of them. It is terrific that the government is finally going to do that. But you also need temporary protection visas and you also need to be able to turn the boats around when it is safe to do so. Secondly, you need competence in implementation—something this government has demonstrated time and time again it does not have. Finally, you need to demonstrate absolute resolve to stop the people-smuggling business. The Howard government had that resolve. No-one is in any doubt that Tony Abbott, Scott Morrison and the coalition have that resolve—and we will show that resolve should we win government at the next election. But it is a resolve which we doubt this government has. So let me repeat: we hope that the government's measures will be successful in stopping the people-smuggling trade but we fear that they will not.

The final point I would like to raise is that, even though we are supporting the passage of this bill through the parliament, we as a parliament and as a nation must dwell on what happened over the last five years and learn from it. It is not pointscoring, as some have put it, to go over the past five years; it is immensely important to learn from what has occurred, to hold the government accountable for its actions and to learn from history. There is a great saying: 'Those who cannot learn from history are doomed to repeat it.' It is incumbent upon us to examine the course of this policy area over the last five years and learn from it. It is particularly important for the Labor Party to look deeply inside themselves and learn from their mistakes over the last five years. I think it is incumbent upon some of the analysts, commentators and activists to do likewise because they often joined the chorus calling for the abolition of the Pacific solution.

We have seen over the last four years what I consider to be possibly the greatest policy failure in a generation, possibly the greatest policy failure since Gough Whitlam lost control of the economy. If the Labor Party does not stop and reflect and learn from that, they will be doing themselves a disservice and they will be doing the nation a disservice. It is such a great policy failure because they deliberately, methodically, with great intent and with great celebration dismantled the Pacific solution, a solution which, far from being ineffective, was effective beyond belief. It stopped the
people-smuggling business in its tracks. And by doing that it allowed more people from African refugee camps to come into Australia. It meant that we were not spending billions of dollars on this process. Most importantly, it meant that hundreds of people did not drown.

This Labor government unraveled all of that, and I think they need to take a long, close, hard look at why they did that. My suspicion, from what they have said in the past, is that they unraveled that policy not because it was ineffective but primarily for reasons of moral vanity and because they thought they were going to get one-upmanship on the coalition and demonstrate that they had more empathy than we did. Rather, the empathy was with the policy position on our side because we were equally concerned about refugees travelling on boats and drowning in the seas. That is a significant reason why those policies were introduced in the first place and why we have continued to press those policies since. That is why it is so important for us to dwell on the past.

I am disappointed that so few members on the other side have come in here to talk on this bill. I think it would be very big of them to come into this House and dwell on the past and possibly own up to the fact that mistakes were made. I think there would be much greater magnanimity in this parliament if more people on the other side of the House were willing to admit the mistakes that were made by them. I acknowledge that some have done that. I think that if more people on the other side of the House, including the Prime Minister, did that, this would be a better place.

Mr CIOBO (Moncrieff) (12:19): I rise to speak on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011 today because in many respects it is the culmination of years of debate around the way in which this country should tackle the asylum seeker issue. I reflect back on a debate I had some years ago with Mungo MacCallum on the Gold Coast. It will not surprise many that Mungo MacCallum and I do not see eye to eye on anything, let alone this issue. Notwithstanding that, there was a point during that breakfast debate with about 300 people in the room where Mungo MacCallum, with tears in his eyes, stood and addressed the crowd about what he referred to as barbaric—the fact that there were women and children held in detention centres in Australia. Laden with that language, he put forward a value judgment which I have heard so many times on the government benches, from Labor members, from members of the Greens and from others implying that those who stood for tough border protection policies were in some way lacking in compassion.

I have got to say that that single aspect of this entire debate is what galls me and so many members of the coalition and importantly so many members of the community. The moral elitism of so many members of the Labor Party, of the Greens and of people like Mungo MacCallum goes to the bone of those of us who take the view that we are compassionate in our approach. We fundamentally disagree with those who look down their noses at what, even then, was both Labor and Liberal policy with respect to mandatory detention, let alone offshore processing and temporary protection visas.

And so a day like today is in many respects a cathartic experience. I see the minister at the table, the Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing, snickering about that comment. It just reinforces to me the sad reality of the
situation—the sad reality that so many on the Left and Centre Left still hold the view that they have some kind of moral superiority when it comes to this debate. Well, you know what? This proves that that is not the case. This legislation validates an approach that says we do not believe it is compassionate to drive a business model that sees men, women and children paying money to people smugglers to try to get an immigration outcome by coming to Australia, because in so many respects—not all, granted, but in so many respects—that is what it has been about for many years.

The reality is that those people found to be genuine refugees were not detained. Those people found to be genuine refugees were welcomed into Australia's bosom. Those people found to be genuine refugees were, in most instances if not all, taken to be new Australians. But the flip side of that coin is that there are many for whom Australia represented a shining beacon for a fresh start away from poverty that afflicted their country, away from circumstances that they did not particularly like. Whilst I have sorrow for those people, whilst ideally you would look across the horizon and wish that every country and every person around the world enjoyed the standard of living that we enjoy in Australia, the simple reality is that it is not possible. This is why, in order to manage a program of refugee outcomes that enabled refugees to come into Australia and to make a fresh start, it needed to be ordered and why we needed to have structure to the program. Make no mistake: it was completely abandoned for one reason and one reason alone, and that was for political purposes.

The flip-flopping that has taken place over the past five years or more—

The DEPUTY SPEAKER (Ms AE Burke): While we are on the subject, we can refer to the bill before us. This is not a history lesson; it is actually a bill before the parliament. I will continue to remind people that you actually need to be relevant to the bill before us.

Mr CIOBO: Madam Deputy Speaker, the positions of the government and the opposition are entirely germane to the bill before the parliament, I would suggest.

The DEPUTY SPEAKER: Then you can draw it, reference it, to the bill.

Mr CIOBO: In that respect, Madam Deputy Speaker, it is important to understand the policy journey that has gotten us to where we are today, including, for example, the current Prime Minister's view—and I quote from the House Hansard—

The DEPUTY SPEAKER: This is not reference. I have asked you to reference the bill—

Mr CIOBO: Well, I reference it to the bill, Madam Deputy Speaker, because this goes to the direct—

The DEPUTY SPEAKER: No, you actually need to be relevant to the bill.

Mr CIOBO: I am referring to offshore processing, Madam Deputy Speaker. How is that not—I am sorry; I seek clarity, but offshore processing is entirely relevant, I would have thought.

The DEPUTY SPEAKER: No, everybody has had a wide-ranging debate about political issues as opposed to referring to the bill. If you just come back to the bill and say how it relates to the bill, that is all I am asking people to do, which I think is actually relevant to the standing orders, which talk about relevancy.

Mr CIOBO: Madam Deputy Speaker, offshore processing, which I think is encompassed within the bill—

The DEPUTY SPEAKER: Thank you. That is all I have asked.
Mr CIOBO: has been an interesting journey as to why the government has now adopted the policy of offshore processing, given the Prime Minister's position, according to the House Hansard of 13 May 2003, when she said:

Labor will end the so-called Pacific solution—the processing and detaining of asylum seekers on Pacific islands—because it is costly, unsustainable and wrong as a matter of principle.

So that is the starting point. When she was Deputy Prime Minister, offshore processing—the so-called Pacific solution—was dismantled. Indeed, Senator Chris Evans, in an address to the Refugee Council of Australia at Parramatta Town Hall on 17 November 2008, said:

Labor committed to abolishing the Pacific Solution and this was one the first things the Rudd Labor Government did on taking office. It was also one of my greatest pleasures in politics. That summarises the change in policy that took place.

Make no mistake: the 22,518 asylum seekers who have arrived since November 2007 in 386 boats—I think it is 387 including the arrival last night—the tragic loss of life and the pull factors that created a business model for people smugglers all flowed from bad policy. It was not a lack of compassion on our side. It was not moral inferiority on our side. It was a recognition that sometimes there must be strength to have order, and order is crucial to equity. So, for those reasons, I support this legislation today. It does not go far enough, but it is a start. In that respect, I am encouraged that the House is likely to pass this legislation.

Mr NEVILLE (Hinkler—The Nationals Deputy Whip) (12:28): I would like to talk on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011, which we have before us today. But let me first say what a sad excuse for a government we have before us in the debate on this bill today, when so few of them have wanted to get up and defend the government's position. For more than four years, the Rudd and Gillard governments have been progressively dismantling the Pacific solution, and the number of boats has steadily increased. The number of arrivals in this country since November 2007 is in the range of 22,500 people, and the number of boats is now approaching about 390. Why should we not be surprised? Because this government has policies that are not evidence based and that are without a practical framework.

Then, as the failures become more obvious, with arrogance and hubris the government races around putting bandaids over its mistakes, and the situation gets progressively worse. Of course, its failures to implement evidence based policies are totally consistent with the operation of the government over a wide range of activities, be it the taxation of mining companies, the carbon tax, the pink batts scheme, the BER school halls or a host of other, smaller disasters.

Let us go back to the figures for boat arrivals during the Pacific solution period. In 2002-03 there were no boats; in 2003-04 there was one boat; in 2004-05 there were no boats; in 2005-06 there were eight boats; in 2006-07, four boats arrived; in 2007-08 there were three boats. But in 2008-09 the number of arrivals starts to climb again—there were 23 boats. In the number of arrivals in 2009-10 the change of government becomes really obvious—there were 117 boats. In 2010-11 there were 89 boats, and in 2011-12 there were another 112 boats. So, in the figures, which start at the rock bottom level of 2002-03, you can see the number of boats coming to this country increasing. As I said, something like 390 boats have arrived in the time of the Rudd and Gillard governments.
The operation of the Pacific solution in the latter half of the Howard government's term clearly illustrates that offshore processing was the greatest deterrent to people smugglers. In 2001, the coalition introduced processing on Nauru and Manus Island. It introduced a policy of temporary protection visas and made it clear that boats would be turned around when it was safe to do so. The next six years saw the arrival of only 272 people on 16 boats. Since 2007 and the election of the Labor government, complete with its arrogance and hubris, the figure has increased to nearly 390 boats and 22,500 people. One boat arrived yesterday, and no doubt there will be others in the coming week. It is timely to remember that in 2003 the Prime Minister, who was then in opposition, described the Pacific solution as 'costly, unsustainable and wrong as a matter of principle'. Also, in the second year of the Labor government, Chris Evans said: Labor committed to abolishing the Pacific Solution and this was one the first things the Rudd Labor Government did on taking office. It was also one of my greatest pleasures in politics. That really says it all.

But by 2010, the government was changing its rhetoric. Apparently without any discussions with the government of Timor-Leste, the Prime Minister was announcing a solution in East Timor. The position of the government since the abolition of the Pacific solution has been marked by a succession of inconsistencies. It would not condone Nauru because Nauru was not a signatory to the UN convention, but it was happy to embrace the Malaysian offshore processing arrangement even though Malaysia was not a signatory either. The government criticised the policy of turning back the boats despite the PM herself advocating it. It was said of the Nauru solution that it is now 'embraced', with assessors already on the way to check out the facilities. The government has now agreed to the Houston report's recommendation of processing offshore, but it was only a short time ago that there were boat people in every conceivable form of accommodation: migrant centres, detention centres, the Curtin Air Force base, an abandoned camp in Tasmania and even a motel in Brisbane. What a shambles! If some had behaved with a little less pride, none of what happened in the last four years or the national heartburn that went with it would have been necessary.

But getting back to a Pacific solution will be a lot of work. It will require the reintroduction of temporary protection visas, and I believe that the government must embrace the idea. Once potential illegal migrants know that there is no certainty of reaching the mainland, that their visa gives them no proprietary right to stay, that there is no automatic right to family reunion and that there is every likelihood that the time they spend in offshore facilities will be similar to the time they would otherwise spend in a UN refugee centre, the illegal people-smuggling trade will be less attractive and will dry up. This illegal boat trade will lose its passenger base, and people will no longer be subjected to exploitative and dangerous trips on leaking and unsafe boats. In one sense this policy is harsh—no-one wants to turn away or slow down any human being escaping violence, danger or persecution—but the upside, beyond the end to the people-smuggling trade, will be the advancement of the cases of those refugees who have been waiting patiently in UN refugee camps for up to 10 years.

I support the Houston recommendation of an increase of our refugee intake to 20,000. This will give the patient people, who have been put to one side by the phenomenon of the boat people a better chance in life; a better go. The Labor Party has a lot to answer for. As the previous speaker said, the
boat people issue over the last four or five years has been the greatest policy failure in a generation. We now have the opportunity to put it right. Let us do it well, let us do it quickly, and let us put an end to this unfortunate era in Australian politics.

Mr KATTER (Kennedy) (12:37): In rising to say a few words on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011, my remarks are coloured by the fact that the last time I was in this House listening to this debate a number of the Liberal and National Party members were crying, wiping tears away from their eyes. I have raised in this House probably 100 times the farm deaths in Australia. Every four days in Australia a farmer commits suicide. I cannot remember a single occasion on which a member of the ALP or the LNP raised this issue or commented upon it, except to question my figures which were ABS figures. Why did they not cry about their own people in Australia? They must know some of these people. To cry about someone in the abstract when you cannot cry a tear in sympathy for your own Australian people leaves one with the impression that we are dealing with hypocrisy on a grand scale. In addition, the opposition have a solution—the Malaysian solution. They are absolutely determined to play politics with that solution.

I am not going to act as though I am an angel of morality. In fact, in my first vote I was heavily influenced by political considerations. It does not give me great joy to admit that in this place. Clearly, if a refugee, a self-smuggler, paying money to get into this country, knows he is going to end up in Malaysia, he ain't going to pay the money or get on the boat. So the Malaysia solution clearly is what should be being done. It is an absolute disgrace and a reflection upon the 60 or 70 hypocrites to my right here in this parliament that none of them have made a move in that direction.

When I say that, I would have to include myself in the first round of voting. At least I can say that I have since woken up to myself and seen the overwhelming power of the argument for the Malaysia solution. There is merit in the Liberal remarks that it may not stand up for a great period, but when they are coming in at the rate of 200 a week, then I would think every week that we buy is very important. Clearly, that is the direction in which we should be travelling.

As for those Greens, I think we can safely say that after the next two elections there will be no Greens left in the parliaments of Australia. Clearly, the Australian people have realised what they are dealing with there. The forces of political consideration, when hundreds of people are drowning every month, override human lives and the considerations of this country, which brings me to the nub of what we are talking about here.

Countries in the Middle East that spawn terrorism are not happy places to live at the best of times. They are highly restrictive and oppressive societies in most cases, and they are dangerous societies in most cases. Most of all, they are poor. The people live in grinding poverty. Average incomes are $3,500 a year; ours are nearly $2,000 a week. If people living in a country where their income is $3,500 a year can get into a country where, with a wife and two kids, they do not even work—they go on unemployment benefits—and they will get $50,000 a year, it seems to them to be a pretty good arrangement, particularly if they are staying with relatives in Sydney—in a lot of cases on a freebie. Australia has created the world's greatest magnet for refugees. Australia pays welfare of $50,000 a year to
families who come from countries where their income would have been $3,500.

You may need proof of what I am saying, that these people are not genuine refugees. The 250,000 people in Malaysia are most certainly genuine refugees because they just fled across the border to get away from persecution—Buddhist and Christian people, the Karen. They fled across the border to Malaysia and there is no question that they are genuine refugees. But if you are a refugee fleeing from the western end of the Middle East, why have you not gone to Azerbaijan, to Kazakhstan, to Afghanistan, to Pakistan or to Sri Lanka? There are 20 countries to which you would have gone if you were a genuine refugee—to the nearest country, as did the Karen. All refugees flee to the nearest country. These people are not genuine refugees. They are going past 15 or 20 countries where they would be culturally at ease, not going to a country that is enormously different. Why are they doing that? I can give you 50,000 reasons why they are doing that.

They say, 'What are my chances of getting into Australia? Under the Liberals, I had a two in three chance of getting into Australia. I knew if I could get on a boat that out of the three of us two would get into Australia. So I will just jump onto the next boat.' They knew they could get into Australia under the Liberals. It has been infinitely easier to get into Australia under the ALP. The ALP have put up one solution, which is vastly superior to anything else put on the table to date, and they have now retreated to a solution which, it would seem to me, is no solution at all. It is just a reassertion of the 'get into Australia any time you like' policy.

The Leader of the Opposition, Mr Abbott, has said that they will not come in under an Abbott government.

If I were a betting man, I know which way I would be betting and I would not be betting on Tony winning that one—but God bless him for trying. I do not think there is any way out of this, except for people to go to Malaysia or except to say, 'If you get on a boat, I am sorry but you will not set foot on Australian soil. You will stay out there.' I do not have time to be arguing the legalities of these situations, suffice to say my government in Queensland got Mabo wrong—they paid $23 million to lawyers and they got it wrong. My recommendations to cabinet got it right, so I like to think I know a little bit about the law.

I will not go into the constitutionality of saying, 'You got on the boat—that was your decision, it wasn't our decision, and you can't say by getting on that boat "You will now take me into Australia". No, I'm sorry, you got on the boat; you stay on the boat,' but as far as I am concerned we have a responsibility to look after them on the boat, but they stay on the boat. That means that they know they cannot get into Australia. Under Liberal Party policy they know they can get into Australia; under ALP policy they know they can get into Australia. They are mugs if they do not have a go. Our best migrants have been the Sikhs; I have immense admiration for them and I have studied their religion. They come to Australia and they are instant Australians. They love this country. Some of my Sikh mates are saying, 'Listen, mate, they're doing it on an amateur scale. We're the professional boys; we'll be bringing ocean liners in. If this keeps up, we're climbing on board. We're going to be having ocean liners come in.' Knowing that mob, I am quite sure they will. I will probably be cheering them on.

That is a different situation altogether. The situation is enormously clear-cut: you know if you got on a boat under Liberal policies, for the 12 years they were there, or
under ALP policies, you had every chance of becoming an Australian citizen and moving up from $3,500 a year to $50,000. If you are genuine, why didn't you go to a country where you would have felt at home? Why did you flee halfway round the world to get to Australia? Why did you do that? The reason is not that you are a refugee; the reason is that you are a self-smuggler. That is the reason. If we continue with an open-door policy, millions of people will flow through that open door. It is no use the Prime Minister saying that all who have come here would fit into the Melbourne Cricket Ground, because once you establish that you can get here and the door is open, you would be stupid not to come here. Once America opened its door, millions flocked into America. We have an open-door policy but with that policy we are doomed to become a country that will be dictated to by other people who come in whenever they feel like it.

The government will not disclose how much money this is costing, but it would seem to me—on the basis of costings coming out of prison systems and similar detention arrangements—that we are talking about thousands of millions of dollars a year. That is money that could be going to—let me be very crude and sanguine about it—struggling pensioners in Australia, who are paying the highest electricity charges in the world before the CO₂ 25 per cent comes in—the 25 per cent in the government's report. The public purse is finite; some of our socialist friends do not think it is, but it is. At the end of the day the public purse can either go to looking after self-smugglers, giving them a golden run, or it can be spent looking after Australian people. People who are coming in the front door and doing the right thing are lining up in huge queues. People who have been magnificent Australians—and I refer again to the Sikh communities—are not allowed in. Many of the self-smugglers are not anything like the people we want in this country. When I am staying overnight in a place like Brisbane, we cost out the motels and we get the cheapest ones. The last time we did it—about seven years ago—we got one for $89 a night and we rejected another one for $136 a night, and the one costing $136 a night was the one that the refugees were in—$136 a night per person plus food plus all of the other add-ons.

I think the people of Australia have a fair idea of what is going down here. I am just one person, but to the best of my ability I will be telling them on our social networking site, which is now running at 10,000 hits a day, that under the LNP two-thirds will get in and under the ALP over three-quarters will get in. With our policies, none will get in. If Tony Abbott were to deliver in not allowing any of those people to set foot on Australian soil—it will never happen, but if it did happen—I would be the first to applaud him. I certainly applaud him for putting up that idea. I do not applaud him for his hypocrisy on the Malaysia solution. There is no other word that I can use to describe what has taken place. It is simply playing politics and getting an outcome which is dreadful for our country.

The only answer to this is to say, 'No, you got on the boats, that was your choice. You stay on the boats. You don't have a right.' I have been over all of the documentation—the international agreements. In fact my nephew wrote a book on one of them—he is a prominent lawyer, Dominic Katter. There is no way in the world that we are bound to agreements that say, 'You will take everyone who wants to come into your country.' There is no way that any of those agreements say that, and yet that is what is occurring here. I cannot see how they can claim to be a refugee when they have gone past 20 countries, in which they would feel at home,
Mr Bowen (McMahon—Minister for Immigration and Citizenship) (12:52): I am very pleased to sum up this debate on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. I thank honourable members for their contributions. It is high time that this bill passed this chamber; it would have been better if it had been passed much earlier.

It is appropriate that we reflect on the circumstances that have brought us here. Last year, the High Court of Australia brought down the judgment. It very clearly ruled invalid under the Migration Act the agreement with Malaysia and the transportation of people to Malaysia. But much more importantly than that even, the High Court changed the common understanding of the Migration Act as it had been understood by the government and by the opposition. The previous government, the Howard government, amended the Migration Act to allow for offshore processing. It did so with the support of the Labor Party. The Labor Party did not agree with everything the Howard government did in this space, as is a matter of public record, but the then opposition, the Labor Party, agreed with the right of the executive to implement offshore processing and agreed that offshore processing should be part of the government's tools.

The then government and opposition, the Liberal Party and the Labor Party, had a common understanding, which had continued up until last year, about how that act would work, based on various courts' interpretations at various times. That understanding was that offshore processing, if the minister of the day was satisfied of certain things, was lawful. The High Court took a different view. It looked past that, as is its right. It was also the right of the parliament to restore the original view of the parliament. The government proposed that, just as the previous government had proposed the original understanding, that understanding be restored. That is not something that the opposition supported. The opposition did not support the right of the government to implement offshore processing in a way that we saw as necessary. When John Howard as Prime Minister went to Kim Beazley and asked for that support it was provided, to Kim Beazley's great political cost, because he saw the best interests of the nation.

These are things which have been debated many times in this place. What is important now is that we move forward. That is why, in order to get to this point, the House and hopefully the other place in good time—in expeditious time—can pass this legislation to find a way forward.

I would like to thank again retired Air Chief Marshal Angus Houston; Paris Aristotle, who in my view has done more for refugees than any other living Australian through his commitment to the issue; and Michael L'Estrange, who has worked for various leaders of the Liberal Party and who is a respected former secretary of the department of foreign affairs—he is respected I am sure on both sides of this aisle—to help the parliament through by making recommendations.

The underlying principle of their recommendations is that people who arrive by boat should receive no advantage in their processing. To argue otherwise is to argue that people should receive an advantage if they arrive by boat. To argue otherwise is to suggest that somebody who can afford to come here by boat or who is inclined to
come here by boat should receive advantageous treatment over those who are waiting elsewhere for resettlement in Australia. Many members of this House have travelled the world and have seen people in difficult and protracted situations. I have done it, the member for Cook has done it, the Minister for Multicultural Affairs has done it and many backbenchers have done it and seen those situations. We have seen the extended and difficult situations that those people are in and want to give them an even chance.

Let me today explicitly reject the assertion of some—and indeed, the assertion of some in this chamber and elsewhere—that to believe in a rigorous process of offshore processing is somehow to take an anti-immigration stance or a racist stance or that it is somehow to appeal to the darkened nature of some in Australia. I reject that absolutely. You can, and many do, believe as I believe in an extended refugee program, in giving more people the chance of a life in Australia and in a higher immigration program but believe that there needs to be a fairer and more orderly system. This is something that, it is no surprise, has dominated the public debate and it is something that I have argued for in my 18 months as Minister for Immigration and Citizenship.

It is now time for the parliament to pass this legislation. There will continue to be a debate. We will, as I have publicly indicated, progress processing on PNG and Nauru. I will lay the instrument upon the table. I will also continue to pursue actively, as the report calls for, the introduction of the Malaysia agreement. The Houston package makes clear that this is a holistic approach. We cannot cherry pick and we will not cherry pick. I am sure the opposition and we will continue to argue about this, but I call on the opposition to look in good faith at the Malaysia agreement and at the protections that are built into it. I recognise that they will pass this legislation today and also the work of the member for Cook with me on amendments to ensure the bill's smooth passage through the House. Only as a package will we break this trade. Only as a package will we save people's lives and give people better advantage.

I turn very briefly to the opposition's second reading amendment, which we will oppose. We will oppose it because it is wrong. The opposition of course seeks to say that Nauru and PNG are only part of the package and that we need to do other things. We agree on that much, but we disagree strongly on what those other things are. If you look at the opposition's policy you will see that they believe in turning back the boats on the high seas, turning them around and pointing them towards Indonesia. This is something that the expert panel looked at. I have always said, 'Yes, that would be a deterrent.' I have always argued that taking people back to where they began the boat journey, whether it be Malaysia or Indonesia, is a useful deterrent but it can be done only with the agreement of the country to which you wish to take people. It can only be done in this case with the agreement of Indonesia. The opposition has been at sixes and sevens about this. I heard with amusement the Deputy Leader of the Opposition say yesterday, 'We don't use a megaphone. We're not going to lecture Indonesia publicly about this; we're going to work quietly behind the scenes.' Then the Leader of the Opposition got his megaphone out and said, 'These are Indonesian vessels disgorging in Australia. It is Indonesia's responsibility; they should be doing this. We'll do it regardless of whether Indonesia agrees or not.'

If the opposition continue on this policy they will need to raise it with Indonesia at some point, as they failed to do so when the Leader of the Opposition met with the
President of Indonesia. He did not have the
gumption to raise this issue with the
President of Indonesia. Then they talk about
temporary protection visas. These were
given so much attention by the panel that
they are not even mentioned. That is because
the panel did not believe there was any
efficacy in going down that road.

This is a very significant day. It is
important that this legislation pass, because
the executive should be able to implement
offshore processing. We are more than happy
with the recommendation that each
instrument be laid before the House and the
Senate and for the House and the Senate to
be able to pass judgment on those. We will
continue to prosecute the case for each
arrangement that we have put in place.

This is not the end of the efforts to deal
with what is the very pernicious trade of
people smuggling, which trades in people's
lives and gives people the expectation that,
in return for very significant sums of money,
they can be given passage
to Australia. I
commend this bill to the House. It is
important that the bill pass the House today
and pass the Senate expeditiously. The
Australian people expect no less, and the
people smugglers fear nothing more.

The DEPUTY SPEAKER (Ms AE
Burke): The immediate question is that the
amendment moved by the member for
Cook to the amendment moved by the member for
Melbourne be agreed to.

House divided. [13:05]

(The Deputy Speaker—Ms AE Burke)

Ayes.....................68
Noes.....................72
Majority................4

AYES

Abbott, AJ
Andrews, KS
Baldwin, RC
Bishop, BK

Alesander, JG
Andrews, KL
Billson, BF
Briggs, JE

AYES

Broadbent, RE
Chester, D
Ciobo, SM
Coulton, M
Dutton, PC
Fletcher, PW
Frydenberg, JA
Griggs, NL
Hartsuyker, L
Hockey, JB
Irons, SJ
Jones, ET
Kelly, C
Macfarlane, IE
Markus, LE
McCormack, MF
Morrison, SJ
O'Dowd, K
Prentice, J
Ramsey, RE
Robb, AJ
Roy, WB
Schultz, AJ
Secker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Tudge, AE
Van Manen, AJ
Washer, MJ

Buchholz, S
Christensen, GR
Cobb, JK
Crook, AJ
Entsch, W
Forrest, JA
Gash, J
Haase, BW
Hawke, AG
Hunt, GA
Jensen, DG
Keenan, M
Ley, SP
Marino, NB
Matheson, RG
Mirabella, S
Neville, PC
O'Dwyer, KM
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wyatt, KG

NOES

Adams, DGH
Albanese, AN
Bandt, AP
Bird, SL
Bowen, CE
Bradbury, DJ
Brodmann, G
Burke, AS
Butler, MC
Byrne, AM
Champion, ND
Cheeseman, DL
Clare, JD
Collins, JM
Combet, GI
Crean, SF
Danby, M
D'Ath, YM
Dreyfus, MA
Elliot, MJ
Ellis, KM
Ferguson, MJ
Garrett, PR
Gibbons, SW
Georganas, S
Gray, G
Gillard, JE
Griffin, AP
Grierson, SJ
Hayes, CP (teller)
Hall, JG (teller)
Jones, SP
Jenkins, HA
King, CF
Kelly, MJ
Livermore, KF
Leigh, AK
Lyons, GR

CHAMBER
The DEPUTY SPEAKER (Ms AE Burke): The question is that the amendment moved by the member for Melbourne be agreed to.

A division having been called and the bells having been rung—

The DEPUTY SPEAKER: As there are fewer than five members on the side for the ayes, I declare the question resolved in the negative in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.

Question negatived, Mr Bandt and Mr Wilkie voting aye.

Original question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (13:14): I present a supplementary explanatory memorandum to the bill and I ask the leave of the House to move government amendments (1) to (39), as circulated, together.

Leave granted.

Mr BOWEN: I move government amendments (1) to (39), as circulated, together:

(1) Clause 1, page 1 (line 6), omit "Offshore", substitute "Regional".
(2) Schedule 1, heading, page 3 (line 1), omit "Offshore", substitute "Regional".
(3) Schedule 1, item 1, page 3 (line 7), omit "an offshore", substitute "a regional".
(4) Schedule 1, item 4, page 3 (lines 16 to 20), omit the item, substitute:

4 Subsection 5(1)
Insert:

regional processing country means a country designated by the Minister under subsection 198AB(1) as a regional processing country.

(5) Schedule 1, item 6, page 3 (line 27), omit "to an offshore", substitute "to a regional".
(6) Schedule 1, item 7, page 3 (line 29) to page 4 (line 1), omit the item, substitute:

7 Paragraphs 36(2)(a) and (aa)
Omit "to whom", substitute "in respect of whom".

(7) Schedule 1, items 9 and 10, page 4 (lines 4 to 9), omit the items.
(8) Schedule 1, item 25, page 6 (line 1), omit the heading to Subdivision B, substitute:

Subdivision B—Regional processing

(9) Schedule 1, item 25, page 6 (line 11), omit "an offshore", substitute "a regional".
(10) Schedule 1, item 25, page 6 (line 12), after "Minister", insert "and Parliament".
(11) Schedule 1, item 25, page 6 (line 13), omit "offshore", substitute "regional".
(12) Schedule 1, item 25, page 6 (line 14), omit "an offshore", substitute "a regional".
(13) Schedule 1, item 25, page 6 (line 17), omit the heading to section 198AB, substitute:
198AB Regional processing country

(14) Schedule 1, item 25, page 6 (lines 18 and 19), omit “in writing, designate that a country is an offshore”, substitute "by legislative instrument, designate that a country is a regional".

(15) Schedule 1, item 25, page 6 (after line 19), after subsection 198AB(1), insert:

(1A) A legislative instrument under subsection (1):

(a) may designate only one country; and

(b) must not provide that the designation ceases to have effect.

(1B) Despite subsection 12(1) of the Legislative Instruments Act 2003, a legislative instrument under subsection (1) of this section commences at the earlier of the following times:

(a) immediately after both Houses of the Parliament have passed a resolution approving the designation;

(b) immediately after both of the following apply:

(i) a copy of the designation has been laid before each House of the Parliament under section 198AC;

(ii) 5 sitting days of each House have passed since the copy was laid before that House without it passing a resolution disapproving the designation.

(16) Schedule 1, item 25, page 6 (line 22), omit "an offshore", substitute "a regional".

(17) Schedule 1, item 25, page 7 (line 11), omit "in writing", substitute "by legislative instrument".

(18) Schedule 1, item 25, page 7 (lines 14 and 15), omit subsection 198AB(8).

(19) Schedule 1, item 25, page 7 (lines 22 and 23), omit "an offshore", substitute "a regional".

(20) Schedule 1, item 25, page 7 (line 28), omit "an offshore", substitute "a regional".

(21) Schedule 1, item 25, page 8 (lines 26 and 27), omit the heading to section 198AD, substitute:

198AD Taking offshore entry persons to a regional processing country

(22) Schedule 1, item 25, page 8 (lines 33 and 34), omit "an offshore", substitute "a regional".

(23) Schedule 1, item 25, page 9 (line 11), omit "to an offshore", substitute "to a regional".

(24) Schedule 1, item 25, page 9 (line 19), omit "offshore", substitute "regional".

(25) Schedule 1, item 25, page 9 (line 22), omit "offshore", substitute "regional".

(26) Schedule 1, item 25, page 9 (line 31), omit "the offshore", substitute "the regional".

(27) Schedule 1, item 25, page 11 (line 14), omit the heading to section 198AF, substitute:

198AF No regional processing country

(28) Schedule 1, item 25, page 11 (line 16), omit "offshore", substitute "regional".

(29) Schedule 1, item 25, page 11 (line 17), omit the heading to section 198AG, substitute:

198AG Non-acceptance by regional processing country

(30) Schedule 1, item 25, page 11 (line 19), omit "offshore processing country, or each offshore", substitute "regional processing country, or each regional".

(31) Schedule 1, item 25, page 11 (line 27), omit "an offshore", substitute "a regional".

(32) Schedule 1, item 25, page 12 (line 5), omit "offshore", substitute "regional".

(33) Schedule 1, item 26, page 12 (line 15), omit "an offshore", substitute "a regional".

(34) Schedule 1, item 26, page 12 (line 17), omit "an offshore", substitute "a regional".

(35) Schedule 1, item 27, page 12 (line 21), omit "an offshore", substitute "a regional".

(36) Schedule 1, item 36, page 13 (line 18), omit "the commencement of this item", substitute "13 August 2012".

(37) Schedule 2, item 2, page 14 (lines 10 to 13), omit the item, substitute:

2 Section 4

Insert:

regional processing country has the same meaning as in the Migration Act 1958.
These are important amendments that I foreshadowed yesterday, when this bill was brought on. These amendments reflect the recommendation of the Houston panel that instruments allowing for offshore processing places be laid before the House and be disallowable by both houses of parliament. It also reflects discussions between the government and the opposition to ensure that if such an instrument is designated, for example, in an extended non-sitting period, there still be an opportunity for parliamentary scrutiny and parliamentary approval. I understand that these amendments will meet with the agreement of the House.

Mr MORRISON (Cook) (13:16): As I referred to yesterday, the amendments moved by the government have been brought together as a result of the minister and I working together on this. I thank him for that and for the acceptance of the proposals put forward by the coalition.

These amendments imply and create a very significant responsibility on this House and on the other place. It is now this parliament that is the arbiter of protections for people who are processed offshore. That is the consequence of these amendments, which are being put through with the agreement of the coalition. These amendments, together with the bill more broadly, will re-enable offshore processing at Nauru. To have offshore processing take place at Nauru has always been intended by the coalition. There is no change to the arrangements that will be undertaken on Nauru, as we see them and understand them. They are those we have always advocated and we therefore welcome, absolutely, the restoration of the way that matters will be handled on Nauru, where there will be no advantage, as there was certainly no advantage previously.

I also note that as a result of these amendments and this bill, if adopted, there now will be an opportunity for the government to put Nauru in place. I urge the government today to take heed of the advice the coalition has been providing on how that can be best done on Nauru. We have done significant work on the construction, planning and development arrangements on Nauru and that work will be available to the government at any time. We have offered it before and it is available to them now. I am in the process of writing to the minister today to outline that. Having spoken within the last 24 hours to the International Organisation for Migration, I can confirm to the House that they are prepared to work with the government, as they always have been up until now, to re-establish and manage this facility on Nauru. Also, the contractors who previously worked with the IOM, and who I can confirm today are prepared to be a part of this, will be available to work with the government to achieve this.

These amendments, together with this bill, will ensure that at least one of the measures the Howard government had in place will be restored. But as I have said—and those on this side of the House have reminded this chamber and those outside this chamber—the history on this matter is important because when a government gets it this wrong they should face the music for doing so. That is what has been taking place over the last 24 hours. Now, we can proceed with this. But if we want the Howard government's result of a 99 per cent reduction in boat arrivals, you need to put in place all of the Howard government measures.

Mr BANDT (Melbourne) (13:19): I do not support the amendments and I rise to
I, and the Greens, have for speaking against the amendments have been eloquently summarised in a letter sent today to the Prime Minister from a wide range of refugee, social justice and human rights groups, including Amnesty International Australia, Ged Kearney, the President of the ACTU, the Assembly of the Uniting Church in Australia, the Melbourne Catholic Migrant and Refugee Office, former Prime Minister the Rt Hon. Malcolm Fraser, as well as a number of other groups in this sector. They write:

We are united in our opposition to the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill, currently before parliament. We are also concerned that other legislative changes required to implement the recommendations of the expert panel on asylum seekers will, if passed, see the Australian parliament remove legislative safeguards for asylum seekers, reverse previous measures implemented to protect vulnerable people and breach Australia's international obligations.

We oppose any form of offshore processing and policy centred on deterrence and punishing people based on their mode of arrival. We are particularly concerned that the implementation of the expert panel's recommendations will:

- Repeal the few human rights protections included in the offshore processing legislation passed in 2001;
- See any country designated for offshore processing, regardless of whether it is a party to the refugee convention;
- Punish asylum seekers who arrive by boat, in breach of the refugee convention;
- Implement a return to assessing asylum applications in Nauru and Manus Island, ignoring past lessons regarding the mental health impacts of holding people indefinitely with limited freedom of movement;
- Facilitate the transfer of unaccompanied minors, who will have no guardian to act in their best interest, in breach of the United Nations Convention on the Rights of the Child;
- Prevent irregular maritime arrivals, whatever their age, from proposing family members for the Special Humanitarian Program, the SHP, creating greater incentives for families who want to stay together to travel by boat to Australia; and
- Leave open the possibility that boats may be turned back in the future, contravening the convention for the safety of life at sea.

The letter continues after that.

This legislation and these amendments reflect that it is a tough issue. Anyone who says it is not a tough issue is not paying attention. I know that the Australian people have been demanding that this parliament do something.

But when they asked us to do something, I do not think they wanted us to commit people to indefinite detention. I do not think they wanted us to return to the dark days of John Howard. I think they wanted us to save lives and protect refugees in a different way, and instead we have gone back to the future.

When the pressure is on, when there is a national call from many to say that something needs to be done, and rights need to be stripped away, that is the time it is most important to stand up for vulnerable people and stand up for vulnerable principles. The right to seek asylum is not a new right. It is a right that has existed in various forms, at various times, for over 2,000 years. It has been codified in our law for many years. But, for the last two decades, we have seen that right attacked and eroded. It started with mandatory, indefinite detention under the Keating Labor government; it continued under the Howard government, when the Labor Party supported the Tampa laws which began the Pacific solution; and it continues today.
What is perhaps the greatest tragedy of the recent debate is that we could have pursued a different path. We could have resolved to pursue actions that would have helped refugees while preventing drownings at sea. The Greens stood ready to work with the government to put substantial resources into processing refugees before they got onto boats. We were ready to put in place a real regional framework, like we had at the end of the Vietnam War, which offered resettlement to people, not deterrence. Instead, we have a reprisal of the Pacific solution. We are punishing refugees with the prospect of indefinite detention on an island prison. We are punishing those refugees who, after many years, find their way to Australia, by removing their right to family reunion. We are punishing refugees by removing any rights to appeal. And the appalling tragedy of this all, Madam Deputy Speaker, is that it will not stop the boats—we know that from history, and we know that from the tragedy of the SIEV X.

The DEPUTY SPEAKER (Ms AE Burke): The question is that government amendments (1) to (39) be agreed to.

A division having been called and the bells having been rung—

The DEPUTY SPEAKER: As there are fewer than five members on the side for the noes, I declare the question resolved in the affirmative in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.

Question agreed to, Mr Bandt and Mr Wilkie voting no.

BUSINESS

Rearrangement

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (13:29): by leave—I move:

That so much of the standing and sessional orders be suspended as would prevent proceedings on the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011 taking precedence over all other business.

Question agreed to.

BILLs

Migration Legislation Amendment (Offshore Processing, Protection and Other Measures) Bill 2012

Consideration in Detail

Mr BANDT (Melbourne) (13:30): I move Greens amendment (1):

(1) Schedule 1, item 25, page 10 (after line 8), after section 198AD, insert:

198ADA 12 month limit on transfer to offshore processing country

(1) The Minister must ensure that a person who is transferred to an offshore processing country under section 198AD is transferred to Australia no later than 12 months after the day on which the person arrived in the offshore processing country.

(2) Subsection (1) does not apply in relation to a person who is not in the offshore processing country 12 months after the day on which the person arrived in the country.

(3) Section 198AD does not apply in relation to a person who is transferred to Australia under subsection (1).

The amendment that I have moved would limit the amount of time that someone is able to be held in detention on an island prison, subject to this act, for a period of 12 months. We are in the extraordinary situation where we are being asked to approve legislation that will allow someone who makes their way to Australia by boat to be taken to another country and to be put in what is effectively a prison for an indefinite and unspecified period.

This parliament and this House should not be asked to approve a piece of legislation
before we know for how long a refugee is able to be detained under any of the arrangements struck under this new law. We have heard it said that the period for which someone will be detained may be or is intended to be equivalent to the length of time that it would otherwise have taken for their claim to be processed. We have heard the member for Cook, the shadow minister for immigration, say that that could be 10 years. We have heard other people say that, in some instances, because there is no queue in some of these places it could be a lifetime.

Given that we do not know the length of time, this House should take a very strong stand against the indefinite detention of vulnerable refugees. The amendment I have moved will limit the amount of time that someone can spend in detention to 12 months. I would prefer that mandatory detention did not exist; I would prefer that we had a much speedier process for processing people's asylum claims. But I would hope that 12 months represents a reasonable time that all members of this House could agree to as being an acceptable limit. One reason why 12 months is picked is that we know from the mental health experts that, after that time, there is an extraordinarily high risk that people who have been in detention will self-harm or commit suicide. So if we are concerned, as we have been told we are repeatedly over the last few days, about saving lives of refugees then we should save their lives when they are in detention centres as well. We should put a limit of 12 months detention into the legislation. That is not perfect, but it is a compromise that I hope will be acceptable.

I might also take this opportunity in the consideration in detail stage to ask the minister when he will put before the House the documentation required in this legislation regarding the designation of Nauru and Manus Islands and to explain what arrangements have been reached with Nauru about the number of refugees who will be detained there, and the length of time and the conditions under which they will be detained. I also ask the minister for an indication as to when the other elements of the expert panel's proposal will in fact be implemented. It may not be clear to members of the community, but the proposed safeguards that are spoken about in the Houston report do not form part of this legislation; they form part of an instrument that is meant to be tabled before this parliament. We are told that work will commence as early as this Friday and we are told that people will be moved to these camps, potentially in tents and other temporary structures, as a matter of urgency. Given that that will happen immediately, the parliament is entitled to know before passage of this legislation what the conditions are of the agreements that have been reached and when we will see the disallowable instrument.

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (13:34): In answer to the honourable member for Melbourne's question, the bill provides for me to lay an instrument upon the table when I am satisfied of the national interest in regard to certain matters. I will lay it on the table of the House when I am satisfied of that, not before and not after. The plan is for a reconnaissance team to go to Nauru and Papua New Guinea on Friday. The Prime Minister and I will update the House and the Australian public as to progress on both technical matters and agreements, which will be made public when we are in a position to do so.

The DEPUTY SPEAKER (Ms AE Burke): The question is that the member for Melbourne's amendment be agreed to.
A division having been called and the bells having been rung—

The DEPUTY SPEAKER: As there are fewer than five members on the side for the ayes, I declare the question resolved in the negative in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.

Question negatived, Mr Bandt and Mr Wilkie voting aye.

The DEPUTY SPEAKER: The question is that the bill, as amended, be agreed to.

A division having been called and the bells having been rung—

The DEPUTY SPEAKER: As there are fewer than five members on the side for the noes, I declare the question resolved in the affirmative in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.

Question agreed to, Mr Bandt and Mr Wilkie voting no.

Third Reading

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (13:41): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

COMMITTEES

Economics Committee

Report

Ms OWENS (Parramatta) (13:41): On behalf of the Standing Committee on Economics, I present the committee's report, incorporating a dissenting report, on the exposure draft of the Australian Charities and Not-for-profits Commission bills 2012, together with the minutes of proceedings.

In accordance with standing order 39(f), the report was made a parliamentary paper.

Ms OWENS: by leave—The bills will establish an independent national regulator for the charities and not-for-profit sector. The not-for-profit sector plays a major role in Australian society. It comprises 600,000 entities that provide services in education, sports, welfare, arts, religion, culture and community wellbeing. The sector plays a major role in the Australian dollar economy. Even excluding where the sector charges a fee for service, it comprises $40 billion annually. Adding revenues for fee for service brings the sector up to $100 billion annually. It contributes five per cent of Australia's GDP and eight per cent of employment.

The Australian Charities and Not-for-profits Commission will become a one-stop shop. Charities and not-for-profits will provide streamlined information to the commission, which will determine their charitable status and pass on officially required data to other Commonwealth agencies, including the tax office. It will implement flexible, proportional regulation in accordance with an entity's size and through graduated enforcement powers, such as warnings and enforceable undertakings.

These bills have been a long time coming. The current regulatory framework for the sector is fragmented, inconsistent and uncoordinated across a range of government agencies. It meets neither the sector's needs nor those of the wider community. A national regulator for the sector was first proposed in 2001 and has been a consistent theme in reviews of the sector since then. Charities and not-for-profits have been subject to an inefficient regulatory framework spread across many agencies and more than one level of government. The bills offer a way to remedy this. The sector itself supports the change. Bodies in the sector
must prove their bona fides each time they deal with government and they anticipate the day when this information is located in one easily accessible place.

Broadly, the committee covered three major policy areas in the inquiry. The first is the capacity of the commission to reduce red tape. Some in the sector were concerned about reporting and governance standards and how the commission's requirements would interact with those of other state and federal bodies. Given the red tape burden that the sector currently faces, it is understandable that there is some scepticism along with the hope. However, work has really begun. The Commonwealth is seeking to turn off any duplication such as reports to the Australian Securities and Investments Commission or other Commonwealth agencies. It is also discussing whether states and territories might wish to do the same with their associations legislation to the extent that these organisations are covered by the bills. This is a long-term project but the committee is confident that there will be immediate benefits and substantial improvement over time.

The committee has made a number of recommendations in response to sector concerns. Firstly, we have recommended that the objects of the Australian Charities and Not-for-profits Commission Bill 2012 explicitly include the reduction of red tape. Secondly, we have sought to increase flexibility for the commission and the sector as they negotiate their way through the process of rationalising reporting and reducing red tape, and we have recommended allowing the commission to accept reports and materials from other agencies for a limited time. We have also recommended providing additional flexibility by allowing for selected existing and sector developed governance standards to be incorporated into the bill by regulation. In the area of liability of directors, trustees and management committees, we have recommended redrafting of the provisions for clarity. We have also made changes relating to procedural fairness and recommended a review after a five-year period. I commend the report to the House.

Debate interrupted.

STATEMENTS BY MEMBERS

Cerebral Palsy Awareness Week

Mr SIMPKINS (Cowan) (13:46): I would like to take this opportunity to thank the Centre for Cerebral Palsy WA for all the work they do for the 1,700 people living in WA with cerebral palsy and their families. They do great work in highlighting and supporting the needs of those with cerebral palsy and their families. Cerebral Palsy Awareness Week was held from 30 July to 5 August this year. It celebrated the achievements in this area and also highlighted the requirement to maintain support for those with cerebral palsy.

I received the honour of a Community Excellence Award for my support of the Cerebral Palsy Centre. I was nominated by Jen Prior, whose daughter Emily was a telethon child in WA. Emily has cerebral palsy but she is irrepressible. I am also involved with the Tasseff family in Madeley—Steve, Geraldine and Tayla. I believe Tayla last year visited the parliament with her primary school, Madeley Primary School. I would again like to thank the Centre for Cerebral Palsy for the great work they do for those with cerebral palsy in WA and also Jen Prior for nominating me for the award that I received.

Surf Life Saving

Mr LYONS (Bass) (13:48): I rise today to briefly mention the recent success of Australia's surf lifesavers at the 30th Olympiad. Twenty current surf lifesavers
and six former lifesavers competed in the London games. This does not include Sally Pearson, who I understand was a nipper at Surfers Paradise as a child.

Surf lifesavers competed and excelled in a number of sports, including swimming, water polo, rowing and kayaking. Between them they achieved two gold medals, three silver medals and one bronze medal, which as a team would have meant they were placed 30th overall in the medal tally. This is a fantastic achievement. If you think you have got what it takes to be an Olympian then check out the Surf Life Saving Association of Australia's talent identification program 'The Next Wave', which is designed to fast-track athletes towards Olympic glory in water sports. The Next Wave is funded by the Australian Sports Commission. The Next Wave helps improve athletes' performance and develop pathways for coaches, athletes and surf lifesavers. They have developed great partnerships to assist in this process, including with Swimming Australia, Australian Canoeing and Rowing Australia.

You could help save the life of someone close to you one day. I encourage you to stay safe on the beach and donate to or participate in the surf lifesaving movement. Every Australian, including many Olympians can and do help save lives.

**World Under-19 Cricket Championships**

Mr EWEN JONES (Herbert) (13:49): It used to be said that all roads lead to Rome. Well, in 2012, if you are a cricket tragic, all roads lead to Townsville in North Queensland. Townsville is hosting the World Under-19 Cricket Championships, which started last weekend with Australia soundly thrashing the English at Tony Ireland Stadium. Watching these guys from the sidelines were Gregory Stephen Chappell, Stuart Law and Craig McDermott. We were at a function the night before and I did not have the guts to tell Greg Chappell about the magnificent 'four for' I took and 54 runs I scored for Toowoomba Grammar School in 1977 on the flats at Nudgee.

To see these young men stride the national stage, to see people like Courtney Walsh there with the West Indians, to see the magnificent fields that we have provided, should say to everyone how good it is to be in regional Queensland and how good it is to be in regional Australia. To Peter Raffles, the chair and guiding light of this, I say congratulations. To the Townsville City Council, led by Mayor Jenny Hill, I say congratulations. To everyone who has had anything to do with this, including Greg Hallam and the previous chair of Townsville Cricket, Wayne Nicholson, to everyone who has put their hand up for this job, it is going to be a magnificent thing, with the final coming in just a few short weeks. It will mean 2,500 bed nights for North Queensland. Good on North Queensland!

**Mount Kembla Mine Explosion of 1902**

Mr STEPHEN JONES (Throsby) (13:51): On 31 July hundreds of people across my region of the Illawarra gathered to honour the 96 men and boys who perished in the Mount Kembla Mine explosion in 1902 and give thanks to the survivors who rebuilt this great community following the tragic disaster. It was also an occasion to honour those dedicated community members who have been significant to the preservation of Mount Kembla's history over the past 100 years. Without them there would be no commemoration ceremonies. Without them we would not be able to pay tribute to the sacrifices those young and boys made to make the Illawarra the prosperous and enviable region that it is today. The role is
extremely important as I believe that, as proud people of the Illawarra, we should never forget where we came from.

The Illawarra is a mining district, and brave men like those we lost in 1902 are the backbone of this country. I am very proud to say also that some of them are some of the most active miners in industry, always in the forefront of campaigns for better conditions, fairer pay and the 35-hour week. Those 96 men and boys did not die in vain; they left behind them a legacy that has lived on for more than 110 years, and I hope that it will live on for hundreds of years to come.

**Flynn Electorate: Postal Services**

Mr O’DOWD (Flynn) (13:52): Postal services in my electorate of Flynn have been deteriorating now for some time. The part-closure of the Chapple Street post office in Gladstone was the start. Services in areas such as Bluff, Rolleston, Banana, Wowan and Dululu have been suffering in the last 12 months. In Bluff, for example, residents were told that the services had to be cut off and that they would have to collect their mail from the nearby town of Blackwater after a replacement operator could not be found. There was not enough money to induce anyone to take the post office on. Unfortunately, services in Blackwater were not sufficient to support the Bluff mail service, and they had no available postboxes either. After much confusion, Australia Post saw fit to provide postboxes at Bluff in the town hall, and, together with efforts from the ladies of the local CWA, they restored a temporary, limited service.

I wish to highlight the importance of postal services in our regional Queensland towns. They are vital to the survival of small towns and are very sorely missed when not available. We have seen this happen in Bluff and other areas. People come in from far away—they could travel 200 kilometres—to pick up the mail, to find that the post office is no longer there or the service is not available. I thank the ladies of the CWA at Bluff for their commitment to the community and assure the residents of Flynn that I will continue. *(Time expired)*

**Greenway Electorate: Sikh Community**

Ms ROWLAND (Greenway) (13:54): I rise today to offer my condolences to those affected by the recent shooting at a Sikh temple in Wisconsin, in which six worshippers were killed, and to acknowledge the grief felt by the large Sikh community whom I am privileged to represent in this place.

The Greenway electorate is a diverse and multicultural part of Western Sydney, an electorate which includes a similar gurudwara in Glenwood, where I live, and which is home to almost 5,000 people of Sikh faith. The Sikh community of Greenway and Australia generally are understandably shocked and distressed by this mindless loss of their innocent fellow believers abroad. In the wake of this tragedy, the Glenwood gurudwara became not just a place of worship but a place of mourning for Sikh brothers and sisters. In the words of Sikh Youth Australia President Mr Satwant Singh Calais:

Sikh Youth Australia will join Sikhs all over Australia in prayers for the departed and those who have been hurt. Our condolences go to all those who have suffered as a result of this tragedy. May the Almighty give all the strength to move forward from this sad event.

Sikhism is a progressive faith that preaches a message of devotion and remembrance of God. As I have often stated publicly, many values of Sikhism are strongly aligned with those we all desire on a personal and national level. So my thoughts are with all members of the Sikh faith at this sad time.
On this day, 15 August, which is also Indian Independence Day, I express my deepest regret at this tragedy and reaffirm my commitment to the Sikh community whom I represent in the federal parliament.

Bradfield Electorate: Schools

Mr FLETCHER (Bradfield) (13:55): In recent days I have had the opportunity to visit two fine schools in my electorate which cater for children with intellectual or physical disabilities or, in many cases, a difficult combination of both—that is, St Lucy's School, in Wahroonga, where I am pleased to say I was accompanied by the shadow minister for education, the Hon. Chris Pyne, and also Sir Eric Woodward Memorial School, in St Ives. In addition, there are other fine schools in my electorate providing services to children with intellectual and physical disabilities, including Cromehurst School, in Lindfield, and St Edmund's School, also in Wahroonga.

The overriding impression that you get when you visit schools of this kind is the extraordinary love, care and commitment shown by staff, by parents and by all involved in the care of the children who attend those schools. Whatever the challenges those children face, be it autism—there is a specific program for autism at Sir Eric Woodward school, and there are also a number of autistic children at St Lucy's School—or be it other disabilities, the commitment to getting the very best out of these children is extremely impressive, and the focus not on their disabilities but on their potential is always a wonderful thing to see. I congratulate those schools.

Canberra Electorate: Ms Cheryl Keeley and Mr John Keeley

Ms BRODTMANN (Canberra) (13:57): I rise today to pay tribute to two outstanding Canberra residents, two Canberra legends, Cheryl and John Keeley. Cheryl and John work together, and they run the Narrabundah Newsagency, in the inner south of my electorate. Cheryl and John are the kind of small business people who really are local legends and whose hard work and community involvement means so much to the people in the area. People rave about the old-style, courteous service that Cheryl and John give to all their customers. They take an interest in local affairs and in their neighbourhood. As one of their loyal customers has said, the Narrabundah Newsagency provides tolerant and unbiased information about local and community issues.

Like so many small business owners in my electorate, the Keeleys work very long hours and they work very hard. But, as John Keeley told my office, he loves what he does and the people he and Cheryl serve, and these are the sentiments I hear so often from the small business sector in Canberra. I want to pay tribute to those hardworking Canberra small-business operators who are doing an extraordinary job with kindness, courtesy and understanding, exemplified by the Keeleys.

Parkes Electorate: Ms Eliza Vail

Mr COULTON (Parkes—The Nationals Chief Whip) (13:58): I rise to acknowledge a letter that I received from one of my constituents, Eliza Vail. Eliza is in fifth class at Dubbo South Public School and has written to me about her concerns regarding litter around her community. She believes that there should be stronger penalties for people who are guilty of dropping their rubbish.

The reason I bring this to the attention of the House is that I think it is important to acknowledge that our younger people are interested in the democracy in which we live and are interested in the community in which they are residents. For a person of such
tender years to take the time to write a letter to their federal member in an attempt to change the laws to improve the local environment in which they live I think is commendable. It is interesting to note that she has taken a leaf from her mother, who had campaigned some years ago with regard to the killing of baby harp seals, so being an activist is somewhat in the family. I commend Eliza Vail for the effort she is taking, and I encourage this House to further look at the issue of the environment in which we live and the way in which we keep it.

Zentai, Mr Charles

Mr DANBY (Melbourne Ports) (13:59): I rise to express my regret that the High Court has made the decision not to extradite alleged Hungarian war criminal Charles Zentai on the legal basis that he is—(Time expired)

The DEPUTY SPEAKER (Ms AE Burke): Order! It being 2 pm, the debate is interrupted—the rules are the rules. In accordance with standing order 43, the time for members' statements has concluded.

STATEMENTS ON INDULGENCE
London Olympic Games

Ms GILLARD (Lalor—Prime Minister) (14:00): I rise to remark in this House on the return of our athletes this morning from the London Olympic Games. This morning, the Leader of the Opposition and I, together with our Minister for Sport and the shadow minister for sport, had the very great privilege and opportunity to be there, when the Qantas flight came in, to welcome our athletes home. Our athletes descended the stairs to see a crowd of well-wishers and family members ranging from grandmothers—some older Australians were there to cheer them on—to young babies, godchildren and family members. All joined there with a sense of joy and anticipation wanting to commend their family member for their efforts in London. Here in this House today we can join our voices with the voices of those family members and friends and say to each athlete who has returned home today: we are proud of you and what you have achieved.

Australia can be very proud to be a nation that came 10th out of 204 nations in the medal tally; we can be proud of some of the remarkable individual performances that we have seen; but we should also express a sense of pride in the achievement of every athlete. Going to the Olympic Games to represent your nation is the result of remarkable hard work, discipline and perseverance. Our athletes—each and every one of them—are to be congratulated.

Inevitably, after the Olympics there will be a time of reflection about how we have achieved at the Olympics and what lessons are to be learned. But today is not the day for that. Today is the day to say 'Well done!' to each athlete and to thank them for their efforts and to say 'Thank you very much' to each and every one of the family members and friends who have supported the athletes on their journey as well as to all of the people in school sports and community sports who first said to one of those athletes, 'You are a person of talent,' for their contribution to our nation's achievement.

Given the comparative youth of our team, what I think we can certainly look forward to is that we will see a number of those who have achieved at the London Olympics go on to Rio tough, fit and hungry for more achievement. We are seeing out of this games that some of our athletes have announced that they have been to their last games, and we thank them for their contribution too.

If anybody is feeling any sense of withdrawal from being able to stay up very
late at night and cheer our Australians on, we are looking forward to the start of the Paralympics, where we will get the opportunity to do it all again.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:03): I rise to support the remarks of the Prime Minister and to say with her it was a tremendous honour to be able to welcome back our champion Olympic athletes. It was also a great honour to be with the parents and families of our Olympians, because every champion athlete invariably has a champion parent who was the unpaid taxi driver and unofficial cheerleader for years and years while that athlete prepared for his or her moment of glory.

Yes, there will be time enough in the future to reflect on how we went and whether we could possibly go better, but I just want to make one point: no-one is tougher on an athlete's performance than the athlete himself or herself, and I am sure that the deepest and most perceptive post-mortems of this Olympics will be done by the athletes and by the various athletic organisations, because the one thing they want to do is give of their best. I am sure that they did, each of them individually and collectively, give of their best at London.

As the Prime Minister has said, we are now preparing for the Paralympics. We will be cheering our Paralympians with the same enthusiasm with which we cheered for our Olympians, and we want to assure all of our Olympians that we will be right behind them as they prepare for Rio.

The DEPUTY SPEAKER (Ms AE Burke): I think the entire House would like to join in this message of congratulations to our Olympians.

Reference to Federation Chamber

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:05): by leave—It is in that spirit that I move:

That further statements on indulgence on the London Olympic Games be permitted in the Federation Chamber.

I intend to list that for debate tomorrow morning.

Question agreed to.

QUESTIONS WITHOUT NOTICE

Carbon Pricing

Mr ABBOTT (Warringah—Leader of the Opposition) (14:05): My question is to the Prime Minister. I refer the Prime Minister to her comments on 22 February last year, when she said:

I … want to be very clear with Australians about what pricing carbon does. It has price impacts, it’s meant to—that’s the whole point.

Does the Prime Minister stand by her comment that the whole point of the carbon tax is to push up prices, particularly to push up power prices?

Ms GILLARD (Lalor—Prime Minister) (14:06): The whole point of putting a price on carbon is to reduce carbon pollution, and you do that by sending the biggest polluters a price signal by charging them a price per tonne for the amount of carbon pollution that they put in our atmosphere. At base, it is a very simple concept—one caught by my statement in February, which I will re-explain now for the benefit of the Leader of the Opposition.

Prior to putting a price on carbon, it was possible for some of our biggest polluters, who generate a lot of carbon pollution, to put that pollution into the atmosphere for nothing; there was absolutely no incentive for change.

Once you put a price per tonne on carbon pollution, there is an incentive for change because big businesses will want to reduce the impact on them of that price. We already
know that there are many businesses and I have met many business leaders who are contemplating changes to the way they run their businesses to reduce the amount of carbon pollution they generate. As a result of putting a price on carbon, we will see less pollution in our atmosphere and we will see a greater use of renewable and clean energy. Yes, there are some flow-through price impacts for the things that people buy and use in their own homes, including electricity, and that increase, which we have always said would be 10 per cent, is 10 per cent. That is why we have provided families with tax cuts, family payment increases and pension increases, which means that the majority of Australian households will come out square or in front.

I have been talking about power pricing over recent days and I have made it very clear that my concern is that some of the 50, 60 and 70 per cent increases people have seen, without any real attempts at assistance, have been generated by the decisions and conduct of state governments. That Leader of the Opposition now finds himself in a position where he apparently does not care less about a 50, 60 or 70 per cent rise, which does not come with any real assistance, but continues to focus on his scare campaign about carbon.

Mr Pyne: On a point of order, Madam Deputy Speaker: the Prime Minister was asked about her statement that the whole point of the carbon tax was to push up prices. She is now talking about something that has nothing to do with her statement.

The DEPUTY SPEAKER: The Manager of Opposition Business will resume his seat. Points of order are not to resume debate.

Ms GILLARD: I was making the simple point that we obviously care about these impacts on working families; the opposition has not indicated that they care about those 50, 60 or 70 per cent rises. For the Leader of the Opposition, pricing carbon is about tackling carbon pollution and climate change. It is about sending a price signal to big polluters. He should know because he used to support putting a price on carbon.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:09): Madam Deputy Speaker, I ask a supplementary question. Can the Prime Minister confirm that every time power prices go up she has a smile on her face because that is the carbon tax just doing its job?

Ms GILLARD (Lalor—Prime Minister) (14:10): I thank the member for Greenway for her question. Today the House has put in place arrangements for offshore processing. Today the House has done what the Australian people have wanted us to do for a long time. We have worked together to get this done. This has happened for two reasons. Firstly, Angus Houston and a team of eminent Australians have provided the parliament, the nation, with a very important report on refugee and asylum seeker issues. I thank them for their work, which is of the highest quality. The report charts a path of change that is very important for our nation, which is why the government has endorsed its recommendations in principle and in full.

Secondly, the priority recommendations of that report were to establish regional processing centres on Nauru and on Manus Island in PNG. We have been able to do that because the political parties have worked
together—the Minister for Immigration and Citizenship working with his counterpart the shadow minister for immigration—on the wording of the amendments that the House has passed. The House has come together in a spirit of compromise, which is what I believe the Australian people wanted to see from us, so that we can get action under way. Action will be under way as soon as Friday, subject to this legislation passing the Senate, with reconnaissance teams deployed to PNG and to Nauru to begin setting up the facilities that will be needed there.

Today as a House, we can send a very clear message to people smugglers who would seek to prey on other human beings and to seek to persuade them that they are able to sell to them a passage to Australia. Those people smugglers can no longer pretend to those desperate people that they can guarantee them a journey to Australia. This House today can send a very clear message, too—and it has—to asylum seekers who are contemplating risking a voyage at sea. That message very clearly is: do not risk it, do not give your money to a people smuggler because you will not be better off as a result of having taken that step.

It is important that this parliament has worked together and that today is the day this House has said enough is enough. Today is the day that this House has risen above the politics of this issue and taken the action to save lives.

**Carbon Pricing**

Mr HOCKEY (North Sydney) (14:13): My question is to the Treasurer. I remind the Treasurer that this is the second anniversary of his statement, 'We reject this hysterical allegation that somehow we are moving towards a carbon tax.' Given the Treasurer has introduced the world's biggest carbon tax, will he now apologise for deliberately misleading the Australian people?

**Opposition members:** Sing it, Swannie!

The DEPUTY SPEAKER: Order! We are on to question 2—I just point that out. The Treasurer has the call and will be heard in silence.

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:13): I appreciate the question from the shadow Treasurer. He was the parliamentarian who tweeted asking Australians what he should do about climate change, particularly when he has had a lifelong support for a price on carbon.

So enough of the hypocrisy from the shadow Treasurer—enough of that. We on this side of the House have always believed in putting a price on carbon and, until the leadership of the Liberal Party changed, so did they. The member for Wentworth, when he was Leader of the Opposition, believed in putting a price on carbon. And there is a very good reason for that: so we could encourage investment in renewable energy, because no prosperous, first-world country in the 21st century can remain so unless they price carbon. That was a bipartisan consensus in this parliament.

Mr Hockey: Madam Deputy Speaker, on a point of order. The question was: will the Treasurer apologise for lying to the Australian people?

The DEPUTY SPEAKER (Ms AE Burke): It is an abuse of a point of order. If he is asking about relevance, he does not need to introduce argument. The Treasurer has the call.

Mr SWAN: This side of the House will always do the right thing by the Australian people and our nation. And we will do it in the face of the most negative opposition in Australia's history. They are not interested in our national interest and do not care about a prosperous economy in the 21st century. We will always fight to put in place the long-term reforms to make our economy resilient.
Mr Simpkins interjecting—

The DEPUTY SPEAKER (14:16): The member for Cowan will leave the chamber under 94(a).

The member for Cowan then left the chamber.

The DEPUTY SPEAKER: The member for North Sydney on a supplementary.

Mr HOCKEY (North Sydney) (14:16): No, Madam Deputy Speaker. I seek leave to table the transcript from Meet the Press, which was an interview with Paul Bongiorno and Peter—

Leave not granted.

The DEPUTY SPEAKER: The Treasurer has the call. He had not completed his answer, because he thought you were taking a point of order.

Mr Pyne: On a point of order, Madam Deputy Speaker.

The DEPUTY SPEAKER: This cannot be on relevance; one has already been taken on relevance.

Mr Pyne: Madam Deputy Speaker, I note that you have already excluded the member for Cowan under standing order 94(a). I simply ask you: given that the Treasurer was asked a very straightforward question about his statements before the election and is ranting at the opposition—

Mr Hockey interjecting—

The DEPUTY SPEAKER: The Manager of Opposition Business will resume his seat. The member for North Sydney should understand the standing orders and screaming an interjection across the chamber, regardless of provocation, is not allowed under the standing orders. The Treasurer has the call.

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:17): On 1 July we turned 20 years of debate in this country about the need to do something about climate change into action. That is what we did to make sure that we reduce carbon pollution and to make sure that we do it in a way whereby we drive investment in renewable energy so there can be a clean energy future for our children and our grandchildren. Those of us who value the environment and the future of our country know how important it is to do that for subsequent generations. As a Queenslander, I am proud of what we have done to reduce carbon pollution, to make sure we can save our Great Barrier Reef, to make sure we can protect our precious environment and grow our economy for future generations.

Economy

Mr PERRETT (Moreton) (14:18): My question is also to the Treasurer. Will the Treasurer update the House about data released overnight in Europe? How does this contrast with the strong performance of the Australian economy and what does it say about this government's successful management of the economy?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:18): I thank the member for Moreton for his question, because overnight we did receive more disturbing data from Europe. The euro area GDP contracted by 0.2 per cent in the June quarter, to 0.4 per cent below its level of a year ago. This means that Europe's economy is now two per cent smaller relative to its pre-GFC levels four years on. There could not be a starker contrast between what is happening in Europe and what is happening in our country.

Our country is now 10 per cent bigger than it was when that crew over there was last in government. One of the reasons it is 10 per cent bigger is the policies we have put in place to protect small business and to protect workers in this country during the
global financial crisis and the global recession. Because we did that we are a more prosperous community, but we are also a fairer community. We protected small businesses and we protected the workforce at a time of international contraction, so much so that we have an unemployment rate of 5.2 per cent in Australia—half the rate that is seen in Europe of 11.2 per cent. A total of 800,000 jobs have been created in this country under the government. Of course, we are not weighed down by excessive debt. We have a gold-plated, AAA credit rating from three major global agencies for the first time in our history.

It does not matter how high our economy jumps, the Leader of the Opposition is always trying to tear it down. Now he has been joined in that endeavour by the Premier of Queensland, who goes out talking down the state economy in Queensland—joining here with the Leader of the Opposition to talk down our economy. That is shameful, because in this environment we have a world-leading economy. Yes, we have challenges, we have a higher dollar, we have cautious consumers, but we understand that we have a bright future—not only creating prosperity but also spreading opportunity. That is why we on this side of the House are supporting tax breaks for 2.7 million small businesses. Who is opposing that? The Liberals. That is why we on this side of the House are supporting families to get their share of the mining boom with additional family payments. And it is why we are providing an additional boost to superannuation for over eight million workers in this country, because we understand how important it is not just to create prosperity but also to spread opportunity right around our country. Every time we put in place policies to do that, we are opposed by those opposite who talk down our economy and who want to give a tax cut to the big end of town by getting rid of the MRRT. They would rather give a tax cut to Clive Palmer than support Australian workers—and that says a lot about their priorities. (Time expired)

Economy

Mr ROBB (Goldstein) (14:22): My question is to the Prime Minister and it follows on from the comments we have just heard from the Treasurer. I refer the Prime Minister to the survey of 150 global CEOs, published today, which shows that 41 per cent said they were less likely to invest now in Australia compared to just a year ago. Does the Prime Minister agree with global investors who stated in a report:

How can Australian based manufacturing facilities be competitive when they face additional costs from the carbon tax that their overseas competitors do not. (Time expired)

The DEPUTY SPEAKER (Ms AE Burke): I will ask the member for Goldstein to read just the last part of his question, as I was trying to allow him to be heard in silence.

Mr ROBB: Thank you, Madam Deputy Speaker. Does the Prime Minister agree with global investors who stated in a report:

How can Australian based manufacturing facilities be competitive when they face additional costs from the carbon tax that their overseas competitors do not.

Ms GILLARD (Lalor—Prime Minister) (14:23): I had the opportunity last night to address the forum that the member for Goldstein is speaking of and had the opportunity when I was there to talk to them about the strength of the Australian economy. Amongst other things, I talked about the strength of investment in Australia. I think it is important to have the facts on the table, so let us get them on the table.

Mr Hockey interjecting—
Ms GILLARD: Since the government came to office in late 2007, there has been a staggering $919 billion of private business investment that has been happening despite the global financial crisis. New private business investment has been growing by more than 20 per cent over the year since last September—its fastest rate in a decade. Let me repeat that for the member for Goldstein: since last September it has been growing at its fastest rate in a decade. In the March quarter of this year private business investment as a percentage of GDP reached its highest level in the past 40 years, at 16.7 per cent, and we expect it to rise further this financial year and next financial year. We are seeing a huge investment pipeline into our country and there is more to come.

Of course, because of this huge investment pipeline and because of the strength of our resources sector we have also seen a considerable appreciation in our currency, a very strong Australian dollar. When you talk to people in manufacturing it is the strong Australian dollar that they identify as putting pressure on them. The government has been working with the manufacturing sector for some time now. For example, we have been co-investing with some manufacturers to ensure we continue to make cars in this country, something the opposition wants to slash and burn. We have been investing in skills because they are so important to manufacturing. We have been rolling out the National Broadband Network, because the best of new technology is important to manufacturing.

Mr Hockey interjecting—

The DEPUTY SPEAKER: Order! The member for North Sydney is warned!

Ms GILLARD: We have been investing in traditional infrastructure too: shortly, I will receive the report from the manufacturing task force that I put together in order to provide the government with further perspectives. On the question of uncertainty and the concern of investors about uncertainty, the member for Goldstein must understand that the source of that uncertainty is the opposition's plans to rip up every economic reform in this country that is contributing to our prosperity.

Mr Robb: Madam Deputy Speaker, my question was a very simple proposition about the impact on the competitive position of industry from the carbon tax. It has not been answered.

The DEPUTY SPEAKER: The member for Goldstein is seeking a point of order on relevance. I again point out that points of order are not to restate or argue the question. Using points of the abuse is also not appropriate. The Prime Minister has finished her answer.

Tobacco Plain Packaging

Ms SMYTH (La Trobe) (14:26): My question is to the Attorney-General. Will the Attorney-General update the House about Australia's world-leading plain-packaging legislation?

Ms ROXON (Gellibrand—Attorney-General and Minister for Emergency Management) (14:26): I thank the member for La Trobe. I do indeed have some good news for the House: today the highest court in the country has confirmed legislation that was passed by this parliament. That means that Australians will no longer be subjected to tobacco being sold in packaging which is attractive to young people and which entices them to take up what is a deadly and addictive habit. This decision is good news for every parent who worries about their child taking up this habit. I think that it is a good thing for Australia now to be leading the world as the first country to mandate plain packaging of all tobacco products.
I thought it would be timely to reflect on what has been a long battle with the big tobacco companies. This House would remember the billboards and advertising campaigns that big tobacco took out. Just as an example, I have one that was used. It reads: 'Will plain packaging costs taxpayers billions of dollars?' Of course the court, in deciding today that this was a constitutional act of this parliament, has answered the question tobacco companies asked when they took out an ad, put up billboards and donated money to the Liberal Party—when they said, 'Do not let the taxpayer foot the bill for a bad bill.'

Mr Dutton interjecting—

Ms ROXON: I think it would interest the House and the public to know that not only was the law upheld but the big tobacco companies have been ordered to pay the legal costs of the Commonwealth.

Ms Julie Bishop interjecting—

The DEPUTY SPEAKER: Order! The member for Dickson is warned!

Ms ROXON: This time, for the first time, it is big tobacco's turn to cough up. It will not be taxpayers who are footing the bill for this; it will quite rightly be big tobacco. I am intrigued, to be honest, that those opposite would be interjecting on this. This is a bill that the opposition supported, although they were dragged kicking and screaming. I know there are members opposite who believe that this is an important public health measure. Unfortunately, they are not among those on the front bench, who are interjecting about this matter.

We now know—and this is an important message—that governments can stand up to big tobacco and win. This is an important message not just in Australia but around the world as other countries decide what is the right tobacco control measure for them. When they say, 'We can't take this action because big tobacco will bully us or outspend us,' we will have proved them wrong. I am delighted to be able to say that the High Court has supported this piece of important legislation.

The DEPUTY SPEAKER (Ms AE Burke): Before I call the member for Wannon, I will say that he is resplendent in his Richmond tie. He will get the call once I recognise, very cheekily, Brendan Gale, the CEO of the Tigers, and Evelyn Danos, the No. 1 ticketholder, who are here for a function tonight that the member for Wannon is holding for our great Richmond Football Club. There is complete bias from the chair!

Carbon Pricing

Mr TEHAN (Wannon) (14:30): My question is to the Prime Minister and does not mention Sunday's game. I refer the Prime Minister to her statement on 20 August 2010: I want to help families with the cost of living …

Ms GILLARD (Lalor—Prime Minister) (14:31): I think there was an added cruelty, Madam Deputy Speaker, by the acknowledgement of Richmond and the tie, given Sunday's game and the margin involved! But I will answer the member's question on the cost of living for Australian families. Yes, as Prime Minister I am concerned about cost-of-living pressures on Australian families. That is why when we moved to price carbon we also ensured that we tripled the tax-free threshold so people earning less than $80,000 a year would see a tax cut. A number of part-time workers, many of them working women, will see a tax cut of $500. Many will see a tax cut of $300. People who are bringing up children who receive family payments have seen increases
in those family payments. And, of course, we have built on our historic increases to the pension with more money for pensioners. These tax cuts, the pension increases and the family payment increases go on. That means that the majority of Australian households will come out either square or in front as a result of the arrangements we have made around carbon pricing.

But, of course, our cost-of-living concerns about families go well beyond that. That is why we moved away from the Howard government's system of supporting people with childcare costs to a new system where we meet 50 per cent of out-of-pocket costs and make a real difference to the cost of child care. That is why we have introduced the schoolkids bonus in its current form. It is so people see cash in their hand at the time that they need to go out and buy the kids things for school. That is why we are also promising increased family payments, funded by the minerals resource rent tax. Australians are entitled to see their share of this resources boom. That is why over a number of years we have provided tax cuts to people. It is in order to help working Australians with the cost-of-living pressures upon them. We will continue across the board to be working with Australian families to support them as they go about the hard job of raising children and the hard job of getting to work every day.

As a Labor government, we have a particular concern for those on low and fixed incomes. That is why things like the historic pension increase were so important to us. So, yes, cost-of-living concerns are very important to this government. We have assisted in a range of ways, and we will keep working on cost-of-living pressures, including the unnecessary costs of electricity that have driven prices up by 50, 60 and 70 per cent.

DISTINGUISHED VISITORS
The DEPUTY SPEAKER (Ms AE Burke) (14:34): I would like to inform the House that we have present in the gallery this afternoon members of a parliamentary delegation from Ireland. I know many of us have Irish heritage and so it is a very welcome delegation. On behalf the House, I extend a very warm welcome to our visitors.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE
Carbon Pricing
Mr ABBOTT (Warringah—Leader of the Opposition) (14:34): Madam Deputy Speaker, I have a further supplementary question. Can the Prime Minister inform the House how many households will be worse off even on the government's own figures? Can the Prime Minister confirm that the best way to compensate people would just be to drop the carbon tax?

Ms GILLARD (Lalor—Prime Minister) (14:34): To the Leader of the Opposition I say, as he well knows—and perhaps he should ask a pensioner about this—we have made sure that pensioners have 20 per cent over and above what they need for the average impact of carbon pricing.

Mr Pyne: Madam Deputy Speaker, I rise on a point of order on direct relevance. The Prime Minister was asked a very straightforward question about how many people would be worse off under her modelling and why she does not just scrap the carbon tax.

Mr Albanese: Madam Deputy Speaker, I rise on a point of order. Often in the opposition's points of order they repeat the question and sometimes, as on that occasion, they actually ask a different question. It is totally out of order.
The DEPUTY SPEAKER (Ms AE Burke): I will continue to point out that points of order are not to be used for debate.

Ms GILLARD: That question from the Leader of the Opposition concluded by asking why I do not act to make people, as he said, better off by getting rid of the carbon price. That is what he said. I point out to the Leader of the Opposition—and it may be unpalatable for him—that his so-called plan to repeal carbon pricing, which we all know will never happen, would make pensioners worse off. His so-called plan would make households—including, for example, those with part-time working women who are benefiting from a tripling of the tax-free threshold—worse off. The Leader of the Opposition needs to acknowledge these basic facts.

We know that the Leader of the Opposition's claims about a carbon price repeal are hollow and that every living Liberal leader has supported a price on carbon. He should at least be explaining to working families that his plan is one which would make millions of Australians worse off.

The DEPUTY SPEAKER: The Prime Minister needs to return to the question.

Ms GILLARD: The Leader of the Opposition knows from— (Time expired)

Tobacco Plain Packaging

Mrs D'ATH (Petrie) (14:37): My question is to the Minister for Health. Will the minister explain to the House what today's High Court decision means for public health and in particular what it means for young Australians?

Ms PLIBERSEK (Sydney—Minister for Health) (14:37): I thank the member for Petrie for her question. I know this is an issue very close to her heart. Today's victory in the High Court will save countless Australian lives. It will mean that big tobacco will not be able any longer to use tobacco packages as mobile billboards for their product. It will mean that fewer Australians will ever take up this deadly habit.

Every year, smoking kills around 15,000 Australians. It accounts for about 10½ per cent of deaths in this country. That is more than 10 times the number of people that died on our roads last year. It is about 30 times more people than the tobacco industry employs in Australia. Because of today's decision, cigarette packages will no longer be able to go with branding that looks cool or sophisticated or macho or feminine. Instead, this is what cigarette packs manufactured from 1 October will look like.

Because of today's decision, cigarette companies will no longer be able to appeal to young people and get them hooked for life. We know that the tobacco companies' business model relies on getting young people hooked. In fact, 80 per cent of smokers were addicted before they turned 19 years old, and 99 per cent of smokers were addicted before they turned 26. The reason that tobacco companies have to target young people is that their older smokers keep dying. In fact, half of smokers end up dying from smoking.

We know that young smokers are most responsive to two things. They are responsive to price and they are responsive to packaging. We have done a lot in the area of price, by increasing excise in the recent budget and by reducing the number of duty-free cigarettes that people can bring into Australia. We have listed nicotine replacement therapy on the Pharmaceutical Benefits Scheme. We have restricted advertising at point of sale. We have increased the graphic warnings on packets.
We have seen bans on smoking in restaurants, workplaces and so on.

Over the years, this combination of measures has made dramatic inroads in smoking rates in Australia. In 1988, about 30 per cent of people over the age of 14 were daily smokers. We have got that rate down to half that now—about 15 per cent of Australians still smoking. Fifteen per cent is still too high, and we have got a target of getting that down to 10 per cent.

While we have won this battle today, the war is far from over. Almost half of Aboriginal people still smoke, and about 20 per cent of them die from smoking. We know that a third of teenage mums smoke while they are pregnant. So we still have a lot to do, but today is a great victory. (Time expired)

**Carbon Pricing**

**Dr SOUTHCOTT** (Boothby) (14:40): My question is to the Prime Minister. I refer the Prime Minister to the Belair Hotel in my electorate, which has just been hit with its first electricity bill under the carbon tax. The bill clearly states that their off-peak power rate has increased by 45 per cent as a direct result of the carbon tax. Given that small business receives no compensation, will she apologise for increasing their electricity charge by 45 per cent, or is this, as she said, the whole point of her carbon tax?

**Ms GILLARD** (Lalor—Prime Minister) (14:41): As it happens, I know the Belair Hotel and so I would be very interested in seeing the account that the member for Boothby is referring to. It seems to me that the member for Boothby might want to make some inquiries about the impact of escalations in electricity prices in South Australia that have nothing to do with carbon pricing. As the member for Boothby would be aware, the people of South Australia have seen, even before 1 July, very big increases in power prices. The Premier of South Australia has actually acknowledged—

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

**The DEPUTY SPEAKER** (Ms AE Burke): Before I give the call to the Manager of Opposition Business, I will point out that points of order are not for debate. The Manager of Opposition Business has the call.

**Mr Pyne:** I agree with you, Madam Deputy Speaker. They should not be for debate. But they are to point out that the Prime Minister cannot be directly relevant to this question when she is talking about matters that have got nothing to do with the bill from the Belair Hotel, which is since the carbon tax was introduced.

**The DEPUTY SPEAKER:** The Manager of Opposition Business will resume his seat. He has just, when I asked him not to, entered debate into his point of order. The point of order was relevance. If he had stuck to that, we would have been fine. The Prime Minister has the call and will refer to the question before the chair.

**Ms GILLARD:** I am very directly talking about electricity prices in South Australia for businesses, including the Belair Hotel, about which I was asked. I am prepared to make some inquiries about the Belair Hotel, as I have just stated. But I am also alerting the member for Boothby, who asked the question. As he would be aware, as other South Australians are, there have been increases in power prices in South Australia that are nothing to do with carbon pricing but raise my concerns about things like overinvestment in poles and wires. The Premier of South Australia has also indicated his concern about the so-called gold-plating of the system. So the member for Boothby may want to think about those factors.
On the impact of carbon pricing on small business, or even businesses of the size of the Belair Hotel, to the member of the Boothby and to the House in general, we have always indicated that small businesses will be passing through those costs, and that is why we have assisted consumers with tax cuts and family payment increases and pension increases. That is why we have always said, under the modelling, that people would see an increase of 0.7 per cent in the cost of living. That is less than a cent in a dollar.

Dr Southcott: I seek leave to table the electricity accounts of January 2012 and July 2012, which show—

The DEPUTY SPEAKER: The member for Boothby will resume his seat. The Leader of the House.

Mr Albanese: The member also indicated he was quoting from a letter, and he should table that as well.

The DEPUTY SPEAKER: Leave has been granted to table the document. The member for Kennedy has the call, and a challenge to get his question in the time limit!

Rural Australia

Mr KATTER (Kennedy) (14:44): My question is to the Treasurer. The Treasurer would be aware that much of rural Australia is struggling under an insurmountable debt burden. Reliable sources continue to quote that between seven and 20 per cent of farmers are facing foreclosures within two years. With forced sales widening the yawning loan-to-value ratios, fire sales must start, sparking a raging financial bushfire that cannot be quarantined, from the Gold Coast, Northern Rivers and Cairns, and an economy already undermined by falling metal prices. In view of his comments in the Financial Review, and I thank him for them, would the Treasurer agree to meet with responsible agriculturalists, businesses and bankers to consider prudential ways— (Time expired)

The DEPUTY SPEAKER: The member's time has expired. I allowed you to go over. Does the member for Kennedy have more to add to the question?

Mr KATTER: Would the Treasurer agree to meet with agriculturalists, businesses and bankers to consider prudential pathways forward?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:46): I thank the member for Kennedy for that very important question. The government does take very seriously the issue that there is inadequate supply of finance to our rural sector. When I was in tropical North Queensland with the member some weeks ago, this issue was raised with me by a number of representatives from the farming community in the areas we visited. It is something I also have heard elsewhere in the country.

Whilst we had a very good flow of finance, considering global conditions during the global financial crisis, one of our strengths was the strength of our banking sector. So, prudent lending is also very important. I also know from the people I spoke to when I was with the member for Kennedy that there are many people out there with very good businesses who are currently experiencing some challenges in terms of raising finance. That says to me that there is really an issue here. Therefore, I think it is a good idea that we get some representatives of the rural sector together with the banking sector and sit down and talk our way through some of these issues. So, I am pleased to say to the member for Kennedy that we will be having a rural finance roundtable as soon as we can in the coming months, most probably in Brisbane, to sit down and discuss these issues. It is also a broader issue. It is not just about the rural
sector. It is also about many people in small business who are having these challenges. So I will take the opportunity to broaden some of those discussions out.

I take very seriously the challenges to our farming community because I think that in this country our farming community has a very, very bright future. The demand emerging from the growing middle classes in Asia is going to be a very important source of jobs and activity and wealth creation in our rural sector, if we get all of the other policy settings right. It is not just a question of the flow of finance. I also acknowledge that there are questions about market power and a whole host of other questions we are looking very closely at. We have great faith in the future of the rural sector.

We also know that there are some particular challenges to the rural sector at the moment, particularly in my home state of Queensland—for example, the decision by the Newman government to slash 200 staff from the department of primary industries. I think that is very challenging for the rural sector in that state. Also, their decision to scrap the new biosecurity facility planned for North Queensland, for $18 million, is a dagger to the heart of the rural sector in Queensland. They are also closing the doors of an existing facility in Townsville. These are big challenges for regional Queensland, the slashing of jobs right across our great state by the Newman government, completely contrary to a promise they gave to the people of Queensland.

Mr Hockey interjecting—

The SPEAKER: The member for North Sydney was warned earlier!

Mr SWAN: But we will work with the member for Kennedy because we come to the table in good faith.

Mr Albanese: Madam Deputy Speaker, I raise a point of order. In the last question from the opposition the member for Boothby asked to table a document he referred to, namely, statements that have in them detail—

The DEPUTY SPEAKER: Order! The Leader of the House.

Opposition members interjecting—

Mr Albanese: This is a relevant point of order, Madam Deputy Speaker.

The DEPUTY SPEAKER: I wonder if it would be more appropriate to do it at the end of question time.

Mr Albanese: I am doing it at the earliest possible opportunity. The document that was tabled shows that the bit that was relevant was actually torn off—

The DEPUTY SPEAKER: Order! The Leader of the House will resume his seat. It is an abuse of the process. The member for Deakin has the call.

Carbon Pricing

Mr SYMON (Deakin) (14:49): My question is to the Minister for Climate Change and Energy Efficiency and Minister for Industry and Innovation. Will the minister update the House on the government’s efforts to address dangerous climate change? How has the Australian economy reacted to the introduction of the carbon price, on 1 July? And how does the reality compare with the forecasts?

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency) (14:50): I thank the member for Deakin for his question. On 1 July the carbon price came into effect. The carbon price is responsive to the climate science. It will cut our carbon pollution and it will drive investment in clean energy. It is already evident that the Leader of the Opposition has run the most mendacious, deceitful campaign in living memory against an important
environmental and economic reform. Time will throw further light on the extent of the deceit of the Leader of the Opposition and those opposite in relation to this issue.

As the Treasury modelling demonstrated, the facts are that the economy will grow with a carbon price in place. Jobs will grow, income will grow and the price impact will be less than one cent in a dollar. And, of course, the government instituted a household assistance package that will provide and is providing an average of $10.10 per week in cash assistance. What that will mean is that millions of households will be better off under the carbon price arrangements.

The Leader of the Opposition has made a vast array of deceitful claims. Most notable amongst them is that there would be unimaginable price increases. Wrong. Last week the data started coming in. The TD Securities-Melbourne Institute price index showed that prices had risen by just 0.2 per cent, or one-fifth of one cent, in the month of July.

And it is important to note that that 0.2 per cent increase in consumer prices takes into account all electricity price movements coming into effect from 1 July, including the network costs and other costs. fact, as the Treasurer pointed out yesterday, underlying inflation is at its lowest point in 13 years. The opposition leader has made other claims—the death of the coal industry: wrong! I have a lot of them in my electorate. Two are currently expanding! And there is $100 billion of investment coming into the coal industry. The Leader of the Opposition claimed there would be no fewer than 45,000 job losses in energy-intensive industries and 126,000 job losses in regional Australia—wrong! During July employment grew by 14,000. He is patently going it alone with carbon pricing.

While the Leader of the Opposition was in China recently, Shanghai province announced their carbon pricing plan, through an emissions trading scheme that will come into effect next year. At every step of this campaign, the Leader of the Opposition has made deceitful claims, and he will be judged very harshly by people for that.

**Carbon Pricing**

Ms LEY (Farrer) (14:53): My question is to the Prime Minister. I refer the Prime Minister to the fact that the Silver City Cinema in Broken Hill, in my electorate of Farrer, has reduced the number of screenings from 30 to 15 a week because of a $4,200 increase in its power bill. Does the Prime Minister still believe that the lived experience of the carbon tax will save her from her broken promise that 'there will be no carbon tax under a government I lead'?

The DEPUTY SPEAKER: The Prime Minister has the call. The last part of the question was out of order.

Ms GILLARD (Lalor—Prime Minister) (14:54): I thank the member very much for her question. I am concerned about the 70 per cent price rise in electricity the people of New South Wales have suffered because of, largely, decisions made by the New South Wales government. I am concerned about that. The Leader of the Opposition says that that simply doesn't exist, that the 70 per cent price rises, before 1 July, somehow did not happen. I know that is the position of the Leader of the Opposition but I am surprised that an otherwise intelligent woman would fall for this nonsense. The member knows that she has just quoted a figure that is about electricity price rises from all sources. She knows that the people of New South Wales, and the businesses of New South Wales, have put up with a 70 per cent price increase over the last four years because of actions of the state government largely, because we
have problems like dividend gouging, with dividends going to the state government of New South Wales going up by 60 per cent; a continual incentive to invest, and to keep investing, and over-investing, in the poles and wires, so those dividends just keep going up. The member who asked the question knows that. So if she is concerned—

Mrs Bronwyn Bishop: Madam Deputy Speaker, I raise a point of order. The Practice describes an answer to be relevant as one that maintains 'a link to the substance of the question'. The substance of this question was about the carbon tax—nothing else. Therefore, to be directly relevant to—

The DEPUTY SPEAKER: Order! The member for Mackellar will resume her seat. Up until the last point of her point of order she was actually in accordance with the standing orders. The Prime Minister has the call.

Ms GILLARD: The member who has just raised that point of order completely misunderstood the question and is going down the same deceit campaign we have seen in the past. I was just presented with an electricity figure with an increase from all sources, and I am pointing out that one of the big sources of electricity price rises that the business the member identifies is suffering has been caused by the government of New South Wales and has a lot to do with the dividends that are going into Premier O'Farrell's budget. So, if the member is in any way serious with her concern about this business, I suggest she rings her Liberal mate in New South Wales.

National Disability Insurance Scheme

Mr CHEESEMAN (Corangamite) (14:56): My question is to the Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform. Will the minister update the House on the progress towards a National Disability Insurance Scheme? How will this fundamental reform help people with a disability, their families and their carers?

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (14:57): I thank the member for Corangamite very much for his question and for his advocacy for a National Disability Insurance Scheme—and particularly to see a launch of the scheme in his area in and around Geelong. I take this opportunity to also thank the member for Corio for his advocacy as well.

What both of these members know is that the National Disability Insurance Scheme is being built by this government, and we are very pleased that it is going to start in the area of Geelong. We know that a National Disability Insurance Scheme is very important—very important for people with a disability, very important for people who are caring for those with disabilities.

Mr Hockey interjecting—

Ms MACKLIN: We are hearing interjections from the member for North Sydney, who can only say negative things about the National Disability Insurance Scheme. On this side of the parliament we know how important a National Disability Insurance Scheme is. That is why we asked the Productivity Commission to do the major inquiry that it delivered to us just one year ago. The Prime Minister released the report, and of course it showed that the system of care and support for people with disabilities in this country is broken, badly broken, and leaving people with disabilities and their carers to just wait and wait and wait—wait for a wheelchair, wait for a place in respite, wait for the care and support that they need. We are determined to end that wait. That is why, in the most recent budget, the Treasurer
announced $1 billion to start the National Disability Insurance Scheme.

As a result of our commitment we will see the end of a cruel lottery that has existed for far too long right around this country—a cruel lottery that says to people with disability, 'It depends where you live and how you got your disability as to what level of care and support you will receive.'

I can announce to the House that, in the last fortnight, we have seen New South Wales, Victoria, South Australia, Tasmania and the Australian Capital Territory agree to be part of the launch of the National Disability Insurance Scheme. People who live in these parts of Australia will see this Labor government deliver a National Disability Insurance Scheme. Just like we delivered Medicare, this government will deliver the National Disability Insurance Scheme. (Time expired)

Mr CHEESEMAN (Corangamite) (15:00): Madam Deputy Speaker, I have a supplementary question. How will this reform support people with a disability, their families and their carers in my electorate of Corangamite?

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (15:00): Once again, I thank the member for Corangamite, because it means a lot for people in and around Geelong in the Barwon region. Importantly, it will mean that the National Disability Insurance Scheme is real for 5,000 people with disabilities in the Barwon region. Then if you think about the carers and the families who have also been waiting far too long for a National Disability Insurance Scheme, this will end the wait for those 5,000 people.

In particular, the Commonwealth government will put an extra $190 million into the Barwon region alone. That $190 million will go to ensuring that there are extra services available and extra staff available in that area—and I would like to take this opportunity to acknowledge the United Voice people who have been in the gallery today, the people who represent the disability workers who are doing such an important job.

This is a fundamental reform. It will make a difference to so many people in the Barwon region. Once again, I thank the member for Corangamite and the member for Corio for their advocacy.

DISTINGUISHED VISITORS

The DEPUTY SPEAKER (Ms AE Burke) (15:02): I wish to inform the House that we have present in the gallery members of a parliamentary delegation from the Kingdom of Thailand led by Her Royal Highness Princess Bajrakitiyabha Mahidol. On behalf of the House, I extend a very warm welcome to our visitors and apologise for my pronunciation.

Honourable members: Hear, hear!

Carbon Pricing

Mr HUNT (Flinders) (15:02): My question is to the Prime Minister. I remind the Prime Minister of the statement by Victorian Police Commissioner Ken Lay, who last week told Melbourne radio:

… We budgeted … about $3 million for next year for the Carbon Tax.

Can the Prime Minister explain why this $3 million carbon tax payment should not be used to put more police on the streets?

Ms GILLARD (Lalor—Prime Minister) (15:03): To the member who asked the question: as the member would be aware, there are a broad range of payments from the federal government to state governments. I would invite the member to compare the range of payments that this government now makes to the government of Victoria, as
compared to when he was sitting on the
government benches. We have worked with
state colleagues in a very generous way to do
things like help alleviate the burden of
growing health costs by partnering fifty-fifty
in future growth, and doubling the amount of
money going into school education. We have
worked with our state colleagues on housing,
on disabilities, with more money going into
every area. So I would say to the member
that if he is concerned about the ability of
state governments to get on with their job,
then he would have a considerable job of
explaining the treatment of state
governments and their essential services
when he was a member of the government.

As the member also well knows, the
overwhelming cost of policing our streets is
about the cost of the police officers who do
it, the wages and salaries of the police
officers who do it, and it is absurd for the
member to suggest that that situation has in
any way been changed by putting a price on
carbon.

Education

Ms SAFFIN (Page) (15:04): My question
is to the Minister for School Education,
Early Childhood and Youth. Will the
minister please inform the House of the
government's commitment to make sure that
every child has access to good teachers and a
quality education?

Mr GARRETT (Kingsford Smith—
Minister for School Education, Early
Childhood and Youth) (15:05): I thank the
member for Page for this question. She has
some 21 libraries, 19 multipurpose halls and
a range of new classrooms or refurbished
classrooms in her electorate—evidence of
the commitment that this government has
had to investing in education nationwide. We
certainly recognise that the most important
factor inside the school gate is the quality of
the teacher, and I think people listening to us
speak in the parliament will know that.

We have a number of teacher quality
initiatives, including the National
Professional Standards for Teachers. That
clearly sets out the skills we expect every
teacher to have at the different stages of their
career. It was designed and agreed with the
profession. We have a $550 million National
Partnership on Teacher Quality. It includes
things like mentoring for beginning teachers,
ongoing training for teachers and paying the
best teachers more to teach in our most
difficult schools.

We are also working with universities to
improve the quality of their teacher
preparation courses. New work has recently
been agreed by all education ministers—the
state ministers and me—to ensure that each
teacher has the opportunity for regular
feedback, assessing their performance and
improving their teaching. That work is really
critical and it underscores a number of this
government's reforms that are underway.

Given that the opposition have promised
to cut $425 million from the National
Partnership on Teacher Quality, how will
they improve teacher quality? On the
weekend the member for Sturt revealed what
his approach would be: to sack one in seven
currently serving teachers. The member for
Sturt, the opposition spokesperson on
education, actually wants to sack one in
seven of the currently serving teacher
population.

That is around 40,000 teachers in schools
around Australia.

The question which follows from this
rather radical view of the member for Sturt is:
how did he arrive at this figure? Here is
where it gets interesting. You would assume
that the member for Sturt would have some
evidence to back up his call to sack one in
seven teachers. But—surprise, surprise—
when pushed, his spokesperson clarified that the figure 'was based on conversations and anecdotal evidence from principals'. So we have an arbitrary figure, based on anecdotal evidence and conversations the member for Sturt has had, being used as the basis to sack 40,000 teachers around Australia.

This is an extremely important issue, because it is teachers who do the important and hard work in the classroom. It is teacher quality which is one of the most important areas of reform for anyone who is serious about education funding. We are; they are not—and the member for Sturt's statement proves it. *(Time expired)*

**Ms SAFFIN** (Page) (15:08): Madam Deputy Speaker, I ask a supplementary question. How is this education reform helping students in regional Australia, particularly including those in my electorate of Page?

**Mr GARRETT** (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (15:08): I thank the member for Page for her supplementary question. The answer is that the significant national reforms which have been delivered in education by this Labor government are helping students right around Australia, including in regional Australia, to lift their standards and be well equipped for the jobs of the future and for a fulfilling life. In particular, we have invested significantly in low-SES communities. We have spent about $2.5 billion on what we describe as the Smarter Schools National Partnerships—focusing and targeting our investment where it is needed, including on schools in remote, regional and periurban Australia.

We also have a national curriculum for the first time. That means, whether a kid is in the member for Page's electorate, in a city electorate or in a remote electorate, they will get the same common learning entitlement that all Australian students deserve. That is an important initiative—one that has been brought forward by a government which has education right at the heart of its agenda and sees it as absolutely central to our nation's future prospects. As well as that, we now have national reporting on the My School website and we are applying national standards for things such as the teacher qualifications and standards I referred to earlier. All of these things go to the heart of what is absolutely crucial to Australia's future—to have investment in education, to lift student effort and to sustain our prosperity into the future. *(Time expired)*

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

**COMMITTEES**

**Selection Committee**

**Report**

*The DEPUTY SPEAKER (Ms AE Burke) (15:10):* I present report No. 60 of the Selection Committee relating to the consideration of committee and delegation reports and private members' business on Monday, 20 August 2012. The report will be printed in the **Hansard** for today and the committee's determination will appear on tomorrow's **Notice Paper**. Copies of the report have been placed on the table.

The report read as follows—

Report relating to the consideration of committee and delegation business and of private Members' business

1. The committee met in private session on Tuesday, 14 August 2012.
2. The committee determined the order of precedence and times to be allotted for consideration of committee and delegation business and private Members' business on Monday, 20 August 2012, as follows:

**Items for House of Representatives Chamber (10.10 am to 12 noon)**
COMMITTEE AND DELEGATION
BUSINESS
Presentation and statements
1 Joint Standing Committee on Foreign Affairs, Defence and Trade
More than just talk – Australia’s Human Rights Dialogues with China and Vietnam
The Committee determined that statements on the report may be made—all statements to conclude by 10:20 a.m.
Speech time limits —
Mr L. D. T. Ferguson—5 minutes.
Next Member speaking—5 minutes.
[Minimum number of proposed Members speaking = 2 x 5 mins]
2 Standing Committee on Regional Australia
Report on certain matters relating to the proposed Murray-Darling Basin Plan
The Committee determined that statements on the report may be made—all statements to conclude by 10:30 a.m.
Speech time limits —
Mr Windsor—5 minutes.
Next Member speaking—5 minutes.
[Minimum number of proposed Members speaking = 2 x 5 mins]
3 Standing Committee on Health and Ageing
Discussion paper on late effects of polio/post-polio syndrome
The Committee determined that statements on the report may be made—all statements to conclude by 10:40 a.m.
Speech time limits —
Mr Georganas—5 minutes.
Next Member speaking—5 minutes.
[Minimum number of proposed Members speaking = 2 x 5 mins]
4 Delegation Report
Parliamentary Delegation to the European Parliament and Institutions and bilateral visit to Israel, 20 April – 4 May 2012
The Committee determined that statements on the report may be made—all statements to conclude by 10:50 a.m.
Speech time limits —
Mr Perrett—5 minutes.
Next Member speaking—5 minutes.
[Minimum number of proposed Members speaking = 2 x 5 mins]
5 Delegation Report
Report on the Australian Parliamentary Delegation to the UK, Spain, Germany and the United States
The Committee determined that statements on the report may be made—all statements to conclude by 10:55 a.m.
Speech time limits —
Dr Jensen—5 minutes.
[Minimum number of proposed Members speaking = 1 x 5 mins]
PRIVATE MEMBERS’ BUSINESS
Notices
1 Mr Christensen: To move:
That this House:
(1) recognises that the:
(a) proposal of a National Disability Insurance Scheme (NDIS) is a once-in-a-generation landmark reform that has the potential to deliver better quality of life outcomes for Australians with disabilities;
(b) schedule for implementation of the NDIS, as proposed by the Productivity Commission, will take seven years, spanning the life of three Parliaments; and
(c) NDIS is a reform that involves the cooperation and support of state and territory governments, the disability support services sector, people with a disability and their families and carers;
(2) notes the bipartisan and cross-party support for the implementation of the NDIS;
(3) declares its support for policy stability on the NDIS over the life of those three Parliaments and until the scheme’s full implementation; and
(4) resolves to immediately establish a Joint Select Committee on the National Disability Insurance Scheme which will:
   (a) oversee the implementation of the National Disability Insurance Scheme;
   (b) be subject to terms of reference to be agreed upon by the Prime Minister and Opposition Leader and ratified by this House;
   (c) be comprised of 4 Government members and/or Senators, 4 Opposition members and/or Senators, 1 Greens member and/or Senator and 1 non-aligned member and/or Senator;
   (d) be jointly chaired by 1 Government member and 1 Opposition member; and
   (e) remain in existence until the full implementation of the NDIS is achieved; and
(5) transmit a message to establish a Joint Select Committee on the National Disability Insurance Scheme to the Senate for concurrence. (Notice given 22 May 2012.)

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

Speech time limits —
   Mr Christensen—10 minutes.
   Next 3 Members speaking—10 minutes.
   Other Members—5 minutes each.

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

The Committee determined that consideration of this matter should continue at a later hour.

Items for House of Representatives Chamber (8 to 9.30 pm)

PRIVATE MEMBERS' BUSINESS

Notices—continued

2 Ms Parke: To move:
   That this House:
   (1) notes that:
   (a) the inaugural international parliamentary conference on 'Parliaments, minorities and Indigenous peoples: effective participation in politics' was held in Tuxtla Gutierrez, Chiapas, Mexico from 31 October to 3 November 2010;
   (b) the conference was organised jointly by the Inter-Parliamentary Union (IPU), the Mexican Congress of the Union and Government of the State of Chiapas, in partnership with the United Nations Development Program, the United Nations Office of the High Commissioner for Human Rights, the United Nations Independent Expert on minority issues and the Minority Rights Group International;
   (c) the conference heard that many situations around the world demonstrate that an adequate representation of minorities and Indigenous peoples in policy and decision-making is instrumental in breaking the cycle of discrimination and exclusion suffered by members of these groups, and their ensuing disproportionate levels of poverty and related impediments to the full enjoyment of many civil, cultural, economic, political and social rights, and yet, minorities and Indigenous peoples often remain excluded from effective participation in decision-making, including at the level of the national parliament;
   (d) the conference adopted the Chiapas Declaration, which urges every parliament, within the next two years, to inter alia, hold a special debate on the situation of minorities and Indigenous peoples in their country, recognise the diversity in society, and adopt a 'plan of action' to make the right to equal participation and non-discrimination a reality;
   (e) the Chiapas Declaration recommended that at a minimum the following elements are contained in the 'plans of action':
      (i) ensure that the right to free, prior and informed consent is observed in every step leading to the adoption of legislative and administrative measures affecting minorities and Indigenous peoples, and hold government to account for the implementation of such measures;
      (ii) require of government that all submissions to parliament of draft legislation and the national budget include an assessment of their impact on minorities and Indigenous peoples;
      (iii) make regular use of plenary sessions in parliament and other parliamentary fora to discuss minority/Indigenous matters in order to raise awareness and combat prejudice in society, organise awareness-raising sessions for all parliamentarians so as to increase their
knowledge of minorities and Indigenous peoples and the particular problems they face, and ensure that minority and Indigenous issues are mainstreamed into parliamentary work, especially at the committee level;

(iv) allocate sufficient resources to the task of establishing dialogue between minority/Indigenous peoples and public institutions and to parliamentary committees to allow them to carry out effective outreach activities such as public hearings with minority and Indigenous peoples; and

(v) increase parliaments' familiarity with work being done within the United Nations system so as to equip them better to hold governments to account for their international commitments, including the achievement of the Millennium Development Goals, urge ratification of International Labour Organisation Convention 169 on Indigenous and Tribal Peoples, hold debates in parliament on the conclusions and recommendations made by the United Nations human rights treaty bodies and special mechanisms with regard to minority and Indigenous peoples' rights;

(f) the Chiapas Declaration also affirmed the responsibility of political parties to promote the effective participation of minorities and Indigenous peoples, and address their concerns in their party programs; and

(g) the IPU will facilitate networking among parliaments on this issue, monitor the implementation of the Chiapas Declaration and convene a follow-up meeting within two years to discuss progress and set targets for future action;

(2) urges the Government, parliamentarians, and political parties to familiarise themselves with the Chiapas Declaration; and

(3) calls upon the Government to facilitate a roundtable discussion with representatives of Australian Indigenous communities on issues arising from the Chiapas Declaration. (Notice given 19 June 2012.)

Other Members—5 minutes each. [Minimum number of proposed Members speaking = 2 x 10 + 8 x 5 mins]

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

3 Mr Chester: To move:

That this House:

(1) notes:

(a) that the carbon price came into effect on 1 July 2012;
(b) the Government's repeated assertions that only Australia's '500 biggest polluters' will pay the carbon price;
(c) community concern that the social and economic impacts of the carbon price have not been fully investigated;
(d) research that indicates the carbon price will have a disproportionate impact on small businesses, regional industries, and regional communities;
(e) concern:

(i) regarding the impact of the carbon price on at least 104 councils in rural, regional and urban Australia which have received notices of potential liability from the Clean Energy Regulator; and
(ii) within regional communities that the $200 million Regional Structural Adjustment Assistance Package is inadequate to meet the needs of adversely affected communities, particularly those exposed to the Government's 'contract for closure' policies; and

(g) that the Government's $36 million advertising campaign to promote the Household Assistance Package provides no information on the policy that has led to the payments to households; and

(2) highlights that the Government should have deferred the introduction of the carbon price until after the Australian public has had its say at the next election.

Time allotted—remaining private Members' business time prior to 9:30 pm

Speech time limits —

All Members—5 minutes each.
[Minimum number of proposed Members speaking = 6 x 5 mins]

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

Items for Federation Chamber (approx 11 am to 1.30 pm)

PRIVATE MEMBERS' BUSINESS

Notices

1 Mr Gibbons: To move:

That this House:

(1) acknowledges that a vibrant, independent news media is an essential component of a healthy democracy; and

(2) considers that:

(a) the democratically essential concept of an independent news media not does equate to the unrestricted right of specific media owners, or the industry in general, to manage their businesses without a social licence to operate;

(b) recent developments in Australia, and in other democratic countries, including inappropriate relations between media owners and politicians, socially unacceptable methods of news gathering, socially unacceptable standards of factuality and veracity in news reporting, a failure to distinguish between factual news reporting and editorial opinion, falling circulations, declining sales revenues and failed business models, are all evidence, prima facie, of an industry that has lost its social licence to operate;

(c) market competition can be a valuable mechanism for maintaining general, socially acceptable standards of journalism, but the concentration of news media ownership in the hands of a few represents, prima facie, a competitive market failure requiring compensatory regulation to ensure socially acceptable outcomes; and

(d) as the only representative body democratically elected by all citizens of Australia, the Parliament of Australia is the appropriate body to determine what socially acceptable standards are expected from news media in this country and to legislate appropriately to ensure adherence to them; and such legislation should include:

(i) the appointment of a politically-independent regulatory body to oversee adherence to statutorily-defined standards of news media behaviour;

(ii) commercially significant sanctions for failures to comply with relevant statutory regulations; and

(iii) adequate resourcing for such a regulatory body to enable it to enforce statutorily defined sanctions against financially and politically powerful news media owners. (Notice given 18 June 2012.)

Time allotted—30 minutes

Speech time limits —

Mr Gibbons—10 minutes.

Next Member speaking—10 minutes.

Other Members—5 minutes each.

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

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

2 Mr Chester: To move:

That this House:

(1) notes:

(a) that the carbon price came into effect on 1 July 2012;

(b) the Government's repeated assertions that only Australia's '500 biggest polluters' will pay the carbon price;

(c) community concern that the social and economic impacts of the carbon price have not been fully investigated;

(d) research that indicates the carbon price will have a disproportionate impact on small businesses, regional industries, and regional communities;

(e) concern:

(i) regarding the impact of the carbon price on at least 104 councils in rural, regional and urban Australia which have received notices of potential liability from the Clean Energy Regulator; and

(ii) within regional communities that the $200 million Regional Structural Adjustment Assistance Package is inadequate to meet the
needs of adversely affected communities, particularly those exposed to the Government's 'contract for closure' policies; and

(g) that the Government's $36 million advertising campaign to promote the Household Assistance Package provides no information on the policy that has led to the payments to households; and

(2) highlights that the Government should have deferred the introduction of the carbon price until after the Australian public has had its say at the next election.

Time allotted—90 minutes

Speech time limits—

Mr Chester—10 minutes.

Next 3 Members speaking—10 minutes each.

Other Members—5 minutes each.

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

The Committee determined that consideration of this matter should continue at a later hour.

3 Mr Hayes: To move:

That this House:

(1) notes that:

(a) there are well over 100,000 people of Serbian origin currently living in Australia, with approximately 5 per cent in the electoral division of Fowler;

(b) the Australian Federal Police and Serbian Police recently signed an agreement to co-operate on trans-national crime including money laundering and drug trafficking, which is an example of the growing strength of Australia's bilateral relationship with the Republic of Serbia;

(c) the Republic of Serbia recently gained European Union candidate status which suggests an increased potential for future economic cooperation and provides an opportunity for large-scale investment from Australia and a strong cultural and educational exchange;

(d) in 2011, the trade between our two countries increased by 11 per cent; and

(e) since March 2012, Serbia has been awarded the preferential status under Australian Customs Act 1901, which has the potential to further increase the trade relations; and

(2) recognises:

(a) that significant progress has been made in Serbia and other countries in the region that participated in the devastating civil war, in moving away from conflict and towards reconciliation and cooperation; and

(b) the great economic, social and cultural contribution of the Serbian people to the vibrancy of our multicultural society.

Time allotted—remaining private Members' business time prior to 1.30 pm

Speech time limits—

Mr Hayes—10 minutes.

Next Member speaking—10 minutes.

Other Members—5 minutes each.

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

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

Items for Federation Chamber (6.30 to 9 pm)

PRIVATE MEMBERS' BUSINESS

Notices—continued

4 Mr Christensen: To move:

That this House:

(1) recognises that the:

(a) proposal of a National Disability Insurance Scheme (NDIS) is a once-in-a-generation landmark reform that has the potential to deliver better quality of life outcomes for Australians with disabilities;

(b) schedule for implementation of the NDIS, as proposed by the Productivity Commission, will take seven years, spanning the life of three Parliaments; and

(c) NDIS is a reform that involves the cooperation and support of state and territory governments, the disability support services sector, people with a disability and their families and carers;

(2) notes the bipartisan and cross-party support for the implementation of the NDIS;
(3) declares its support for policy stability on the NDIS over the life of those three Parliaments and until the scheme’s full implementation; and
(4) resolves to immediately establish a Joint Select Committee on the National Disability Insurance Scheme which will:
   (a) oversee the implementation of the National Disability Insurance Scheme;
   (b) be subject to terms of reference to be agreed upon by the Prime Minister and Opposition Leader and ratified by this House;
   (c) be comprised of 4 Government members and/or Senators, 4 Opposition members and/or Senators, 1 Greens member and/or Senator and 1 non-aligned member and/or Senator;
   (d) be jointly chaired by 1 Government member and 1 Opposition member; and
   (e) remain in existence until the full implementation of the NDIS is achieved; and
(5) transmit a message to establish a Joint Select Committee on the National Disability Insurance Scheme to the Senate for concurrence. (Notice given 22 May 2012.)

Time allotted—55 minutes
Speech time limits —
   All Members—5 minutes each.
[Minimum number of proposed Members speaking = 11 x 5 mins]
The Committee determined that consideration of this matter should continue on a future day.

5 Dr Leigh: To move:
That this House:
(1) recognises the extraordinary athletic achievements of the late Peter Norman, who won the silver medal in the 200 metres sprint running event at the 1968 Mexico City Olympics, in a time of 20.06 seconds, which still stands as the Australian record;
(2) acknowledges the bravery of Peter Norman in donning an Olympic Project for Human Rights badge on the podium, in solidarity with African-American athletes Tommie Smith and John Carlos, who gave the ‘black power’ salute;
(3) apologises to Peter Norman for the wrong done by Australia in failing to send him to the 1972 Munich Olympics, despite repeatedly qualifying; and
(4) belatedly recognises the powerful role that Peter Norman played in furthering racial equality.
(Notice given 28 June 2012.)

Time allotted—35 minutes
Speech time limits —
   Dr Leigh—5 minutes.
   Other Members—5 minutes each.
[Minimum number of proposed Members speaking = 7 x 5 mins]
The Committee determined that consideration of this matter should continue on a future day.

6 Ms Smyth: To move:
   That this House:
   (1) condemns the Victorian Liberal Government for scrapping the ‘School Start Bonus’ and ‘School-based Education Maintenance Allowance’ payments and calls for them to be immediately reinstated, and
   (2) considers that:
      (a) the Victorian Liberal Government’s cuts to the Education Maintenance Allowance will affect some of the most disadvantaged students across Victoria, and their families; and
      (b) these cuts, combined with cuts which have already been made by the Victorian Government to Victorian Certificate of Applied Learning and the Victorian TAFE system, will cause long-lasting damage to the Victorian education system, particularly for those who are most at risk of leaving the school system early without proper skills and training. (Notice given 31 May 2012.)

Time allotted—40 minutes
Speech time limits —
   Ms Smyth—5 minutes.
   Other Members—5 minutes each.
[Minimum number of proposed Members speaking = 8 x 5 mins]
The Committee determined that consideration of this matter should continue on a future day.

7 Ms Hall: To move:
   That this House:
   (1) notes that:
(a) Haemochromatosis Awareness Week is held from 13 to 19 August 2012 and aims to raise awareness of the symptoms and treatment of haemochromatosis;
(b) haemochromatosis is an iron overload disorder and is the most common genetic disorder in Australia; and
(c) more than 100,000 Australians, approximately 1 in 200 people with European ancestry, have the genetic predisposition for haemochromatosis;

(2) notes with concern that:
   (a) the condition is seriously underdiagnosed even though haemochromatosis can be easily diagnosed by a simple blood test; and
   (b) many people may be suffering from the symptoms without knowing the underlying cause;
(3) acknowledges the work of the voluntary advocacy and support group Haemochromatosis Australia in facilitating Haemochromatosis Awareness Week;
(4) recognises that the symptoms of iron overload include, at:
   (a) lower levels, chronic fatigue and joint pain leading to arthritis; and
   (b) higher levels, liver cancer, diabetes and serious tissue damage including the weakening of the heart muscle; and
(5) asks all Members to support Haemochromatosis Awareness Week by raising awareness of the condition in their electorates.

Time allotted—remaining private Members’ business time prior to 9 pm
Speech time limits —
   Ms Hall—5 minutes.
   Other Members—5 minutes each.
[Minimum number of proposed Members speaking = 4 x 5 mins]
The Committee determined that consideration of this matter should continue on a future day.

Public Accounts and Audit Committee Government Response

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:10): I table the government’s response to the Joint Committee of Public Accounts and Audit report No. 427, Inquiry into national funding agreements.

I move:
   That the House take note of the document.
Debate adjourned.

MATTERS OF PUBLIC IMPORTANCE

Supermarket Competition

The DEPUTY SPEAKER (Ms AE Burke) (15:11): I have received letters from the honourable member for Kennedy and the honourable Leader of the Opposition proposing that definite matters of public importance be submitted to the House for discussion today. As required by standing order 46(d), the Speaker has selected the matter which, in his opinion, is the most urgent and important; that is, that proposed by the honourable member for Kennedy, namely:

The need for urgent federal government intervention to divest the two supermarket giants and give owner operated business, Australian farmers and customers increased competition, greater choice and a fairer deal.

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

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

Mr KATTER (Kennedy) (15:12): In 1991 in Australia, two supermarket giants had 50.5 per cent of the food market. In 1999, John Howard, the Prime Minister, agreed to an inquiry. By that time the market share of the two supermarket giants had risen to 65 per cent. Everybody knew that their market share was shooting through the roof. The inquiry, comprising all parties, including
the Australian Democrats, effectively recommended that nothing be done.

There were three alternatives. One was, as the National Association of Retail Grocers of Australia, or NARGA—the independents—asked for, a capping at and divestment down to 22 per cent of market share for each of the giants. A second was to go to American trust laws. The third alternative was to considerably strengthen the Australian Consumer and Trade Practices Act. Not one of the three alternatives was adopted by the committee. No-one can read their report—an excellent report, I might add—and not understand that the major parties in Australia are controlled by Woolworths and Coles.

No other country on Earth would accept this situation. Let me give you the figures for other countries. The report I am referring to, Fair market or market failure, gives the figures for other countries. There is not one other country on Earth where the big three have even 25 per cent. But in Australia, when this report came out, they had 65 per cent. Franklins and Davids have vanished into the mouths of the two giant whales—and when the last report was done in 2002 by AC Nielsen, which tracks the figures, they were on 72 per cent of market share. So when should we act—when they have 100 per cent of market share? But in every report—the AC Nielsen series, the ABS series and this report here—every single one of them, including Woolworth and Coles, claims they have two per cent annual market growth. They had 74 per cent in 2002—I think most people can add up—and we are now talking about 90 per cent.

In America there are 22 books on the shelves about Wal-Mart because there is a huge outcry in America. Wal-Mart and their nearest competitor have 23.1 per cent of the American market. Americans are screaming blue murder over that 23.1 per cent. But our two giants have 90 per cent. What is the result of that? What happens if you give two giants ownership of your liquor, petrol and food? There are only two people for farmers to sell to and there are only two people for consumers to buy from.

I have spoken thousands of times in this place about the horrors of deregulation. I will go through them. The milk industry was the first to be deregulated. Let me go through the figures. I must emphasise that these are not my figures; they are ABS figures. The price of milk was 59c a litre under an arbitrated price system—the famous tribunal. The day after deregulation we were paid 42c a litre. Was that difference passed on to consumers? No. The price for consumers went up by over 25 per cent over the next two years. So Woolworth and Coles—there were others too, but it was mainly them—took away from the table an extra $1.3 billion of profit a year. That is what they got; that is what we delivered to them through deregulation.

I say to the people in this place who have advocated national competition policy that the one thing it never delivered was competition. It delivered monopoly powers. Every day that goes by, more and more Australians are destroyed by it. After deregulation, the price of eggs to the consumer rose from 185c a dozen to 293c, almost a doubling in price, the price to farmers went down by 12c a dozen, and the boys in the middle got $240 million extra. When we deregulated the sugar industry and removed the tariffs, we got wiped out to the tune of $360 million. That extra profit went to Woolworth and Coles. Again, the price in the stores went up by 20 per cent.

We have had inquiry after inquiry. I do not understand this and I will never understand this: each inquiry says there is no problem. When two people own 90 per cent
of the marketplace they tell us there is no problem! After the last inquiry, I went down to Coles at Manuka and bought a one kilogram bag of sugar for $1.35. The price paid to the processor and the farmer was 39c. They get 40c and Woolworth and Coles get $1.35. Packaging must cost a lot! For eggs, the farmer was paid $1.40 and the price there was $4.85. I have the docket. For milk, 65c went to the farmer and the processor, and the cost to the consumer was $1.99 a litre. Coles are making a big deal about cutting that down to $1, but for 11 years we were talking about $2. Here is my docket— at Coles it was $2. Well, they made plenty. If they are getting a little bit back which they are not giving back, it is over the dead bodies of the farmers— quite literally. Within two years of dairy deregulation there was a farmer committing suicide every four days in this country.

Finally, potatoes—and you can really justify a lot of processing with potatoes! The farmers got 62c a kilo and Coles were charging $2.46 a kilo. I can continue to reiterate these prices, but everybody in this parliament knows Coles and Woolworths are quite literally having a picnic over the dead bodies of our farmers, and it will continue until there are no farmers left.

Coles and Woolworths are buying from overseas, and our chances to get the message through are very limited when the Fairfax press is controlled by Roger Corbett, the chairman, who was head of Woolworths. He is also on the board of Wal-Mart in the United States. They have got unlimited trading virtually everywhere in Queensland. They can wipe out the after-hours stores— so there are no ma and pa stores. How the single mothers and retired people in the suburbs get to supermarkets now I do not know. It is very difficult for them to go shopping now because they have got no local store.

The service stations were not allowed to have groceries when we were in government in Queensland. That was specifically to keep the oil companies out of— and to protect— owner-operated businesses. That has been abolished, of course. The service stations are now controlled and owned by Woolworth and Coles. So all of that after-hours trade has moved completely over to them— and what they haven't got they are going to get by 24-hour trading wherever they go.

We cannot sell on the world market because of the massive subsidies from the other countries. It is almost impossible for us to compete on the world market. So we come back to the Australian market, and week after week, day after day, product is brought in from overseas. Hardly a week goes by where there is not something in the papers about some new commodity coming in from overseas. I am told that Woolworths has a whole three-storey building employing people doing nothing else except sourcing cheap food from overseas.

We cannot compete in apples. I said, 'Hold on, it's America and New Zealand,' and they said, 'Yes, $9 an hour.' We would pay $19 an hour, and so we should, but the wage in the United States in California is $9 an hour, and in New Zealand it is $9 an hour. The apples will also be coming in from China, where the average income is $5,000 a year. How can we compete against those apples? Everybody knows they have fire blight. You had the reason to keep them out, but you did not. You are so in love and enamoured with and obsessive about free trade that you will bring those apples in knowing that they have been sprayed with streptomycin, antibiotics, to get rid of the disease. You know that.

So I will be moving legislation in this House so that, if you want to bring an apple in from those three countries which have fire
blight and spray with streptomycin—because we have no way of checking whether it is sprayed with streptomycin—every apple will have a marker on it. We heard the minister stand up today on cigarettes. There is a serious danger to our health from these apples. Every one will have a marker: 'This product has not been grown or processed under Australian health and hygiene standards and may be injurious to your health.'

I say with very great pride that, as the minister, I have been attributed with the creation of the prawn- and fish-farming industries of Australia—and no doubt my department played a very key role in the establishment of those industries. Prawn and fish farming in Australia rose up to $600 million at one stage. We have virtually no prawn farming at all now in Australia. We thought we would catch Thailand at $2,000 million. Thailand has gone up to $8,000 million; we have gone down to nothing. And that is because Woolworths and Coles are bringing their prawns in from Vietnam, China and Thailand.

In Vietnam they actually use raw sewage in the ponds. In Thailand, they put the raw sewage in the river, and in China they put raw sewage in the river and take raw sewage out. We have to have pure, bacteria-free water going in and pure, bacteria-free water going out, which is impossible, so forget about any prawn farming in Australia. But those prawns are coming in, and we know they are carrying diseases. They have to be. They are being brought up in a bacterial environment. So once again, as far as I am concerned, every single little box of prawns anywhere in Australia will carry that label on it. At the very least, that will slow Woolworths and Coles down from bringing them into Australia.

Every other country has laws protecting against monopolistic powers—oligopolistic, if I want to be technical. Every country on earth has that. We have no laws that protect. Clearly, they rose from 50.5 per cent in 1991, after inquiry after inquiry after inquiry, up to 92 per cent—and these are their own figures, not mine; they are not my figures. Every year they claim they have a growth in market share, and I have been tracking them since the ABS series was discontinued and the AC Nielsen series was discontinued. There was to be a review in 2002. Both series were discontinued in 2002, so we could not prove anything because there were no series there anymore. I am not a conspiracy theorist, Madam Deputy Speaker, but it is pretty difficult to write around that one in 2002. But, since 2002, Coles and Woolworths have skited to their shareholders about their growth in market share. Add that to the 74 per cent they had in 2002 and you have 92 per cent, and we are still doing nothing in this place.

I formed a political party—and I will probably conclude on this note. A newsagent, Roger Piagno, in Mareeba, jumped out and said, 'What've you formed a new political party for?' I said, 'How many shops have we got in the main street of Mareeba, Rog, do you reckon?' He said, 'Oh, about 150, I suppose.' 'How many are we going to have in 15 or 20 years time?' He said, 'Two.' I said: 'Good. That's why I formed a political party!' And he walked inside. You have to seriously contemplate forming a new political party in this country to get a little bit of justice for every single person. There will be no newsagents. There will be no chemists. There will be no florists. There will be nothing. They want it all, and this place has facilitated giving them it all.

Forget about mixing with powerful people. You do not have to mix with...
powerful people. Mix with Australians and be proud of it and do the right thing by them. Woolworths and Coles must be acted upon. Every four days, a farmer in Australia commits suicide. And that is the note upon which I conclude.

Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (15:27): I appreciate the opportunity to contribute to this debate and thank the member for Kennedy for bringing this important matter of public importance before the parliament. I know that the member for Kennedy is a very passionate advocate of people in his part of the world. Certainly much of the passion that we have come to see from him in the past was evident in that contribution today.

I would like to address the issue that underlies the matter of public importance today. I begin by saying that, whilst I think there is a general acknowledgement of some of the concerns that are raised in relation to the use of market power generally across various markets in this country from time to time, it is the government's position that the existing competition framework is adequate to deal with many of these challenges. Certainly we stand ready to consider any evidence that might suggest that there are other alternatives, more appropriate means, through which better outcomes can be achieved. When we ask the question about what those better outcomes might be, we must bear in mind the question, obviously, of the interests of producers, but ultimately we need to ensure that we have an efficient and productive economy and one that is giving consumers a fair go and a fair deal. That is ultimately at the heart of our approach to competition policy.

When you look at the major supermarket chains and the supermarket sector, you see that upon coming to office this government directed the ACCC to undertake a specific inquiry into the major supermarket chains and the retail sector. There were a number of findings that came out of that review. In particular, that review found that there was workable competition within the supermarket sector. The review did indicate that, in particular, smaller players like ALDI were playing an important role in introducing competition into this sector. It is worth noting that ALDI represents a very small part of the overall market, as do some of the other independent operators and some of the smaller players, like IGA. I think it is worth noting the respective market shares of the major supermarket chains. Here I am citing data from the IbisWorld Supermarkets and Other Grocery Stores in Australia report, which indicates that Woolworths has approximately a 40 per cent market share and Coles has approximately a 31 per cent market share.

Inherent in this matter of public importance that has been brought forward is the clear suggestion that there should be some divestiture of the market share that those players currently hold. What is unclear, and what is a difficult question for proponents of divestiture to answer, is what might be an appropriate threshold for market share to be set at. Indeed, just as difficult a question to ask and to answer is how one might determine and define that market share. One of the things the ACCC's inquiry into the retail sector showed was for an overwhelming majority of consumers—in particular in metropolitan areas, where it was more than 90 per cent of consumers—most of their shopping is done within five kilometres of where they live. This gives rise to the very question of market definition: what is the market? If the test here is one of market size or market penetration, then obviously one needs to go through that exercise of defining what the market is.
More broadly, the approach this government has brought to competition policy—which is consistent with approaches that have previously been taken—has been to say that market share, on its own, is not determinative of whether or not a competitive framework exists. You need to have a look at the full range of factors. People talk about monopolies, but clearly we do not have a monopoly. I am not trying to be technical about it, but we do not have a monopoly. There are people who call it a duopoly, but we do not have a duopoly. We have a market in which two major supermarket chains have very significant market shares; there is no question about that. But I will make this observation: it would be fair to say that in recent times we have seen more robust competition in the grocery sector than we have seen for a very long time. This is feedback that I get in my community, and I know many others get it elsewhere. The very vigorous competition that is currently in play in our major supermarket chains is on display for all to see. I would not entirely attribute the current price deflation to that competition, but I think anyone who brought any serious analysis to the price deflation that has been experienced in recent times would have to acknowledge that the aggressive competition that has been occurring between Coles and Woolworths has contributed in part.

That leads to all sorts of debates. One of the debates we have had before committees and in the public more generally has been around milk prices. Two parliamentary committees have looked at this. The first parliamentary committee looked at it because milk prices were too high; the second parliamentary committee looked at it because prices were too low. That raises all sorts of very serious questions about what we are hoping to get out of these inquiries and, ultimately, what type of marketplace we are looking to operate within. The government takes the view that competition policy is always about a balance. It is about ensuring that we have a set of rules and a framework in place that allows serious competition to exist between competitors but, at the same time, makes sure that ultimately the best outcomes are being generated for consumers.

Mr Katter interjecting—

The DEPUTY SPEAKER (Hon. BC Scott): The member for Kennedy will remain quiet or will find himself out of the chamber.

Mr BRADBURY: Perhaps I could address the issue of divestiture, which is at the heart of this matter of public importance. There are a whole series of very difficult questions that proponents of divestiture have to answer. I have heard many discussions, but I have not heard too many answers to these questions. The first one, which I have already identified, relates to market definition: what is the market? Secondly, what percentage of market share is appropriate, and what is not? I have just gone through the figures: 40 per cent for Woolworths and about 30 per cent for Coles. Let's just say, for argument's sake, that someone says 25 per cent is the appropriate figure.

Mr Katter: Mr Deputy Speaker, a point of order: he claims 40 or 30 per cent. That was in 2002—

The DEPUTY SPEAKER: No, there is no point of order. You are debating the minister.

Mr BRADBURY: I am not seeking to engage in argument on this. The figures I quoted were from the IbisWorld Supermarkets and Other Grocery Stores in Australia report from this year.

Let's assume for just one minute that proponents of divestiture are arguing that 25
per cent is the cap—that that is the limit on what market share should exist. That means anyone who has more than that in market share is going to have to forgo stores all around the country. One has to ask the question: where are the first stores that are given up going to be? Are they going to be the most profitable stores? I suspect they will not be the most profitable stores; I suspect they will be some of those stores in poorly serviced areas, often in rural and regional communities. It is worth noting that we are talking about companies that employ a significant number of Australians; in fact, the numbers are in the thousands, if we put the two major supermarket chains together.

If we are to force divestiture, which is the proposition we are talking about here, that would mean Coles and Woolworths would have to basically sell some of their stores. I put it to you that it would be the least profitable stores that they would be willing to sell. I also ask the question: who is going to buy these stores? Quite often the people who are most in favour of divestiture are the people also most opposed to foreign investment. It is most likely that the lack of capital that exists within this country means that foreign capital will come in and pick up those stores. I assume that we are happy with that foreign investment, but I understand that is not without contention in this place. The ACCC report indicated that ALDI, which is foreign owned, was a force that was bringing competitive pressure into this sector. So we see that the complex dynamics of divestiture are not as simple as the suggestion that you simply divest.

I put it to you all that there are legitimate concerns being raised in relation to market power. There are a number of changes that have been made to our competition laws in recent times, many of which have not been tested before the courts. The ACCC Chairman, Rod Sims, has indicated that the ACCC are undertaking very, very robust inquiries in relation to some of these matters. I think it is important, and the government believes it is important, that we give the regulator the opportunity to test the laws that have already been introduced. If it is the case that there are suggestions that the laws are ineffective or inadequate to address clearly identified problems, then of course the government will consider what action that requires.

Can I make some further points in relation to the lack of alternatives to the approach that the government has outlined. I know that the opposition will have their opportunity to contribute to this debate. I was really interested to find out what their position on competition policy was. I had a look at the coalition speakers notes that were leaked a bit earlier this year. There are about 140 pages, and I searched the notes page by page from front cover to back cover and I could not find anything about competition policy. I then thought that it must be in there under consumer policy. Well, there was nothing under consumer policy either. In fact, I was alerted to this by an article, an opinion piece, that I saw in the paper this morning from Peter Costello, who said:

Recently, Nationals senator John "Wacka" Williams called for an ombudsman to be given the power to force supermarkets to increase prices.

But a statement like that should draw a response from political leaders lest people start thinking it is serious.

A government has to decide whether it is for the consumer or the producer.

The Coalition has committed to a "root and branch" review of competition policy. This will
be another showdown between rational economics and rural populism.

We know who has the balance of power over there at the moment—it is the rural populists. The rural populists are in control. Well, at least in opposition the rural populists are in control. When I heard about this root and branch review I thought that maybe there is a policy. So I went to the website of the member for Dunkley, who is the shadow minister in this area. I thought that perhaps he had set out some of the problems that they have identified and need to be assessed in this root and branch review. When I looked at the website the word 'competition' only appeared in the headline. There was no reference to competition. In fact, the Competition and Consumer Act, the relevant piece of legislation, was not mentioned. The only thing I could see a reference to was the Australian Accounting Standards Board. I have been scratching my head all day trying to understand what connection that has with competition policy.

Let’s not forget that there have been two major reviews of competition policy in the last 20 years—the Hilmer review and the Dawson review. And let’s not forget that neither of those reviews recommended divestiture powers. Indeed, the last root and branch review, which was the Dawson review, recommended a couple of interesting things like the criminalisation of cartel conduct, which is something that the former government sat on for year after year and did nothing about. It took this government to come into power and to introduce legislation to criminalise that conduct.

We will continue to monitor developments within the marketplace. To the extent that evidence emerges that there is misuse of market power that extends beyond those powers that the ACCC currently has, we will stand ready to consider any future changes. (Time expired)

Mr BILLSON (Dunkley) (15:42): There you have heard it. There you have heard the Labor line that there is no problem to be found anywhere in our competition laws. It is quite remarkable to hear the Assistant Treasurer. I remember having a debate with his predecessor in the then Prime Minister’s seat when I was outlining the coalition’s policy dealing with the need for a root and branch review of the competition framework and that was extremely well received. Then Dr Emerson, who was my opposite number at the time, ran the same line. He said that there was no problem to be found and that the Labor government was perfectly happy with the current set of arrangements. And there you have heard it again today from the Assistant Treasurer. He said: 'The existing framework is adequate.'

I cannot agree with that. In fact there are two absolute certainties in this competition space that I think we all might be able to agree on. One is that everything is not okay. I think we can agree on that. I think that is pretty clear. We see pressures in our marketplace day in and day out and some of those have been touched upon by earlier speakers. I think we can also agree that there is no single silver bullet to fix this. The member for Kennedy has outlined the etymology, if I can use that language, of some of the challenges that he sees, and I would like to add my account of some of the challenges that are also there.

I am absolutely certain that there is no single action that will address the issues that are here now. I think we can agree on those two things: that Labor is absolutely wrong in saying everything is peachy sweet about the current competition laws in Australia, that there is no problem to be found anywhere in the economy. I think we can also agree that there is no simple, single solution that will remedy the pressures and tensions that the
coalition sees and has been identifying. That, I think, we can agree upon.

The proposition that is being put forward today by the member for Kennedy is that the government should be given some powers to intervene to divest in the two, as he calls them, supermarket giants. I should help the Assistant Treasurer: there already are powers in the competition law of Australia to deal with divestiture. They already exist. They exist to the extent that a merger or acquisition has been transacted without receiving the appropriate approval from the ACCC and that that would amount to an adverse impact on competition.

There are a whole lot of legal definitions that sit around it but if someone proceeds with a merger and acquisition and it has the effect of substantially reducing competition then there is a divestiture power available. So that power already exists. If an approved merger or acquisition proceeds, but some of the undertakings or terms under which it was given approval—given consent—are not adhered to then there is also a power for the ACCC to instigate divestiture.

So for those who are talking about divestiture power, there are already mechanics in the current law to deal with those things. That is not dissimilar from the laws that exist in other jurisdictions. There has been some talk about what happens in the UK. There is the same arrangement: if a merger or acquisition that has been progressed with has a detrimental impact on competition then there is a divestiture power. Under the antitrust laws in the United States it is the same as well. In that respect we are not so different.

Where we are different, though, is in the way in which two very dominant players in this supermarket space are able to work within the railroad tracks of the current law—therefore, not break the law—but, in effect, put pressure on a pro-competitive, pro-consumer, pro-economic prosperity future that we would hope for for the country. That is real. We see those pressures popping up in a number of places: the growing market concentration in key areas and the key impact these dominant players can then have over suppliers, where they exert pressure and have an influence that leads suppliers to make, in some cases, decisions that are against their own economic self-interest. Why? Because there is nowhere else to go.

That is not against the law. It is not helpful for our economy. It is not helpful for innovation and diversity and choice in our supply chain. I think it is not helpful for the durable interest of consumers in Australia, but at the moment it is not against the law. That is a problem with the law. It shows that the Labor reassurance that the existing framework is adequate is simply not right.

The provisions in section 46 relate to the misuse of market power. For those who want to lie awake at night, have a read of section 46. It was the provision that those reviews that have been relied upon by the Assistant Treasurer said would catch everything. If there was a kind of mischief going on from a dominant player in the market place, section 46 would be the answer. Yet reality has shown us that you need to be asleep to break those laws. The requirements to offend those laws are so steep, so demanding and so difficult to prove that there are very rare cases where a prosecution has been successfully brought. And where a prosecution has been brought the penalty is to be slapped with a wet lettuce leaf. So this omnipotent provision under section 46 dealing with misuse of market power, which promised so much, has not delivered what was promised. We think that requires examination.
Look at some of the mandatory codes. I concur with some of the views that the member for Kennedy pointed out. The horticultural code is a piece of fiction. It just does not achieve what it aims to achieve. We have seen problems with the grocery code and we see this in the franchising area as well. They have not lived up to the ambition that led to their formulation. In reality they have not had the impact that people had hoped for.

If you are a small business, a grower or a family enterprise seeking to access some of the remedies and sanctions to draw upon and activate some of the provisions in the current consumer law, your simple size can make that out of reach. You can be faced with a goliath of another party that you have some grievance with, and frankly you will run out of money before you get your case considered. This is unsatisfactory.

Aficionados can even look further. Some of the access regime that is currently in place does not lend itself well to trade exposed issues. Some 20 years ago this framework that we operate within now was formulated, and it has largely been unchanged since. Yet the marketplace has changed. Some of the ideas that Professor Hilmer contemplated two decades ago he thought would have certain effects when, in reality, they have proven not to perform in the way that he though they would.

The market share of the supermarket chains has been touched upon. That has continued to grow and it has created new challenges to the competitive landscape in Australia. It has put pressures on suppliers. It has enabled those dominant players to encourage people contributing supplies, services or goods to do things they otherwise would not do. They are now up against price points from international competitors.

I saw this when I was up to my calves in cow poo down near Colac talking to a dairy farmer. He was telling me, 'Bruce I've got the carbon tax and all these other pressures putting upward pressure on my costs, yet I have been told by my milk processor that I'm going to get 10 to 15 per cent less for my milk next year.' Why less? Because the supermarkets wanted to go down, down on their prices. What that was representing was down, down pressure on what the milk processor was being paid. And the milk processor, in turn, was passing that through to the dairy farmer.

What was the price point? The price point was an overseas competitive supply option. So they are basically being told, 'We'd love to keep taking your Australian grown stuff; we'd love to keep taking your milk, but for us to do so you need to compete with imported dairy inputs that really are your price point regardless of what it costs you to survive.'

Hilmer did not anticipate this. Twenty years ago you could not see those pressures. Twenty years ago you saw people advocate that section 49, the price discrimination period, be repealed. Why? Because section 46 would be the answer: it would solve all of these problems. You did not expect that a big business would go to their suppliers and say, 'We don't think Christmas is going to be as good for us as we thought. How about you take five per cent off your invoices? We'll pay you in three months.' They said—I am quoting them—'That will be an investment of mutual benefit to both our organisations.' What choices do you have? Where do you go?

This is where fair competition supports a productive and efficient economy. We are seeing behaviour at the moment that is not unlawful—it does not breach our highly prescriptive laws in this country—but it is
certainly not pro-competitive. I have my doubts about whether that will support the long-term economic prospects of our nation and the durable interests of consumers to support innovation and choice. Surely, that is what competition laws should be supporting. We have highly prescriptive laws, some of the most codified laws anywhere on the planet. As long as businesses know those laws and work them hard—and in some cases game them—to stay between the railroad tracks of what is lawful and what is not, they can push on.

But is that what is going to support our long-term economic interests and durable benefits for our consumers? The coalition does not think so. That is why we needed a sober, objective, evidence-based examination of the pressures on our competition laws in Australia—to look at what might work so the remedies are fit for the purpose and do what we anticipate, and to test what is going on internationally. In other jurisdictions the laws have the capacity to deal with these pressures; our laws do not. Laws in other jurisdictions are sharper and reflect the longer term interest. That is what the coalition is all about and that is what we should be supporting. (Time expired)

**Mr NEUMANN (Blair) (15:52):**
Listening to the member for Dunkley you just do not know whether the coalition is Arthur or Martha on this issue. In fact, I found two quotes from their spokespersons in relation to this issue which demonstrate the failures of the coalition when they were in government, including their failure to put forward a consistent narrative on this issue. Senator Barnaby Joyce in a media statement on 15 July this year said:

> Over the past 30 years—

During which both sides of politics were here—

Food prices in Australia have increased by 189 percent. Much higher than many others, in the UK and US food prices have increased about 120 per cent, while in Canada they have only increased by 90 per cent.

Then you have the Leader of the Nationals, when he was a minister in the previous government, launching a report, *Price determination in the Australian food industry*, explaining the differences between farm gate, wholesale and retail prices and talking about the fact that the report found that the relatively low grocery sector profit margins in Australia were largely a result of strong international and national brand presence together with 'a highly competitive retail sector'. That was in his speech to the ABARE Outlook 2004 conference. So you just do not know where the coalition stands on this particular policy.

I believe the member for Kennedy is sincere and genuine in what he says. We saw that in the passion that he displayed here today. But he claimed that the major political parties were controlled by Woolworths and Coles. During the last state election in Queensland—and I happen to represent an electorate in south-east Queensland—you had bunting, posters and advertisements saying that Woolworths and Coles ran the country. Woolworths and Coles do not raise taxes, they do not declare war and they do not run schools or hospitals, and I have never seen the CEO of Woolworths or Coles sitting at the dispatch box on either side of the chamber.

The truth is that Woolworths and Coles are an important part of the Australian economy. As the Assistant Treasurer said, they control about 71 per cent of the food and grocery sector. IGA control about seven per cent and ALDI control about four per cent. The member for Kennedy actually talked about his position. He wants to divest, and the government intervened. I had a look
at the policies on the website of Katter's Australian Party. There is a piece about this issue headed 'Fair Food'. It is less than a page and there is nothing there about the impact on jobs, on profitability of companies or on the impact on regional, rural and suburban communities. It is just a bold statement about what they might do, claiming:

… consumer prices are inflated, meaning higher grocery bills.

That is inconsistent with the reports, as the Assistant Treasurer has outlined.

I do not know where the member for Kennedy has been, if he has watched TV or received any of those brochures in his home, because competition is really quite strong, and you can see that. How much more does he want consumers to pay? If he wants to get rid of what he thinks is an oligopolistic practice, how much more does he want Australian consumers to pay for bread, butter, milk, cheese et cetera?

He also says he does not know how people actually get to the grocery stores or supermarkets. But the ACCC, in their 2008 grocery inquiry, found that almost 90 per cent of consumers living in metropolitan regions travel fewer than five kilometres to their regular supermarket. In regional areas—and I represent a regional and rural seat—consumers tend to travel further to do their supermarket shopping, with 23 per cent travelling more than 10 kilometres. I have 6,500 square kilometres in my electorate, and if you drive for five minutes in your car from my electorate office you get into cattle country. That is the truth. The truth is that rural and regional areas also want Woolworths and Coles.

I know from when I have done mobile offices in Esk, a rural community north-west of Ipswich, that they have been crying out for a Woolworths shop to be created there. I know that in places like Fernvale, Woolworths has acted as an incubator to attract more retail. When I spoke to the manager of the Ipswich Region Business Enterprise Centre of the Ipswich and West Moreton region, Tony Axford, he talked about the impact of those facilities and consumer outlets in those rural areas.

If you want to talk about why Woolies and Coles are important across the country, let me give you an illustration from my community. I represent Ipswich and the Somerset region. During the floods last year, we saw Coles in Ipswich decimated. One of the pictures many people in this place and listening on the radio would have seen was Coles decimated by the floods. All around that area we saw retail outlets like Ace Computer World suffer as a result of the loss of Coles. Coles are going to build a $25 million facility. It is going to be above the flood line and 350 people in the Ipswich area are going to get jobs. Does the member for Kennedy say that they should not do that? Should they divest themselves of that particular site and lose 350 jobs in that community? Does he want to damage the retail outlets in that area—the newsagents, the little shops in that area, Ace Computer World? Is that what he wants them to do? That is what he seems to be proposing.

What about Woolworths? He is critical of them. He claims, for example, that Woolworths and Coles control the major political parties. For many years, until very recently, I was on the state administrative committee of the Australian Labor Party in Queensland. I cannot remember Woolworths or Coles ever being mentioned at any stage. They are not an affiliated body to the Australian Labor Party in Queensland. I cannot remember Woolworths or Coles ever being mentioned at any stage. They are not an affiliated body to the Australian Labor Party's Queensland branch or to any other branch of the party across the country. The claim that somehow Woolies and Coles control the Labor Party—and I do not believe for a minute they control the
Liberal Party or the National Party either—is not true at all. They do not.

The truth is that Woolies and Coles are an important part of regional and rural areas. I know how important they are in my communities, in the country towns and also in Ipswich.

I mentioned the flood. During the flood Woolies provided enormous help to my communities. Does the member for Kennedy propose, in respect of the mall site of the Ipswich CBD, that Woolies divest itself of that particular site? It is the anchor of the mall in Ipswich. During the flood, I organised—and Woolies did this—thousands and thousands of dollars worth of groceries, fruit and vegetables, household goods and cans and packages of food, including spaghetti, for flood evacuation areas in the Ipswich region. We had convoys of utilities and trucks going to evacuation centres at places like Riverview Neighbourhood House. Does he propose that we divest that? What is he suggesting for communities like Ipswich and Fernvale? We know these places are important. We know they attract business.

I will talk about Ipswich again and about the suburb I live in. Down the road from me in Flinders View we have an IGA at Winston Glades Shopping Centre. Less than three kilometres down the road, in the Yamanto Village, we have a Woolies. It is the hub of the Yamanto Village. About 200 metres down the road, along Warwick Road, there is an ALDI. They all exist there and they compete. I have lived in that particular part of Ipswich for about 27 years and I know that people in my community know they compete as they get the brochures.

Consumers make choices. They make choices about where they will go to shop. We do not live in a Stalinist economy, a command economy. Sadly, although the member for Kennedy seems to have the best interests of people at heart, somehow I think he would be happier in a command economy, even though he wants to say it is in the best interests of free enterprise. He is so critical of free enterprise and he is so critical of free trade. But these particular enterprises actually form the base of a community.

In the Yamanto Village, for example, right beside the Woolies there is a butcher and beside it there is a greengrocer. Seriously, what is he going to suggest about the impact on the greengrocer and on the butcher if you get rid of Woolies and they divest themselves of the site in one of the biggest suburbs in Ipswich? Is that what he is suggesting we do? I think it is nonsense. I have given those examples in my community to show the consequences and to talk about the 'beware factor' here as to the member for Kennedy's proposal. It is not thought through. That is all his policy document is about, with no dollars and sense, no thinking about the economic consequences in regional and rural areas, no thinking about the consequences for consumers and no thinking about the consequences for local jobs. It sounds good if you are in a pub up at Hughenden or somewhere like that but it does not work in reality. He knows it is not realistic. It is great publicity but it is not realistic. It is not good for jobs, it is not good for consumers and it is not good for communities like mine. 


Mr JOHN COBB (Calare) (16:02): I rise to speak on the very important issue of supermarket power. While I do not support the member for Kennedy’s remedy for the current situation, I am concerned—indeed the whole coalition of the National Party and the Liberal Party is concerned—about the capacity of the current situation to nurture a healthy competition. The one thing that without doubt is true is that a productive and
efficient economy does need competition— fair competition. The market should be a dynamic system both domestically and internationally. However, the two systems are different. I think we are constantly challenged as politicians and as businesses by different sectors of the marketplace to get that fair and balanced system. However, quite obviously the Assistant Treasurer and the member for Blair believe otherwise.

There are pressures in the economy that are testing the capacity of current laws to support and nurture healthy competition. These pressures include the fact that there is a growing market concentration in key areas, the impact of dominant players on supply chains, the responsiveness of current laws or systems to deal with abuses of market power, and the effectiveness of mandatory codes. The horticultural code was mentioned earlier by the shadow minister. I have met with representatives recently and some of the people worried about that are from the member for Kennedy's own electorate. There is the accessibility and effectiveness of sanctions and remedies, and also the suitability of infrastructure access regimes, particularly for export orientated industries but actually more for domestic ones. It has become increasingly evident in the last couple of years that there is a lack of confidence in the system to provide balanced outcomes but, as you have already heard, the Labor government—in particular the Assistant Treasurer and member for Blair—do not believe that that is so.

It has been 20 years since there has been an objective, evidenced based assessment of how well our competition framework works. As has already been mentioned, obviously Professor Hilmer did not or could not contemplate that 20 years down the track there would be almost a doubling of the major supermarkets' market share. I guess he could not have anticipated that. In 1993, who might have anticipated that what were thought to be broad and inclusive prohibitions, such as those in section 46, on misuse of market power, would be read down and rendered almost useless when faced with practical examples of the muscle-flexing of a big business against a small business that occurs in our economy?

In the last two years there has been a very significant increase in traffic of processors and growers coming through my office door to highlight these issues and how hard it is for them to do business. Since then the $1 a litre milk price campaign has been introduced and retail prices are back to what has not been seen for 15 or 20 years. That has underlined that the system does need some rebalancing and, as the shadow minister has already said, we are committed to a review of what used to be the Trade Practices Act.

Dairy farmers, like the rest of the agricultural industries, have rightly highlighted that farmers are price takers in the economy and cannot pass any cost increases through to consumers. But, once again, the Labor Party do not seem, at the prime ministerial or ministerial level, to understand that farmers do not pass on cost increases, whether it is the carbon tax or anything else. The carbon tax highlighted their ignorance about processors and farmers. Minister Combet just last month claimed on ABC radio that farmers are entitled to pass on the cost increases of carbon pricing. His words were, 'But where there are costs incurred, it is valid to pass it through.' Is he that naive? Certainly the Prime Minister is. Twelve months before, when discussing the costs of the carbon tax on the dairy industry, she said on Adelaide radio, 'You will pass any additional costs through.' That highlights her ignorance. She said the same thing when it was mentioned to her that the carbon tax was being passed
straight onto the cost of aviation fuel. When she was asked how those who muster and crop dust would be able to avoid it, she said, ‘They'll pass it on, like everybody else.' This highlights the compound nature of the problem and the ignorance of the government to deal with it.

The coalition has promised a review of the Competition and Consumer Act, and that is something we will follow through. The current market has thrown up some interesting and surprising circumstances. You would expect, for example, that some of our agricultural industries production is dominated by a couple of big players and that would give them more market power, but it has had the reverse effect. As there are only two supermarkets servicing 80 per cent of the market, some producers are too big to be able to sell to anyone except those two supermarkets. Whether it is tomatoes, mushrooms, eggs or dairy, they do not have any choice of competition beyond those two supermarkets, simply because they are too big for any other market.

Another issue not envisaged is the home brand issue, where supermarkets have the power to get superior shelf space. This is pertinent when dealing with the ability of a branded product to compete with a product of the supermarket itself. Nothing demonstrates the problem more than when you consider that broadacre industries like grain and meat, which are basically export based, do not have anything like the same problem that intensive domestic industries like horticulture and others have in dealing with supermarkets, because their market is really only within Australia. They have awful problems in dealing with the power of the big buyer, whereas the export based industries do not have to sell domestically; they have a far greater ability to go elsewhere.

There are some things we can do. In America, any significant movement of agricultural produce has to be reported, as to quantity and price, to the Department of Agriculture. There are penalties if that is not done. Whereas this in itself does not threaten the buyers or the consumer and it is in-conference, it does give government power to know if there are competition issues involved.

We have committed to a review of the system. When industries, be they agriculture or otherwise, have to go up against far bigger markets, government has to make sure that competition is fair and equal. I respect the fact that the member for Kennedy has seriously and genuinely brought this issue before parliament. It is one that the coalition is dedicated to looking at. I do not agree with his solution but I do believe it is one we have to look at. I am sorry, as he is, that the current government is not willing to do that. We certainly acknowledge the problem and we are dedicated to dealing with it.

**Dr LEIGH (Fraser) (16:12):** I rise to speak on this matter of public importance relating to supermarket competition, with a particular focus on the importance of maintaining lower prices for consumers. Much of Australia's economic history in the postwar decades is characterised by a somewhat unholy alliance across the major parties to protect producer interests at the expense of consumer interests. So much of the 'protection all round' that prevailed in the 1950s and 1960s meant that Australians paid high prices and that there was less foreign investment. We were less exposed to trade. Our firms were less competitive and our consumers suffered for that. One of the great achievements of the last generation of economic policymakers, thanks to people on both sides of the House, is that we have put the consumer first.
On the issue of food prices, I want to draw the House's attention to rates of food inflation. As it turns out, the series starts in 1974, when the member for Kennedy first entered politics. I note that in that year the rate of annual food price inflation was 20 per cent, and throughout the ensuing decades it has never been that high.

Rising food prices have never been a worse problem for Australia than they were at the time that the member for Kennedy began his political career as a National Party member in the Queensland parliament.

Indeed, if we look over the series of figures we can see that in the last two quarters—the March 2012 and June 2012 quarters—food price inflation has been negative. This means that Australians are paying less for the same food items than they were paying a year before. We should be celebrating this fact—it is a huge win for Australian consumers. We do not only see this with food prices; the past 20 years have seen real prices for imported furniture, handbags, clothing, shoes and medical products roughly halved, and prices of computers, telephones and other electrical goods have fallen by about two-thirds. To a large extent it is the opening-up of the market that has kept prices low across the board. Inflation was 6.7 per cent in the 1950 to 1985 period; since then, it has averaged just 3.7 per cent. The rise of China has been a major dampening force on global price inflation.

The matter of public importance today looks in particular at the role of supermarket competition and its price impacts. On this question it is worth referring to the ACCC's inquiry of July 2008 into the competitiveness of retail prices for standard groceries. The report notes, as the member for Kennedy has pointed out, that Coles and Woolworths account for approximately 70 per cent of packaged grocery sales in Australia and approximately 50 per cent of fresh product sales of goods such as meat, fruit and vegetables. But the report also notes:

There is little evidence to suggest that Coles and Woolworths have simply ‘bought out’ the competition.

Millions of Australian consumers shop at Coles and Woolworths in preference or addition to a number of alternatives—the local independent, the specialty bread shop, the Saturday market and/or the corner shop. High concentration levels alone do not dictate the nature of competition. There are other markets internationally that are more concentrated but appear to be more competitive.

It goes on to say:

… ALDI has been a significant influence on Australian grocery retailing. ALDI has forced Coles and Woolworths to react by reducing prices—specifically in States and localities where ALDI is present. Even if a customer does not shop at ALDI, they obtain significant benefits from having an ALDI in their local area or state, as the Coles and Woolworths stores price more keenly.

ALDI has now opened more than 250 stores across Australia. Costco has committed $140 million to ramp up its Australian operations. The government recognises that competition in the grocery retail sector is absolutely critical to making sure that Australians have a good range and cheap prices when they shop in their stores. It is important to constantly return to the facts when we are speaking about prices, not just of food and groceries but also of items across the board. Those opposite have been banging the cost-of-living drum but are unwilling to level with the Australian people about the fact that the inflation rate is the lowest it has been in the decade.

I am pleased in my own electorate to have opened the Bonner Woolworths, which is one of the smallest stores in Australia, and the Canberra Airport Woolworths, which is
one of the largest stores in Australia. The Canberra Airport Woolworths will go head to head with Costco. It will have some of the cheapest prices available to consumers, and that means that Canberra families will find their household dollar going further. In Dickson, where there is now a Woolworths, there will soon be an ALDI, and the ACT government has opened up a space for a third supermarket to be determined in February next year.

We are introducing additional measures to bring more competition to the grocery retailing industry and to reduce barriers to entry; we are extending the timeframe for the development of vacant commercial land from 12 months to five years to bring new competitors into the market; we are clarifying the predatory pricing and misuse of market power provisions in the Competition and Consumer Act 2010; we are clarifying the operations of the mergers and acquisitions provisions in the act on creeping acquisitions; and we are introducing a mandatory, nationally consistent unit pricing regime, because we recognise that unit pricing allows Australians to shop around.

There are two schools of thought in this parliament on economic policy. There are those who largely support the market oriented, liberalising economic reforms of past decades, and there are those who are willing to go for the populist grab every chance they get. When the member for Kennedy left the National Party in 2001, it was the National Party of Tim Fischer and Mark Vaile, which was committed to these liberalising market reforms. We now see a struggle for the soul of the National Party, and frankly I think that the National Party is coming back after the member for Kennedy. We hear quotes from Senator Joyce that, for example, the carbon price would raise the cost of a leg of lamb to $100. This is the same Senator Joyce who gets his millions and billions mixed up; the same Senator Joyce who, as the member for Blair has pointed out, is in direct contradiction of the Leader of The Nationals on the issue of comparing farm-gate and retail prices for major grocery items.

We also see a struggle for the soul of the National Party in the current debate over foreign investment. I will be clear: I support foreign investment. It increases the number of jobs and increases wages in the Australian agricultural sector. I pay tribute to some of those opposite, who have been willing to be very clear about the facts in this debate. Former Treasurer Costello even has an opinion piece in the *Sydney Morning Herald* today making the case for foreign investment. If all Australia's foreign investors were to pull out tomorrow, we would lose one in eight jobs—one in eight workers are directly employed by a foreign owned firm.

So it is important to realise the fire the coalition are playing with as the Nationals return to the party of economic populism, rather than being the party of national interest as they were under Mark Vaile and Tim Fischer. The Leader of the Opposition seems to be flirting with the same tendencies. He said:

I have never been as excited about economics as some of my colleagues; you know, I find economics is not for nothing known as the dismal science.

Let me be clear why economics is known as 'the dismal science'. 'The dismal science' was the tag that Thomas Carlyle gave to economics because it held what he thought was the 'dismal' notion of racial equality. Frankly, I am happy to hold to the notion of racial equality, I am happy to be a practitioner of 'the dismal science' and I am happy to be standing on the side of consumers today.
Ms MARINO (Forrest—Opposition Whip) (16:22): I am pleased to speak on this matter of public importance. I was really interested to hear the Assistant Treasurer say that there is no problem and I am interested to note that none of the recent speakers mentioned the words 'producer' or 'farmer'. Obviously they have no idea and no interest. I am a dairy farmer and, as I have said in this House before, a proud one. I have had to deal with the very issue that is before us today. I know exactly what it is like to be the small cog in the big wheel, having to deal with a much larger market player. I put that on the table for members opposite who have not even mentioned producers.

Mr Ian Macfarlane: Real life experience.

Ms MARINO: I have real life experience, that is true, and I have very real concerns, as do the opposition, who have a willingness to work on this issue—the effectiveness of the competition laws in the current situation. We know that competition in Australia in the supermarket sector is paramount. It is important for consumers to keep the prices down, but it is also important for producers, suppliers and farmers because they need to be without the risk of being held to ransom.

We talk about market concentration and bottlenecks in business throughout Australia and the things which basically limit or restrict production. There is a real issue of dominant players in the supply chain through the retail level, which is really where market control is felt. We know about the two food retailing businesses which account for well over 70 per cent of the grocery market—which, by default, gives them extraordinary market power which is felt right down at the grassroots level.

In my experience, the use of this power has fallen on deaf ears at the ACCC. I know what the ACCC's job is, but what really concerns me is that part of its role should be to consider market forces. Surely you cannot maintain an effective supply if there are not commercial forces right throughout the supply chain. In my dealings with the ACCC, I found there was no willingness to deal with this issue or anything to do with market power. As dairy farmers, it is very real and in our faces. We are seeing this with the current issue, milk pricing. The imbalance of market power is felt right at the agricultural level and has been for a long time. The member for Dunkley acknowledged that there are problems and we are going to look at them.

I will never forget the first inquiry that I was part of. A supplier to one of the majors was so worried about the impact of Coles and Woolworths in the market that, to pass evidence on to me, he would meet me only in a car park in Perth where he handed over what were four breaches of the Trade Practices Act. Do you think anything was done about those? No. The ACCC did nothing.

The onus of proof which exists on a small business person like me is to give evidence. I went out and took statutory declarations from every dairy farmer I could get hold of about what was happening. Those statutory declarations all meant nothing as well. And this government says there is not a problem, that there is not an issue. There is a problem and there is a problem with the process as well.

I remember fronting up, as a member of Dairy WA and as a farmer, to the ACCC and saying, 'We really need to develop a milk negotiating agency in Western Australia where it is such a small industry and there are so few farmers.' I remember the absolute contempt with which I was held when I sat in that inquiry with the ACCC on the other side.
of the table and with 300-odd dairy farmers at my back. They said, ‘We’re pretty disappointed in the application you’ve made. We were expecting an application along the lines of what we have had from Air New Zealand and Qantas on a previous matter’—and they were dealing with a group of dairy farmers! Yet those on the other side of the House say there is not a problem, that there is not an issue. I am here to tell you that there is.

Even at recent Senate inquiries there were those who supply the supermarket sector who were not able to give evidence because the very nature of the information they would have given would have identified the contracts they have and they are concerned about retaliation. The concentration of the market gives the large market players power as to whether or not businesses survive. That is what we are dealing with here. So we have some producers who will not front up. It is very difficult to get to the heart of the problem when the very weight of market concentration and market power prevents that from happening.

In the Economics Committee report *The impact of supermarket price decisions on the dairy industry* we see a statement by National Foods that margins on Home Brand milk are close to zero, with overall profitability on their milk sales, including generic and branded milk, at approximately two per cent.

I would really like to know—and I have asked this question previously—whether there is any cross-subsidisation between the price being paid for generic milk and the price being paid for a branded product. This is just an example. We have heard from the other side that there is no problem, but I would say to you, put yourself in my position. I am a dairy farmer with a perishable product. I do not have a choice to store this product and be able to sell it where and when I like, to whomever I like. There are limited buyers. There are two major supermarkets that buy the product that I have via a processor. But my milk has to be picked up every day. Let me tell those of you who might be thinking maybe there is an issue at the grower level—no, there is not. We have some of the most efficient dairy farmers in the world in Western Australia and they are producing some of the best quality milk in the world most efficiently. So, that is not the issue and yet they are struggling to stay in business.

We have seen the impact of that $1 milk, and we saw it quite strongly in Queensland—the impact was direct and immediate. I look at my fellow dairy farmers and it bothers me—and I know it does not bother the other side—that we are seeing an exodus of great young people with incredible intellectual property built up over generations out of a great industry. There is no value in that from the other side, and so there is no problem. I am here to say that there is a problem, and I am really pleased that we on our side are prepared to look at this and deal with this issue. That is what the member for Dunkley said directly when he was here.

One other thing that bothers me is that we have a National Food Plan, released by the other side, and yet there is no mention of producers or producer viability. It ignores the price-taking nature of the industry—the fact that there are few buyers and market concentration. It ignores the extreme vulnerability of the grower and the small business person. That is what we are as farmers and producers—we are small business people and we are operating in a market where there is market concentration and associated market power.
As I say, when you get those who cannot afford to give evidence because they are scared of retaliation and those who choose to meet me to pass on some information but will only meet me in a car park in Perth, then we do have a problem. I am pleased that on this side of the House we are prepared to look at that problem in a genuine sense. I have fruit growers say to me: 'The price that I am getting currently is barely covering the boxes that I am packing the fruit in.' Those on the other side have said to date that there is not a problem. Well, you try putting yourself in the position of being the price taker at the bottom of the rung—the small business person—and see if there is not a problem with this whole process.

Mr FITZGIBBON (Hunter—Chief Government Whip) (16:33): I congratulate the member for Kennedy for raising the topic of supermarket competition for discussion this afternoon. Everyone who has made a contribution has been very sincere—the member for Kennedy talking about his potato farmers, amongst others; the member for Forrest talking about her dairy producers, in particular; and the member for Fraser advocating very strongly on behalf of consumers. This is the very nature of this debate: the argument on the side of the producers, who are obviously doing it tough, and the argument on the part of consumers, who benefit from low prices and very competitive arrangements.

There is no doubt, though, that there is something wrong. Sometimes the evidence is hard to find, but producers are doing it tough for a whole range of reasons—including drought and oversupply in a particular industry. For example, we have an oversupply in the wine industry in my electorate because of excessive planting of vines. The list goes on and on, but life on the land is particularly tough. I was just having a conversation with the Parliamentary Secretary for Agriculture, Forestry and Fisheries on this very issue.

I was elected into this place in 1996 and in 1999 I was delighted when the Howard government established the Joint Select Committee on the Retailing Sector. It came after enormous pressure from the National Association of Retail Grocers of Australia, who represent the independent supermarkets and were concerned about the growing market power of Coles and Woolworths. There are a number of factors in this debate. One, of course, is that we do have a very high market concentration in this country of somewhere between 70 and 80 per cent, depending on the subsector you are talking about—which it is fresh fruit or other goods. There is no doubt about that, even though we have had the injection of Costco and ALDI into the marketplace. That has been very welcome. Market concentration remains very high, but it is a bit like comparing apples and oranges when you compare Australia with our 22 million people with the United States where there are in excess of 300 million people. The second matter of fact is one I have already mentioned, and that is that farmers are doing it tough. There is no doubt about that.

The third fact is that consumers are enjoying, generally speaking, lower prices. The fourth is that, when you have a look at the annual reports of Coles and Woolworths, you will find that the shareholders are enjoying a return of between six and seven per cent, which challenges the idea that because of their monopsony power—their purchasing power—Coles and Woolworths have a licence to print money. It simply is not true. Unless those two organisations are charged with lazy inefficiencies, you ask yourself: are they benefiting at the expense of rural producers? I do not know the answers, and no one has really proffered any logical answers here this afternoon. But it is
a debate that we need to keep having in this place. There is too much evidence of people in the agricultural sector doing it tough, partly because of the market power of the likes of Woolworths and Coles.

In 1999 we had that inquiry. I went into it very enthusiastically with the interests not only of producers but also of the smaller players in the retail sector in mind and determined to do big things. We did do a few things: we recommended and had adopted some reasonably modest changes to the Trade Practices Act, to the capacity of rural producers to bargain collectively and an amendment to section 50, which allowed the definition of a market to be extended to a regional market. There were changes to section 46 of the Trade Practices Act—that is, the abuse of market power. They were not large but they were changes nonetheless. We got an industry code of conduct and we got an ombudsman. The list goes on and on. It is evident, given some of the concerns being expressed by members from both sides, that not much has changed.

In my own electorate, I get so frustrated with the plight of those in the dairy industry, but there are myriad reasons why the dairy industry is doing it tough. I get particularly frustrated by the plight of my vigneron, who cannot sell their wine at the cellar door these days more cheaply than Dan Murphy's in Sydney can. Whereas once upon a time Sydney residents took a drive to the Hunter for the unique cellar door experience and for some cheap wine, they can now buy it more cheaply in Dan Murphy's in Sydney, in their home town. Nothing illustrates better than that the sheer market power of the Coles and Woolworths of this world, which represent about 80 per cent of the liquor market. I talk to people in this place all the time and to producers all the time—I listened to the member for Kennedy this afternoon—and I ask: what is the solution? No-one this afternoon offered any. No-one in my electorate offers one either. Divestiture is possible, actually, following some changes to the Trade Practices Act. The ACCC does have the capacity to force divestiture in the event of a very deliberate abuse of market power.

Mr Craig Kelly: Not now, Joel!

Mr FITZGIBBON: If it has been changed, I acknowledge that; I did not know it. I do know that no-one really acted upon it when it was in place. It did not work. There are shareholder interests too, of course. Tell the shareholders of Coles and Woolworths that the government is going to move in and force their company, the company they have invested in, to divest itself of part of its operations. Again, we have very significant competing interests.

We do have a problem, and I acknowledge that. I want to be part of the process of working towards some assistance for these industries. I am thankful that the parliamentary secretary was in the House when I arrived, because he was able to confirm that about 60 per cent of our agricultural output is exported. It is hard to argue that the impact of the monopsony is huge on our agricultural sector when the real market for our agricultural sector is our export markets, where the power of Coles and Woolworths is not relevant.

The best way that government can assist the agricultural sector more generally is of course in innovation, export assistance and opening new markets in areas where they are not necessarily subject to the monopsony power of the Coles and Woolworths of the world. I acknowledge that many of my agricultural producers, including wine producers, are doing it tough, but the answers are very hard to find.
The DEPUTY SPEAKER (Mrs D’Ath): Order! The time allotted for the discussion has concluded.

BILLS

Fisheries Legislation Amendment Bill (No. 1) 2012

Health Insurance Amendment (Extended Medicare Safety Net) Bill 2012

Reference to Federation Chamber

Mr FITZGIBBON (Hunter—Chief Government Whip) (16:41): by leave—I move:

That the bills be referred to the Federation Chamber for further consideration.

Question agreed to.

Aviation Transport Security Amendment (Screening) Bill 2012

Returned from Senate

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

COMMITTEES

Economics Committee

Report

Ms OWENS (Parramatta) (16:42): On behalf of the Standing Committee on Economics I present the committee’s Advisory Report, incorporating supplementary remarks, on the Tax Laws Amendment (2012 Measures No. 4) Bill 2012, together with the minutes of proceedings.

In accordance with standing order 39(f) the report was made a parliamentary paper.

Ms OWENS: by leave—The Tax Laws Amendment (2012 Measures No. 4) Bill 2012 is similar to other tax amendment bills in that the three schedules are designed to finetune and improve the tax law. The report being tabled today focuses on schedule 1 of the bill and relates to changes to the taxation treatment of living away from home allowances and benefits. The amendments seek to address concerns that the current concessions are being misused, resulting in a significant and growing cost to revenue.

The committee supports the schedule's intent to compensate employees for the additional expenses associated with living away from home at the request of their employer. However, the committee believes that the living away from home allowances and benefits were not designed to provide a wage subsidy for workers in certain industries and that as a general principle if employees are not incurring extra costs as a result of a temporary relocation they should not receive the tax concession.

After scrutinising the bill the committee has recommended a number of measures aimed at improving the application of the legislation. The bill aims to limit the exploitation of the tax concession. In this regard the committee supports the introduction of tightened eligibility criteria which impose a 12-month time limit per location and the maintenance of a usual place of residence within Australia. The committee noted industry's concern that the 12-month limit will not provide coverage for the duration of all projects. However, the tax concessions for living away from home allowances are intended to be temporary and are not designed to support workers who have essentially moved residence. The committee recognises the unique nature of remote construction sites and supports the decision to exempt fly-in fly-out and drive-in drive-out workers from the 12-month limit. It is recommended that drive-in drive-out workers who use their own transport to access their place of work should also be exempt from the time limit. Furthermore, it is recommended that the definition of FIFO.
and DIDO workers be expanded to include workers who do not meet the test of maintaining a usual place of residence within Australia. The committee has also sought clarification from Treasury on the circumstances in which the 12-month time limit will be paused.

The committee is supportive of the proposed stipulation that an employee must be maintaining a primary residence. However, it should be noted that the committee believes that the definition of an employee's 'usual place of residence' and 'ownership interest' must be broadly interpreted and clearly articulated.

To access the tax concession, all accommodation expenses will need to be substantiated, while food and drink expenses will only need to be substantiated if they exceed the amount prescribed by the Commissioner of Taxation. The committee has recommended that Treasury investigate whether there are any substantive impediments to allowing partners or spouses to incur deductible expenses on behalf of an employee where all other eligibility requirements are met.

While the intention of the schedule was to bring the majority of a living-away-from-home allowance under the income tax arrangements, 'ordinary weekly food and drink expenses' and living-away-from-home benefits are still treated under the fringe benefits regime. The committee strongly supports the single taxation treatment of a living-away-from-home allowance and believes that it may be prudent for it to continue to be treated under the fringe benefits regime.

The reforms will generally apply from 1 October 2012. However, there are transitional provisions for employees who entered into employment arrangements prior to 8 May 2012. Temporary residents who are not maintaining a primary residence in Australia will not be eligible for the transitional provisions. The committee has had to rely on the guidance of Treasury and its advice that the schedule and the ensuing transitional provisions are compatible with Australia's human rights obligations and do not breach any double taxation agreements. Submitters were concerned that if a contract is materially altered then the transitional arrangements could be negated. The committee has sought clarification as to what constitutes a 'material variation' as a matter of urgency.

I would like to thank the organisations and individuals who assisted the committee during the inquiry through submissions or by participating in the hearing in Canberra. I would also particularly like to thank the secretariat, who had two major reports to do in the last few weeks. I did not have the opportunity earlier today to thank those who were specifically involved in the report into the Australian Charities and Not-for-profits Commission bills, but I would like to acknowledge them all now. Stephen Boyd, David Monk, Philip Hilton and Natasha Petrovich worked on the charities commission bill, and Zoe Smith and Shivaun Coughlan worked so very hard on this one. I also thank my committee colleagues for their contributions to the report.

Mr CIOBO (Moncrieff) (16:47): by leave—Coalition members on the committee made supplementary comments on the Tax Laws Amendment (2012 Measures No. 4) Bill. In broad terms, we were supportive of the recommendations of the committee. However, there were aspects of the government’s changes to the living-away-from-home allowance that raised concerns with the coalition members on the committee.
Although we are not opposing the recommendations and are not opposing schedule 1 in the bill in particular, there can be no doubt based upon the clear testimony of a number of witnesses before the committee that the ramifications in particular for 457 visa holders are significant. 457 visa holders, of which there are approximately 90,000, make a very substantial contribution to the skilled labour force that Australia enjoys. 457 visa holders make a very significant contribution to ensuring that the skilled worker gap that exists within this country both currently and previously has been met by the ability to attract foreign workers to Australia on a competitive remuneration basis.

The changes that Labor is proposing to the living-away-from-home allowance have a very profound impact upon the ability of Australian employers and more broadly the research and education sectors as well as the more traditional 457 industry—that is, the mining and resources industry—to create an attractive compensation package to attract those skilled workers that Australia vitally needs. In the absence of the government having any clear program to ensure that skilled labour will be available in plentiful supply in the future, the simple and inescapable fact of the changes to the living-away-from-home allowance is that this government, without having transitional arrangements, has immediately made 457 visa workers disadvantaged, made Australia less competitive when it comes to attracting skilled workers and fundamentally made a profound change to the landscape when it comes to our national ability to attract the best and the brightest to a number of jobs where there is a skilled labour shortage.

In addition, I would also highlight, though, that we strongly endorse the committee's position with respect to recommendation 5—that it be handled under one tax regime specifically. I would simply bring those two matters to prominence.

I also seek indulgence to make some comments about the Australian Charities and Not-for-profits Commission report which was tabled by this committee earlier in the day to which the Deputy Speaker indicated I would be able to make some comments, and I will do so very briefly. Coalition members lodged a dissenting report with respect to that inquiry because we did not agree with the recommendations of the committee. In fact, coalition members had the view that the bill ought not to be passed. The objectives through the establishment of the ACNC are certainly objectives that we would support. However, the reality is that the not-for-profit sector is likely to be faced—the evidence was very clear on this—with a significant increase in the amount of red tape and compliance regulations as a consequence of the creation of Labor's bill and its passage, as expected, through the parliament. The reality is that, although it is designed to maintain and protect public trust and confidence, there has been no clear example provided by the government of the way in which these matters have already been diminished or eroded. There continues to be in the not-for-profit sector strong public trust and confidence. Most importantly, there was no compelling argument put forward about the way in which this will overcome the red tape and compliance aspects that were raised by so many witnesses before the inquiry. For that reason, we lodged a dissenting report.

Treaties Committee Report

Mr KELVIN THOMSON (Wills) (16:51): On behalf of the Joint Standing Committee on Treaties, I present the committee's Report 127, incorporating a dissenting report and treaties tabled on 20 March and 8 May 2012.
In accordance with standing order 39(f) the report was made a parliamentary paper.

Mr KELVIN THOMSON: by leave—

One of the more important treaties covered in this report is the exchange of notes constituting an agreement between Australia and the United States of America to amend and extend the Agreement on Cooperation in Defense Logistics Support.

The exchange of notes will extend the Agreement on Cooperation in Defense Logistics Support for a period of 11 years, and ensure that Australia's bilateral defence logistics cooperation with the US remains on a sound footing. The agreement's continued operation is important to the Australia-US military relationship because it enables the reciprocal provision of military support. It also provides for the establishment of maintenance programs which enhance industry capability and contribute to Australia's military preparedness and interoperability with US forces.

Australia's relationship with the United States is our most important defence relationship. The ANZUS alliance—now in effect for over 60 years—is the cornerstone of that relationship and subsequent agreements such as the one being reviewed here help facilitate that defence relationship. Given the increased cooperation between the US and Australian defence forces over the past decade, this exchange of notes is both logical and practical. It will help facilitate ongoing operations in Afghanistan as well as the deployment of US marines to the Northern Territory.

The committee does, however, note that the agreement is currently 'infrequently used' and could perhaps better serve Australia's interests if some of its provisions were more fully utilised. One example is greater Australian access to US equipment and industry. From the evidence the committee received, it appears that the agreement's potential has not been explored as thoroughly as it could be.

The committee also approved an extension to the 1987 Regional Cooperative Agreement for Research, Development and Training related to Nuclear Science and Technology.

This regional cooperative agreement is a useful mechanism in providing a regional framework for initiating cooperative projects and coordinated research between International Atomic Energy Agreement member states in the Asia-Pacific. Its continued operation over a 40-year period provides tangible evidence of its usefulness.

Although the regional cooperative agreement's role in the non-proliferation architecture is limited, it does perform a role in promoting the non-proliferation objectives. Furthermore, as part of a broader regulatory architecture for nuclear activities it also plays a role in implementing improved standards following events such as those that occurred at Fukushima.

Nonetheless, the committee notes that there may have been an opportunity missed to upgrade the agreement rather than simply 'rolling it over'. As a major supplier of nuclear fuel, Australia could have taken the opportunity to strengthen the safety and non-proliferation aspects of the agreement following the Fukushima disaster. In the past, the agreement has been renewed every five years. On the next iteration, some of the non-proliferation and safety issues could be reviewed by the agreement's parties.

The committee concludes that all the treaties covered in Report 127 should be supported with binding action. On behalf of the committee, I commend the report to the House.
Mr KELVIN THOMSON (Wills) (16:55): I present the Joint Standing Committee on Treaties Report 128, which contains the committee's views on the Treaties Ratification Bill 2012.

In accordance with standing order 39(f) the report was made a parliamentary paper.

Mr KELVIN THOMSON: by leave—The member for Kennedy introduced this bill into the House of Representatives in February of this year to address what he perceives as the undemocratic nature of treaty negotiation and implementation. The member for Kennedy is concerned that the treaties Australia is entering into are economically damaging to Australian agriculture and manufacturing and that Australia's sovereignty is being eroded.

The way in which trade treaties are negotiated continues to be a matter of controversy and the committee recognises the community's concern. There is a popular perception that Australia is being disadvantaged by these agreements—the fear is that Australia is opening its markets to foreign products and services, which is undermining our own industries, while our competitors retain restrictions on their markets.

The Treaties Committee considered these issues during its study of the Australia-Chile Free Trade Agreement in 2008. At the time, the committee recommended that a more thorough cost-benefit assessment of treaties be provided by the government. The committee reiterates that sentiment in this report with the following recommendation:

That prior to commencing negotiations for a new agreement, the Government table in Parliament a document setting out its priorities and objectives, including the anticipated costs and benefits of the agreement.

However, the member for Kennedy's bill is not, in the opinion of the committee, the solution to these concerns as it has a number of flaws that would render it unworkable.

The bill has only one substantive provision:

The Governor-General must not ratify a treaty unless both Houses of the Parliament have, by resolution, approved the ratification.

The committee received a number of excellent submissions and heard evidence from well-informed witnesses at the public inquiry that was held into the bill. From this evidence, the committee concluded that it appears that the bill is likely to be constitutional.

Section 61 of the constitution places the formal responsibility of treaty-making with the executive rather than the parliament. The wording of the bill indicates that the parliament is not taking over the ratification function, but rather makes the executive's decision to ratify conditional upon the parliament's prior approval.

However, the bill would present a number of practical and political problems to both the parliament and the executive, if passed as presented. The sheer number of treaties along with the political composition of the Senate has the potential to overwhelm the parliamentary process. This, and the bill's lack of a provision for short-term emergency treaties, makes the bill unworkable.

For example, the Joint Standing Committee on Treaties has, on behalf of the parliament, reviewed over 600 treaty actions at an average of almost 40 treaties per year since it was established in 1996. If both houses of the parliament had to, by resolution, approve the ratification of each treaty as the bill demands, the parliament would have little time to complete its other business.

Although other models exist overseas which may add a greater degree of
parliamentary scrutiny to the treaties review process, the bill is a very brief document which allows little room for amendment without a comprehensive change of its intent.

The committee recognises community concerns about the negotiation of treaties, and in particular the negotiation of trade treaties. But given the practical and political difficulties the bill would pose for the executive, the parliament and the treaty-making process generally, the committee recommends that the Treaties Ratification Bill 2012 not be passed by either the House of Representatives or the Senate.

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

**BILLS**

**Australian Human Rights Commission Amendment (National Children's Commissioner) Bill 2012**

**Courts Legislation Amendment (Judicial Complaints) Bill 2012**

**Judicial Misbehaviour and Incapacity (Parliamentary Commissions) Bill 2012**

**Report from Committee**

Mr PERRETT (Moreton) (16:59): On behalf of the Standing Committee on Social Policy and Legal Affairs I present the minutes of proceedings for the committee's inquiries into the Australian Human Rights Commission Amendment (National Children’s Commissioner) Bill 2012, the Judicial Misbehaviour and Incapacity (Parliamentary Commissions) Bill 2012 and the Courts Legislation Amendment (Judicial Complaints) Bill 2012. The reports of the inquiries were presented on 21 and 25 June 2012 respectively.

**Maritime Legislation Amendment Bill 2012**

**Report from Federation Chamber**

Bill returned from Federation Chamber without amendment; certified copy of bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

**Third Reading**

Mr DREYFUS (Isaacs—Cabinet Secretary, Parliamentary Secretary for Climate Change and Energy Efficiency and Parliamentary Secretary for Industry and Innovation) (17:00): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**Transport Safety Investigation Amendment Bill 2012**

**Report from Federation Chamber**

Bill returned from Federation Chamber without amendment; certified copy of bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

**Third Reading**

Mr DREYFUS (Isaacs—Cabinet Secretary, Parliamentary Secretary for Climate Change and Energy Efficiency and Parliamentary Secretary for Industry and Innovation) (17:01): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.
Mr KEENAN (Stirling) (17:02): I rise to speak on the Customs Tariff Amendment (2012 Measures No. 1) Bill. The purpose of this bill is to make amendments to the Customs Tariff Act 1995 to list Serbia as a developing country for the purposes of the Australian System of Tariff Preferences. The bill will also reinsert a subheading applicable to coir yarn and correct a number of technical errors contained within the customs tariff.

The bill will amend the Customs Tariff Act 1995 to incorporate alterations that were contained in Customs Tariff Proposal (No. 1) 2012, tabled in the House on 16 February 2012, as follows. There is the re-insertion of subheading 5308.10.00, applicable to coir yarn. For members who are not aware, coir yarn is typically used in the manufacture or ropes and mats. Different varieties of coir yarn are used for geo-textile manufacturing. The yarn is made from fibre extracted from coconut husks. The other amendment, and possibly the more significant one, is to list Serbia as a developing country for the purposes of the Australian system of tariff preferences. Finally, the bill will correct a number of technical errors in the customs tariff that have occurred as a result of drafting or clerical mistakes. Notably, the first two parts of the bill were previously given effect through the tabling of Customs Tariff Proposal (No. 1) 2012 in the House in February this year. The remaining amendments in the bill correct the technical errors I referred to.

The bill lists Serbia as a developing country, which is consistent with Australia's approach to other states that were formerly part of Yugoslavia. Total trade with Serbia equates to approximately $14.1 million per year. As I was discussing with the member for Hughes as we walked into the chamber, that seems relatively low for a country that has such good people-to-people links with Australia. Both my electorate and the electorate of the member for Hughes, and, I think, the electorate of the member for Fowler, contain large Serbian populations.

Generally, when there are larger populations of people who have emigrated to Australia, or the children and grandchildren of immigrants to Australia, you would expect those people-to-people links to result in trading opportunities between the two countries. That is certainly the case for a lot of other immigrant groups within my electorate, which have very good trading links between countries where there are large populations of recent migrants or the descendants of migrants who hailed from that particular area. It seems to me that there is the ability for us to increase our trade with Serbia from the level it is at the moment. We in the coalition will continue to support having good and effective links with Serbia to ensure that we can maximise trading opportunities between the two nations.

We are debating this bill at a time when mainstream Customs officers, who deal with these tariff issues, are suffering incredibly badly from the cuts the Labor Party have made to Customs since they came to office. Those cuts are both funding cuts, which have occurred in almost every budget, and personnel cuts, which again have occurred in almost every budget. This comes at a time when the resources of Customs have been stretched enormously by their having to deal with our border protection crisis in the north of the country. At the same time as they are struggling to cope with the pressures of this influx of illegal boat arrivals, the Labor Party have consistently rolled back Customs
funding and cut personnel. In the 2009-10 budget, Labor cut 220 staff from Customs. In the following year they cut a further 250 staff. That was followed by a 90-person staff cut in the 2011-12 budget.

At a time when Customs are really at breaking point because of those significant personnel cuts, coupled with those funding cuts, Labor decided in this year’s budget to cut another 190 staff from the agency. That is a total of 750 staff that have been cut from Customs since the Labor Party came to office. Clearly, this agency is struggling to cope with the responsibilities that it has, and that is why we are seeing criminals getting a leg-up in being able to bring things across our borders that should not be here, such as illegal weapons and drugs or the precursors to drugs.

These personnel cuts have occurred in conjunction with funding cuts—$58.1 million was slashed from the cargo screening program, which, as I said, makes it easier for criminals to get stuff across Australia’s borders that should not be here. When the Howard government left office, 66 per cent of air cargo consignments were inspected when they came into Australia. The number of air cargo consignments inspected is now down 74 per cent because of this cut, meaning that criminals have a better chance of getting stuff into Australia.

Sea cargo inspections have been reduced by 25 per cent, and this is coming at a time when agencies such as the Australian Crime Commission openly acknowledge that organised criminal gangs are taking advantage of the lax conditions on our wharves and are exploiting weaknesses in the system to further their criminal enterprises—a fact, might I say, that the member for Fowler has picked up on in his chairmanship of his committee, which has done some very important work looking at security at our wharves and our airports.

Another area where mainstream Customs has been slugged is in facilitating passengers through our airports. Clearly, this is problematic for the tourism industry, as the member for Paterson, who is in the chamber, would know. But it also affects our people-to-people links with other countries, because if you are waiting 90 minutes when you come into Australia then clearly you are not getting a very good first impression and it is a big disincentive to come here. But Labor hit Customs with a $34 million cut to passenger facilitation, and they axed a further $10.4 million from the program at a time when passenger numbers into Australia are expected to increase from 32 million to 38 million over the next four years.

That is just a small example of the cuts that have been made to Customs. I thought I would highlight some of those, in light of the fact that we are discussing changes to the customs tariff arrangements for Australia, in relation to Serbia in particular with this bill. Clearly, this is an agency that is going to struggle to cope with the pressures that are placed on it with these significant funding and personnel cuts that the Labor Party has visited on them since the government changed in 2007.

But the contents of this bill are not controversial in themselves. As I said, the opposition supports broadening as much as possible our relationship with Serbia. It is a country with very good links to Australia, through people who have immigrated here, particularly through previous generations. And obviously we have no objections to the tidying up that this bill does to some clerical and drafting errors that have been spotted within customs legislation. We therefore do not oppose the passage of this bill through the House today.
Mr HAYES (Fowler) (17:10): I too rise to support the passage of the Customs Tariff Amendment (2012 Measures No. 1) Bill 2012, which makes important amendments to the Customs Tariff Act 1995. In the main, the bill lists the Republic of Serbia as a developing country for the purposes of Australia's tariff preference system. Giving preferential trade status to Serbia is a very good thing to occur. I think it is certainly good to open up trade with a country that has worked very hard to improve its position throughout the Balkan region and Europe.

This bill will allow Serbia to benefit from a reduction in customs duty on a defined range of goods imported into Australia, allowing Serbia to enjoy the same status as other countries that are part of the former Yugoslavia when it comes to trade with Australia. Last year Australia's imports from Serbia were valued around $11.5 million. Certainly, that is not a big figure considering Australia's dealings elsewhere in that region. Australia's major imports from Serbia include various prepared and preserved fruits and vegetables, electrical distribution and communications equipment as well as arms and ammunition.

Overall, the trade between Australia and the Republic of Serbia at the moment is worth a little over $14 million. Granted, that figure is not high compared with Australia's, and no doubt Serbia's, level of trade and exchange with other countries. But, importantly, that actually represents a 24 per cent increase over the last year.

The bill will undoubtedly open the door for increasing levels of trade and economic development as well as political cooperation between our two countries. The bill also acknowledges Serbia's recent strong efforts to open up greater economic and political ties with Europe and the rest of the developed world, including Australia. Serbia has recently acquired the status of a candidate for the European Union, which is a testament to the strengthening of the economic position of Serbia and its prospects for future economic development.

Significant progress has also been made in the entire region, once plagued by the horrors of a civil war, to move away from conflict and towards reconciliation and cooperation. Credit must go to the respective leaderships of these countries, as it reflects their determination to focus on the mutual benefit of a prosperous future for the entire Balkans region and its peoples. Clearly, Serbia is one of those countries leading the way in looking to a positive future, through a greater political and economic cooperation within the region, particularly throughout the broader areas of Europe, and also the rest of the world.

I have had the opportunity on a number of occasions to discuss these matters with the Serbian ambassador, Her Excellency Ms Neda Maletic. Her Excellency is a wonderful representative and a strong diplomatic voice for the Serbian community across Australia. She is doing much to further the interests and the welfare of the Serbian community here in Australia, and she has been a very strong advocate for stronger economic and cultural cooperation between our two countries. Through her efforts I have seen great development in our people-to-people relationships.

Together with the ambassador and other members of the parliamentary friendship group for Serbia in this House, earlier this year I had the opportunity to meet with the then Deputy Prime Minister and Minister of the Interior of the Republic of Serbia, the Hon. Ivica Dacic. During the meeting we discussed a number of issues of mutual interest to our two countries, but very much to the forefront of the discussion was our
mutual cooperation in tackling transnational crime. Given Serbia's location and its position within the Balkans, from an Australian perspective Serbia has a very key role to play in tackling the drug trade that is occurring, since much of it passes through the Balkans or is logistically manipulated through various criminal enterprises that operate out of that region.

The Deputy Prime Minister's visit was highly productive and, for the record, as a consequence of his visit the Australian Federal Police and the Serbian Police signed a memorandum of agreement to cooperate on transnational crime including money laundering and drug trafficking. That was an exercise that concluded well. It also saw Serbia, as a sovereign nation, very much stepping up to the mark and playing a key role in doing something about the effects of transnational crime, working cooperatively—in this case with the Australian Federal Police and other law enforcement organisations—to help investigate, prosecute and disrupt the actions of organised syndicates operating throughout the region, peddling drugs to the world.

This is an example of the growing strength of Australia's bilateral relationship with Serbia and other countries in the Balkan region. The increased cooperation between our two nations is also providing an opportunity for investment in areas such as education, and one of the other things that was canvassed during our meeting with the Deputy Prime Minister was the fact that Australia's reputation as an education provider is well known and well respected. I genuinely believe that, as a consequence of our improving relationship with the Republic of Serbia and the understanding that has grown between our two countries because of our very significant people-to-people relationships, we as a country will do very well by making the education market available to the young people of Serbia, who will benefit from tertiary and vocational education here in Australia.

The Serbian community indeed makes a great economic, social and cultural contribution to the vibrancy of our multicultural society. I have the honour of representing about five per cent of all people of Serbian origin living in Australia. Representing an electorate with possibly the highest proportion of constituents from a Serbian background has allowed me to witness the many positive contributions that Serbian people have made to their adopted country. Last Sunday, in fact, I attended the 26th Serbian Folkloric Festival at the Bonnyrigg Sports Club. More than 10,000 people attended the three-day festival where more than 1,000 young people performed traditional folkloric dances and songs. I attended the event with the Serbian Orthodox Bishop of Australia and New Zealand, His Grace the Right Reverend Irinej; the Serbian ambassador to Australia, Her Excellency Ms Neda Maletic; various members of parliament, including the Labor member for Liverpool, Paul Lynch, the Liberal member for Smithfield, Andy Rohan, and Nick Lalich, himself a Serbian immigrant who now occupies the elected position of the member for Cabramatta.

As to the event, we could not be anything other than impressed by the hospitality and the warmth with which we were welcomed, but we were also impressed beyond belief by the colour, the vibrancy and the very positive spirit displayed by the Serbian community. As I indicated, there were over 1,000 children who participated in that event. It was very significant to see young people making an effort to follow the traditions and observe the culture of their forebears. Whilst they were very much distinctly Australian kids, they were certainly revelling in the fact that they have a culture that goes back
hundreds and hundreds of years, and they sought to demonstrate that through song and dance.

As someone who represents the most multicultural electorate in the whole of Australia, I have to say that this is something that does distinguish us. For people who come to this country to make this their land of opportunity we do not ask them to disregard their culture, their traditions or their religion; what we do ask them to do is be part of our future, and this event was very much a showcase of that. This was a very positive demonstration of Serbian culture and tradition in the context of what has made this country great, and that is immigration.

The Serbian community in my electorate has also made significant contributions in the area of sport. Recently I attended a function organised by the Obilic Basketball Club, a youth sporting organisation based in Cabramatta's PCYC. The community also has two football clubs, part of the Bonnyrigg Sports Club: one is the Bonnyrigg White Eagles Football Club and the other is the Bonnyrigg football club for juniors. Both have recorded significant results in the local and state football league. Many members of the Serbian community greatly contribute to the fabric of Australia and are very proud to be Australian, but they are certainly also very proud of their history, culture and traditions.

This bill will strengthen economic and political cooperation between Australia and Serbia and open the door for mutually beneficial exchange in goods, knowledge and services. Additionally, the bill will reinsert subheading 5308.10.00, which was apparently incorrectly omitted in the Customs Tariff Amendment (2012 Harmonized System Changes) Bill 2011. This subheading applies to coir yarn, which I now understand is integral to the manufacture of various types of matting and, more particularly, ropes. The bill also corrects a number of technical errors currently in the Customs Tariff Act.

I do apologise to the House for using some of the debating time for this bill to reflect upon the very valuable relationship we have with the Serbian community here in Australia. I think anyone who has that association could not be anything other than proud of the contribution the Serbian people have made to the very fabric of our way of life. I commend the bill to the House.

Mr CRAIG KELLY (Hughes) (17:23): I note that the Customs Tariff Amendment (2012 Measures No. 1) Bill 2012 is not controversial and enjoys the support of both sides of this chamber. As well making a few minor technical amendments to our customs act, the main part of this bill lists Serbia as a developing country for the purposes of the Australian system of tariff preferences.

Australia has had a system of preferential tariff arrangements for specific countries dating back to the Menzies government. It was introduced to benefit developing countries as they grew, so their citizens could enjoy an increase in their standard of living and raise their prosperity. The system of preferential tariffs also benefits our bilateral relationships and our standing as a global citizen.

The listing of Serbia as a developing country will accord it a reduction in customs tariff duty on a defined range of goods imported into Australia. This is consistent with Australia's approach to other states which were formerly part of Yugoslavia and are listed as developing countries. This is a small but important recognition of the difficult times the Serbian nation has been through and of the economic and political
advances which have occurred in Serbia over recent years.

With the reclassification of Serbia as a developing nation, many goods from Serbia will become cheaper to Australian consumers. The reclassification will also increase the availability of these goods in the Australian market. As discussed by the member for Stirling, it is interesting to see what upside there is in our trade with Serbia. In 2011, the two-way trade between Australia and Serbia was a little over $14 million, ranking Serbia as our 134th largest trading partner. However, that figure did represent 23 per cent growth on previous years. Within that $14 million in bilateral trade, we imported just over $11 million worth of goods and services from Serbia. That was made up of just over $1 million in vegetables, prepared or preserved; just over $1 million in electrical distribution equipment; close to $1 million in fruit, prepared or preserved; and $810,000 worth of arms and ammunition.

I am fortunate to have the town of Liverpool in my electorate. There are many shops there which stock very fine produce from Serbia. If you have an opportunity to try it, I can truly recommend Serbian blackberry jam, as well as some of the Serbian beers. The reduction in import duties will also serve to create stronger ties with Serbia. It will give Serbian exporters who do not currently export to Australia greater opportunity to start selling their products here and that is something we should all be looking forward to.

There are very strong community links between Australian and the Republic of Serbia. In the 2006 census, 95,000 Australians identified themselves as having Serbian heritage. Australia has maintained an embassy in Belgrade since 1967. I am proud that the electorate of Hughes has many Serbians living in it who have made a very valuable contribution to the Australian economy.

While I am speaking on the Customs Tariff Amendment (2012 Measures No. 1) Bill 2012, it is worth noting, as did the member for Stirling, some of the cutbacks which have been made to our customs service over recent years. Certainly of great concern to many constituents in my electorate is the 75 per cent reduction in the level of air cargo screening. This is a major concern. This simply opens the door and gives those importing illegal goods—including drugs and counterfeit items—greater opportunity to get those goods through our customs searches.

For most Australians, however, the main concern is the cutback of 750 Customs staff over the period Labor has been in office and how this will affect the long queues at our airport. Our tourism sector is struggling enough as it is. We always have the great disadvantage of the tyranny of distance. When tourists come off a long flight of 12 hours or more, the last thing they need is a long queue at the airport and these cutbacks will just make those queues longer—and we all know how important first impressions are. If someone is forced, after stepping off a 12-hour flight, to wait an hour or more, that gives them a very negative image of our country. As I said, this legislation is uncontroversial and I commend the bill to the House.

Mr ZAPPIA (Makin) (17:29): The Customs Tariff Amendment (2012 Measures No. 1) Bill 2012, which I support, amends the Customs Tariff Act 1995. It does so for good reason. Under our legislation, developing countries are accorded preferential rates of duty under what is known as the Australian system of tariff.
preferences. The bill contains amendments which list Serbia as a developing country. The listing will accord Serbia a reduction in customs duty on a defined range of goods imported into Australia. This is consistent with Australia's approach to other states which were formerly part of Yugoslavia and which were also listed as developing countries.

The amendment will also reinsert subheading 5308.10.00 effective from 1 January 2012. Subheading 5308.10.00 applies to coir yarn, which is commonly used in the manufacture of mats and rope. This subheading was incorrectly omitted in the Customs Tariff Amendment (2012 Harmonized System Changes) Act 2011. The remaining amendments in the bill correct a number of technical errors.

As the member for Fowler has pointed out, there is a large Serbian community in Australia. My understanding is that there are over 100,000 Australians of Serbian ancestry and that, of those, over 17,000 were born in Serbia. Although Serbian people began migrating to Australia over 100 years ago, the majority of them arrived after World War II, with a substantial wave coming in the 1980s when conflict began escalating in their homeland. Whilst most of them settled in Sydney, Melbourne and Perth, there is a sizeable population of Serbian people in my home state of South Australia, with most living in Adelaide's western suburbs.

Regardless of where they have settled, the Serbian people have added value to Australia's business, sporting, entertainment, arts and academic life, with many Australians of Serbian descent having become household names in Australia. Wherever they have settled, they have also established a wide range of services for the Serbian community, including aged care, broadcasting and sports, and religious, youth and social programs. In the last two years, I have had the pleasure of attending the Serbian Film Festival in Adelaide, held in my electorate of Makin, and viewing two excellent Serbian produced films.

Serbia is a country with a population of over seven million which has been rebuilding itself after many years of hostilities and destruction. In 2009, the Serbian economy's share of the world's total GDP, adjusted for purchasing power parity, was 0.11 per cent. Its major industries are base metals, furniture, food processing, machinery, chemicals, sugar, tyres, clothes and pharmaceuticals. In recent years its main source of foreign trade has been iron and steel, clothes, cereals, vegetables and nonferrous metals. Most of its trade is with neighbouring European countries—and I note that it is now a candidate for European Union membership.

Australia's trade with Serbia, as previous speakers have pointed out, is not very high at all, with around $14 million in total two-way trade in 2011. However, it is understandably important that Serbia is on an even playing field with other nations that we trade with. For Serbia, that is particularly important under the current tough global financial circumstances.

Australia maintains good diplomatic relations with Serbia. We have an ambassador in New Belgrade, and Serbia has an embassy here in Canberra which is headed by Her Excellency Neda Maletic. A memorandum of understanding has also been established between the Serbian and Australian chambers of commerce. At a meeting I had with Ambassador Neda Maletic last year, the issue of trade between Serbia and Australia dominated our discussion. Serbia is growing its economy and looking for investors in Serbia and export markets for its products.
With that in mind, this bill is both timely and appropriate. Indeed, earlier this year the Serbian Prime Minister and Leader of the Socialist Party of Serbia, Ivica Dacic, visited Australia. Several members of this House, including me, had the pleasure of meeting with him over lunch and later at a reception hosted by the Serbian ambassador. At that time, Prime Minister Dacic was Deputy Prime Minister but, following the election in Serbia in May, he is now Serbian Prime Minister after his Socialist Party formed a coalition government with others—and I congratulate him on his election.

The discussions that we had with him on that day when he was visiting Australia also centred largely around trade opportunities between our two countries. Given the large Serbian population that now resides in Australia and the links that we can establish with Serbia through that population, it is understandable that there is a push to try and increase trade between our two countries. I am sure that that would be welcomed also by the Serbian people both here in Australia and in Serbia.

This bill corrects an anomaly in respect of the previous legislation that I have referred to. More importantly, it recognises the importance of the relationship between Australia and Serbia. This government recognises the importance of that relationship and is making the necessary adjustments and amendments to the current legislation to improve trade relations between our two countries. I commend the bill to the House.

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Minister for Defence Materiel) (17:36): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Customs Amendment (Anti-dumping Improvements) Bill (No. 3) 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr NEUMANN (Blair) (17:38): I speak in support of the Customs Amendment (Anti-dumping Improvements) Bill (No. 3) 2012. Antidumping and customs circumvention are not usually issues which are raised in the P&C meetings and the pubs in my electorate of an evening, but dumping
really has an impact on the people of Ipswich and the Somerset region. It causes job losses. We have undertaken some serious reform to address this issue, to protect local jobs and to create a level playing field within markets.

A company in my electorate which has made a big impact in relation to this and has been at the forefront of the fight about dumping is Capral. It is a manufacturer of aluminium extrusion products. It is a 76-year-old Australian company employing about 900 people across the country. Its largest aluminium extrusion plant is located at Bremer Park, in Ipswich, and employs about 300 workers. At Capral they take a 400-kilogram aluminium billet, traditionally sourced from Australian smelters, and turn it into everyday products, extruding, ageing and finishing the aluminium to form numerous shapes and sizes for use in innovative products such as window frames, truck and bus bodies and general engineering.

The Bremer Park plant is a state-of-the-art plant, but it runs at about 50 per cent capacity. Why does it run at about 50 per cent capacity? It does so because of dumping. It does so because it is facing unfair competition from Chinese dumping in our economy. This plant is one of the most highly automated, efficient, internationally competitive plants in the world.

The managing director, Phil Jobe, and the extrusion business manager, Sven Gade, have taken me on numerous tours of the plant, and I have arranged in the last few years for Ministers Ludwig, O'Connor and Clare to tour the plant, meet with workers and management, and see what measures could be undertaken to protect jobs. Phil has said to me that the industry is under pressure. A lot of manufacturing is under pressure. OneSteel, BlueScope, G James Glass and Aluminium and a number of other plants are under pressure in the manufacturing sector because of dumping. The high dollar does not help. The international effects of the global financial crisis do not help either. But there are other pressures. The mining boom has had little impact on this particular company in my electorate, save for the pull of employment from the plant to the mining sectors in WA and Queensland. Phil Jobe has regularly stressed to me that the No. 1 pressure the company faces is the dumping of cheap aluminium extrusion into Australia by the Chinese.

I have met with Paul Howes, the National Secretary of the AWU, at the plant as well. I have met with plant workers. I want to say this. Both management and unions are in favour of free trade, but that trade needs to be free and it needs to be fair. They are not afraid of competition; they just want a level playing field. Dumping aluminium extrusion from China has seized almost half of the Australian market, and this has put our industry under a lot of stress.

The facts are that the Chinese are dumping products in our economy and taking advantage in three ways. Dumping is really the generic term for three ways that they are undertaking. The Chinese government ownership of aluminium smelters in China results in them subsidising the supply of primary aluminium. They are not doing it because they are good guys. They are not doing it because they want to sell their product in Australia at cheap prices to help our construction industry. They are doing it because they want to destroy, in effect, our manufacturing base to get a greater share of the market, and what they want is to then control it. It has resulted in a control of our market which can be up to six times as much control of the market as you would see in the US or Canada. They are not doing it because they are good corporate citizens or international competitors; they are
doing it because they want to control the market.

The second way that the Chinese companies are undertaking this is by circumvention of Australian laws and customs measures. I know that, when Minister Clare was in my electorate at Capral, he was put through a very extensive discussion by Phil Jobe of just how the companies get around doing this. Sometimes it is by another company importing parts or bits and pieces, which then transfers it to another company. It is extremely complicated. In fact, I have read QC reports and legal advice on this, and it is one of the most complex areas of the law.

Sadly, I do not think that in the past we have had enough expertise in the Trade Measures Review Office. As part of the earlier tranche of legislation, we increased the expertise, gave ministers 30 days in which to make decisions and increased the size of the trade measures office in relation to this, and we propose to do so by up to 45 per cent.

But we really have a terrible situation in my area. I know that unemployment is 3.7 per cent, but when the biggest aluminium extrusion plant in the country is operating at 50 per cent, it is a problem. On this problem, Phil has said: 'We're not looking for tariffs; we're not looking for a reversion to that sort of mindset. What we're asking for is that countries that bring product into this country abide by the rules.'

If countries are not abiding by the rules, we need to declare it openly. We have an extensive agenda. Minister O'Connor and Minister Emerson announced just a few short years ago a series of measures, and this legislation belongs among the final stage of such measures. However, I do not think it is the last in the final stage of measures, because Minister Clare has appointed former Victorian Premier John Brumby to report on the idea of a Commonwealth antidumping agency. While I do not want to prejudge the report, my own view is that an agency with expertise is better than an agency that might be put together in Customs. I am not convinced from what I have seen from my experience with industry and from what I know from discussions with unions and management that the decisions of the Trade Measures Branch of Customs are always right, so I applaud Minister Clare for engaging former Premier Brumby to investigate whether a specifically prescribed agency which concentrates on antidumping and investigates whether a more timely conduct of investigations is appropriate will make trade operate more fairly. The trouble is that investigations take ages.

One of the worst decisions that the Howard government ever made was to say that China is operating as a market economy, because it means that we are hamstrung in some ways. This decision was made in about 2005, and it means that we cannot adopt what I think is the fairest way to assess whether or not dumping takes place. I can understand why they did it as a precursor to a free-trade agreement with the Chinese, but I think that an acknowledgment that the Chinese heavily subsidise their industry would have been a better recognition of economic reality in China. I think that the Howard government's decision was very bad and that the current oversight is inadequate, and I applaud the government for what they are doing.

The legislation before us will make a difference. It is about reform of three policy areas. I have talked about such reforms on numerous occasions and do not intend to talk much further about them, but the legislation aligns our antidumping and dumping countervailing systems with those of our free-trade organisation counterparts. We are
hamstrung by the decision of the Howard government, as I have said before in other speeches, and we have to get around it in some way that does not breach our obligations. We need to improve our timeliness, our expertise and our examination procedures. We have already considered the idea of improving locus standi organisations which can take on antidumping cases. When industry, the unions and the National Farmers Federation are all singing from the same hymn sheet, you know you are on the right track. In politics you cannot always get everyone on your side, but you know that you are doing something right when they are all saying that we should be doing what we are doing.

This legislation is important. It inserts new provisions implementing a proposal to amend the subsidy provisions in the Customs Act. There is a new division to enable industry to apply for an anti-circumvention inquiry. There are other, stronger provisions to address non-cooperation. This legislation is important for the sake of Australian jobs. Every vote that I have ever cast internally in the ALP has been for free-trade—every single one—but China cannot continue to do this and to affect trade and commerce and jobs in my electorate. I go to the plant at Bremer Park and see—and Minister Clare has been there—how much more the plant could do for economic development and jobs and prosperity in my region. There are 300 workers there, and the workforce could be doubled. That is what we are talking about—the impacts on local communities. The antidumping laws are very complicated. They are obtuse, esoteric and vague. They are the sorts of things that Phil Jobe gets a QC to advise him on every time Capral takes on a case. In fact, in 2009 they did so and won. But they have a real impact on people's lives. Every day the workers at the Bremer Park plant worry about their jobs—I have talked to them.

I applaud the minister for this legislation. I applaud him for appointing John Brumby to look at the antidumping laws. I think that there are more things that we can do. We should take a more aggressive attitude. China is important to us, but we cannot sacrifice Australian jobs for the sake of our obligations to China. Australians come first. Well done, Minister—I think you are on the right track in this legislation, and I hope that former Premier Brumby recommends a new agency with more teeth, more power and more regulatory oversight and that we can take a more realistic approach to the antidumping laws.

Mrs MIRABELLA (Indi) (17:50): In rising to speak on the Customs Amendment (Anti-dumping Improvements) Bill (No. 3) 2012 I state again that the coalition supports in broad terms the changes that are proposed in this legislation. Given that this is at least the fourth time in the past year that we have been asked to debate the same general set of government changes to antidumping legislation, I have already made the same point about coalition support a number of times, but I am happy to state yet again that this legislation contains a sensible set of changes and that we are comfortable about supporting them. The coalition has long taken the view that any revisions that can be made to the legislation to sensibly reduce the time and the significant costs imposed on Australian businesses which wish to raise possible antidumping cases for consideration should be regarded as very important.

There is, justifiably, considerable frustration across Australia about the barriers and the costs in the way of businesses and industries that are the targets of dumping. Within the coalition, we believe it to be beyond doubt that changes that genuinely
increase the effectiveness of antidumping investigations in Australia are desperately needed. That philosophy was heavily reflected in our work on our own antidumping policy that was released last year following detailed consultation with a range of affected parties and extensive internal work by four of our frontbenchers in drafting that policy, extensive discussions and analysis of world best practice, particularly the European model and the American model. As a result of that work, we are proud to have played a central role in publicly shaming the government into finally beginning to implement changes, after several years of sitting on their hands, as well as to have shone a light on their utterly protracted and unnecessary process of repeatedly filing the issue in the too-hard basket and shuffling it off to one inquiry after another.

Indeed, it with is worth stating that the changes in this bill effectively represent an endorsement of some of the key recommendations and points in the coalition’s antidumping policy—but it did not have to take this long. It is a shame these changes have not been implemented more quickly and that there has now been another depressing return to procrastination from Labor on antidumping in recent weeks. I suppose we should be grateful for small mercies in that the changes in the bill are actually, eventually, being legislated at all. In particular, it is reassuring that there is now recognition from the government that, across a number of areas of antidumping legislation, Australia’s approach should be aligned more closely with that of a number of other jurisdictions. I am glad that the current bill is intended to achieve progress on that issue on various fronts. Again, that is a key component of the coalition’s policy.

As I say, the principle of embedding closer consistency with other countries’ approaches is an absolute no-brainer, particularly when other like nations are facing the same challenges of dumping from the usual suspects and the effect on their industries, particularly manufacturing, is akin to the impact on ours.

The tolerance of non-compliance and non-cooperation has been there for far too long. We have been easy targets. We have been a soft touch when it comes to getting assistance and cooperation with investigations and compliance with decisions, and that is stated quite openly and unambiguously in our policy.

In that sense, I am glad that the Labor Party agrees with us and that steps are now being taken, through this legislation, to close some of the openings and escape clauses that presently allow uncooperative parties to potentially evade or reduce their liabilities. It is something the Australian people expect us to do. If we believe that there should be an antidumping system, then necessarily it must be an antidumping system which works and is effective, which ensures we have adequate investigation and enforces our decisions. However—and, again, as has been pointed out many times in the course of the protracted debate on the various tranches of this legislation—the Australian system would also benefit greatly from a much more decisive change of political will, attitude and culture. To that end, it is especially disappointing that the Labor government is still not investing a single extra dollar into the Customs budget in order to specifically fund any changes to the antidumping system. This is notwithstanding the point that it is clear, and indeed it has been clear for some time now, that the system needs to be better resourced. It is not an appropriate response to the current set of problems to attempt simply to cost-shift from other areas of Customs, let alone after a period during
which it has placed the agency under severe strain in so many areas.

It is also utterly remarkable that the government now thinks it appropriate that John Brumby—yes, John Brumby!—should be called in to ‘consider the feasibility of a Commonwealth anti-dumping agency’, including ‘the benefits and costs of retaining this function within the Australian Customs and Border Protection Service’. The previous speaker, the member for Blair, said we hope that the recommendations from yet another Brumby review board would advocate taking administration responsibility for the antidumping regime out of Customs and he also said more things can be done. Yes, more things can be done. You do not need yet another review, yet another inquiry, to state the obvious. You do not need to waste more money or to give another failed Labor Premier a job to tell you the world’s best practice shows that Customs is not and has not been the most appropriate place in the Public Service to have a functioning, well-resourced antidumping regime with access to appropriate legal and economic expertise.

Even more frustrating than the waste of money and procrastination is the breathtaking hypocrisy. Some members of this Labor government foamed at the mouth when the coalition pointed out last year that administrative responsibility urgently needed to be shifted from Customs. This is something I was and am very passionate about. It is what the Americans did for good reason and it is in our policy.

On 7 November 2011, the then Minister for Home Affairs, no less, said that:

… moving responsibility for anti-dumping decisions from Customs to another department is just bureaucratic reshuffling and will take away the responsibility for making decisions from the staff who actually monitor what is being imported into Australia.

And yet what do we find out now? That the Labor Party has secretly called up Mr Brumby to ask if he could spend several months acquainting himself with the issues and work out how he could do this very thing. Today seems to be a day of deja vus and history repeating itself. There was no call to the coalition at any time over the past year to talk to us about how we could have very easily worked together to quickly and efficiently achieve this. Instead, all we received was abuse—not as vitriolic as the abuse John Howard got when he introduced the Pacific solution that this government has adopted today, but it was still abuse. We were told, yet again, that we were wrong, when in fact we were right. Now we will no doubt be treated to the spectre of several months’ more delay and more wasted spending on another tortured review process that the government hopes might enable it to stumble upon a possible future course of action that is already immediately obvious.

It is as unnecessary as it is disappointing. What is it about this current government that they do not understand the basic responsibility that comes with a ministerial salary? You cannot outsource all your policy making and your decisions. You have 1,500 spin doctors, you have thousands of public servants, you have ministerial advisers and you should have an interest and a passion in the relevant portfolio areas that ministers have fundamental responsibility for. You have the coalition’s policy. What more do you want? Why do you need yet another review and yet another job for a failed Labor premier? It is not only a waste of time and money; it reinforces yet again to business, to industry, to people who have borne the brunt of dumped goods in Australia that this government moves at an excruciatingly slow pace at their expense.

All of that said, it is the coalition’s intention to support this piece of legislation.
We will be doing so on the basis that it will
give effect to a small set of sensible and
practical improvements, and in the hope that
the government will implement those
changes effectively. I also agree entirely with
the sentiments with which the minister
closed his second reading speech when he
said that more can be done and that there are
'other areas where future reform may be
required'. We have been saying that more
can be done in this area for quite some time.
The coalition is not only pleased to see the
government accepting the need for change to
Australia's anti-dumping system but also
believes that further revisions are needed and
we stand ready to deliver them.

As I said in my contributions on previous
antidumping improvements bills, we need
antidumping arrangements that are
accessible and that are effective in
preventing goods being dumped in Australia.
That is the very least that industry and
workers expect—a system that actually
works and that is not too expensive or too
complicated to access. Part of the problem
has been that those with primary
responsibility for this area have not had their
hearts in having a system that works. When
you do not have the political will to make a
complex policy area work, it infiltrates the
culture of those who are charged with
administering that policy.

If the coalition is privileged enough to win
government at the next election, we look
forward very much to the opportunity of
implementing the much needed remaining
elements of the antidumping policy that
Labor has not yet pilfered. We will do so in a
comprehensive way with real reform and
without jobs for the boys. We know what the
problems are. We have looked at world's best
practice, we have done the hard yards, and
we will implement an antidumping regime
that will be the envy of the world and that we
can hold up to say, 'You know what? We
don't think that dumping should damage our
industries and we are going to do something
about it.' We will not just talk about it or
have yet another press conference or endless
inquiries and amendments, but we will have
something that actually works in a timely
manner that is cost effective and delivers
what is so desperately needed by industry.

Ms RISHWORTH (Kingston) (18:05): I
am very pleased to speak on this important
Customs Amendment (Anti-dumping
Improvements) Bill (No. 3) today. This is the
fourth tranche of amendments implementing
the package we put together in 2011 to
address some of the issues of dumping in
Australia. It was inaction by the previous
coalition government that led to many of the
problems we are experiencing today. It took
the election of a Labor government to look at
the antidumping regime and make
improvements so that we can ensure that
there is fairness for both imported and
locally-produced goods in our economy.

Having an open trading system has been
an important part of Australia's economic
growth. Indeed, opening opportunities to
trade has allowed many businesses to
flourished by improving their exports. It has
been a bipartisan way of moving forward.
I worry that the Nationals are growing more
influential in the coalition. I congratulate
them for it, but I worry that the bipartisan
commitment to an open economy is fast
dissipating and that it will be only the Labor
Party that is committed to growth and to
ensuring that we have an open economy that
benefits our exports. Indeed the Liberal Party
may well be controlled by the National
Party. Won't that be disappoint
for so many former Liberal Party members? You
cannot imagine that Peter Costello would be
celebrating the change to a closed economy
that the National Party would take us to.
They are making moves towards that. I am
sure they can convince some people in their party room, although it might take a little while. Certainly I am worried, as many people should be worried, that the National Party will close down our economy. An open economy has served this country very well and free trade has ensured that we have gained access to many markets around the world, allowing many people, including many wine producers in my electorate, to be able to export their wine. I note that it has been difficult recently because of the high Australian dollar. Many producers in my electorate in these difficult circumstances have still been able to continue to use those markets across the world to sell their product and enlarge their business. It has been very important.

This trade needs to be fair as well. Our antidumping system improvements are all about ensuring that companies are able to get some redress if they feel there have been problems with goods being dumped and to get that redress more quickly. These are very important pieces of legislation that are before the House. The bill aligns the subsidy provisions with the World Trade Organisation’s Agreement on Subsidies and Countervailing Measures. It also adds stronger provisions to address non-cooperation and a range of other, more minor, amendments that add to the work we have already done.

It took the election of a Labor government for this to be looked at seriously. It took the election of a Labor government for a package to be put together and for it to be thought through clearly and properly. This group of measures will put us in good stead. The minister has said that more can be done. I am pleased, despite the previous speaker’s ridicule, with John Brumby and his role in looking at the feasibility of a Commonwealth antidumping agency. I commend the minister on this announcement. I think it is a good idea to look at this and to ensure that we see what else can be done in this area, who is best to do it and how we can go forward. This needs to be done in a considered way. For its antidumping policy the coalition has merely brought forward a thought bubble that could actually contradict World Trade Organisation rules. Unlike the previous speaker, I do not have a lot of confidence in the coalition’s policy. I have a lot more confidence in John Brumby, who has looked at this in a serious and focused way.

I welcome this. It demonstrates our commitment to a proper fair-trading system. We are into free trade, but we want it to be fair. This package of measures, including the announcement made by the minister on 4 July, continues our commitment. I commend the bills to the House.

Mr McCormack (Riverina) (18:11): I am so glad to follow the member for Kingston, who was worried about the growing influence of the National Party. She should be. The Nationals stand for fairness; we stand for farmers; we stand for regional Australia—

Mr Neumann: Except in Queensland!

Mr McCormack: and there cannot be anything wrong with that. I can hear the member for Blair crying out. He claims to represent a regional electorate.

Mr Neumann interjecting—

The Deputy Speaker (Ms K Livermore): He will stop interjecting, please.

Mr McCormack: He knows full well exactly what the Nationals stand for. As I say, it is for fairness, for farmers, for regional Australia and for so many other things. Hopefully, after the next election the Nationals will form government in alliance with our coalition partners. Warren Truss, the member for Wide Bay, will make a fine
Deputy Prime Minister and the member for Cowper, who sits at the table, will do all he can to improve regional telecommunications, which have been so terribly pulled apart by this Labor government.

The Customs Amendment (Anti-Dumping Improvements) Bill (No. 3) 2012 is the last in a series of bills aimed at improving Australia's antidumping system. The uncontroversial changes contained therein address some of the many concerns held by those the bill affects. I refer to the overall unworkability of Australia's present antidumping arrangements. The current system is dreadfully convoluted and accessing the system can be costly and onerous. Concerns about antidumping are shared by coalition members and therefore these suggested improvements are supported. I do wish to note, however, what I believe are some very valid points and also bring to the attention of the House a deeply disturbing daily event occurring right now in my Riverina electorate, which has its genesis, in many ways, in foreign dumping practices that are to the detriment of our nation.

Antidumping regimes allow countries to act against overseas manufacturers and producers seeking to export a product or good who try to export into their markets at a price which is either less than the price it charges in its home market or than its cost of production. Obviously, there are several complexities relating to administering and implementing any antidumping regulatory system. There has been much angst and considerable frustration recently in Australia with the lack of timeliness and efficiency of the investigation processes which have taken place in Customs. Substantial costs have been imposed on businesses wishing to put forward cases for consideration. Our system, rather annoyingly and uncooperatively, typically places a far heavier onus on local industries than on their foreign competitors. Concerns abound about the Labor government's unwillingness to genuinely increase resources within Customs as well as about its decision to finance its changes via cost shifting.

The Minister for Home Affairs recognises that administrative responsibility for antidumping needs to be moved from Customs and that such action should be initiated, something his predecessor, the member for Gorton, disagreed with. This was, in fact, a coalition proposal, and a good one it seems from the minister's tacit acknowledgement. The coalition's antidumping policy was announced on 7 November last year following extensive consultation with a range of key players by a dedicated four-strong frontbench committee including the shadow minister for agriculture and food security.

Labor's introduction of this bill follows its own set of revisions to existing arrangements and was announced in June 2011 after pressure was brought to bear, especially from this side of politics as well as industry bodies and businesses.

During the winter parliamentary recess I took the opportunity, as I often do when I am not in Canberra, to meet with Murrumbidgee Irrigation Area citrus and wine grape growers. They are dreadfully concerned about the state of things at the moment. Whilst I appreciate there are world trade agreements to which this parliament and this nation steadfastly adheres, we are in many ways crueling our own. One of the ways we are hurting our own farmers and local industries is, as I stated earlier, by having antidumping regimes which could be construed as favouring foreign imports.

At Griffith and Leeton these days—every day—they are dumping fruit by the truckload. It is a terrible sight—piteous. As if
ongoing concern about water availability is not a large enough millstone around their necks, embattled citrus growers are being forced to dump fruit at record levels as everything, it seems, is conspiring against them this season.

The usually frenetic frantic navel season has come to a shuddering halt, with growers leaving oranges to rot on trees and packing sheds dumping hundreds of tonnes a week in local paddocks for cattle feed. Let us call a spade a spade; it is dumping. A rising tide of cheap imports, aggravated by the high Australian dollar, is allowing juice companies to offer as little as $25 a tonne for navels, while the fruit is selling for as low as $4 a box in city markets.

This is the worst the dumping has ever been in the history of the local industry … That is what Tharbogang grower John Sergi recently told Griffith's newspaper The Area News. The report says:

The high dollar is just killing us.

Jason Restagno from Lakesview Citrus said for the first time in many years, his packing shed had not sent a single navel to juice companies.

“I actually had to pay someone to take 120 bins away this morning to dump for cattle,” Mr Restagno said.

Other packing sheds are sending navels back to the growers as they come in.

“I’ve been doing this for 30 years and this is one of the hardest seasons I’ve seen,” Don Centofanti from Golden West Packing House said.

“There’s an oversupply of fruit so the major chains, which control 80 per cent of the market, are pushing hard on price.”

Clear Lake Citrus’ Pat Mancini, who is dumping about 30 tonnes of navels each week, said a lack of confidence in the consumer market was also driving down demand.

“People aren’t spending and when they go to the supermarket they’re buying just what they need and often cutting out fruit and veg,” Mr Mancini said.

That is a problem I hear about wherever I go throughout the Riverina—lack of confidence and people not spending.

Mr Mancini is right about shoppers tightening their belts. People getting their first power bills since 1 July are finding the Household Assistance Package does not do anywhere near enough to offset the carbon tax. But the fact they are forgoing fresh fruit and vegetables is a concern for a nation with farmers who happen to grow the best fruit and vegetables of anywhere in the world. Countries with far lower wage minimums than Australia and far less stringent spraying protocols are getting into our markets and dumping their produce via the back door and any door they can—all in the name of free trade. Fruit Juice Australia's chief executive officer Geoff Parker admits that cheap imports are hurting our farmers. I note that two of the key stakeholders taking part in widespread consultation over the past 12 months in relation to antidumping have been the Australian Food and Grocery Council and SPC Ardmona.

The bill before us legislates for three broad sets of improvements and represents the fourth and final tranche of a series of bills which Labor has introduced over the past year. Separate legislation, incorporating other changes, was previously introduced in August and November 2011 and March this year. Included in the bill are provisions which will lead to: the further amendment of a number of subsidies provisions and definitions in the act to align them more closely with relevant definitions and provisions in the World Trade Organization's Agreement on Subsidies and Countervailing Measures; extension of the powers of Customs and the minister to address non-cooperation by any party during the investigation process; and introduction of new provisions relating to circumvention. Essentially, these widen the options available
to the minister to act against parties found to have dumped goods in Australia but who then also seek to disguise the level of their dumping activity in order to avoid paying the full amount of payable duties.

Principally, these provisions are aimed at more proactively tackling noncompliance and non-cooperation with antidumping inquiries and decisions. They will also reduce a number of the present inconsistencies in approach between Australia and other countries regarding these issues. The coalition has repeatedly stressed the importance of more closely aligning Australia's approach to antidumping to those of other jurisdictions.

Consequently, the changes in this bill can be considered sensible. In short, they will help to redress some of the in-built flaws in the current structure and operation of the system. However, more broadly, Labor is still baulking at a number of other changes to the present antidumping arrangements which we believe would genuinely strengthen the system.

The government has said, several times, it will increase staffing in the relevant branch of Customs by 14 to 45. These changes are, however, not based on extra financial investment in the system. Instead, they are predicated on the redeployment of resources from other areas of Customs, which is a breathtaking move given the current pressure on the agency as a result of the government's ever-increasing problems in the area of border protection. Hopefully, given the fact that today the government has adopted part of the coalition's Pacific solution, this might be lessened into the future. A genuine increase in the system's resourcing, as we have proposed through the coalition's antidumping policy, would pave the way for the use of better interpretations and evidence in prosecuting dumping cases. It would also provide wider scope for the application of preliminary affirmative determinations. Labor's changes have no overall financial impact. They are being funded through the redirection of expenditure from other areas of Customs.

Any measure which can improve antidumping legislation needs to be supported and, as a member of an electorate with hardworking people and long-suffering farmers who have suffered huge financial losses via foreign dumping over the years, I must support this bill. I commend it to the House.

Mr JOHN COBB (Calare) (18:21): I rise to speak on the Customs Amendment (Antidumping Improvements) Bill (No. 3) 2012. Like my colleagues, I am seeing a pattern here in government policy—or lack thereof. The government does not seem to do much except come up with something that is pretty half-baked in reaction to stakeholders' very genuine concerns. I was a member of the shadow minister's committee, and we saw this repeated quite a lot. The stakeholders, when they get no reaction from the government, come to us and, as in this case, we come up with a robust process and balanced policies. The government ridicules us and then, lo and behold, uses our policy. So in broad terms we support Labor's latest adoption of coalition policy. It is worth stating that the changes in this bill effectively represent an endorsement of the key recommendations and points in our antidumping policy.

Dumping is a very real issue for industry, including, as we have just heard from the member for Riverina, many of our agricultural industries and the domestic food processors who value-add to the things that Australian farmers grow. Dumping sees Australian businesses exposed to goods imported into the domestic market at below
production cost or through unlawful subsidies—when it comes to exports, anyway—from other governments. It is a tactic that provides an illusion of short-term benefit to consumers. In the longer term, international dumping hollows out our industry, decreases competition, costs jobs and in the end will increase prices as domestic competition becomes non-existent. International dumping seeks to exploit our commitment to free trade. The catchcry of the Minister for Trade, Mr Emerson, seems to be: 'We can't do anything about anything because of World Trade Organization rules.'

It is great that the government seems to have run out of excuses not to do anything in this case and, as usual, has jumped on the coat-tails of the coalition. We have long supported any revisions that can be made to the legislation to sensibly reduce the time and the significant costs imposed on businesses who wish to raise a case. In particular, it is reassuring that there is now a recognition from the government that, across a number of areas of antidumping legislation, Australia's approach should be more aligned with the legislation of a number of other jurisdictions. The current bill is intended to achieve progress on this issue on various fronts.

The changes, after years of inaction, are a belated reaction to stakeholder concerns, which had been largely ignored until we set up our antidumping task force and developed policy on the issue. The government and its ministers have been dragged kicking and screaming into action. I suspect we may see further adoption of coalition policy when the Brumby investigation is completed. The government are trying to clear the decks for an election. If they adopt all our policies—and probably there are another 40 or so they could adopt—then they might be ready for an election, but I somehow doubt their resolve when it comes to serious action.

As others have said, this mirrors the immigration debate and the foreign ownership debate, in both of which we have led the government by the hand. In the same manner that the government used the Houston review to adopt some ingredients of the coalition's strategy to stop the boats—they will probably have to go back for the rest—the government now plan to use the Brumby review into the feasibility of a Commonwealth antidumping agency as an excuse to further adopt the coalition policy. That is right: Labor's own John Brumby has been rewarded with the plum job of undertaking another review, at taxpayers' expense, in order to allow the government—who may think they are saving some face—to adopt more of the coalition's policy. It is a massive about-face—the second one we have talked about today—from the hysterical reaction when the coalition first put forward the proposal to shift the responsibility from Customs.

The coalition is rightly proud of its work on antidumping. We have played a central role in shaming the government into action. I commend the member for Indi for her passionate pursuit of the issue and commitment to work with the stakeholders. As a member of the task force, I saw so many industries come before us talking about how the investigations are too long and too expensive and there is not enough assistance for them in trying to resolve the issues. The Gillard government has embedded a culture of complacency, of 'She'll be right, mate,' and it has only been through stakeholder and coalition commitment to resolve the issue that we have had any movement at all.

Our system would benefit greatly from a decisive change of political attitude and culture, which was one of the principal reasons we advocated the removal of this role from Customs. There simply must be
less tolerance of noncompliance and noncooperation, and we stated that very plainly within coalition policy. It is undoubted that changes that generally increase the effectiveness of antidumping investigations in Australia are badly needed, because, as I said before, the investigations are too long, too expensive and there is not enough help for companies—which sometimes are not terribly big; they cannot afford the incredible costs and the time. Quite often we heard of companies that had pretty much disappeared by the time their case looked like coming to fruition. That is how long it takes and how expensive and hard it is for them to deal with.

Anyway, it is good that Labor now agrees with us and is taking some of the correct steps, through this legislation, to close some of the openings and escape clauses that presently exist. It is right across industry. We heard the member for Riverina outlining how devastating it can be for an industry when they go out of business, if they try and wear the losses when it gets too much. They are our people and they deserve our assistance and our help, particularly when antidumping is happening.

I think that most of these issues have been covered by others. I have listened to a lot of industries come across the task force desk. Every time it was pretty much the same issue: it is the time taken and the culture of saying 'we are not sure we can help you with this'. The cost to a medium or small business is prohibitive. By the time anything happens the damage is well and truly done. I commend the changes to the House.

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Minister for Defence Materiel) (18:30): I would like to thank members who spoke in this debate and I thank the opposition for their support for this legislation. This is the fourth and final bill implementing the reforms to Australia's antidumping system which were announced by the government in June last year.

The bill does three things. First, it will better align Australia's antidumping and countervailing system with those of our WTO counterparts. Second, it introduces provisions designed to address the circumvention of trade measures. These important amendments establish for the first time a mechanism for Australian industry to apply to the Australian Customs and Border Protection Service for an inquiry into business practices that are designed to avoid the payment of dumping or countervailing duties. Third, it strengthens our system's ability to address parties' noncooperation during the investigation process. It also makes a number of other minor corrections to part XVB of the Customs Act 1901.

This is the fourth and final bill implementing the government's Streamlining Australia's Anti-Dumping Policy. That policy was released by the government in June. It has been interesting to hear the contributions of members opposite, who put together their own policy and released that some five months later, in November last year, and now, suddenly, apparently the government is adopting their policies. Their policies were released five months after ours and this legislation implements the policies that we have released and announced. It is a peculiar sort of logic and it is an interesting rewriting of history.

The combined effect of these four bills represents the most extensive improvements to our antidumping system in a decade. But more can be done to ensure that the system can respond to new and emerging trends. My friend the member for Blair made reference to one of those. I made the point in my second reading speech that sales at a loss
aimed at avoiding the effect of our antidumping system, which is an issue that has been brought to my attention by Mr Jobe, the CEO of Capral, is one of those issues I am looking at closely—it is one of a number of areas. I have made it clear that if I believe it is necessary I am prepared to take more legislation to this parliament for it to consider in this area.

As has been mentioned in this debate, last month I also appointed John Brumby, a former Premier and Treasurer of Victoria, to consider the feasibility of a Commonwealth antidumping agency. Specifically, I have asked him to investigate the current arrangements for considering antidumping cases and policy; the benefits and costs of retaining this function within the Australian Customs and Border Protection Service; the benefits and costs of establishing an agency to conduct antidumping assessments and investigations; the functions, including assessments, investigations and compliance, and powers that would be necessary for an agency to conduct effective antidumping assessments and investigations; the relationship between such an agency and existing appeals processes; the organisational structure that would be required for such an agency; and any other relevant matters.

Interestingly, in this debate some members of the coalition have said that this is the government acquiring their own policy. I should take this opportunity to remind members of the opposition what their policy is. The policy of the opposition, which was released in November, is to transfer antidumping responsibilities from Customs to the department of industry. Page 2 of the coalition's policy says:

We will make the Department of Industry responsible for Australia's anti-dumping regime.

One of the things I have done as the minister responsible for antidumping is consult with industry, with the key stakeholders in this sector and with unions. I have asked them whether this is the way to go, whether this is what should be done and whether the responsibilities for managing our antidumping system should be placed within the department of industry, as has been proposed by the opposition. Uniformly, their response has been no. That is why I have brought forward this review and asked Mr Brumby to do this work to consider the establishment of a stand-alone authority, because this is what industry wants. He has already held meetings with a number of stakeholders in Canberra and Melbourne, and many more meetings are scheduled over the course of the next six to eight weeks. A new website, www.antidumpingreview.gov.au, has been set up. An online submission process is also up and running from this website and I would encourage interested parties and members of the public to contribute.

I also would like to take this opportunity to thank the staff at Customs and Border Protection for all the work they have done on all four pieces of legislation that have been presented to this parliament to improve our antidumping system. I recognise in the House two members of that team. It is a distinguished team that does very hard work in an area of the law that members of both sides of the House recognise is extraordinarily complicated. It is very hard work. On behalf of both sides of the House I would like to thank them for the work they do and the work they have done in bringing these bills before us for our consideration. I commend them for their work and I commend the bill to the House.

Question agreed to.
Bill read a second time.

Third Reading

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and
Minister for Defence Materiel (18:37): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

COMMITTEES

Selection Committee

The DEPUTY SPEAKER (Ms Grierson) (18:37): I present report No. 61 of the Selection Committee relating to the consideration of committee and delegation business and private members' business on Monday, 20 August 2012. This report revises the committee's determinations in the report presented earlier today and will be printed in the Hansard for today, and the committee's determinations will appear on tomorrow's Notice Paper. Copies of the report have been placed on the table.

The report read as follows—

Report relating to the consideration of committee and delegation business and of private Members' business

1. The committee met in private session on Wednesday, 15 August 2012.
2. The committee decided to amend its determinations in respect of private Members' business for the Chamber on Monday, 20 August 2012, from 8pm to 9.30pm as reported to the House on Wednesday 15 August 2012, as follows:
   
   Items for House of Representatives Chamber (8 to 9.30 pm)
   
   PRIVATE MEMBERS' BUSINESS
   
   Notice
   
   2 Ms Parke: To move:

That this House:

(1) notes that:

(a) the inaugural international parliamentary conference on 'Parliaments, minorities and Indigenous peoples: effective participation in politics' was held in Tuxtla Gutierrez, Chiapas, Mexico from 31 October to 3 November 2010;

(b) the conference was organised jointly by the Inter-Parliamentary Union (IPU), the Mexican Congress of the Union and Government of the State of Chiapas, in partnership with the United Nations Development Program, the United Nations Office of the High Commissioner for Human Rights, the United Nations Independent Expert on minority issues and the Minority Rights Group International;

(c) the conference heard that many situations around the world demonstrate that an adequate representation of minorities and Indigenous peoples in policy and decision-making is instrumental in breaking the cycle of discrimination and exclusion suffered by members of these groups, and their ensuing disproportionate levels of poverty and related impediments to the full enjoyment of many civil, cultural, economic, political and social rights, and yet, minorities and Indigenous peoples often remain excluded from effective participation in decision-making, including at the level of the national parliament;

(d) the conference adopted the Chiapas Declaration, which urges every parliament, within the next two years, to inter alia, hold a special debate on the situation of minorities and Indigenous peoples in their country, recognise the diversity in society, and adopt a 'plan of action' to make the right to equal participation and non-discrimination a reality;

(e) the Chiapas Declaration recommended that at a minimum the following elements are contained in the 'plans of action':

(i) ensure that the right to free, prior and informed consent is observed in every step leading to the adoption of legislative and administrative measures affecting minorities and Indigenous peoples, and hold government to account for the implementation of such measures;

(ii) require of government that all submissions to parliament of draft legislation and the national budget include an assessment of their impact on minorities and Indigenous peoples;

(iii) make regular use of plenary sessions in parliament and other parliamentary fora to discuss minority/Indigenous matters in order to raise...
awareness and combat prejudice in society, organise awareness-raising sessions for all parliamentarians so as to increase their knowledge of minorities and Indigenous peoples and the particular problems they face, and ensure that minority and Indigenous issues are mainstreamed into parliamentary work, especially at the committee level;

(iv) allocate sufficient resources to the task of establishing dialogue between minority/Indigenous peoples and public institutions and to parliamentary committees to allow them to carry out effective outreach activities such as public hearings with minority and Indigenous peoples; and

(v) increase parliaments’ familiarity with work being done within the United Nations system so as to equip them better to hold governments to account for their international commitments, including the achievement of the Millennium Development Goals, urge ratification of International Labour Organisation Convention 169 on Indigenous and Tribal Peoples, hold debates in parliament on the conclusions and recommendations made by the United Nations human rights treaty bodies and special mechanisms with regard to minority and Indigenous peoples’ rights;

(f) the Chiapas Declaration also affirmed the responsibility of political parties to promote the effective participation of minorities and Indigenous peoples, and address their concerns in their party programs; and

(g) the IPU will facilitate networking among parliaments on this issue, monitor the implementation of the Chiapas Declaration and convene a follow-up meeting within two years to discuss progress and set targets for future action;

2) urges the Government, parliamentarians, and political parties to familiarise themselves with the Chiapas Declaration; and

3) calls upon the Government to facilitate a roundtable discussion with representatives of Australian Indigenous communities on issues arising from the Chiapas Declaration. (Notice given 19 June 2012.)
bumbled the delivery of the policy on which both sides of politics agree.

It is not reasonable for the government to bring these measures into law without giving our trading partners, our domestic timber industry and timber importers the time they were promised to design and implement appropriate systems. So, as a result of the government's incompetence, I am forced to move an amendment. I foreshadow that the coalition will do so at the consideration in detail stage. This amendment will delay the commencement date of the legislation and regulation making power to 1 July 2015. The additional time is needed to satisfy the concerns of six of Australia's major timber trading partners that the subordinate regulations are not available to scrutinise at the time of the legislation passing. This will allow sufficient time for parliamentary scrutiny of the regulations before they take effect; scrutiny of the regulations by trading partners before they take effect; trading partners to implement systems to allow traceability and achieve compliance with the regulations and legislation; and Australian importers to design and implement processes for traceability and to demonstrate due diligence.

It is critical that we manage this transition through working closely with our trading partners. Unfortunately, the government plan to impose this arrogantly on our trading partners, in the same way they imposed the live export ban on Indonesia without any consultation, let alone adequate consultation. It is important to note that the current timber certification programs do not yet provide due diligence elements to their traceability certifications. For example, PEFC, the Program for the Endorsement of Forestry Certification, have announced that there are due diligence provisions being designed for their program. Therefore, current systems cannot simply be put in place to meet the requirements of the legislation and regulations.

The flawed consultation process has led to concerns amongst significant trading partners. The minority report of the Joint Standing Committee on Foreign Affairs, Defence and Trade confirms two major issues previously raised through the Rural and Regional Affairs and Transport Committee — concerns regarding the detail of the regulations. Hence the coalition position requiring the regulations to be referred to the RRAT for review. There has also been inadequate consultation with key stakeholders; hence the coalition position on extending the time of the onset of the legislation. Concerns regarding the ability of the government to develop the regulations in a timely manner and with adequate consultation were also raised in the minority report. The Department of Agriculture, Fisheries and Forestry estimate that they can produce the regulations within six months, yet evidence submitted to the inquiry indicated that little progress had been made on the content of the regulations and that fundamental issues remain unsolved.

Internationally, a number of initiatives are currently in place, or under development, to assure the legality of international trade in timber and timber products. Work is being undertaken at the importation and exportation ends of the supply chain. Information on these initiatives was provided in the report by the Senate Rural and Regional Affairs and Transport Legislation Committee on the exposure draft and explanatory memorandum of the Illegal Logging Prohibition Bill 2011. The United States and the European Union have developed policies and regulations to combat illegal logging and associated trade. A number of key producer countries, including Indonesia and Papua New Guinea, are developing legality certification, chain-of-
custody and forest certification schemes in response to mounting pressure from consumer countries to demonstrate the legality of their timber products.

By way of background as to the intent of the bill, the bill prohibits the importation and sale of all timber products containing illegally logged timber; prohibits the processing of illegally harvested, domestically grown raw logs; requires importers of regulated timber products and processors of raw logs to comply with due diligence requirements; requires the accurate description of legally logged timber products for sale in Australia; establishes enforcement powers and offences and imposes penalties; and provides for a review of the first five years of the operation of the act.

Turning to the proposed amendment to the legislation and issues raised by the coalition in the committee report, it is recommended that the legislation be amended to state that the legislation not take effect until the regulations are tabled and accepted by the parliament. The time afforded by delaying the enactment of the legislation could be better utilised by the government to complete what have been inadequate negotiations with our timber trading partners, develop capacity building measures in developing nations in particular, and provide clarity around the regulations, assessment of products and a list of regulated products.

We should increase Australia's outreach support for prohibiting the importation or processing of illegally logged timber. The coalition believes efforts must be intensified to effectively build capacity in countries supplying our markets. The coalition acknowledges the initiatives of countries such as Indonesia where legality assurance programs have been developed, and acknowledges Australian funded programs such as the Asia Pacific Forestry Skills and Capacity Building Program, but more must be done. The coalition maintains that, without support and ongoing diligence, the integrity and reach of verification programs may suffer. It is sobering to consider the World Bank's advice that most illegally logged timber has legitimate documentation attached to it.

The recommendation to actively pursue nation-to-nation arrangements to minimise the impact of the legislation on trade and cost highlights the need for the government to undertake high-level negotiations with countries currently exporting timber products to Australia to identify and recognise legislation or certification or other processes which contribute to the demonstration of due diligence as required by the legislation. I refer to the article 'Jakarta tires of Canberra's "dysfunction"' in the Australian Financial Review of 6 March 2012.

Specific attention must be given to aged stock, bespoke, antique and recycled materials. There is potentially significant complexity around these materials, and the legislation does not currently consider how they will be handled. If these items are to be included as regulated products, a clear demarcation is required to permit products made or timber harvested before a specified date. I commend the bill.

Mr CHESTER (Gippsland) (18:47): I take pleasure in joining this debate on the Illegal Logging Prohibition Bill 2011 and particularly in following on from the member for Calare. As the member correctly indicated, it is unreasonable of the government to seek to bring changes into law without full consultation with our domestic timber industry and also our trading partners. Like the previous speaker, I believe that more time is required to get these changes right. As the member correctly indicated, the policy position taken to the last election by
the coalition was that we supported efforts to reduce the impact of illegal logging, particularly on the Australian domestic timber industry. But out of respect to our international trading partners but also—and more importantly, from my personal perspective—out of respect for the domestic industry we need to take time to get this right. As we have found with this government, the devil is always in the detail. There is no argument on this side of the House, I believe, with the principle of pursuing the noble goal of eliminating or at least reducing the impact of illegal logging, but there is concern that we still have not seen any of the details in relation to the regulations and how these will impact on our trading partners and the domestic industry.

There is a great interest in my electorate in this issue because my electorate of Gippsland is one of the few remaining communities in Australia which has survived the death of a thousand cuts imposed by state Labor governments and their partners in the Greens. I do not say that lightly and I do not say it, in any sense, as a way of trying to score political points. But the Greens' influence on the Labor Party at state level has devastated the Australian native hardwood timber industry, and the community of Gippsland, in East Gippsland in particular, has suffered more than most.

Yet, throughout almost 20 years of what I would argue have been unreasonable cuts in relation to access to the resource, the industry has managed to survive, and in small pockets it has managed to prosper. I can report quite favourably in relation to several of the operators in my electorate that I have had the recent opportunity to inspect—both with the Leader of the Nationals and also, just a couple of weeks ago, with the Parliamentary Secretary for Agriculture, Fisheries and Forestry, the member for Braddon. I would like to report to the House that, far from the image of the timber industry that the Greens and some of the inner-city lefties in the Labor Party like to portray, and far from the image they would like to portray of it destroying massive swathes of the Australian wilderness for the sake of creating paper, the reality of the Australian timber industry is something far different. The modern timber mill, for example in my electorate—

Mr John Cobb interjecting—

Mr CHESTER: and also in the member for Calare's electorate, is a mix between a processing facility and a manufacturing facility. In my electorate, there is enormous effort being put in by the timber industry to focus on adding value to this precious natural resource, and there have been major investments made over many years to secure the best possible outcome for the Australian people from the resource that we have available to us. The examples in my electorate to which I would like to draw the attention of the House are the Fenning mill in Bairnsdale, which I visited quite recently with the Leader of the Nationals, and also the Australian Sustainable Hardwoods mill at Heyfield, to which the member for Braddon accompanied me quite recently.

These timber mills now operate in a way which I think would take many people by surprise. There are members of the workforce in these mills who hardly touch a log. These are quite high-tech operations now. They have invested enormously in modern technology, to the extent that they are getting the greatest possible yield out of every piece of timber and there is very little waste whatsoever.

One of the innovative techniques which I have been privileged to inspect in my electorate was a finger joining process. It is hard to describe in words, but it involves very short pieces of timber which, in the
past, would either have been chipped or thrown into the furnace as wood waste. We are talking about quite short pieces—maybe even less than 50 centimetres—being, effectively, glued together into longer pieces of wood. The end product offers all the characteristics of—in fact it is stronger than—beams made out of a single piece of wood. It is quite extraordinary to see the process. It involves a range of robotics and production line techniques which I am not doing great justice to with my words. I encourage people to go and see how these finger joined products are put together.

That is just an example of how, in a mill such as that of Australian Sustainable Hardwoods in Heyfield, the industry is getting maximum value from this precious natural resource. There are a whole range of products being taken direct to market in finished form. For things such as staircases, the modern builder can rely on a timber mill providing them with the treads and rises to the exact specifications required. It is only then a matter—much like the IKEA flat pack—of going home and putting it together. The modern builder gets it pretty easy when products such as that are coming out of timber mills. The Australian timber industry is operating differently from the way the Australian Greens and some logging protesters would have you believe they operate. They are trying to add as much value as possible to this precious resource.

That industry is operating right now in a very heavily regulated environment. There are exhaustive certification processes through which they can prove the sustainability of the resource they are harvesting. But they are often competing against imported products made from timber which is, to say the least, of dubious origin. It might come from illegal harvesting in foreign nations or it might involve a process which is not environmentally sustainable. So I do support, in principle, the efforts to tighten up the trade in illegally harvested timber. I think there would be many benefits to the domestic market. Having said that, I repeat my initial concerns and those aired by the member for Calare, that this government has failed to consult with the industry and has failed to produce the regulations or give any detail whatsoever about how this legislation will operate in the real world.

This issue of cheap imported products is only one of the challenges facing the Australian timber industry. As I mentioned earlier, the policy directions taken by state governments, influenced by the extreme views of the Greens, have been an issue. But resource security is, I think, the key issue facing the industry. I reflected just before on the amount of investment which has occurred in the Gippsland timber industry in recent years. The continuation of that level of investment will require resource security. The people who are going to invest in the future of the timber industry need to know they are going to be able to access this resource for many years to come. You cannot make business decisions based on resource allocations which might change at the whim of a government influenced by the latest protest activity of the Greens.

I think the Australian Labor Party would do well to reflect tonight on their relationship with the Australian Greens, particularly when it comes to the issue of the Australian timber industry. The workers in the timber mills throughout Australia expect more from the Australian Labor Party on resource security. I say to the Labor Party that, if you cosy up to the Australian Greens, you will never have a place in the hearts and minds of the working people of Australia, particularly those in our traditional industries—those in Australian timber mills. I call on the government to reflect for a moment at least on the legislative arrangements they have put
in place at state level which have compromised the timber industry throughout Australia.

I note the arrival in the chamber of the member for Braddon. I take this opportunity to thank him for visiting Gippsland. I mentioned just before, Member for Braddon, that you had been to my region and had been to the Australian Sustainable Hardwoods mill in Heyfield. I greatly appreciated the time you put into coming to Gippsland. Your visit was appreciated by the workers and I think the mill owners in particular appreciated your enthusiasm for the activities going on there.

The mill at Heyfield now processes 150,000 cubic metres of hardwood timber per year. For those who do not follow the timber industry closely, that amount could end up being the entire annual production out of Tasmania if the current agreement goes through. That is a disturbing trend. I worry about the future of industries in Tasmania when we get ourselves in the position where one mill in Gippsland is going to produce output equivalent to that of the entire state of Tasmania.

The opposition is not being churlish in objecting to this legislation or in putting forward the amendments which will be distributed. We are not being churlish—we are concerned that the government is expecting this side of the House to take them on trust. But I am afraid the well has run dry. There is no reservoir of trust or goodwill to draw on anymore for those on this side of the House when it comes to this government. This is, after all, a government led by a Prime Minister who said before the last election—to say one thing before the election and do the complete opposite afterwards.

I note that the member for Melbourne, I believe, suggested I had already run out of things to say. That is an interesting comment from a man who is cosying up to the Greens and prepared to sacrifice jobs in traditional industries in communities like Gippsland but who then seeks to come in here and have a go at a member who actually represents workers in the timber industry.

Mr Sidebottom: He is the Greens member.

The DEPUTY SPEAKER (Ms AE Burke): Order! Please continue, Member for Gippsland.

Mr CHESTER: I am sorry, I think—

Mr Sidebottom: He is confused.

Mr CHESTER: I must correct my error from my moment of confusion. It was not the member for Melbourne at all. It was the member for Wills. Is that right?

Mr John Cobb: He is just about a Green.

Mr CHESTER: The member for Wills could not make it in time to join in the debate but now criticises those who seek to fill in when the Labor Party cannot furnish a speaker for this debate. I do find it amusing that anyone on that side would criticise a member on this side for being prepared to speak on their behalf.

Debate interrupted.
ADJOURNMENT

The DEPUTY SPEAKER (Ms Grierson) (19:00): Order! I propose the question:
That the House do now adjourn.

Forgacs, Mr Stephen

Mr BALDWIN (Paterson) (19:00): It is with great sadness that I advise the House of the death of Stephen Forgacs, managing director of Forgacs, from a melanoma related cancer on Tuesday, 24 July 2012.

Stephen's life is an amazing story of determination and dedication. As a young man, in 1956, Stephen was forced to flee from his native Hungary, which had just been invaded. Soldiers from the Soviet Union surrounded the huge engineering factory in Ganz where he worked as fitter and turner. All Stephen could hear was the sound of random gunfire as Soviet tanks rolled through Hungarian streets.

At the age of 20, Stephen and his soon to be wife, Gizelle, with only the clothes on their backs, joined the mass exodus as thousands headed for the Austrian-Hungarian border—14,000 Hungarians were killed and 200,000 were injured. In the Austrian refugee camp it was survival of the fittest. Along with Gizelle, Stephen had a simple but defining choice to make—Canada or Australia. His life defining moment was to board a ship headed for Australia.

From the Bonagilla refugee camp near Albury, Steve hitchhiked to Newcastle, an industrial town, trying to get work to feed his family because by now the couple's first child, Pam, had been born. Despite speaking no English he secured a job at BHP. He had no role models, no benefactors and no mentors. He was his own man and he lived life his way.

He joined Ullman Engineering in Newcastle as a machinist, and in 1962 Stephen bought Ullman and went on to build Forgacs Engineering, a business which is today one of Australia's largest privately owned shipbuilding, repair and heavy engineering companies. It is a company we are rightly proud of in the Hunter, an internationally competitive company headquartered in Newcastle.

The business that Stephen built went on to acquire some of east coast Australia's most sought after marine sites and infrastructure in the 1980 and 1990s. Today it employs 1,250 people at seven major industrial sites and shipyards in New South Wales and Queensland. Forgacs refits super cruise liners at its Brisbane graving dock and manufactures mining truck bodies in Gladstone and rail locomotive underframes in Newcastle. It is also a major supplier of Air Warfare Destroyer modules to the Australian Defence Force.

Stephen understood that the key to a successful business is to reach the optimum balance between the best possible working conditions and remaining internationally competitive. When Forgacs took over the Newcastle shipyard and floating dock in 1987, several unions represented workers there. Stephen negotiated with the Painters and Dockers Union and others so that it would become a one union site—a groundbreaking move that ensured the most efficient way forward.

Stephen never forgot his early days as a tradesman. His mantra was: 'Nothing works like hard work, but everyone needs an opportunity.' This commitment of Stephen's is evidenced by Forgacs now indenturing approximately 120 apprentices company-wide—more than 10 per cent of the company's workforce.

As per Stephen's wishes, the company is taking a 'business as usual' approach, driving forward to continue the significant company
growth we have seen in recent years. Projects such as the building of 44 Air Warfare Destroyer modules at Newcastle and Tomago for our ADF will see Forgacs extremely busy for the foreseeable future.

Often considered a nonconformist by his peers, Stephen was an individual with strong convictions and high principles. He saw opportunities where others had failed. Stephen's secret was to keep it simple—and it succeeded. Stephen never sought recognition. However, in 2010 he was honoured with both the Manufacturer of the Year award and the Manufacturing Person of the Year award.

While Stephen has given much to Newcastle and Australia, he was always a proud Hungarian and a strong advocate for his country of birth and its people. Stephen and his wife, Gizelle, had nothing when they came to Australia in 1956 except energy and a burning desire to improve their lot. Over many years Stephen has gone out of his way to ensure many of his Hungarian countrymen in Australia had a better start in this country than he and Gizelle had to endure. Again, he sought no praise for this assistance.

One of Stephen's last plaintive requests of the doctor was to make him better so that he could go to work again. Stephen maintained his dignity and quiet resignation to the end. Stephen is survived by his wife, Gizelle; their three children, Pam Farragher, Elizabeth Burgess and Stephen Peter Forgacs; and his grandchildren. May he rest in peace. He has been an outstanding contributor to the Hunter.

**Moreton Electorate: Disability Forum**

**Mr PERRETT** (Moreton) (19:03): Last month I was fortunate enough to be joined by Queensland senator Jan McLucas, the Parliamentary Secretary for Disabilities, to hold a National Disability Insurance Scheme forum in my electorate at the Moorooka Sports Club, my local drinking hole. Approximately 50 people with disabilities, their families and carers, local service providers and advocacy groups attended, all keen to throw their support behind this important federal government initiative.

Senator McLucas also toured Westside Community Services and then we went to Multicap, seeing firsthand some of the excellent programs that these organisations run and the positive outcomes that can be achieved when appropriate care and support is given to people with disability. I note that Multicap has already received money under the NDIS program because of the great work they do. I recommend to anybody, if they are in my electorate, that they go down to Monte Lupo, which is connected to Multicap. They sell great mugs and decorative pieces on the corner of Logan and Padstow roads if you are looking for a gift for your wife. I know that the member for Wright often does that as he comes through my electorate.

Moreton is home to a number of peak disability bodies, including Deaf Services Queensland, Multicap, Monte Lupo and Kyabra Community Care Association, whose board I used to be on. There is also AEIOU, Autism Queensland, the Queensland Blind Association, Aid for the Blind, the Queensland Colostomy Association and many more. A number of these organisations held stalls at the forum and were keen to raise issues at the ground level. Some other great organisations include Contact, Huntington's Queensland and the Spinal Injuries Association. All of these groups, despite the range of disabilities and the parents and the ages of the people they deal with, passionately advocated for the people they represent and were all very concerned about the Queensland government's approach to the NDIS.
The strength of feeling at the forum demonstrated the broad support of the wider Brisbane community for fundamental reform of disability care and support. There were some heartbreaking stories about hardship, the sadness that comes when receiving much needed support for sons, daughters, friends, wives or whatever, and those horrible statistics for Queensland. I know that there are Victorians in the House, but a person with a disability in Victoria receives $10 to every $7 that a Queenslander receives. That is a gap that I would like to close. I think Victoria has been setting the bar for a long time, and it is about time Queensland caught up. I blame Labor and LNP governments in Queensland for that gap.

I am proud to be standing on this side of the House supporting the NDIS and delivering $1 billion for the first stage. I think I am standing on the right side of history when it comes to this approach, because the NDIS will give people with disability more control and choice over their care and support, irrespective of whether they live in Victoria, Queensland, Western Australia or anywhere in between. The NDIS has the potential to do for disability what Medicare did for health in this country, what superannuation did for retirement savings and what HECS did for university opportunities for people irrespective of background.

Sadly, the conservatives have often stood on the wrong side of those arguments. They destroyed Medibank after they came in. Prime Minister Fraser did that, so we had to rebuild it with Medicare. In superannuation—even in this parliament and the one before—now we have $1.4 trillion in managed funds, but those opposite voted against the increase from nine per cent to 12 per cent. At the moment we have the fourth largest set of managed funds in the world. When we see that rise from nine to 12 per cent, we will see that it is a great thing.

From the middle of next year, launch sites will commence in South Australia, Tasmania and the ACT, a year ahead of the timetable set out by the Productivity Commission. New South Wales and Victoria have also signed up to the scheme, but sadly this is not the case for Queensland. The Queensland community are rallying behind the NDIS and making their voices known, with almost 3,000 Queenslanders already signing the state Labor opposition's e-petition.

I call on Premier Newman and all from the LNP, especially those LNP state representatives in Moreton, to sign up to the NDIS. I ask people in Moreton to also contact their local MPs. Politics is all about priorities. It is disappointing that the Queensland LNP government has chosen a different set of priorities. Premier Newman can outlay $120 million for an upgrade to a racetrack down on the Gold Coast but cannot give $20 million to a pilot for an NDIS. That is a disgusting choice. (Time expired)

**Australian Defence Force Parliamentary Program**

Mr BUCHHOLZ (Wright) (19:10): I have just returned from being a participant in the Australian Defence Force Parliamentary Program to the Middle East, and I would like to share with the House some of the experiences that we gained over there and how proud I am to have witnessed firsthand our brave soldiers and our brave sailors in the work that they do over there in protecting our nation. I would like to make particular mention of Lynton Dixon, from the ADFPP, who organised it all.

The motivation for my going was that in my electorate I have the Canungra Land Warfare Centre and my electorate borders on RAAF Base Amberley, so I have a number of families in my electorate who have some
type of involvement in the defence forces, whether it be having sons, fathers, wives or mothers who are engaged or having people involved on the front line.

We flew into Al Minhad Airbase in the United Arab Emirates. One of the first things that were shared with us was that we were taken into a room for an induction. As you walked into the room on the air base, on the back wall was the photo of every fallen soldier who had tragically lost their life while on engagement over there. Nothing was said. There was no acknowledgement. There was just a surreal feeling of: 'I'm here.' It was a great introduction to the air base. We stayed there for a night in 55-degree heat. That is the base where the Australian Defence Force charters a flight and takes the troops in and out on a weekly basis. The troops are over there on about a six-month deployment rotation.

I was part of a delegation of four that then took a charter flight down to the Seychelles, where we met up with HMAS Anzac. As we boarded the HMAS Anzac, we were joined by two Somali interpreters who would assist us as we sailed up the Somali coastline and around the Horn of Africa in search of pirates, drug traffickers, weapons traders and other untoward people.

Our sailors from the HMAS Anzac had 24 hours leave in the Seychelles before we took off. Can I say how proud I was of their engagement in the Seychelles. These blokes could have been out partying, but they had organised to go and paint the local kindergarten and also to paint a local retirement village as part of society building. The HMAS Anzac also organised a soccer game between the USS New York, which was also in port, and the Seychelles navy.

I would like to mention and just say thank you to the ship's commander, a bloke by the name of Commander John Stavridis. He had never received a delegation from the Australian parliamentary program before, and it was the first time that I had been on it, but if I were to go again I would love to catch up with John. The respect that the crew had for that man was unquestionable. Everywhere, as we went through the ship, there was a feeling, and it was openly talked about: 'This is the best crew that I have ever sailed with, and I've been in the Navy for 20 or 30 years,' and, 'This is the best food I've ever received.' It was just a great feeling. It was a relatively young crew, around 35 years old.

I was very honoured to be able to be aboard. As a nation, we owe these people a great debt of gratitude for the blanket of protection they provide to us. We must never take it for granted. I will never forget the crew. Hopefully, if I get the opportunity, I will go again.

I acknowledge the team that sailed with us—Natasha Griggs from the Northern Territory, Bert Van Manen from the seat of Forde in Queensland and Mark Coulton from the National Party. In the other delegation I think there was a Labor senator, a Nationals senator from Victoria and two Liberal backbenchers. I encourage everyone to be part of the program. I thoroughly enjoyed it.

**Tasmania: Local Businesses**

**Mr LYONS** (Bass) (19:15): I rise today to make mention of some fantastic local, innovative industries in my electorate of Bass; I rise also to talk about the Australian Labor government's commitment to supporting Australian industries. We are working side by side with Australian industries to boost their productivity and competitiveness and to build a culture of innovation.

I have spoken previously in this place about Haywards Steel Fabrication & Construction, a business in my state, and about the fantastic projects they are involved...
in, not only in Tasmania but also interstate. These projects include, to name just a few, the wind towers for the Musselroe Wind Farm, the installation of mining equipment in the Pilbara and the fabrication and installation of coal stackers in both New South Wales and Queensland. I have again recently visited Haywards with Senator Thorp and was pleased to hear of the terrific work that the business is undertaking.

Another business in my electorate, Pivot Maritime International, has received the award for exporter of the year for the last two years and is run locally in Legana, producing ship simulation systems across the nation. When I was recently in Western Australia, there was a Pivot Maritime ship simulator at the Challenger Institute of Technology. Jeff and Luz Hawkins and their team at Pivot Maritime International are renowned for their research, consultancy and training within the industry and are to be commended for their innovative ideas, passion and hard work.

Another local and innovative business, Autech, received the award in each of the two years prior to Pivot Maritime receiving the award for exporter of the year. Autech are world-leading suppliers of innovative colour marketing solutions to international companies to promote and sell their products. Autech are regarded as global experts in their field, and they are especially excited at the prospects that the National Broadband Network will bring to further enhance their business capabilities for the global market. Autech is another example of an innovative local business.

Foot & Playsted, an 80-year-old business, have installed a new digital printing press to keep up with technological advances with fast turnaround and high quality. They focus on the ongoing training of staff, including the training of six apprentices, in all areas of their organisation. Foot & Playsted directly employ 45 staff in Launceston. They are innovative in the design of packing production and die cutting and continue to pursue any environmental initiative available to them, including the use of green, renewable, sustainable energy to power their plant. Foot & Playsted are to be congratulated on their innovative approach to printing.

The ACL Bearing Co., in Launceston, are doing it tough. They have downsized over many years. The high-priced Australian dollar and freight costs have taken their toll. But they are a bright light—they recently received the prestigious award of distinction in the automotive chassis category of the 2012 Powder Metallurgy Design Excellence Awards competition. This competition is conducted by the Metal Powder Industries Federation of the USA. It is a fantastic achievement for a local business to receive an international award, and it shows the high calibre of work that is produced by local businesses.

These are all terrific examples of local businesses in my electorate who are meeting the challenge and investing in innovative technologies within their industries. The Gillard Government is committed to ensuring Australia's economy meets the challenges of the future and delivers prosperity for all Australians. We are investing in economic infrastructure and improving the productivity and competitiveness of our industries which will secure our economic future. There are challenges and opportunities for industry from the mining boom, the high-priced Australian dollar, international competition and the emergence of a low carbon global economy. The opposition has no innovation or industry policy and no vision for Australian workers.

The Gillard government has invested $9.4 billion in support for science and innovation.
That is around 43 per cent higher than the Howard government invested in 2007-08. Also, in 2008, the Labor government launched Enterprise Connect, which has helped more than 16,000 businesses develop their skills and increase their knowledge to improve their competitiveness. We have also introduced the R&D Tax Incentive, which supports more than 8,000 businesses each year. We are investing $1.2 billion in the Clean Technology Program. The Australian Labor government is committed to supporting local industries.

I again congratulate the local businesses from my electorate that I mentioned previously—Haywards Steel Fabrication & Construction, Pivot Maritime International, Autech, Foot & Playsted and the ACL Bearing Co—on the fantastic work they do locally, nationally and internationally in tough times. They are to be commended on their approaches to becoming innovative in order to meet the demands of the future.

**Cape York Peninsula: Indigenous Communities**

Mr RAMSEY (Grey) (19:20): Every remote Indigenous community in South Australia is within the bounds of my electorate of Grey. In my time as a member I have taken a great interest in these communities and been very concerned by their general state and the lack of opportunity in them, particularly for the children. So, during the winter break, I took the opportunity to travel to the Cape York Peninsula. I have for many years read and listened with great interest to what Noel Pearson has to say about his efforts with his Cape York Institute, so I travelled there to see if the programs were transportable and applicable to my communities and whether there was anything I could learn and take back to them. I thank the Cape York Institute and all concerned for their assistance.

I had the opportunity to visit both Aurukun and Hope Vale. Aurukun was of particular interest to me because it, like many of my communities, is a place where English is a second language and therefore education and many of the things that we take for granted are less accessible then they are elsewhere. I met there with the opportunity hub. I looked at programs that help with financial management, at savings programs and at student support packs. I talked to health workers and met the mayor and councillors. Most importantly, I had the opportunity to speak with the Families Responsibility Commissioner David Glasgow and three local Family Responsibilities Commissioners. I have a very short time available to me here, so I will not go into the work of the Family Responsibilities Commission except to say that it is part of the income management program up there. It is a very comprehensive package.

However, my highest interest was in the educational changes being introduced into Aurukun, Hope Vale and two other schools on Cape York Peninsula. I met with the principal, Patrick Mallet, and at Hope Vale I met with Cindy Hales, the district principal of the four Cape York academy schools. They are using an American program called Direct Instruction. I am sure it will not be welcomed by a lot of educators in Australia. It is a return in some ways to the old days.

I must tell you about my first experience in the classroom. I walked in unannounced and a group of children were sitting around a teacher. They were strongly engaged. A couple looked around at me and the teacher said, 'Don't you worry about that. They are of no interest to you. Your interest is here,' and the children turned back to the front immediately, as a few of us filed into the back of the classroom.
What I saw was both a revelation and a revolution, as I said in some ways turning the clock back. The teacher demanded their full attention. They were reading a book together and the teacher would say, 'My word, ready,' and she would pronounce the word. Then she would say, 'Your word, ready,' click her fingers and the students would say it together. We saw this repeated through a range of subjects. In Hope Vale the next day we saw similar approaches in mathematics.

Many would think this is over-instructive education but we are dealing with a particularly disadvantaged group here. The classroom had no distractions. You could not see outside the windows. The doors were shut. Attendance rates of the children have lifted from around 40 per cent to 70 per cent, but it is much better than that because previously the roll had been marked once a day and if a student had popped in at any time they were marked off the roll. The roll is now marked twice a day—in the morning and in the afternoon. If a student does not roll up, there are three case managers who go to the parents' house to inquire where the student is. If the children have three failures, they are then referred to the Families Responsibilities Commission.

Peripheral subjects have been gotten rid of. In fact, Patrick Mallet, the principal, said to me, 'I'll be very pleased when that shed over there, basically the workshops, is taken away because there is no time for peripheral subjects.' The aim is to teach children to be able to compete in any school in Australia after year 5. They have 25 hours a week of direct and heavy contact with the teacher. Lessons are highly structured. Morning lessons are all the business end of learning, with half an hour before lunch for cultural studies and another half hour later in the day. During cultural studies the children are taught in their own language. For the rest of the time they are taught in English. There are no excuses. Your problems of the home stop at the gate.

I could go on. I hope we see this education system taken into many more remote communities in Australia. I think it has a great future.

**National Disability Insurance Scheme**

Ms HALL (Shortland—Government Whip) (19:25): Tonight I rise to raise an issue that is very dear to my heart. I believe it is one of the most important initiatives that any government has introduced—that is, the National Disability Insurance Scheme. The NDIS is an initiative which creates opportunity. It sets up an entitlement based system which provides choice to people with disabilities, something which has never happened in the past. It provides services and delivers peace of mind to people with disability, their families and carers.

Before I became a member of parliament, I worked with people with disability. I helped them to live independently in the community. I was involved in programs with people who had spinal injuries and head injuries, with people who had mental illness, people who had injuries acquired at work and people who had congenital disabilities.

What I found most overwhelming was how the system failed people with disabilities. No matter how hard you worked, there were always barriers to them achieving their full potential, to enjoy the quality of life that a person with a disability should experience. Then there was the angst parents had about their children's future. I cannot hold a mobile office without a parent saying to me, 'I worry about my child's future.' The NDIS is designed to address this.

The NDIS is about hope for the future and entitlement for all those people with disabilities, an entitlement to bring peace of mind to their families. I am particularly excited that the Hunter has been chosen as the site for the
launch of the NDIS in New South Wales. I have two young women with disability who volunteer in my office. Tracey Blair is confined to a chair after a brain tumour operation. Our office functions extremely well because of the enormous contributions made by Tracey. She is part of the team and a wonderful, vibrant young woman. Prior to having the tumour removed, she was attending university. Her parents worry about her future. They have said to me on so many occasions, ‘What happens when we’re no longer here?’ They are very concerned that Tracey will be provided for in future. They believe the NDIS will provide that opportunity.

As I said before, the NDIS is entitlement based. People no longer have to prove that they should get assistance; rather, they have an entitlement to it and it is choice driven. The other young girl who works in my office is Crystal Brown, who has had severe arthritis since childhood. Her contributions have been enormous as well. She has recently completed an update of my Great Walks of Shortland and she has done that in an outstanding manner. In her own quiet little way, Crystal has achieved and she is so much a part of the team, but she needs to have choices for the future and she needs to know that her wellbeing will be looked after into the future.

The launch will be in July next year and that will happen after extensive consultation with people with disabilities, families, carers, advocacy groups and providers. This is really good news. As a person who has worked in this area over many years I welcome it and I know that it is going to advantage all people with disabilities. I am thrilled that the first pilot in New South Wales will be in the Hunter.

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Mr RUDDOCK (Berowra) (19:30): I want to take the opportunity tonight to speak about a rather unique organisation in my electorate. It is known as Operation Food for Life and it is based in Cherrybrook. I was privileged recently to receive an update on its activities from its founder, Dennis Perry. How Dennis Perry and his friend David Woolley came to found Operation Food for Life is quite a remarkable story. Dennis at the time was working in international sales and marketing. He was travelling to Tonga on business. It was the first time he had ever encountered abject poverty. There was a community of adults and children who were living off the proceeds of a rubbish dump a few miles from the capital. Dennis said:

I think the thing that really shocked me is that they were competing for food with the pigs.

From there he went into the dump and he started to talking to the people, and their needs were simple—food and water. He went down to the local supermarket and he bought enough food and water to feed them for a month. He stayed on site, preparing the food, providing plates and utensils and doing what he could do to help.

He has now retired and he has taken that experience and focuses his efforts on the charity that he co-founded with a work colleague, David Woolley, called Operation Food for Life. It is really an inspired effort. They are, with volunteers, taking time to give something to the most unfortunate people in the world on our doorstep.

Operation Food for Life focuses on meeting the needs of the less fortunate in Papua New Guinea. They are doing it around Port Moresby. They are now a registered Australian charity, entirely made up of volunteers. Their motto is ‘Our passion is compassion’, and that is witnessed by their actions. They are lucky enough to have His
Excellency Sir Michael Ogio, the Governor-General of Papua New Guinea, as their patron in Papua New Guinea. Twelve years ago Dennis first needed to feed and clothe hundreds of families and individuals who lived in rubbish dumps at Baruni on the outskirts of Port Moresby, where families live and die, eking out a living on what others throw away.

It is very important to acknowledge that with a dedicated band of volunteers they are providing the basics of food and clothing and friendship to people in need. They also provide food and resources for a school that caters for children near the dump. St Peters Literacy School has grown from 35 to over 120 students in the last few years, providing basic education to children in need. They also help other schools in and around Port Moresby, offering children from impoverished backgrounds a chance to better themselves and to improve their education. They are hopeful of breaking the cycle of poverty. It is all done with minimal money and resources. They do the best they can to make a difference to the lives of these children.

But Food for Life's work is not limited to helping those living in and around rubbish dumps. They visit the sick in hospitals and care institutions, ensuring they receive proper food—patients like those dying of HIV/AIDS in Port Moresby General Hospital. The hospital cannot afford to feed them, and their families have to pay—many cannot, and many will not because of the stigma attached to their relative's condition. They also help residents in the Cheshire Home for the Disabled, which is totally reliant on the support of charities like Operation Food for Life. Recently they partnered with the World Health Organisation and the Pacific Adventist University to address maternal, child and neo-natal health as well as providing immunisations—again focusing on the longer term to improve the health of children over the course of their lifetimes.

One of their current needs is for wheelchairs, crutches and walking frames. In an isolated village of Papua New Guinea to be disabled is very confining. People who have had a sporting injury or a deceased relative are finding those items in the back of their garages. I recently put out an appeal to my electors about this, asking them to bring in their old mobility aids, and I was heartened by the response. They have filled an entire shipping container, which was recently despatched to Papua New Guinea. They are now bringing together donations to fill another.

This is an organisation unknown Australia-wide, but one of which people will hear a great deal more. It has been a pleasure for my own part to accept becoming patron of this organisation. I will amend my pecuniary interest statement accordingly in the next few days.

Thu, Father Augustin Nguyen Duc

Mr ZAPPIA (Makin) (19:35): On 26 June 2012, Father Augustin Nguyen Duc Thu died in Melbourne's St Vincent Hospital, aged 74 years. For most Australians his passing went unnoticed but for Adelaide's Vietnamese Christian community, and for the many people, including myself, who had come to know him, his death was a sad occasion that also marked the end of an era.

Father Thu was very much part of the post-Vietnam war migration to Australia. He was born and raised in a Catholic family in Thach Bich Village, Ha Dong, Hanoi. The eldest of nine children, he studied theology and became a Catholic Jesuit priest on 21 December 1967 in Saigon. In 1975, when the Communist government took control of
Vietnam, Father Thu was studying in France and was subsequently granted asylum there.

In 1979 he was asked to come to Australia as pastor to the Vietnamese Christians living in Adelaide. He remained in Adelaide until 2004. Between 1994 and 1996, he went to the USA to study and on his return to Australia he spent a short time working with Vietnamese in the Brisbane archdiocese. It was in his pastoral capacity that I came to know Father Thu as a Catholic priest, a community leader and a friend. I first met him around 30 years ago, when he and Sister Elizabeth Nghial met with me and others to discuss their vision of building a community centre for the sizeable Vietnamese community in Adelaide, most of whom were living in the north-western and northern suburbs. A site for the new centre was found in my home suburb of Pooraka, where I was then the local area councillor. I well recall the controversy and the hostility with which the proposal for a Vietnamese centre was met by some sectors of the community, who were determined to block it. At the time not everyone welcomed the new Vietnamese settlers with open arms. These were not easy times for Father Thu and Sister Elizabeth, who not only had to contend with the public backlash but had an equally difficult job in raising the necessary funds. Their patience, persistence, good nature and faith finally won through. Salisbury council gave the project the go-ahead and the complex was subsequently built and officially opened in 1995. It was known as Our Lady of the Boat People centre and was led by Father Thu, as parish priest. Father Thu was determined to ensure that the centre not only served the multiple needs of newly arrived Vietnamese people but caused no disruption or friction with the surrounding community. He was successful in doing both. The large complex became a hub of activity, serving as a church, a centre for the aged, a school and a sports and performance centre. Father Thu's leadership role was crucial to the centre's success. In 1997 when I was elected Mayor of the City of Salisbury, I was privileged to have Father Thu attend the first council meeting, read the traditional opening prayer and add his blessing to the newly elected council.

When Father Thu's term in Adelaide ended he relocated to Melbourne where he continued his pastoral work at St Ignatius Church in Richmond. Not surprisingly, and very deservedly, in 2009 Father Thu was honoured with a Medal of the Order of Australia in the Queen's birthday honours for his community service work. A special memorial service to honour his life was held at the Vietnamese Christian Community Centre in Pooraka on 6 July. It was of deep personal regret that I was interstate on parliamentary business and unable to attend the service.

The Vietnamese people's resettlement in Adelaide has been a wonderful example of adjustment, embracement and commitment to Australia and Australian life. They have been grateful for the generosity of their new homeland and have in turn added value and prosperity to our nation. South Australia's Lieutenant Governor Hieu Van Le, who served as a youth leader at the Vietnamese Christian Community Centre, is a living proof of that.

The leadership role of Father Thu in helping with transition to Australian life for Adelaide's Vietnamese community can never be quantified, but in my view it was invaluable. I take this opportunity to acknowledge Father Thu's life and the wonderful legacy he has left his people and the broader community. To his successor at the VCC, Monsignor Minh-Tam Nguyen, to Sister Elizabeth, to his family, friends and
colleagues and to the broader Vietnamese community I extend my condolences at the passing of Father Augustin Nguyen Duc Thu.

**Leichhardt Electorate: Tropical Sports Centre**

Mr ENTSCH (Leichhardt—Chief Opposition Whip) (19:39): It has been an exciting fortnight with the Olympics underway in London. I am sure I am not the only person here who has had a few late nights over that time, caught up in the drama of seeing Australians on the world stage. Now of course it is time to look forward to the Paralympics and to be inspired by the feats of those with physical challenges who still perform at a level that most of us would not even come close to.

As a country, I think we now need to start looking towards Rio in 2016 and the opportunities that presents. For the last couple of years I have been working in my electorate with the Cairns Business and Sporting Group, putting together a master plan that will enable the region to become the fourth major tropical sports destination in the world, along with Hong Kong, Malaysia and Singapore. We meet all the criteria. With 26,000 hotel rooms we have the capacity. We have the restaurants and other pieces of infrastructure necessary to bring in large numbers of people and, of course, we have a workforce that is trained in hospitality. The problem we in Cairns have with tourism, which is our major industry, is its seasonality. Winter is the peak season but in summer we have huge capacity, which provides us with an opportunity to bring in large numbers of people. The thought behind it is tropical conditioning for the likes of the Rio Olympics. I believe we have only a couple of years to lock this in before that opportunity may well pass us by for a considerable period of time.

There are several pillars to making this happen. We need a performing arts centre. We need a rectangular stadium and a whole lot of other sporting infrastructure, although we have quite a bit there. I welcome the council's recent commitment to looking at refurbishing the very aged and dated Tobruk pool into an aquatic centre. I have had a lot of positive responses in relation to that commitment. We have a 15-court tennis centre and a range of other infrastructure, including Cazaly's, whose oval stadium is well advanced, and we have plans for a hockey centre et cetera. On top of that, the recent commitment by the state government for a national institute for tropical health and medicine means that we can have a faculty for tropical sports medicine there as well. All of the pins are lining up. We need to get the community behind it.

Recently we hosted the Prime Minister, who I understand had a fantastic time in Port Douglas for a week. We showed her we can do it. Another famous visitor the region is vying to attract is track superstar Usain Bolt. Local leaders have started a social media campaign called 'Bolt to Cairns' to get him to visit this beautiful city on his trip to Australia. They are asking people to post photos of themselves doing Bolt's famous lightning bolt pose. With over 2,000 friends so far it is gaining huge momentum. I thought that I would take the opportunity to show Usain where to come. If he heads north from Canberra we can get him into Cairns. I would encourage him to do that, because it would help to raise the profile of our city.

Nevertheless, it is time for our community—all our various business and interest groups—and all levels of government to get together and start to look at establishing a tropical campus of the Australian Institute of Sport in Cairns so that we can capitalise on this opportunity. We will create a new industry for our region that
will make sure that we have the benefit of being the fourth tropical city in the world that can host athletes from all around the world and give them the opportunity to train and compete in our beautiful region. *(Time expired)*

**Holocaust**

Mr DANBY (Melbourne Ports) (19:45): On Thursday 5 July, the Polish and Israeli embassies co-hosted in marvellous Melbourne's new recital hall, Elisabeth Murdoch Hall, an event to honour Irena Sendler. The packed recital hall heard an aesthetically beautiful opera, together with memorable remarks from the Polish ambassador, Andrzej Jaroszynski, and the Israeli ambassador, Yuval Rotem, in a tribute to the great Polish social worker who saved 2,500 Jewish children from the Warsaw ghetto and the clutches of the Nazis.

Ms Sendler was one of the righteous individuals who chose defiance in those days. She was the head of the children's bureau, Zegota, an underground organisation set up to save Jews after the Nazis invaded Poland. Irena Sendler, with the assistance of volunteers, mostly women, managed to save babies, young children and teenagers from certain death and moved them to safety in other parts of Poland. As Prime Minister Julia Gillard pointed out in a speech a few days later at the Jewish Holocaust Centre where she also made an important announcement, Irena herself described it this way:

... I sent most of the children to religious establishments. I knew I could count on the Sisters.

In an obituary in the *New York Times* about Irena Sandler it was recalled that she said of herself:

Here I am a stranger, asking them to place their child in my care. They ask if I can guarantee their safety. I have to answer no. Sometimes they would give me their child. Other times they would say come back. I would come back a few days later and the family had already been deported.

Irena Sendler was a light in the darkness. Hundreds of people who attended the function at the Murdoch recital centre thanked the Israeli and Polish embassies for their fitting and moving tribute to her life.

The event was followed by a special announcement a few days later by the Prime Minister in my electorate of Melbourne Ports when she joined me, Cabinet Secretary Mark Dreyfus and the member for Kooyong, Josh Frydenberg at a very important museum in Selwyn Street, Elsternwick—the Jewish Holocaust Centre—to announce Australia's contribution to an initiative of the Polish government called the Auschwitz foundation project. Australia will join the United States of America, the United Kingdom, Israel, Germany, France, New Zealand and Poland in providing funding to preserve this important site which is paradigm of evil for all people—Auschwitz-Birkenau.

Amongst the 330 attendees, I found it particularly moving that my friend the Bosnian ambassador, Damir Arnaut, was there, as were the US Consul General, the Polish Consul General, the French Consul General and the UK Consul General. The Prime Minister announced half a million dollars will be donated to the project, which shows that Australia has a stake in this important facility for memorialising what happened to all of those people. The announcement demonstrated that the Australian government recognises our survivors of the holocaust and the impact they have had on Australian society.

My good friend and sprightly survivor Abe Goldberg guided the Prime Minister around the centre's very moving museum. Together with the PM we paused with survivor Kita Altman, lighting a candle to
honour the millions who perished in the Shoah. That is a Hebrew word meaning catastrophe or cataclysm. For the handful of survivors in Australia, the Prime Minister's visit, let alone her announcement, was a validation of their lives here in Australia and their survival of those terrible times. Hopefully I will visit Auschwitz-Birkenau later this year on an official visit to Poland and continue to cement our relationship and that important initiative on the site.

Gerard Henderson said on the ABC Insiders program that, 'At the commencement of the London Olympics it is important to remember. This statement of the Prime Minister's was a good decision. Her timing was excellent.'

As a side note, I want to reflect on a comment I made just before question time on the decision of the High Court not to extradite alleged war criminal Zentai to Hungary to face charges of murder. I want Hansard to record the name of the 18-year-old man—Peter Balazs—murdered in Budapest in November 1944. In Hungary at the time prior to 1945 in Nazi occupied Europe there was no charge of war crimes. Of course there was a charge of murder. In any system of justice, in my opinion, this man should have been extradited to face the charges that the Hungarian government has brought against him. The idea that in countries of Nazi occupied Europe there would have been a specific offence of war crimes prior to 1945, in my view, demonstrates such black-and-white legalism and ahistoricism that it is difficult to believe. I hope the Hungarian authorities have the courage to reframe their request for an extradition on the charges of murder in the terms that the High Court requires.

Aluminium Industry

Mr O'DOWD (Flynn) (19:50): Yesterday morning in Gladstone employees of the Boyne smelter arrived at work to be greeted by the news of the company's restructure. Of the nearly 1,200 workers at the smelter, 90 had been told that the company could no longer afford to employ them at their current capacity. Some were offered redeployment and others have no job. I am saddened by this news and my heart goes out to those who have been affected by this situation. The Boyne smelter is a valuable part of the Gladstone region and it is a vital player in the aluminium industry in Australia.

We know that the industry is suffering under current market conditions, and this is why the coalition has been so vocal about the need to ensure that its future is not thrown into jeopardy by excessive government regulations and tax. The challenges that face the industry are pretty well known, but over the last 18 months conditions for the industry have deteriorated. The price of aluminium on the London Stock Exchange has dropped steadily. Prior to the GFC the price of aluminium was approximately $3,000 a tonne. Twelve months ago it was something like $2,100 a tonne. It is now between $1,800 and $1,900 a tonne. This is below break-even.

The Australian dollar has continued to remain high and Chinese production has not slowed. This has increased the global stockpile of aluminium. Stock levels are very high. Input costs for electricity, water and gas have dramatically increased over the last five to 10 years, especially over the last two. Access to domestic gas has become more restricted as LNG markets around the world pick up and the price of gas picks up. Queensland industries are starting to struggle. There is no situation in Queensland such as exists in Western Australia, where 15 per cent of gas must be returned to the domestic market.
One week after the announcement of the carbon tax, Rio Tinto changed their name to Pacific Aluminium at Boyne Smelters and put the establishment up for sale, along with other non-core assets. What should the government have done? It should have ceased its wasteful spending and reined in Australia’s burgeoning national debt; acted to pay down national debt to reduce pressure on the Australian dollar; and offered stability and sound governance to provide a stable operating environment for the industry to weather the storm. What did the government do? It ignored warnings from industry—from Boyne Smelters and associated industries. It introduced the carbon tax at the very worst time.

The aluminium industry is vital part of the Gladstone region and the electorate of Flynn. Up to 6,000 people are indirectly or directly employed across the two refineries and Boyne Smelters. The government is partly responsible for the loss of 90 jobs that was announced yesterday, and for that it should be held accountable. The Gillard government knows the challenges facing the aluminium industry. It has been told not just by the opposition and me but by the industry. Despite this, it has not shown any mercy or loyalty to these Australian workers and has proceeded with the implementation of a carbon tax that is breaking the backs of companies like BSL.

When you consider BSL and other Rio Tinto projects around Australia, including at Weipa, Gladstone and Tasmania, and in New Zealand, plus wherever else we export our aluminium or alumina products, it is likely that, if one falls, the whole lot will fall. This would be a disaster for Australia and for Gladstone. So I urge the government to listen to what the industry are saying and come forward with some helpful information and direct action to save these companies.

**Fisheries**

Mr WILKIE (Denison) (19:55): I rise tonight to express again the opposition of a great many Australians to the imminent operation in Australian waters of the supertrawler *Margiris*. Just today, a petition with some 35,000 signatures was brought to Parliament House to highlight the widespread concern in the Australian community about the supertrawler currently on its way here. Remarkably, the names and postcodes of the signatories were printed on 35,000 jack mackerel cardboard cut-outs, as a powerful reminder that, far from being simply a figure on a piece of paper, the 18,000-tonne quota relevant to the supertrawler is enormous by any measure and will have a devastating effect on the waters around its home port of Devonport, Tasmania.

This 18,000-tonne quota, for a single vessel operating time and time again out of the same port, is fraught with problems, not the least of which is the very real risk of localised fish stock depletion. After all, the operator of the vessel, Seafish Tasmania, is a commercial venture and it is not as though it will spend one dollar more than it needs to on fuel to travel to distant fisheries when it can stay close to home and hammer the rich Tasmanian waters. Making matters even worse is the fact that even 18,000 tonnes a year is almost certainly not enough to keep the *Margiris* profitable over the long term. Yes, that is right—the factory ship has been allocated a whopping 18,000 tonnes, but that is still not going to be enough, so a bigger quota is quite likely in the future, or at least those of many smaller fishing operations will need to be bought up. And all of it is quite likely to be harvested from relatively close to Tasmania.

Central to the matter is the question over just how many fish there are in the area, and
again we have a most alarming situation, because the data being relied on to determine the quota is 10 years or so out of date. Without a more accurate, up-to-date figure for the population of jack mackerel and other fish, there is simply no way of knowing whether the quota is actually sustainable and whether or not it will have an unacceptable effect on other species.

As if these problems with the supertrawler *Margiris* were not bad enough, there is also now a question mark over the very competency and lawfulness of the government agency charged with managing our fisheries, the Australian Fisheries Management Authority. This is not an issue I raise lightly, but the case is compelling that AFMA failed to comply with the Fisheries Administration Act when its South East Management Advisory Committee convened a teleconference on 26 March to finalise the recommendation for the catch for the small pelagic fishery. The act required any member with a conflict of interest to absent themselves from the meeting and for the committee to specifically authorise that member to remain if that should be the wish of the committee. But, at that March teleconference, the man with the biggest conflict of interest imaginable—the proponent of the supertrawler, Mr Gerry Geen from Seafood Tasmania—not only remained in the meeting but did so without the committee specifically authorising him to do so.

My gripe is not with Mr Geen, because he declared his conflict that day. My concern is with AFMA, which in correspondence with me has stated that it does not take the Fisheries Administration Act literally, because that would be impractical, and instead has developed some kind of in-house workaround arrangement. Dear, oh dear. If that were not bad enough, AFMA have gone even further, admitting to me yesterday that, yes, there is a need to improve things. No wonder the Commonwealth Ombudsman is now investigating these matters.

In closing, I would just like to acknowledge what this whole sorry supertrawler saga says about the state of our democracy right now. Frankly, it does not matter where you go in Tasmania; you are sure to find someone, and often everyone, who thinks the *Margiris* is a really bad idea. Some distrust the science and fear at least the localised depletion of the fish stocks. Others are just as strident in their opposition but less sure of the reason. Fair enough. Sometimes the wrong in something is so obvious it does not need explaining.

House adjourned at 20:00
Wednesday, 15 August 2012

The DEPUTY SPEAKER (Hon. BC Scott) took the chair at 09:30.

STATEMENTS

Captioning in the Federation Chamber

The DEPUTY SPEAKER (Hon. BC Scott) (09:30): Order! As the Deputy Speaker announced yesterday in the House, it is proposed to commence a trial of captioning in the Federation Chamber. Two screens located on the advisers desks on each side of the floor of the Federation Chamber will have captions showing the item of business currently before the Federation Chamber. The Deputy Speaker and I would appreciate feedback from members on whether they find the captioning useful. A more suitable long-term location will be found for the screens if members find the captioning helpful.

CONSTITUENCY STATEMENTS

Carbon Pricing

Mr BALDWIN (Paterson) (09:31): I rise to draw attention to an opportunity for tourism and hospitality businesses to finally get a straight answer on the carbon tax. After wasting $50 million on propaganda to sell its deeply unpopular and damaging carbon tax and refusing to allow Tourism Research Australia to undertake sector-specific analysis, the government has agreed to let the Australian Competition and Consumer Commission host an interactive webinar on the carbon tax. The online webinar will take place tomorrow, Thursday, 16 August, between 10 and 11 am AEST, and will be hosted by the ACCC Deputy Chair, Dr Michael Schaper. The commission's media release, issued three days ago, states:

The ACCC is encouraging small business owners to get their questions ready and sign-up now at www.accc.gov.au/carbon …

The ACCC will be providing guidance on carbon price claims and addressing some of the key small business issues which have arisen since 1 July.

This is welcome news indeed, albeit with three days notice. My advice to the ACCC is to prepare itself for some seriously challenging questions from a range of industry segments such as: restaurateurs, who need advice on how they 'pass on' the carbon tax input costs where they dispose of spoiled food that never reaches a plate; adventure tourism operators such as dolphin-watching vessel operators in the seat of Gilmore using diesel fuel, but with no subsidy like that given to the Great Barrier Reef operators; heavy-vehicle users such as tour groups and caravan owners, who are worried about the scheduled end to the exemption for private vehicle fuel in 2014; hotel operators, who are expecting significant increases to costs related to air-conditioning, cleaning and lighting; regional airlines, who are concerned about the combined cost of the carbon tax with loss of the Remote Air Subsidy Scheme and increased airport security costs; bus operators, who have a compelling case for exemption from this counterproductive tax since a full bus can take scores of cars off the road. Big business can usually employ corporate social responsibility managers to investigate best practice and drive outcomes through crossfunctional teams. It is much harder for the 90 per cent of Australia's 350,000 tourism businesses who are either sole traders or small business operators. I note the ACCC's claim in its news release that it is 'generally confident businesses understand their obligations'. The special carbon tax edition of the Gold Coast Business
Bulletin, published only last month, should encourage the ACCC to rethink its perception. This edition was published, in the editor's words, specifically because of 'the dark shroud of uncertainty and misunderstanding that has cloaked the introduction of the carbon tax'. I seek leave to table this document. (Time expired)

Leave not granted.

Kingston Electorate: Maslin Beach

Ms RISHWORTH (Kingston) (09:34): Today I want to raise the concerns of residents that live in Maslin Beach. I think Maslin Beach is a beautiful part of the southern suburbs with one of the most stunning coastlines in Australia and the world.

I was recently doorknocking in Maslin Beach to hear the concerns of the local community. As a result of that doorknocking, I issued a survey to find out what local council infrastructure is of real importance. People raised with me a whole lot of infrastructure issues and 90 local residents completed the survey—which was a very big response—covering a range of areas where they believed action needed to be taken.

People in Maslin Beach do feel like they are second-class citizens when it comes to basic things like footpaths, kerbing and guttering. This is something that many other suburbs of Adelaide enjoy but that has eluded the residents of Maslin Beach. For a lot of people wanting to get around the suburb easily—not only older people who may have difficulty walking but also people pushing prams or with young families—it is very difficult.

In addition, there are no shops in Maslin Beach. There is no little corner deli where people can go and get a bottle of milk or a loaf of bread, so they have to go to the Moana shops. Unfortunately, there is no safe way for them to get there. Even though it is not a huge distance, there is no walking track or pathway which allows them to walk there and this is of particular concern. For example, Mr Payne said:

Maslin Beach doesn't have any shops anymore and so you have to go to Moana if you want to do some shopping. The problem in a nutshell is that there is no safe path to get there at the moment. It's not very far but I know from walking with my wife it can get quite dicey because you basically have to walk in the road …

You have got to walk along Old Coach Road, which is very dangerous and there are a lot of cars travelling very fast along that road. This is an issue for the people in Maslin Beach, along with the other infrastructure issues, and I do call on the council to pay some attention to this suburb. They do not want to be second-class citizens; they do want to have the basic amenities. In addition, we need to look at what can be done on the local foreshore—not just for local residents but to attract tourists because, as I said, it is a very beautiful part of the world.

One thing that residents did show a lot of support for was the NBN. The rollout of the NBN is happening within a year. In Maslin Beach residents have a lot of trouble getting a good phone connection or a good internet connection and they have welcomed the fact that this government is rolling out the NBN to Maslin Beach sooner rather than later.

Parkes Electorate: Telecommunications

Mr COULTON (Parkes—The Nationals Chief Whip) (09:37): I thank the member for Kingston for the segue into my statement, which is about the telecommunications survey that I have just undertaken in the Parkes electorate. In May I sent out a survey to every resident of
the Parkes electorate asking them questions about the telecommunication services that they received and the shortcomings that they were experiencing. It should be noted that the electorate of Parkes makes up 36 per cent of the state of New South Wales and telecommunications in such a large area is vitally important to the people who live there.

It is no surprise that 69 per cent of the respondents to my survey believe that mobile coverage should be a priority for government spending. The lack of mobile coverage in my electorate is profound. Indeed, several years ago I had the minister, Senator Conroy, attend several meetings in my electorate. While I was appreciative of the senator's visit it did not translate to any improvements. Large patches of my electorate have no mobile coverage at all. They will not be part of the NBN. They will receive a satellite service but that will not carry voice so, unfortunately, large parts of western New South Wales will miss out.

Seventy per cent of survey respondents are against the NBN. They believe that they need high-speed internet service but believe that the NBN is not going to deliver that to them—they are very sceptical about that being the way to go. Sixty-nine per cent of respondents also believe that public phone boxes should be maintained. While many of the members in this place might think that public phone boxes are quaint, for a large number of the people that I represent it might be the only method of communication that they have.

I have submitted the results of my survey to the shadow regional telecommunications minister, Mr Hartsuyker, the member for Cowper. He assures me that the information that has come through this survey will be used to mould the coalition's telecommunications policy—a policy that will be relevant to the people of regional Australia, that will deliver services to the people of regional Australia and that will bring the people of regional Australia back into the 21st century and out of the wilderness of the last five years.

STATEMENTS ON INDULGENCE

The DEPUTY SPEAKER (Hon. BC Scott) (09:40): Before I call the parliamentary secretary, I would like to say that I understand this is the last occasion on which Mr Barry Gwyther will perform duty as the Serjeant-At-Arms in the Federation Chamber before he retires. It is fitting that, on behalf of all members, I thank him for his service. I now call the parliamentary secretary.

CONSTITUENCY STATEMENTS

Vocational Education and Training

Mr DREYFUS (Isaacs—Cabinet Secretary, Parliamentary Secretary for Climate Change and Energy Efficiency and Parliamentary Secretary for Industry and Innovation) (09:40): I rise today to express my disappointment at the savage cuts to TAFE and technical education currently being implemented in Victoria. The Baillieu Liberal government is cutting $300 million from TAFE—

Mr Broadbent interjecting—

The DEPUTY SPEAKER: Order! The member for McMillan is being disorderly.

Mr DREYFUS: at a time when it is more important than ever to invest in technical education. These cuts are so harsh that even the responsible Victorian minister, Peter Hall, said that he considered resigning in protest of his own government's decision. The shortsightedness of these cuts is staggering. Cutting training and technical education at a time
when business and manufacturers need skilled workers is a false economy. The estimated job losses for TAFE institutes may be as many as 1,500 positions, with many more across the training sector.

Mr Broadbent interjecting—

The DEPUTY SPEAKER: The member for McMillan might be heading out of the Federation Chamber if he continues to interject.

Mr DREYFUS: Losing these dedicated and experienced staff members, some of whom have been teaching for decades, is a real blow to the quality of our technical education. As these cuts are implemented and technical education is stripped back to a bare minimum, business may have to look overseas to find the workers that they need. The cuts include the complete removal of the funding differential paid to TAFEs. This funding provided essential community services, support for TAFE’s large infrastructure costs and essential training to small rural communities. Funding rates for all training providers have been slashed from between $6.50 and $8 per student hour to less than $2 in courses such as business, hospitality, retail, customer service and event management. The Liberal minister has refused to rule out campus closures.

The savagery of these cuts is a taste of what will happen if the Liberal Party takes power nationally. The Liberals have already announced that they would cut $1.1 billion from trades training centres despite the member for Dunkley, Bruce Billson, apparently supporting the establishment of the Frankston trade training centre, saying, ‘I believe the local community is going to benefit greatly from this technical college.’ Despite his comments, the member for Dunkley has shamefully voted in this parliament against our government’s investment in education and has supported the opposition’s cuts to educational programs.

Last week at the local Chisholm TAFE in Frankston, students and teachers rallied against the Baillieu government’s savage cuts and called on the local Liberal members of parliament to stand up for their community and support investment in technical education. Chisholm faces cuts to their bottom line of up to $25 million and many courses will be axed. When I visit schools in my electorate I meet bright young students who want to be nurses or electricians or carpenters or business managers, and the Baillieu government’s decision is going to make it tougher for them to realise their dreams. The investments in skills and training that our government has made will continue, but it is heartbreaking to see TAFEs in our state damaged by the reckless and short-sighted policies of the Baillieu government and I call on that government to reverse these cuts. (Time expired)

Casey Electorate: Badger Creek Primary School

Mr TONY SMITH (Casey) (09:43): On Friday, 30 July, I had the pleasure of visiting Badger Creek Primary School in my electorate of Casey to present an Australian flag, to present some certificates and to participate in the Friday afternoon school assembly. I pay tribute to the principal, Garry Embry, vice principal Julie Kugler, the music teacher, Jenny Legg, and the school council president, Michael Emmett.

Badger Creek Primary School is a school of roughly 150 students. It is like many country schools of its size in so many respects, but it stands out in one area—that is, the school’s commitment to music.
The school decided to make music a feature of their learning program and, largely through the funding of parents and the fundraising association, it conducts a very impressive music program and school band that I had the pleasure of hearing play at the assembly. I want to pay tribute to all of the leaders at the school—teachers and parents. It was great to be able to see firsthand their commitment and the difference they are making to the education of students at Badger Creek.

Earlier in the month I also had the pleasure of attending the opening of the renovated offices of Healesville Interchurch Community Care Inc., otherwise known as HICCI. It is made up of seven local churches and provides vital services in the form of emergency relief, including a food bank and Christmas hampers, volunteer community transport and community meals. The programs and the services are run by over 100 volunteers who are involved in driving, packing food, cooking and serving meals as well as working in reception at the offices in the main street of Healesville. They are also supported by local businesses and social clubs who make generous donations to the organisation. I want to pay tribute to President Margaret Blair, and to Executive Officer Kerri Goding who does so much not just with Healesville Interchurch Community Care Inc. but with so many organisations in the Healesville community.

**Braddon Electorate: Tourism Projects**

Mr SIDEBOTTOM (Braddon—Parliamentary Secretary for Agriculture, Fisheries and Forestry) (09:46): There have been some really good news stories in my electorate this year and I would like to share some of those with you if I may. First and foremost, I would like to congratulate all the successful recipients of T-QUAL Grants in support of their tourism innovation developments. One of those was Spreyton Fresh in my electorate with the creation of an apple orchard experience including an orchard walk and a side redevelopment with a demonstration block to highlight heritage cider apples. Congratulations to Spreyton Fresh. They got $77,000.

Congratulations to Guy and Eliza of Mount Gnomon Farm, where they are going to have rare breed experiences including a commercial kitchen, gallery and paddock-to-kitchen experience for the—l was going to say very tasty—organic piggery. They have $110,000. Congratulations to King Island Getaway Holidays for the King Island fine food paddock-to-plate project. They also got $110,000 and that will be an even more enhanced experience than already exists there. Congratulations to the Circular Head Tourism Association for a multilingual digital Stanley interactive heritage trail tour in the beautiful township of Stanley. They got $35,000. Cradle Huts got $52,000 for a feasibility assessment of a guided tented walks product in the Tasmanian national parks. So congratulations to them, and also to the T-QUAL Grants scheme which was $6.7 million in the 2012 round.

I would also like to congratulate the North West Community Legal Centre on getting $67,000 to link it in Devonport with Circular Head and Smithton, which is in the far north-western end of my electorate, for the creation of an online legal assistance service product which will allow people to use videoconferencing to do their legal conferencing work through the Windarra centre. I reckon that is a fantastic use of online technologies. So congratulations to those recipients, and also to the Circular Head Council which is one of the point-of-origin areas for the NBN rollout. They have just received $375,000 to deliver what they call NBN...
enabled local government services, most especially for web-based videoconferencing so people can do their planning and development applications online.

Finally, I come to Tasmania and the National Disability Insurance Scheme targeting young people aged from 15 to 24 in the state. Well done to those people. (Time expired)

### McMillan Electorate: Carbon Pricing

Mr BROADBENT (McMillan) (09:50): I was moved yesterday when, during a delegation to my office, a woman said—and this is why I am a bit testy today when I hear statements coming from members of the government who took $4.2 billion in GST off the state government and then complained about how they spent the money—‘How disadvantaged do you want our community to get before we act? How disadvantaged do you want the Latrobe Valley to be, getting hit by this carbon tax and a low-emissions future, before you are prepared to act?’

The people in the delegation included Paul Buckley, CEO of the Latrobe City Council; Julia Agostino, manager of regional partnerships for Latrobe council; Mark Sandeman from Monash Gippsland; Ross Bertoli from Hydro manufacturing; Owen Trumper from HVP; and Mayor Ed Vermeulen. They came in with these reports that I have here: the Gippsland Centre for Sustainable Industries one; the Moe Rail Precinct one; the Moe Activity Centre Plan; the developmental brief for the impact assessment plan on the carbon tax; and the full bit for the Moe Rail Precinct, with all the promises, the outline and the plan.

We have had visits from Simon Crean. I have great respect for Simon Crean and his concern for the Latrobe Valley. We have had Greg Combet. We have had every minister of importance in regard to this carbon tax in the Latrobe Valley, but now is the time to act. These people lost 8,000, 10,000 or 12,000 jobs and more allied jobs when the Latrobe Valley was hit by the electricity restructure. Now they are the centre of national attention in regard to the carbon tax. And what do they say to me? They say: ‘Damn the carbon tax. We've just got ourselves back on our feet and we are rebuilding our community and we are the ones that are hit straightaway. If you take 12,000 megawatts of power out of the Latrobe Valley, which Victoria depends on, you take away 12,000 jobs.’

I know I am speaking for the local community when I say they have been directly affected. It is having an impact already on confidence, confidence being the great builder of communities. This government should be shrinking back and should be crawling away, but no. Now it is time to get on the front foot. Now is the time to act. Latrobe city is calling out to the ministers who have been down there, saying: 'Right. We've had the reports. We've had the consultation down here and it is time for this government to act on the reports and the initiatives that it has put in place.'

### Melbourne Employment Forum

Mr BANDT (Melbourne) (09:53): If you get in a cab in Melbourne there is every chance that you will be driven around by a Somali taxi driver who is, in fact, a qualified jumbo jet pilot. There are qualified doctors driving cabs in Melbourne because they are unable to find what for them is meaningful work. So I want to draw the parliament's attention to a very important recently formed association in Melbourne that I have the great pleasure of being associated with and having helped to form. It is the Melbourne Employment Forum.
A year ago I convened a meeting of a number of community leaders, employers and service providers operating in the Melbourne area to discuss a key problem, the underemployment of people who have come to this country under non-skilled migration visas. Some of them may have been here five years or one year. Some of them have been here 30 or 40 years and they are still finding it difficult to get what is for them meaningful work. Research shows that at the time that our national unemployment rate was 4.9 per cent unemployment among this group of people was around 11 or 12 per cent. If you come here from another country, from a non-English-speaking background and you have qualifications, you are more than twice as likely as an English-speaking counterpart to find yourself in low paid employment.

As one participant in the forum put it, there is a fence between these people who have enormous skills and enormous capacities on the one hand and the jobs on the other. If there was simply a five or 10 per cent failure rate when it came to getting jobs, that might be put down to the same problems that everyday Australians face. But when 50, 60 or 70 per cent of people are applying for jobs and simply not getting them, that is a system failure that we must all address.

We have set up the Melbourne Employment Forum, which we hope will do two things: we hope it will be a one-stop shop for people who are seeking work so that they can be referred to willing employers or to service providers; we also hope it will be an ongoing advocate for reform in this area. We do not have a national strategy for addressing underemployment for this group of people. We need to get employer partners on board so that these people find what is, for them, meaningful work. We also need ongoing funding for the Melbourne Employment Forum.

I want to thank the Minister for Financial Services and Superannuation, Bill Shorten, who came and helped us launch this forum. I want to pay tribute to my predecessor, Lindsay Tanner, who did much work in drawing attention to this issue and providing some ongoing solutions. I want to congratulate the president, Abeselom Nega, and all of the committee members. I look forward to continuing to provide support to this organisation so that it can stand on its own two feet and be a strong, independent advocate and referral source regardless of who is in government or who is the member for Melbourne.

Brain Injury Awareness Week

Ms BURKE (Chisholm—Deputy Speaker) (09:56): Today I am asking colleagues to help raise awareness of acquired brain injury by banging on a beanie, like me. That is the extent of my beanie in the chamber, as I know it is a prop and I should not do it. But ABI, acquired brain injury, is a silent killer in our community and a silent disease out there. It is one that affects more than 1.6 million Australians, or one in 12. It is often referred to as the invisible disability because there are often no outward signs that a person has a lifelong disability. Around twice as many people are diagnosed each year with ABI as with breast cancer, and yet very few people know about it.

BrainLink, chaired by the phenomenal CEO Sharon Strugnell, in conjunction with brain injury associations across Australia, have decided to turn this invisible disability into a very visible one with these delightful blue beanies. Also Sharon Strugnell has a wicked sense of humour, which has got me wearing a beanie in parliament. It is very important to raise awareness during this Brain Injury Awareness Week.
We are asking people to wear a blue beanie and show their support for affected families and friends. ABIs affect not only the individual but also families and friends, as there is often quite a lot of care needed for these individuals. It does not discriminate at any age. Unfortunately it is often young people and those most at risk in our community who are affected, such as the homeless, those in the criminal justice system, Indigenous people or soldiers returning from war. Queensland holds the highest national average for those affected each year, often from motor vehicle accidents, violence and stroke, but also from other diseases like Alzheimer’s, Parkinson’s and multiple sclerosis.

The central theme for Brain Injury Awareness Week this year is ‘Sports related head injuries’, tragically usually occurring on sporting fields from concussions. We need to raise the awareness of our young people going on to the ground that sometimes getting multiple concussions can lead to lifelong disability. We are asking people out there in the sporting environment—professional athletes from AFL, rugby, boxing and horse racing—to be aware of the issue of ABIs.

Because of the invisible nature of ABI, many people will either be misdiagnosed with another disorder, such as a mental illness, or never be diagnosed in the first place. Consequently, the true number of those affected in Australia is much higher than the 1.6 million people reported by the WHO. Carers and families are hugely impacted by ABI also. There are people who look after those with acquired brain injury who are critical to the recovery and ongoing care. Often such carers are ageing and are opting to keep their loved ones in their own homes for longer. Making contact with them as early as possible to prevent carer burden is vital. If you can get to an ABI person early, give them support and give them the treatment for their injury and disease, as opposed to misdiagnosis or labelling it as a mental illness, then very good outcomes can be made and people can have much better outcomes in their lives. I want us to support BrainLink, Sharon Strugnell, who is a fantastic person, and raise awareness for ABI.

**Solomon Electorate: Local Sporting Champions Grants**

**Mrs GRIGGS (Solomon) (09:59):** I rise today to acknowledge some of the Territory's young local sporting champions. It gives me great pleasure to announce the following recipients of round 1 of the Solomon Local Sporting Champions grants. Tom O’Neill-Thorne will represent Sporting Wheelies and Disabled Association playing with the Queensland junior side at the Slam Down Under New South Wales state championships at Albion Park. Due to Tom’s outstanding ability, he was selected for the Australian under 23 squad. Congratulations to Tom.

Timothy Cox is the current judo state level champion of his weight division. He recently represented the Marrara Judo Club at the national championships in Wollongong. This was the first time that he had participated in this competition at a national level. Congratulations to Timothy.

Rhys Dowling is currently the No. 1 Australian ranked under 17 boys squash player and will represent the Pro Squash Academy, Northern Territory, as he defends his title at the Australian junior championships in Devonport. I wish him all the best.
Kyle Scrimgeour will travel to Dubai later this year with the School Sport Australia under 16 cricket team. Kyle is a Northern Territory Institute of Sport cricket scholar and regularly represents the Territory at a national level. Congratulations to Kyle.

Joshua Fosdick was selected by Basketball Northern Territory to compete at Basketball Australia's under 16 national championships at Tamworth. He is a committed member of the Palmerston Power Basketball Club and I commend him for his involvement in providing basketball boots to disadvantaged Territorian youth. Congratulations, Joshua.

Sam Godden is representing School Sport NT at the 15 Years and Under Boys Australian Football Championships in Adelaide. Sam trains with the wonderful Territory Thunder and hopes to play professionally one day. Congratulations to Sam.

Lachlan McKenzie was also chosen to represent School Sport NT at the 15 Years and Under Boys Australian Football Championships in Adelaide. Like Sam Godden, Lachlan trains with the wonderful Territory Thunder and hopes to be an elite AFL player one day. Congratulations to Lachlan.

Julia Woods is currently representing School Sport NT, as part of the 12 years and under girls basketball team at the School Sport Australia combined basketball championships in Dandenong. Julia hopes to become a basketball coach in the future. Congratulations to Julia.

Finally, I would like to acknowledge Surf Life Saving NT. A team consisting of Ryan Kershaw, Matthew Fox and Isla McCaw recently competed at the national inflatable rescue boat championships. Congratulations to them. *(Time expired)*

**The DEPUTY SPEAKER (Hon. BC Scott) (10:02):** Order! In accordance with standing order 193 the time for constituency statements has concluded.

**BILLS**

**Maritime Legislation Amendment Bill 2012**

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr TRUSS (Wide Bay—Leader of The Nationals) (10:03): The Maritime Legislation Amendment Bill 2012 implements three unrelated changes to maritime regulation in Australia. Firstly, the bill amends the Protection of the Sea (Prevention of Pollution from Ships) Act 1983 to implement amendments to annexes IV, V and VI of the International Convention for the Prevention of Pollution from Ships, better known as the MARPOL convention. Australia has been a member of the IMO since it was established in 1948 and has played an active role in the development of its conventions and treaties over many years. The six annexes to the MARPOL convention and their amendments have been implemented in a bipartisan way over many years. On 15 July 2012 the Marine Environment Protection Committee of the IMO adopted the amendments which we are presently considering, and I understand that they will come into force internationally on 1 January 2013. The three annexes amended by the current legislation involve prevention of pollution by sewage, annex IV; the prevention of pollution by garbage, annex V; and the prevention of pollution by air, annex VI.
Dealing first with annex IV of the MARPOL convention, these amendments impose new restrictions on the discharge of sewage from passengers ships in special areas of the sea which are particularly sensitive or vulnerable to pollution. Under annex IV, only the Baltic Sea is considered a special area, and so that is the area affected by this change.

Annex V deals with the prevention of pollution by garbage. This second group of amendments impose restrictions on the discharge of garbage by ships of any nationality in the parts of the sea that are within Australia's territorial jurisdiction, and on the discharge of garbage by Australian ships in all seas, in accordance with the changes to annex V of the convention. The new annex V has not been changed in terms of the types of vessels it applies to but has been strengthened, particularly for garbage discharge in special areas, and broadened to prohibit discharge of plastic.

Special areas in relation to annex V are the Mediterranean Sea, the Baltic Sea area, the Black Sea area, the Red Sea, the gulfs area, the North Sea, the wider Caribbean region and the Antarctic area. Common sense exceptions are permitted in certain circumstances and include: water used for washing the deck of external surfaces if the cleaning agents are not harmful to the environment; cargo residues; and animal carcasses. It should be noted that Australia already has mandatory requirements for livestock management in shipping, including requirements for the disposal of animal carcasses. Fishing equipment may also be discarded where it is for the protection of the marine environment or the safety of the ship or the crew. It should be noted that many Australian shipowners and operators already follow a policy of not discharging waste at sea other than food waste in some circumstances. This practice is fully consistent with the revised annex V. The amendments also expand the requirement to hold a garbage management plan and the garbage management book to fixed and floating platforms.

Annex VI deals with prevention of pollution by air. The bill makes mandatory the current voluntary energy efficiency design index for new ships of 400 gross tonnes and over that are engaged in international trade. This will only apply to new ships on 1 January 2013, or to certain ships that have undergone a major conversion. All existing ships will require a ship energy efficiency management plan, which is an operational document that can be implemented at little cost to industry.

The second element of the bill deals with so-called rollback provisions. The Protection of the Sea (Prevention of Pollution from Ships) Act 1983 includes rollback provisions in relation to offences committed under the act within the sea under the state and territory jurisdictions. To clarify the operation of rollback provisions in the act the bill proposes to distinguish between two areas of the territorial sea by amending the act to stipulate that the area from three to 12 nautical miles off the territorial sea is termed the 'outer territorial sea'. This is the area for which the states and territories have no power to legislate in relation to an incident. The landward side of the outer territorial sea that covers the area from the territorial sea baseline to the first three nautical miles out to sea is called the 'sea near a state', the 'sea near the Jervis Bay Territory' and the 'sea near an external territory'. This is the area for which the states and territories will be able to exercise jurisdiction. If they have no applicable laws, the Commonwealth will have jurisdiction. The amendment will clarify which level of government has jurisdiction over particular sea areas and will prevent Commonwealth legislation from prevailing over state and territory jurisdictions.
Finally, schedule 2 of the bill repeals the Stevedoring Levy (Imposition) Act 1998 and the Stevedoring Levy (Collection) Act 1998, which are redundant as the stevedoring levy ceased in May 2006. The stevedoring levy was introduced during the waterfront dispute in 1998 to help facilitate the restructure of our ports, to improve productivity and to address overmanning. The government of the time established a wholly owned Commonwealth company called the Maritime Industry Finance Company, or MIFCO, which established a $250 million loan facility to pay stevedoring employees their redundancy entitlements. This loan amount was then recovered from P&O Automotive & General Stevedoring and Patrick through a levy on the loading and unloading of containers and vehicles in Australia.

Successive independent reports to the former coalition governments, including by the Productivity Commission and the Industry Commission, concluded at the time that stevedoring was an impediment to our competitiveness as a nation. Our wharves were an international embarrassment and the prior Labor government had simply allowed our waterfronts to be the fiefdom of the union movement. Strong action was necessary to turn our waterfront into an efficient and reliable workplace. The coalition government backed employers who also wanted changes. Strong action was certainly needed. As a result of this action, waterfront productivity was greatly improved, with crane movement rates rising from 16.9 per hour in 1996 to 27.7 in June 2007. We moved from the bottom area of developed countries in efficiency on our wharves to close to the top.

Sadly, however, productivity on our wharves has now waned again, with container loading rates again in decline. The government has again surrendered to the union bosses and so it is no real wonder that the productivity level is again on the decline. Is it any wonder that port authorities are now resorting to automated and driverless unloading systems? An independent report released in June 2012 found that wages in Australian ports have been increasing ahead of productivity. The data suggests that the productivity gains which occurred under the former coalition government between 1998 and 2003 have largely dissipated—and that is tragic. This echoes the ACCC’s advice from November 2011 that the benefits of labour market reforms are likely to have been exhausted several years ago.

As I noted earlier, the stevedoring levy ceased operation in 2006, with its task completed, but our focus on waterfront productivity and reform should not cease. Our ports are our gateway to the world market, and it is vital that they are productive, efficient and internationally competitive. I thought about whether we should keep MIFCo for another round of reform but I concluded that the next round of reform will probably need to be done differently and a MIFCo structure is unlikely to be necessary. The coalition has taken time to consult with industry about their views on the bill, and industry have raised no objections. The measures contained within the Maritime Legislation Amendment Bill 2012 are largely uncontroversial and as such the coalition will be supporting the bill.

Mr PERRETT (Moreton) (10:13): I thank the member for Wide Bay for some parts of his contribution, but I certainly would take issue with some of this earlier comments. I do agree that productivity for a trading nation is most important and it is something I particularly worry about. As every economist would say, with productivity flatlining for the last 10 to 12 years—and productivity is a real indication of whether the engine of the nation is humming—we do need to do more. I also acknowledge Deputy Speaker Scott sitting in the chair. It is always good to speak before you and I hope you continue in that seat for a long time.
I rise to support the Maritime Legislation Amendment Bill 2012. This year the federal Labor government has introduced into the parliament a suite of bills that represents the most significant overhaul of Australia's maritime industry since 1912, which I think might be before the member for Longman was born, but I am not sure. This side of the House has introduced the national law bills to establish a single national marine safety regulator in Australia, and the government's Stronger Shipping for a Stronger Economy legislative reforms. From 1 July, we have seen the commencement of this legislation, which is revitalising Australia's shipping industry. Furthermore, since coming to power in 2007, the Labor government has significantly improved the protection of Australia's marine environment.

The bill before the chamber is another substantive legislative instrument that is part of the government's record of ensuring that the laws that protect Australia's precious marine environment are up-to-date and remain in step with international developments. The bill also clarifies the application of federal laws in the parts of the territorial sea that lie between Australian baselines, which are generally at or near the shore, and three nautical miles out to sea from those baselines. For students of politics, a former member for Moreton back in the sixties spent a lot of time talking about this particular topic, but it is only a brief blip in today's legislative agenda.

In addition, the bill will repeal the Stevedoring Levy (Imposition) Act 1998 and the Stevedoring Levy (Collection) Act 1998 which relate to the former stevedoring levy. Payment of this levy in accordance with the two acts ceased in May 2006 and the two acts will no longer have any effect. The main amendments in this bill protect the marine environment and encourage energy efficiency in the shipping industry. The amendments will help achieve cleaner seas and fewer CO₂ emissions from ships.

The federal Labor government has increased penalties for the discharge of oil or oil residues by ships in Australian waters from $220,000 to $11 million, banned the carriage or use of heavy grade oils on ships in the Antarctic area, legislated practices for ship-to-ship transfers of oil carried as cargo, and implemented incremental changes to the maximum sulphur level of marine fuel oil. All of these are important environmental advances. Like most Queenslanders, the protection of marine environments and marine life, both now and into the future, is something I am passionate about. In the 2010 election we saw, I would suggest, a misleading fear campaign about people's ability to fish. I have seen comments already indicating, because of the Coral Sea campaign, that there is going to be a campaign around this again at the next election. The reality is that the Labor government is protecting and nurturing fish and therefore protecting the jobs of the fishers but also the ability for recreational fishers to throw a line in.

The Coral Sea is globally recognised as an extremely important marine region, not only because of its unique biodiversity but also because of its important place in World War II history. Recent international studies have highlighted that the Coral Sea is one of the last remaining areas of the world's oceans where large-scale and biologically rich ecosystems remain relatively intact. I have been contacted by numerous groups and many of my constituents urging me to support increased protection for the Coral Sea. In fact, there is a postcard campaign throughout my electorate on this particular topic, so the people of Moreton realise that our precious oceans need to be protected. Preserving the Coral Sea is a rare
opportunity for our generation and for this parliament, and this bill is another step to further protect our marine environments. Sadly, as the billions of people in the world have taken over lots of spaces, there are not too many protected and biologically unique places in the world anymore. This bill continues the government’s comprehensive marine pollution prevention strategy. I commend the minister for his initiative and the great work that he has been doing in the maritime area generally. That is why I commend the bill to the House.

Mr HUNT (Flinders) (10:18): I am delighted to lend my support to the Maritime Legislation Amendment Bill 2012. This bill is the latest in a succession of steps for Australia to participate in and give effect to international provisions regarding the prevention of pollution from international and domestic maritime industries. Only last week I was at Phillip Island, in my electorate, meeting with people from the Phillip Island Nature Park. They have done work which is the practical face of the items intended by the bill.

The nature park, in conjunction with Victoria University, has developed what may well turn out to be the world’s leading system for care, prevention and recovery of seabirds and other marine creatures that have been affected by the discharge of oil, diesel or other fuels. So, in the event of an accident, in the event of an incident, the fine grain ionic particles which they have developed would be sprinkled on a bird or animal where they are covered in oil or diesel or other maritime fuels. These are magnetic in nature and the university has developed a short magnetic stick or, as they call it, a wand, which they would then wave over—I participated in these trials—the skin or fur of the animal. The magnetic particles are in turn lifted off and, with that, bring the offending oil or diesel or other maritime fuel with them. This technology is the living embodiment of everything that these bills are meant to support and encourage, which is the care, protection and maintenance of our marine environment.

I am completely supportive of, and utterly committed to, the broader notion of marine protection. I played a small role whilst we were in government in helping to advance this cause and also, more broadly, to look at cases such as those currently being developed by the Phillip Island Nature Park in conjunction with Victoria University. I happen to think that, if this technology is given support, it has the capacity to be a 21st century stump-jump plough for Australia. It will be Australian technology being used to try to deal with the consequences of marine accidents wherever they occur around the world.

This bill is about preventing those sorts of incidents. To the extent that it extends and advances the implementation of the MARPOL convention and the entire marine apparatus, I am delighted to support it, but it is one part of three elements going forward. Firstly, we implement the conventions. Our approach has been well elevated and set out by the Leader of the National Party, Mr Truss, this morning. Secondly, we need to have these measures in place, particularly for care and maintenance where there are spills. Thirdly—and this is the last thing that I want to address so as not to detain the chamber—we still have an issue of ongoing shore based pollution, which is an extraordinary element of legacy waste in the 21st century.

We use our coasts as dumping grounds for sewage around the country. We have well over 1,500 billion litres of waste water discharged off our coasts each year, every year. In Sydney, that includes primary treatment at Malabar Headland off Bondi and off the northern shores. We are effectively using our coasts as sewers, and that is a 19th century concept in the 21st century, and it simply cannot stand. We need a national ocean outfalls plan. This is something
to which I have now been committed for many years. If we are in a position in government, we will work with the states to develop an ocean outfall plan so that each of these outfalls is cleaned up to an acceptable standard and that water is progressively recycled for industry and agriculture around the country. We are in a wet period at the moment, but the dry times will come again soon enough. To be wasting that water and to be discharging pollution off our coasts completely undermines, I think, the intention of this bill. How can it be that we are taking steps to ensure, as we should, that our maritime operations do not despoil the seas whilst, at the same time, discharging 1,500 gigalitres, 1,500 billion litres, of sullied water off our coasts each year, every year, forever?

I am delighted that the Gunnamatta outfall is about to be treated to tertiary level. Within the next year that process should be completed. In my own electorate, 150 billion litres of waste water have been discharged at a very polluted and unacceptable level. That is multiple times greater than any ship discharge.

We can see that we have to take steps to prevent pollution occurring at sea, steps to allow for the clean-up and care and maintenance of those animals affected by sea-borne pollution and then we have to address the third part of the process—the extraordinary damage caused by 1,500 gigalitres, as well as the waste of water from that 1,500 gigalitres of sewage discharge around our oceans. We need to set time frames and targets to end that waste. I commend the bill and I thank the minister. It has our support but there are broader steps which we also need to take.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (10:25): I thank members for their constructive comments on this legislation, including the contribution just made by the member for Flinders. This is important legislation. Pollution from ships is indeed a significant threat to our pristine marine environment. Shipping is a crucial part of the Australian transport system. Each year almost 4,000 ships transport goods to and from Australia, carrying 99 per cent by volume of Australia's imports and exports. This constitutes the world's fourth-largest shipping task. The increase in demand for Australia's exports and new resource developments means that Australia's sea freight task is likely to double by 2025. Ensuring that shipping can meet these demands safely and efficiently is crucial to Australia's economic prosperity.

This bill continues the government's efforts to protect the marine environment by enacting revised measures adopted at the Marine Environment Protection Committee of the International Maritime Organisation on 15 July 2011. Just last week I had the pleasure of having dinner with the new Secretary-General of the IMO in welcoming him to Australia. It was indeed an important recognition in the visit of the Secretary-General of the role that Australia plays in international maritime.

The amendments in this bill reflect international best practice. The International Convention for the Prevention of Pollution from Ships—MARPOL—is the key international convention addressing issues around the marine pollution from ships. It has six technical annexes dealing respectively with oil, noxious liquid substances in bulk, harmful substances in package forms, sewage, garbage and air pollution. The amendments to MARPOL, which enter into force on 1 January 2013 and which are reflected in this bill, will impose new restrictions on the discharge of sewage from passenger ships in special areas of the sea which are particularly sensitive or vulnerable to pollution, strengthen the regulations relating to the
disposal by ships of garbage at sea by updating definitions and including new discharge requirements, and make mandatory an energy efficiency design index for new ships of 400 gross tonnage and over that will be built on or after 1 January 2013 for international trade, and a ship energy efficiency management plan from that date for all ships of 400 gross tonnage and over that are engaged in international trade.

The bill also clarifies the application of federal jurisdiction in the parts of the territorial sea that lie between Australian baselines which are generally at or near the shore and three nautical miles out to sea from those baselines, and repeals the Stevedoring Imposition Act 1998 and the Stevedoring Levy Collection Act 1998. These acts impose the stevedoring levy and are redundant as the stevedoring levy ceased in May 2006. This bill and others already before the parliament position Australia to make the most of our future as a shipping nation while ensuring that safety and the protection of our treasured marine environment is paramount. I commend this bill to the House.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

Transport Safety Investigation Amendment Bill 2012
Second Reading

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

Mr TRUSS (Wide Bay—Leader of The Nationals) (10:30): The Transport Safety Investigation Amendment Bill 2012 makes amendments affecting the operations of the Australian Transport Safety Bureau. The ATSB is a vital part of our transport regulation in Australia. It operates as an independent Commonwealth statutory agency, separate from transport regulators, policy makers and service providers. Its function is to improve safety in the aviation, marine and rail industries by conducting independent investigations of transport accidents, recording and analysing safety data and fostering safety awareness. Importantly, it is not the role of the ATSB to apportion blame or provide a means for determining liability. That is still the responsibility of the courts and other investigative agencies.

The bill implements two key changes to the operations of the ATSB. Firstly, the bill paves the way for the ATSB to become the national rail transport investigator. In this way the bill complements the introduction of the national transport reforms agreed by the Council of Australian Governments in 2009. These reforms are designed to adopt nationally consistent laws in maritime and rail safety, and for the heavy vehicle industry. The three national transport regulators are designed to reduce the regulatory burden on business. The reforms, once implemented, will consolidate the 23 existing regulators into three national regulators. It has been estimated that these reforms will provide productivity benefits of $30 billion over the next 20 years. This bill, together with the Rail Safety National Law (South Australia) Act, which was passed by the South Australian parliament in May 2012, will replace seven separate regulatory bodies and 46 pieces of legislation.

The National Rail Safety Regulator will be operational from 1 January 2013. The bill before the House implements commitments contained in the Intergovernmental Agreement on
Rail Safety Regulation and Investigation Reform, signed at the COAG meeting on 19 August 2011, which agreed that the ATSB would become the National Rail Safety Regulator. To achieve this objective, the bill broadens the ATSB's powers to allow them to investigate matters referred to it by state and territory governments.

Since 2003 the ATSB has had rail safety investigation functions and powers under the Transport Safety Investigation Act 2003. However, these powers have been largely limited to the interstate rail network. The bill proposes to extend the ATSB's investigatory role to allow it to investigate incidents on metropolitan passenger lines and the various state freight rail networks.

The bill gives state and territory government ministers with a responsibility for rail a right to request the ATSB to conduct an investigation in their jurisdiction and clarifies the ATSB's capacity to conduct investigations within a Commonwealth territory. In accordance with the intergovernmental agreement, states will pay the ATSB for investigatory services in their jurisdiction or, if they already have an established investigator, as is the case in New South Wales and Victoria, meet their own costs and contribute their investigation services. The Commonwealth government has already provided $11.2 million in funding to the ATSB to allow it to prepare for this national role.

The second change the bill makes to the operation of the ATSB is more technical. The bill provides that it is a defence to any prohibition on copying or disclosing restricted information and onboard recording information if it is done by a person performing functions or exercising power under or in connection with the act or regulations. Restricted information includes information obtained or generated through an investigation, as well as information produced as a confidential report. This amendment is intended to clarify the position with respect to regulations made under the act that contain functions or powers. This amendment is a precursor to the establishment of a national confidential reporting scheme through future regulation, as allowed for under section 20A of the act.

This new scheme will replace the existing aviation scheme established under the Air Navigation (Confidential Reporting) Regulations 2006 and the existing maritime scheme established under the Navigation (Confidential Marine Reporting Scheme) Regulations 2008. Importantly, this amendment will mean that for the first time there will be a confidential reporting scheme for safety incidents in the rail industry. Confidential reporting as it operates in the aviation and maritime industries is designed to encourage cooperation from those involved in a safety investigation and allow full disclosure without fear of reprisal. Extending this to the rail industry is an important aspect of the ATSB's role as the no-blame safety investigator.

The ATSB is a vital part of our transport regulatory system. Its no-blame investigations have seen many safety improvements in the rail, maritime and aviation sectors implemented and have helped foster a culture of safety in the transport industry. The ATSB is about examining transport incidents with a view to implementing new procedures or regulations to prevent accidents occurring in the future. It is about delivering a safer future, not apportioning blame for the past. As a result, it is able to dig deep into the causes of an accident without limitations of creating liability or admitting criminality or malpractice. That is for other processes like coroners inquiries, police investigations or court processes.
I have been very impressed with the work of the ATSB. It is painstaking work, putting pieces together. I once visited their warehouse in Canberra and it was quite impressive to see how little pieces coming from an accident were being assembled in a building in the hope of finding out why an engine had failed or why some other critical piece of infrastructure or machinery was not working properly. That is complex work. It frequently involves discussions with manufacturers from overseas and international agencies that have skills that are perhaps not available in Australia. It also involves working painstakingly in the field to identify what has happened where an accident has occurred with a view to making sure as much as we possibly can that the same kind of incident is not repeated in the future. It is Sherlock Holmes stuff—very technical, very detailed, very time-consuming, sometimes involving looking for the tiniest clues which could save many lives in the future. I have no doubt that the ATSB has made our skies safer, it has made our shipping safer and it will do the same in relation to the rail industry.

The coalition has consulted extensively with the rail industry in relation to the measures contained in the bill and no-one has raised any objections. Because of this, the coalition is happy to support the bill.

Mr ZAPPIA (Makin) (10:38): I too speak in support of the Transport Safety Investigation Amendment Bill 2012. The bill supports the creation of a national rail safety regulator by empowering the Australian Transport Safety Bureau to conduct investigations in all jurisdictions, including investigations relating to metropolitan rail lines, which are currently the jurisdiction of the states. To do this, the bill amends the Transport Safety Investigation Act 2003 to give relevant state and territory government ministers a right to request that the Australian Transport Safety Bureau conduct an investigation in their jurisdiction and clarify the Australian Transport Safety Bureau's capacity to conduct investigations within, to or from a Commonwealth territory. The bill also makes provision for some information related to the investigation to be disclosed in accordance with regulations.

The bill flows from the creation of a national rail safety regulator as one of three national transport regulators, with the intent of having nationally consistent transport laws. The Australian Transport Safety Bureau has been investigating rail incidents since 2003, when the Transport Safety Investigation Act came into effect. Those investigations have been limited to the defined interstate rail network running from Perth to Brisbane and Adelaide to Darwin. Other investigations were the responsibility of the states and territories. With this legislation that will change from 1 January 2013 and the Australian Transport Safety Bureau will carry out all investigations, including those previously under state or territory jurisdictions.

The bill enables the states and territories to request the Australian Transport Safety Bureau to conduct an investigation under the agreement with the states and territories. The costs of the investigation will, however, be met by the states and territories. If the states and territories have an established investigator they can continue to use, at their cost, the services of that investigator, who will in turn report to the Australian Transport Safety Bureau. The establishment of the National Rail Safety Regulator means that interstate rail operators will no longer have to deal with seven separate regulatory authorities and 46 pieces of state, territory and Commonwealth legislation, including seven rail acts, nine occupational health and safety acts and seven dangerous goods acts.
Consistent with the intergovernmental agreement and the establishment of the National Rail Safety Regulator, I note that the South Australian parliament has already passed the complementary legislation required and that other states and territories are working on it. Whilst it is generally only the major rail accidents that make news headlines, the reality is that rail incidents occur from time to time and often with very serious consequences. In South Australia there have been six accidents in the last decade in which 12 lives have been lost. In addition there have been many other rail accidents and/or incidents in which fatalities fortunately did not occur. Of course, with both population and goods transport likely to increase in the future, we can expect to see an increase in rail transport. That makes it even more important to have uniformity across Australia with respect to rail transport laws and practices.

I raise three specific matters in support of this legislation. Firstly, when a rail incident occurs it is important that a thorough investigation of the incident is carried out so that the causes and contributing factors are clear and in turn necessary action can be implemented to prevent a reoccurrence. Secondly, when an investigation is required it is important that it is carried out by an independent expert who in turn has access to all relevant information. Thirdly, consideration must be given to the impacts on the lives of both the victims of train accidents and the train drivers. For both parties the accidents will leave lifelong scars and expectations that remedial measures will be taken to prevent similar events in the future.

On 27 October 2002, I was Mayor of Salisbury when the Ghan interstate train crashed into a car and a bus at the Park Terrace level rail crossing in the heart of Salisbury. Four people were killed in the accident, and many more, mainly school children in the bus at the time, were injured. I well recall the horrific scenes at the accident site, the commendable work of the emergency response crews, the reaction from the local community, in particular, from the families of those killed, my subsequent discussions with local train drivers about the accident and meeting with Vince Graham, who was brought in from New South Wales by the South Australian government to carry out the accident investigation. His investigation was thorough and the recommendations he made were important in improving future safety at the Salisbury level crossing and other level crossings in South Australia. Following Vince Graham's report the South Australian government also announced that no new level crossings would be approved in South Australia, and to my knowledge none have been opened since that time.

A separate investigation was also carried out at the time by the Australian Transport Safety Bureau because the accident did involve an interstate train, the Ghan.

Importantly, neither investigation placed any blame on the train drivers. Nevertheless, they have to live with the memory of the accident and their inability, despite their best efforts, to prevent the accident from occurring. Many train drivers are often the forgotten victims of rail accidents. Graeme Parslow, the driver of the Ghan at the time of the Salisbury tragedy, has spoken publicly about his life and understandably about the trauma he has endured in being a train driver and the effects that has had on his personal and family life. Other train drivers I have spoken to over the years have echoed Graeme's sentiments. For them, the trains and the rail tracks are their workplace and making their workplace safer is as important as making any other workplace safe.

That process begins by understanding the contributing factors to accidents when they occur and that in turn depends on thorough investigation being carried out. I read both the report of
Vince Graham at the time and that of the Australian Transport Safety Bureau. I concur with the comments made by the Leader of the Nationals that those reports require painstaking effort in order to get to the detail of all the factors that are relevant in their findings. I can well recall the effort that both investigators went to ensure that their report covered every aspect of the accident.

So I go back to the point I was making earlier: it is important that, whenever an accident occurs and wherever it occurs, investigation is carried out by a truly independent authority that has access to every detail of information that is required. The Australian Transport Safety Bureau, in my view, is the appropriate body to ensure that the necessary investigation takes place wherever a rail accident occurs in Australia. The purpose of this bill is to do exactly that. For those reasons I commend the bill to the House.

Mr BALDWIN (Paterson) (10:47): I rise today to speak on this important legislation, the Transport Safety Investigation Amendment Bill 2012. Rail safety in terms of passenger and freight movements attracts a high level of attention in my electorate of Paterson as well as for the residents of the Hunter as a whole. Exactly one century before Federation, in 1801, Governor King sent out an expedition to the region after facing food, fuel and material shortages at Sydney Cove. The expedition was headed by Lieutenant Colonel Paterson, after whom my electorate is named. He sailed 40 miles up the Hunter River and confirmed reports of coal resources urgently required by the Sydney Cove settlement. From then on convicts shouldered the heavy burdens of coalmining and the safety risks associated with its transport. Their legacy is the hard-earned reputation of today's Novocastrians and Hunter residents, people made of sterner stuff. After almost 100 years, the Australian Agricultural Company based in Newcastle opened the first railroad in any of our colonies by constructing the first of three gravitational railways to service pit coalmines.

Today the New South Wales government receives about $1.25 billion in mining royalties and coal accounts for over 95 per cent of this revenue. As Australia has grown, so has our dependence on this fuel. We are ever more reliant on trains to bring the coal into Kooragang Island so that it can be shipped from the world's largest coal export port of Newcastle. Transporters access a range of risk variables in determining safe load limits and operating speeds. BHP Billiton, for example, holds the record for the largest minerals transport in one run. One train comprised 682 wagons, with a total length of 7,353 kilometres. The route for this delivery of 99,734 tonnes was the flat and straight 275-kilometre iron ore railway from Port Hedland in Western Australia.

It is not unusual to see heavy-laden coal trains traverse the Hunter Valley with carriages numbering 60 or more. The route network features variable gradients and snakes around the hills and valleys, farms and townships and intersects with our road network level crossings throughout the valley. Coal train drivers and controllers have further complicating factors to consider in addition to curves and gradients. Train length and loads on electrified railways, especially low-voltage 3,000 DC volts and 1,500 DC volts, are limited by traction power considerations. Drawgear and couplings can be a limiting factor as can be crossing loop lengths. Freight trains with a total length of three or four times that average are possible with the advent of distributed power units—DPUs—or additional locomotive engines between or behind long chains of freight cars, referred to as a 'consist'. These DPUs enable much longer, heavier loads
without the increased risks of derailing that stem from the stress of pulling very long chains of
train cars around curves. Finally, the burgeoning demand for Australian coal from India and
China exerts pressure to supply enormous volumes. All the while this is timed to match mine
site extraction rates and shift times at collection and the efficiency of port operators loading
cargo ships.

The transport safety investigation amendment is another logical step from the decision by
the Council of Australian Governments to establish the Australian Rail Track Corporation as
set in 1997 under the Howard government. The ARTC was set up both to help 'plug the gaps'
in national rail infrastructure caused by a significant underfunding by individual state
governments while ensuring there was a one-stop shop for all operators seeking access to the
our nation's interstate network.

The natural corollary to this was to have a national authority responsible for rail safety on
that network and in July 1999 the Australian Transport Safety Bureau was duly established.
Modelled on the National Transportation Safety Board in the United States, the ATSB seeks
to ensure that safety standards are constantly monitored and improved upon from thorough
and detailed investigations into transport accidents and incidents, rail included. It also records
and analyses safety data to foster general safety awareness. The cornerstone of the ATSB is
that it is independent of transport regulators, policymakers and service providers. It works not
by seeking to cast blame or by seeking to determine blame but by ensuring that lessons are
learnt and world's best practice is followed and enhanced. However in relation to the ATSB,
rail investigations were only conducted on the interstate network leaving different safety laws
for the interstate ARTC-owned and leased corridors and for other intrastate networks, and
there were similar situations in relation to maritime and heavy goods vehicle industries. In
order to improve efficiency, COAG decided in 2009 to work towards national transport safety
standards and to change the burden on businesses facing 23 often-disparate regulators with
differing regulations. By consolidating these 23 regulators into three national ones,
productivity benefits equivalent to $30 billion over 20 years are expected to be achieved.

This bill, when combined with the rail safety national law which was passed by the South
Australian parliament in May 2012, will therefore be the culmination of these efforts and
replace seven separate regulatory bodies and 46 pieces of legislation. It will see the ATSB
becoming the national rail safety regulator from 1 January next year. This will mean that the
ATS, at the behest of state and territory ministers, will be able to investigate accidents and
incidents on our various rail networks. Not only will this include our freight networks; but it
will also include our urban railway rail lines whether they be the Newcastle or the Central
Coast line, Melbourne's City Loop, more regional lines such as the Hunter line and
Countrylink or, indeed, Trans WA's Australind services.

I also think the bill provides a flexible and more efficient model of federalism in our
Commonwealth that could be adopted more widely. At its core the bill's provisions seek to
build on the existing framework by giving states and territories the ability to pay for the
investigations that their ministers have asked the ATSB to carry out within their jurisdictions
or they can choose to use their own established investigators, which is the case in New South
Wales and Victoria, and meet their own costs. The $11.2 million of Commonwealth funding
should enable the ATSB to prepare for its larger role in national transportation safety.
This side of the House also welcomes the clarification in regards to confidential reporting encouraging cooperation from those involved in a safety investigation, allowing for disclosure without fear of reprisal. It is vital that fear of reprisal does not prevent our safety regulators from learning lessons that help prevent injuries and loss of lives going into the future.

Earlier in this speech I alluded to my home region of the Hunter and the importance of the coal industry. The coal industry brings undoubted prosperity to our region and the state of New South Wales, which receives about $1¼ billion in mining royalties, 95 per cent of which is accounted for by coal. Our coal companies are amongst the world's best and have been good corporate citizens. I particularly welcome the work they have done in dust suppression sites around mines and roads as part of their $15 million annual funding of the Australian Coal Association Research program.

All the rail wagons on their way from the Hunter Valley to the port of Newcastle pass through my electorate and there is growing community concern regarding air quality and the impact of coaldust emanating from these trains as they travel through, concerns that have been growing with each additional train hauling coal to Newcastle as the mining boom has picked up steam. The extent of this can be seen from the proposed fourth coal loading terminal, which would double the volume of coal being transported through my electorate, leading to an extra 80 train movements every day of the year.

It is a concern that I myself understand. I live near the railway line that runs from Maitland to Newcastle, and one only needs to take a look at the dust sitting on my roof or the roofs in my region to see there is a problem that needs to be addressed. Whilst I do not hold fears for the structural integrity of our family home, I do think about the potential health impacts on my community.

I have to acknowledge the efforts by the Newcastle Herald to bring this issue to public attention through their Great Cover Up campaign. Their campaign encourages Herald readers to sign a petition which calls for the introduction of mandatory coal wagon covers. This is not just an issue engendered by the local media. Community grassroots organisations have also been very active. There is an alliance of 14 Hunter community and environmental groups who have taken it upon themselves to conduct an independent study into the impact of coaldust on the region's air quality.

Bringing us to back the bill, it is the Australian Rail Track Corporation that is investigating the level of particulate matter generated by Hunter coal trains. I hope this work includes monitoring air quality along rail corridors and in surrounding suburbs, for this is every bit as important a safety issue as the investigations into derailments. Dr Peter Lewis, Area Director of Public Health for the Northern Sydney Central Coast, has indicated:

… any increased particulate exposure is associated with increased adverse health outcomes, even if the levels are below the current guidelines.

Therefore evidence of increased coaldust fallout on clothes, roofs and vehicles increases the prospects of greater inhalation by the public.

I think it irresponsible for any MP or senator without medical expertise in respiratory health to draw conclusions about the dose-response relationship between inhaled particulate matter and the level of associated risk for developing a lung infection, chronic obstructive pulmonary disease or a cancer of some sort. I would also counsel any colleagues about...
jumping to conclusions about causes of dust, which we know from recent research will come from a variety of sources. I remind the Australian Greens in particular of the outgoing New South Wales Labor government's investigation of a cancer cluster in my region. When properly investigated, it was determined by the Population Health Division that the cases of ill health amongst this group of neighbours was coincidental.

Not long ago people similarly jumped the gun and blamed mining for high dust particulate readings in Toowoomba, only to learn other much more significant contributions were made by vehicle exhaust, ploughing, dry weather and winds. The federal coalition supports, therefore, the Prime Minister's process, and lends its encouragement to the Minister for Infrastructure and Transport in running a thorough investigation. We look forward to his tabling of the facts once they are properly investigated.

When the Prime Minister visited the Hunter last week she called for more scientific investigation of coaldust's impact on Hunter communities. This is aligned with the New South Wales government's establishment of the Upper Hunter Air Quality Monitoring Network. This dust monitoring system is managed by the New South Wales department of agriculture, funded by the minerals extractors in the region, and under the coordination of the New South Wales Minerals Council. Impacts of dust from open top coal carriages are being investigated by the ARTC in conjunction with the Environmental Protection Agency. It should be allowed to report and should not be pressured to cut corners in its work. It is in everyone's interest to resolve this issue.

The coal industry, other businesses and Hunter residents need to be able to live in harmony for everyone's benefit. So too do the people who live alongside or work on the rail tracks carrying the coal have the right to enjoy an air quality that does not exceed nationally acceptable levels of particulates. Although not related to coaldust from coal trains, it is particularly concerning that acceptable air quality standards may have already been exceeded in the Hunter at Stockton and Muswellbrook several times in the past 12 months.

I am encouraged, though, that there are solutions at hand, either through the covering of individual wagon covers or through the chemistry of agglomeration and binding dust particles through spray techniques. The solution needs to be effective, affordable and deliverable. If it is to be wagon covers, they should only require minimum additional infrastructure. If the chosen solution is a spray, it should be quick to apply.

I know of one Hunter company at Kooragang called Hammersley Products. It believes it has found an alternative solution. It has developed a product which, according to the Newcastle Herald:

... agglomerates fine particulate matter and provides an elastic protection for the surface and top-layer areas of the coal.

Its strong wetting properties apparently maintain the de-dusting effect and inhibit the treated surfaces from drying out.

Whilst this amendment bill seeks to deliver a safer national transport framework by learning from past incidents and ensuring the provision of the world's best practice in terms of safety, I hope that an innovative solution will also be found, so that those who live near or work on the coal trains can also be reassured that they too are safe—safe from possible increased health risks, such as asthma, bronchitis and emphysema, that may be caused by
exposure to coal dust alongside other risk factors. In tandem with this, there should be continued health studies to ensure that the cause of adverse health effects are determined by evidence based science and not erroneously attributed to exposure to coalmining or coal-fired power generation activities. I accept that further investigation is necessary to determine the impact of pollutant exposures. Therefore, I look forward to reading the report from the New South Wales Environment Protection Agency, due at the end of this month, to further my understanding of this issue. I commend the bill to the house.

Mr HAWKE (Mitchell) (10:59): I rise to speak on the Transport Safety Investigation Amendment Bill 2012. This bill is an important piece of legislation in terms of consolidating the amount of regulators into a national system which, of course, is a worthy objective for us to be pursuing as a House. The Australian Transport Safety Bureau, as we know, is an independent Commonwealth statutory agency separate from transport regulators, policymakers and service providers. Its function is to improve safety in the aviation, marine and rail industries by conducting independent investigations of transport accidents, recording and analysing safety data and fostering safety awareness. Importantly, it is not a function of the ATSB to apportion blame or provide a means for determining liability.

Recently, in my own area of Mitchell and in North West Sydney we have had something that has been of concern in relation to an ATSB investigation, which is the Zig Zag Railway closure, about which I have had representation from constituents in my electorate, who have, over many years, spent time using the rail line and understanding its role in Australian history. The Zig Zag Railway was built in the 1860s. It was an engineering masterpiece of the 19th century and was originally used to transport people and produce from the Western Plains of New South Wales to Sydney. Currently, it was run by the Zig Zag Railway Co-op, a volunteer not-for-profit co-operative, and relied heavily on ticket sales and donations to continue to function. The Zig Zag Railway has brought, for many years, a part of Australia's cultural history and colonial past to people, and it is quite a good experience and offers the opportunity to people of all ages and different cultures to experience this bustling railway line that was so important to Australia's development. The Zig Zag Railway was a major tourism attraction and a premier tourist attraction in the Blue Mountains. It helped to stimulate jobs and business opportunities within the accommodation, food and retail sectors.

It is a shame to see a piece of history such as this fall by the wayside. I think it will impact local businesses and tourism in the region greatly and it would be a great detriment to see this railway close. That is why I welcome some of the provisions of this bill which look at a more truly national system but also reduce regulation and burden, and which have a more realistic approach. I think it is important that, from a legislative perspective, we have a common-sense approach to this kind of voluntary co-op. Of course, safety is critical and must be taken into account and, at all times, enhanced. But Australia has a very good record of rail safety compared with other countries in the world and, indeed, Australia has a good record when you compare tourism rail lines in other parts of the world as well. The message can only be one of confidence and safety that we project to the world in terms of our rail safety record.

There must be a common-sense outcome on the zigzag railway that can be put together, given that this is a serious piece of infrastructure. It has been very important in Australia's history and internal development as a colony, and now it seems to be unsatisfactory that the zigzag rail line has been shut as a result of an ATSB investigation. There may be a better way
of approaching this that would produce the right outcome for the community and continue to maintain high standards of safety.

In this bill for the first time the ATSB will have an investigatory role over incidents on metropolitan passenger lines and state freight rail networks, which is a good development. The concept of states and territories working together to have a referral system to a national body, and paying for it, is a common-sense approach which will reduce cost and consolidate 46 pieces of legislation and seven separate regulatory bodies. That can only be a good thing, and it can only make sense.

My hope is that when you have one umpire and one arbiter there are mechanisms for institutions such as the zigzag rail line to have avenues to follow up outcomes that may be undesirable or that can be fixed with a realistic and common-sense approach—not law for law's sake but continuing to allow voluntary activity and good-quality tourism attractions to function. Of course, that relies on other levels of government funding and the availability of other interested investors and parties to pull the thing together to make sure it is completely and utterly coherent. But the outcome that has occurred is, I think, less than satisfactory and something that could be reconsidered in the new framework put together by this legislation.

I welcome the very important provisions on confidential reporting in rail. In particular, the amendment to clarify the position to allow for a national confidential reporting scheme to be established under section 28 of the Transport Safety Investigation Act is vital and will allow for a confidential reporting scheme for safety incidents in the rail industry. A fundamental plank in allowing better safety outcomes is to allow confidential reporting.

Today, I welcome this legislation for its removal of regulation, red tape and regulatory bodies that are duplicated, and for reducing cost and simplifying a safety system. I also make it clear that there is a great potential in the zigzag rail line near my electorate, which affects some of my constituents, for a better outcome to be produced similar to train projects in South Australia or Tasmania, which have been great tourism wins and which have fantastic safety records that allow for the continued functioning of voluntary activity and good-quality tourism and business outcomes for local communities.

While endorsing this bill, I express a hope that a national system will produce good outcomes for local communities and maintain safe rail lines in Australia.

**Mrs GRIGGS (Solomon) (11:08):** I rise to speak on the Transport Safety Investigation Amendment Bill 2012. The amendments that are proposed to the Transport Safety Investigation Act 2003 give relevant state and territory government ministers the capacity to request that the Australian Transport Safety Bureau conduct an investigation in their jurisdiction. The amendments also propose to clarify the ATSB's capacity to conduct investigations within, to or from a Commonwealth territory, and to facilitate access to on-board reporting and restricted information in accordance with these regulations.

The first two proposed amendments relate to the implementation of commitments contained in the Intergovernmental Agreement on Rail Safety Regulation and Investigation Reform, or the IGA. The IGA was signed by COAG back in August 2011. In addition to the separate establishment of a national rail safety regulator, the IGA commits to the ATSB becoming the National Rail Safety Investigator, which is, as my colleague has said, something that we are looking forward to.
The ATSB has been investigating rail occurrences under the TSI Act since July 2003. The ATSB, as an independent Commonwealth statutory agency, is separate from the transport regulators, policy makers and service providers. We think that independence is a good thing. The ATSB’s brief is to improve safety in the aviation, marine and rail industries through its independent investigations of transport accidents, the recording and analysis of safety data and by fostering safety awareness. It is important to note it is not a function of the ATSB to apportion blame or to provide a means for determining liability.

Under the provisions of the Transport Safety Investigations Bill, it supplements the introduction of the national transport reforms agreed by COAG back in 2009. These national transport reforms will see a national regulator for heavy vehicles, rail safety and maritime safety, therefore reducing the regulatory burden on businesses and consolidating the 23 existing regulators into three national regulators. These national transport reforms are anticipated to provide productivity gains over the next 20 years of around $30 billion. The bill implements commitments contained in the Intergovernmental Agreement on Rail Safety Regulation and Investigation Reform which was signed, as I said, by COAG on 19 August last year. As part of the intergovernmental agreement, the ATSB will become the national rail safety investigator.

This bill, together with the rail safety national law which was passed by the South Australian parliament in May 2012, will replace seven regulatory bodies and 46 pieces of legislation. The national rail safety regulator will be operational from 1 January 2013. To fulfil its role as the national rail safety investigator, this bill gives the ATSB the power to investigate matters referred to it by the state and territory governments. This means for the first time the ATSB will have an investigatory role over incidents on metropolitan passenger lines and various state and territory freight rail networks. However, this will only be available for incidents referred to it for investigation by the relevant state or territory government.

The Northern Territory spans across 20 per cent of Australia’s landmass, a vast and remote space with hundreds of kilometres of land separating townships. While the Northern Territory’s strong and reliable transport systems are required primarily for economic development, most of the Territory’s population resides in Darwin but many choose to live in rural and remote communities across the region. Therefore Territorians rely on the major transport services, such as the AustralAsia railway which links Darwin to Adelaide, for fast and efficient transport of passengers and freight. Thousands of people travel to the Northern Territory each year on board the Ghan which boosts tourism and provides critical links to the continued development of the Northern Territory, given its remoteness to the rest of Australia. The transcontinental railway, which was completed in January 2004, established this vital link between Adelaide and Darwin. In 2010, Genesee and Wyoming started operating their Tarcoola to Darwin line, which allows for regular train services each week.

For the decade ended December 2011, the Northern Territory had 24 train derailments. This total is quite minor compared with New South Wales, which encountered the most in the country with 497, followed by Queensland with 370 and Western Australia with 213. However, for the Northern Territory with only one rail line, any derailment has a significant impact on the Territory. For the same period, the Northern Territory had 1.95 derailments per million kilometres travelled, significantly fewer than Tasmania which had 10.93 derailments per million kilometres travelled—an interesting fact. These derailments in the Northern
Territory occurred during the construction period of the Alice Springs to Darwin railway, at a time when it was not part of the defined interstate rail network, which was prior to January 2004.

There were five rail safety investigations carried out in the Northern Territory during 1 January 2002 to 31 December 2011.

As I said, given the remote location of the Northern Territory, train derailments have a major impact on food and produce supply. They also threaten the environment, particularly if a train derails carrying toxic substances, such as in December 2011 when a freight train derailed in flood waters just near Katherine, at Edith River. Extreme weather weakened a bridge and caused the freight train to derail. This disaster saw about 12,000 tonnes of toxic copper concentrate, which was being carried in tarpaulin covered carriages, spill into the Edith River. The derailment was the second to happen in just over a year on the same line and the clean-up was time-consuming. At the time the track operator Genesee and Wyoming were not able to access the site safely and, as a result, water testing was carried out for some time. A similar derailment occurred near Tennant Creek on the Darwin to Adelaide railway in June this year. The derailment occurred when one set of wheels came off the loaded minerals wagon. It was the third derailment in 19 months and the incident left around 240 passengers on the Ghan, headed for Darwin, in limbo.

Concerns have since been raised about the safety of transporting radioactive material and toxic chemicals. It can only be a matter of time before an environmental disaster occurs. Territorians rely heavily on the transport of goods from south to north in the Northern Territory. When a derailment occurs, signs go up in local supermarkets warning shoppers of delays in getting fresh food and produce. Investigations and work-safe guidelines into derailments are therefore crucial in preventing and safeguarding against similar disasters occurring in the future.

I welcome that the bill gives state and territory government ministers responsibility for rail and the right to request that the ATSB conduct an investigation in their jurisdiction, and it clarifies the ATSB’s capacity to conduct investigations within a Commonwealth territory. In accordance with the Intergovernmental Agreement, states will pay the ATSB for investigatory services in their jurisdiction, or, if they already have an established investigator, as is the case in New South Wales and Victoria, they will meet their own costs and contribute their investigation services.

The amendment clears the way for a national confidential reporting scheme to the established through future regulation under section 20A of the Transport Safety Investigation Act. This new scheme will replace the existing aviation scheme established under the Air Navigation (Confidential Reporting) Regulations 2006 and the existing maritime scheme established under the Navigation (Confidential Marine Reporting Scheme) Regulations 2008. Importantly, it will mean that, for the first time, there will be a confidential reporting scheme for safety incidents in the rail industry. As my colleagues have said, we welcome this legislation. Reliable and appropriate transport is critical to the development of the Northern Territory now and into the future. Given our proximity from major markets in Australia, our industries like mining and tourism rely heavily on the transport of passengers and freight to continue to contribute to the growth of our region.
Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (11:18): I thank members for their comments and their contribution to the debate on the Transport Safety Investigation Amendment Bill 2012. This bill is the second piece of legislation considered by this parliament that creates a single national regulatory framework for Australia's transport industry. We have already considered a bill that creates a national maritime safety regulator to be conducted by the Australian Maritime Safety Authority. This bill supports the creation of a national rail safety regulator by empowering the Australian Transport Safety Bureau to conduct investigations in all jurisdictions.

Right now the Queensland parliament is considering a bill that will establish the national heavy vehicle regulator. This means, from 2013, maritime safety, rail safety and heavy vehicles will for the first time have nationally consistent laws. This will cut the number of transport regulators operating across Australia from 23 down to three, producing a benefit for the Australian economy of some $30 billion over 20 years. This reform will also improve safety, simplify the compliance task for transport operators and boost national income. Along with the productivity gains, the safety outcomes should also be at the forefront of our minds. Common sense tells you that a single system across jurisdictions is easier to understand and, therefore, easier to comply with than a complex series of often contradictory and conflicting rules.

It is certainly in the public's interest to know that risks to safety will be identified and rectified. From January 2013, the ATSB will expand its rail jurisdiction from the interstate networks to also cover metropolitan rail travel. The ATSB's investigation jurisdiction will match that of the new National Rail Safety Regulator that will be based in Adelaide. This bill and the broader national transport regulator reforms finally fix the history of inconsistent regulatory and investigation practices between the states and territories that have constrained productivity in road, rail and shipping freight transportation.

This reform continues this government's steadfast commitment to ensuring Australia's future economic productivity. I thank all members of the House who have participated in this debate, and I thank the House for the support of this important legislation. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

CONDOLENCES

Diddams, Sergeant Blaine Flower

Debate resumed on the motion by Ms Gillard (Prime Minister):

That the House record its deep regret at the death on 2 July 2012, of Sergeant Blaine Flower Diddams during combat operations in Afghanistan, place on record its appreciation of his service to his country, and tender its profound sympathy to his family in their bereavement.

Mrs MOYLAN (Pearce) (11:22): Sadly, on Monday 2 July 2012, Australia lost one of its finest young men when Sergeant Blaine Flower Diddams was killed in action in Afghanistan. Sergeant Diddams was doing what he was trained to do as a Special Air Service Regiment patrol commander in the Special Operations Task Group. He was deployed many times to
several countries including Somalia, East Timor, the Solomon Islands and Afghanistan, and to Perth during CHOGM.

He was a career soldier and, indeed, he was on his seventh tour of duty to Afghanistan since 2001. In his short life, he had received many honours and awards. Those honours and awards include the Australian Act of Service Medal with Clasp Somalia, International Forces East Timor Medal, Afghanistan Campaign Medal, Australian Service Medal with Clasp Solomon Islands, Defence Long Service Medal, the Australian Defence Medal, NATO ISAF Medal, Meritorious Unit Citation, Infantry Combat Badge and Returned from Active Service Badge.

It was a sad and deeply moving occasion to attend the funeral service of Blaine Diddams and to hear the outpouring of love and affection from his family and friends. Although Blaine Diddams was born in Canberra, he was a member of the Special Operations Task Group from the Perth based Air Services Regiment, and he and his family lived in my electorate of Pearce.

I was not privileged to have personally known Sergeant Diddams but I did know some of his colleagues in the SAS and I know that he was held in the highest regard by all those who knew him and worked with him. I felt deeply moved by the tributes to Sergeant Diddams and the depth of concern his friends showed towards his family. Everyone who spoke at the funeral talked of his zest for life and he certainly achieved much and did a lot of living in his too-short life. I know his death was deeply felt by the SAS Regiment in Swanbourne. I express my deepest sympathy to the regiment and to the many other SAS colleagues who came from all over Australia to pay tribute to their mate.

Blaine Diddams was devoted to his loving family and is deeply mourned by them. Their loss is profound. Once again, I extend my heartfelt condolences to his wife, Toni-Ann; his children, Elle-Lou and Henry; his parents, Peter and Cate; and his sisters and brothers, Nikki, Sian, Christian and Luke. Lest we forget.

Mr FITZGIBBON (Hunter—Chief Government Whip) (11:26): I join with the Prime Minister, the Leader of the Opposition, the Minister for Defence, indeed, the member for Pearce and all those who have made or will make a contribution to this condolence motion in extending my sympathies and condolences to the family of Sergeant Blaine Flower Diddams. We have now lost 34 Australians in Afghanistan—one serving with the UK forces, who gave his life in the period when I was defence minister—and it is 34 too many. We are, and will be, forever grateful for what Sergeant Diddams and those who fell before him have done in our uniform, in the name and in the interests of our country.

I still remain a firm believer in the Afghanistan mission. We are there for the right reasons and we are making real progress. The mission is not without its critics and, given the history of Afghanistan, the complexity of the campaign and the difficult challenges of the campaign, we are making a real difference. We are making a real difference on the security front, the governance front, building capacity in the justice system, building a police force as well as an Afghan National Army. We continue to build schools, bridges, roads, hospitals and things that make living in Afghanistan better and we are, of course, building a democracy, generally speaking, in that country. The work is far from complete. It will be a long time before we can claim that what we set out to achieve in Afghanistan is complete, but what is complete is the initial mission to ensure that Afghanistan no longer provides a safe haven and training ground.
for terrorists to perpetrate their acts of terror around the globe on all people living in our community of nations including, of course, Australians.

Sergeant Diddams, like every member of the ADF I have met, was obviously a committed person, obviously a very courageous person. As a member of the Special Operations Task Force, he was highly trained and very, very capable, a soldier with a lot of experience in the ADF and a person who had effectively given his life—not just literally but before the loss of his life—to the Australian Defence Force. We need to be very sure in this place that the life of Sergeant Diddams and those who have fallen before him have not been given in vain. We owe it to them and their families to continue the mission, to see the mission through and to complete all the objectives we set down for ourselves, not just when we first went into Afghanistan but those broader ambitions like capacity building that we embraced some time thereafter.

Again, my condolences go Blaine's widow, Toni-Ann; his daughter, Elle-Lou; his son, Henry; his parents, Peter and Cate; his siblings, Christian, Luke, Nikki and Sian; and all those who served closely with Sergeant Diddams throughout the course of his time serving the Australian Defence Force. We in this country owe him a great debt and today, in this place, we bestow upon him a great honour and say, 'Thank you, Sergeant Diddams, for your service.'

Mr TUDGE (Aston) (11:30): The toughest of tough soldiers, known as a hard hitter, Special Air Services Regiment Patrol Commander Sergeant Blaine Flower Diddams was also a tender, loving husband and father to his wife Toni-Ann, daughter Elle-Lou and son Henry. He was a valued friend who is sadly missed. His family and friends were of greatest importance to him. Described as totally devoted to his wife, children and extended family, Blaine's brothers and sisters also looked up to him as their hero long before he became a national hero. Didds, as they called him, was all that we cherish about the Australian spirit—a man who stood by his mates no matter what. The men who served side by side with him in the SASR were his brothers in every sense of the word. He was unreservedly dedicated to his mates and to his country. Known for his outgoing personality, quirky sense of humour and infectious enthusiasm, he was held in the highest regard by his mates and comrades alike. His friends became part of his family. Their loss, too, is acute and we in this place stand with them as well as Blaine's family as they seek to come to terms with their loss.

Raised in Canberra, Sergeant Diddams was a career soldier. He enlisted at 18 and by 24, when many are starting careers, he had passed the gruelling SAS selection course and been posted to the West, in Perth. As a Special Air Services Regiment patrol commander, Sergeant Diddams was a member of the Special Operations Task Group. The professionalism and the experience they built up working with other countries over many years is valued by coalition partners as they seek to bring security and stability to Afghanistan and the region.

I recently had the opportunity to observe firsthand the rigorous training that these cutting-edge forces undergo, and I can say without doubt that they are fit and capable in the extreme.

One of their best, and a many times decorated SAS veteran, Blaine served his country in Somalia, East Timor and the Solomon Islands and did no fewer than seven tours of Afghanistan—leading with courage, skill, humour and balanced good sense.

Early on Monday morning, 2 July 2012, Sergeant Diddams was leading his Special Operations Task Group against insurgents when a round from an enemy AK47 took his life.
Family and friends declared that Blaine Flower Diddams made the ultimate sacrifice doing what he truly loved. We thank him for his service to our nation and our deepest condolences go to his family.

**Dr MIKE KELLY (Eden-Monaro—Parliamentary Secretary for Defence) (11:33):** We are again paying tribute to one of the proud and wonderful soldiers who have sacrificed their lives for our country in this difficult conflict in Afghanistan. It is one of the most important conflicts of the modern era and is in our national interest and the interests of our region. We have heard references to Sergeant Diddams's biography and background. He is a proud son of the ACT, born in the ACT in 1971. I served with Dids in Somalia. He was first and foremost a straight-legged infantryman who joined the Defence Force back in 1990, and his first posting was to 1st Battalion. He was deployed to Somalia with True Blue, 1st Battalion, Royal Australian Regiment. He served there with great distinction, as did his comrades in 1RAR.

Even then, Didds was always known for his sense of humour. We take their military skills for granted—these are exceptional professionals—but if there is one quality that is extremely important in these types of environments it is the one Australians have long been known for and have long known: that sense of humour. He was an invaluable member of every unit, every subunit and every team he worked with because of that sense of humour.

Didds had an amazing career, serving not only in Somalia but in the Solomons and East Timor and in multiple deployments in Afghanistan. I have often thought when we have reflected on these lives that have been cut short, and when I have reflected on friends and colleagues that I myself have lost, that you do not judge the value of a life by its length. You judge the value of a life by how well it was lived, and by that standard Blaine Diddams lived a wonderful life, a life of great value. We should not believe that there was any waste to his life because it was cut short. On his last day he would have been able to say proudly to the world and to himself: ‘I made a difference.’ There is no more important thing you can say at end of a life than that.

There are many people alive today—men, women and children—in Somalia, in the Solomons, in Timor and in Afghanistan who all have cause to be grateful for the sacrifices, the effort and professional execution of his duties that Blaine Diddams managed to perform in all those environments. That is something that I think is not always greatly appreciated. We often see reports in the news of incidents in these places. You do not often see the effects, the results on the ground, that these service men and women are generating and have generated in those operations.

For Blaine, his time has ended. We know that the effect of these deaths on the families is huge, of course, and today we think of his wife, Toni-Ann, their daughter, Elle-Lou, and their son, Henry. Blaine was the eldest son of his parents, Pete and Cate, and a great brother to his siblings, Nikki, Sian, Christian and Luke. For them, the battle will just be beginning: to live with this loss.

We often neglect the side of the story about those who were wounded and did not lose their lives and about families who have to deal with that experience. I urge people to read a recent book written by David Finkel called *The good soldiers*, which really brings home the whole experience of the families and the wounded soldiers returning from, in that case, the Iraq war. It is something that motivates us to reach out to those families, to those members who have
been wounded or who are suffering in other ways. In that sense I commend the work of a couple of fine young officers, John Bale and Cavin Wilson, who have set up a new venture called Soldier On, which is doing a wonderful job encouraging the community to reach out and play its part in supporting families and wounded soldiers to find endeavours they can engage in within the limits of their incapacities or injuries. It is doing a wonderful job, so I encourage all people to either donate to or get involved with this Soldier On venture.

But, as I say, Sergeant Blaine's family were proud of him and were able to say that Sergeant Blaine—Didds—died doing what he loved, what he believed in and in the company of those with whom he shared a special bond. I do not think there is any better way to go if you do meet your end. Certainly his comrades are going to struggle with his loss, but they are entirely motivated and dedicated to paying tribute to him by their continuing efforts in Afghanistan.

At this point in time I am the parliamentary secretary for the transition in Afghanistan, so I think it is important to reflect for a moment on the success that Sergeant Blaine Diddams and his colleagues, the men and women who are serving over there, have achieved. It is an incredibly difficult and challenging environment. It is challenging from the point of view of the physical environment and maintaining your basic health, but obviously there is also the challenge posed by the enemy, the Taliban, and the broader challenges of trying to stabilise a nation so that it will not be a threat to security in our region.

In that effort I have spent quite a bit of time on the ground in Afghanistan and in places like Washington, engaging with many experts and people who have been in the field, forming the best way forward not only to achieve success in Oruzgan but to make sure their efforts in Oruzgan and the immediate region that the special forces operate in is not wasted because of the deterioration of the national situation. We have often had this historical experience of Australians having provinces and doing a brilliant job, such as in Phuoc Tuy in Vietnam, in the Bay province that I was in in Somalia, in Al Muthanna in Iraq and now in Oruzgan in Afghanistan. We are determined to try to make sure that those sacrifices, those efforts, are not in vain.

In these environments we know that it is not just a question of security operations; it is very much a matter of social, economic and political issues as well. We have committed not only to support security sector capacity building in Afghanistan but also, in these critical other areas of that social, economic and political space, to engage in the things that will be critical to stabilising this nation: road building, building of governance and rule of law capacity and ensuring the 2014 election goes smoother than the 2009 election, to build faith in legitimacy. In key areas we will ensure that the aid and development contributions we make from here land well in Afghanistan and are not subject to distortion or corruption and the like. That is going to be a critical challenge moving forward.

Afghanistan is a country with great mineral wealth, worth between $1 trillion and $3 trillion, which will produce revenue to the government coming onstream in the next eight to 10 years. The challenge will be to help mentor them through that period to that point and also to make sure that the revenue that comes from those resources goes to the benefit of the Afghan people.

I have a degree of optimism about the progress that is being made in other areas. The Afghan National Army has been the most successful piece of the national central governance
story. It is performing much better than I think a lot of people would have expected. It is not just in Oruzgan province that that is a good story; it is right across the country. Certainly there are major threats that still remain to destabilise the situation—not just the Taliban. I really do not think that in the future they will pose an existential threat. There are issues internally in Afghanistan that will have to be managed through actors that sit outside the formal structures, and how that evolves in the future will be critical.

There are quite a few success stories across the space of education, health and attitudes. When I was in Washington recently we were very fortunate at the Pentagon to get a briefing from the President of the Asia Foundation, David Arnold, who has produced the most extensive survey of Afghan attitudes ever undertaken—a face-to-face survey, approaching something like 7,000 Afghans. The interesting thing was that that survey of the population indicated that 82 per cent of respondents support the government's attempts to address the situation through negotiation. So they do support that effort. The level of sympathy for opposition groups has dramatically fallen over these last few years. Whereas there was some degree of sympathy, which amounted to something like 56 per cent in 2009, that has now fallen to about the 29 per cent mark, so the vast majority of the population have completely lost all sympathy for those who are opposing the government and ISAF. The majority of respondents are also very pleased and satisfied with the progress in areas of education for children and basic services—water for drinking, the ability to move safely in local areas, the availability of clinics and hospitals. But there are remaining concerns in relation to employment and levels of corruption.

It is interesting to note that 73 per cent of respondents say that the government is doing a good job. That is quite an amazing statistic in the circumstances. Eighty-five per cent of them say the government is doing a good job in education, 68 per cent say health care is going well and 62 per cent say security is going well. This is very important. It obviously remains for us to address these key economic areas of employment and corruption, and that is very much of concern to them. They are very happy with governance not only at the national level but at the provincial level, although their concerns remain in relation to the municipal level of governance.

So the challenge is there in that respect, but I think most pleasing were the attitudes revealed about women. Support for the principles of gender equality remains high, including equal rights under the law regardless of gender, ethnicity or religion—82 per cent was the figure there. Equal educational opportunities for women show 85 per cent support and there is 79 per cent support for women being allowed to stand up for their individual rights. While there are still pockets of conservatism, there has been great progress in human rights. I met with the Afghan head of their human rights organisation, Muhammad Musa, who has lived through the worst of things. He is a Hazara, and he is very pleased with the progress in that space and believes that Afghans really want to hang on to the gains they have made in human rights.

The only area where attitudes still lag in relation to women is in the employment of women. That is probably an attitude associated with the high levels of unemployment in Afghanistan. So there is a great deal to be satisfied with in the way things have evolved and matured in Afghanistan from the efforts of our outstanding soldiers, soldiers like Blaine Diddams.
Didds is someone who we are going to miss. There is no question about that. His skills and experience are not easily compensated in the value of what his career achieved on the ground. The motivation that he leaves behind for his colleagues will drive us to further success in Afghanistan. He now has contributed his own page to the most magnificent story that this nation has produced—the Anzac story. I am very pleased to see that the record of our SAS, which has long been unknown, has been the subject of a very extensive DVD production which we launched the other day over at the War Memorial. I think all Australians will be very proud, pleased and surprised at some of the information contained in there. It will be a great tribute to Didds and his colleagues in the regiment. We salute you, Didds. You will not be forgotten. We will take your example as a motivation for what we do from here.

Mr BALDWIN (Paterson) (11:47): I join with the Prime Minister, the Leader of the Opposition and other distinguished colleagues in this House in commenting on the passing of Special Air Services Regiment Sergeant Blaine Diddams, who was tragically killed in Afghanistan on 2 July 2012. It was not until yesterday afternoon that I realised that Sergeant Diddams's parents, Peter and Cate, are from my electorate in Smiths Lake. I rang them, offered my sincere apologies for not contacting them earlier, expressed my condolences and asked if they could pass those on to his wife Toni-Ann, to his daughter Elle-Lou, to his son Henry, and to his siblings Nikki, Sian, Christian and Luke.

This was a young man who led from the front. This was a young warrior who joined the Australian Defence Force at 19 years of age. This was a young warrior who saw more battle and conflict than most others. His contribution to the Australian effort on the broader international stage, like that of his colleagues, should never be underestimated.

One of the key things that people need to understand is that there is no braver action than to lay down your life for others. Sergeant Diddams joined our Defence Force and went into theatres of operation knowing full well the risks to him, the risks to his mates and, more importantly, the risk to the nation which houses his children, and he did so very distinguishably. I want to put on the record his operational record and his honours and awards so that in years to come his children in particular—his young daughter Elle-Lou and his son Henry—can look back and know this nation has honoured his personal sacrifice. His operational record started in January 1993 when he went on Operation Solace in Somalia. The Parliamentary Secretary Mike Kelly pointed out that he served with him in that process. From there Sergeant Diddams went to Operation Warden in East Timor in 2000, Operation Tanager in East Timor in 2000, then to Operation Trek in the Solomon Islands in 2002. He went to Operation Slipper in November 2001, and again in May 2007, again January 2008, again in May 2008, again in June 2009 and again in January 2011. He was involved in Operation Amulet for CHOGM in Perth in 2011 and then he returned to Operation Slipper in Afghanistan in February 2012.

For his very distinguished career, he has been awarded the Australian Active Service Medal, with Clasp Somalia, Clasp East Timor and Clasp ICAT. He has been awarded the International Forces East Timor Medal, the Afghanistan Campaign Medal, the Australian Services Medal with Clasp Solomon Islands, Clasp CT/SR, the Defence Long Service Medal, the Australian Defence Medal, the NATO ISAF Medal, the Meritorious Unit Citation, Infantry Combat Badge and Returned from Active Service Badge.
By any measure, this is a distinguished military hero. This, as I said, is a man who led from the front. He was not one to take a back seat. When he died on 2 July, he was in the processes in the Chora Valley where he led his team, which had just been dropped by helicopter, for a mission against an insurgent commander's compound in the Chora Valley in the Qala-e-Naw district. He was about 20 kilometres north of the provincial capital, Tarin Kowt, when, unfortunately and sadly, a high-powered round from an enemy AK-47 penetrated his chest armour and killed him.

As my colleague, the shadow minister for defence personnel, Stuart Robert, an ex-serving man himself, said, 'This was a soldier's death.' But death is never easy. It is never acceptable, but those in the military go into combat full knowing what the ramifications will be. But they go in with a very proud chest, knowing they are doing what is right and knowing they are making a contribution to making this place so much better.

Mr Deputy Speaker, I would like to put on the record the family statement on behalf of Peter and Cate Diddams. When I spoke to Pete yesterday he said that all that they want to say has been posted on the Defence website, and they just need time to grieve. So the following statement is released at the request of Peter and Cate Diddams, the parents of Sergeant Blaine Diddams, who was tragically killed on operational service with the Special Operations Task Group in Afghanistan, on Monday, 2 July 2012. It says:

Today we lay to rest our eldest son Blaine, who died doing what he loved, what he believed in, in the company of those with whom he shared a special bond.

To Blaine he couldn't imagine doing anything else, he was living his dream and living it with pride and distinction.

Whilst we are devastated at his loss, we lovingly remember the man who was absolutely focused and driven to be the best he could be in everything he pursued, yet always with that wonderful sense of humour, boundless enthusiasm and perspective that will be sorely missed.

Blaine was totally devoted to his wife and children, to his extended family, and unreservedly dedicated to his mates and to his country.

Blaine's brothers and sisters all looked up to him as their hero long before he became a national hero.

As parents we are so very proud of Blaine; proud of what he stood for; proud of what he had achieved; proud of who he was.

Our grief has been tempered by the overwhelming expressions of sympathy and support we have received, and we are steeled to face the difficult days ahead by the knowledge that we do not grieve alone.

We would like to thank the Australian Defence Force for their efforts in supporting us through this traumatic time, and in particular the regimental family of the Special Air Service Regiment—the military family Blaine loved so much, and whose support has been unstinting.

Finally we ask that out of respect for Blaine and in recognition of the ultimate sacrifice he has made for his country, you grant his family and friends complete privacy as we all come to terms with his loss.

The second piece I would like to read into the record is the statement on behalf of Sergeant Blaine Diddams' immediate family. Defence released the following statement on behalf of Mrs Toni-Ann Diddams, wife of Sergeant Blaine Diddams, and their children Elle-Lou and Henry:

Didds passed away on 2 July 2012 in a place very foreign to most of us, surrounded by his mates, and doing what he truly loved. He was without doubt a “hard hitter”.

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Given how he passed, it would be easy to define him as just a soldier, but to those that knew him he was so much more. Didds was the most loving of husbands and a devoted and very proud father to our children, Elle-Lou and Henry. Whenever he could, he loved watching the kids play sport and taught them at a very young age to ski. Skiing was a passion for Didds and each year our family would take a ski trip together come hell or high water! We will look back at these holidays and cherish the moments we shared with Didds.

Friends and families were so very important to Didds. His mates really became members of our family, and I know just how hard his loss is for them also. In this difficult time the support they have shown to the children and I has been unwavering. Didds was a man who stood by his mates no matter what and I know he will be sorely missed and well remembered by them all. The men he stood side by side with in the SASR were his brothers in every sense of the word.

He lived his life to the fullest, his enthusiasm and humour were utterly infectious, if you were around Didds you were having a good time. Everyone has a 'Didds story'.

We would like to thank family, friends and the defence community for their support, and finally we would like to thank those sectors of the media community who have respected our request for privacy and hope this will continue during this difficult time.

To his parents, Pete and Cate, I repeat my apology for not knowing as soon as my constituents that this was your son, and I expressed that yesterday. His father, Peter, understood full well the trials, the challenges and the risks associated with going to war to defend your nation, as Peter was a young officer in Vietnam with the 104 Signal Squadron in 1969. When I spoke to Peter yesterday he said one of the best things that we can do to remember the sacrifice of his son is to make sure our serving men and women are taken care of. I had dialogue sometime ago with Peter in relation to the DFRDB increases. Here is a man who served his nation well, went to Vietnam and did not leave the army until 1988, but he is also a man who struggles to survive on his military pension.

I say to my colleagues on the benches opposite that here is an opportunity to look at the service of our defence men and women of this nation, pay them due respect and compensate them as they truly deserve to be. This man, Sergeant Blaine Diddams, is a national hero. In putting the record of this fine Australian on the Hansard of this House, I know his children can be truly grateful for the contribution and the sacrifice their father made to this nation, standing up for children like them in a foreign country so that they can enjoy the freedoms and the democracy that his children have. Sometimes, whilst the personal loss is very deep, as the children in particular grow older and learn more about their father from his actions, his mates and his colleagues, they will understand the difference this man made in leading from the front. They will get to know their father even more and they will get to respect the sacrifice that he made for them and for this nation. This man is gone. There is no braver action than laying down your life for others, and that is not to be taken for granted by anyone in this nation.

Ms BRODTMANN (Canberra) (11:58): It is with great sadness that I rise this afternoon to offer the condolences of the people of Canberra to the family and friends of Sergeant Blaine Flower Diddams. Sergeant Diddams was born in Canberra in 1971. He was a member of the Special Operations Task Group and was from the Perth based Special Air Services Regiment. He was employed as a Special Air Service Regiment Patrol Commander.

The ADF touches the lives of many Canberrans every day, Canberra is home to the headquarters of the Defence Force and there is a very strong defence presence here. We have
a deep affection and respect for all those in the ADF who serve their country, which is why this loss is so great.

Sergeant Diddams enlisted in the Army in 1990 and after completing his initial employment training for infantry was posted to the 1st Battalion, Royal Australian Regiment in Townsville. He successfully completed his SASR selection course and was posted to the regiment in 1995. This was his seventh tour to Afghanistan since 2001, which is an extraordinary achievement by an extraordinary soldier. But Sergeant Diddams was well seasoned in operations. He had been deployed on four occasions to Somalia, to East Timor and to the Solomon Islands.

He was also a highly distinguished soldier. He had been awarded the Australian Active Service Medal with clasp Somalia, clasp East Timor and clasp ICAT; the INTERFET Medal; the Afghanistan Campaign Medal; the Australian Service Medal with clasp Solomon Islands and clasp CT/SR; the Defence Long-Service Medal; the Australian Defence Medal; the NATO ISAF Medal; the Meritorious Unit Citation; the Infantry Combat Badge; and the Returned from Active Service Badge—an extraordinarily distinguished soldier.

Our thoughts and prayers are with Toni-Ann, Elle-Lou and Henry, Sergeant Diddams's parents, Peter and Cate, and his siblings, Nikki, Sian, Christian and Luke. While I did not know your husband, your dad, your son, your brother, he sounds a wonderful man, and the tributes that we have heard over the last few days testify to that. On behalf of all Canberrans we honour his sacrifice.

Mr FRYDENBERG (Kooyong) (12:01): I join with colleagues on both sides of this House in this condolence motion to pay tribute to Sergeant Blaine Diddams, otherwise known as 'Dids' to his mates, a soldier's soldier. Forty years of age and born in Canberra in 1971, Sergeant Diddams was killed on 2 July this year, the 33rd Australian soldier to be tragically killed in Afghanistan and the fifth SAS officer to be killed in Afghanistan. He was a 17-year SAS veteran. He joined the Army when he was just 18 years of age. He was on his seventh tour of Afghanistan since 2001. He had been deployed as a regiment patrol commander with a special operations task group in Afghanistan. He was a member of the elite Swanbourne based Special Air Services Regiment.

Sergeant Diddams had previously been deployed to Somalia, East Timor and the Solomon Islands. He had been decorated many times, including by US forces in the wake of the fierce Battle of Anaconda in Afghanistan in 2002. I would like to list for the House some of Sergeant Diddams's awards and honours as they pay tribute to his contribution. He was awarded the Australian Active Service Medal with clasp Somalia, clasp East Timor, clasp ICAT; the International Force East Timor Medal; the Afghanistan Campaign Medal; the Australian Service Medal with clasp Solomon Islands, clasp CT/SR; the Defence Long-Service Medal; the Australian Defence Medal; the NATO ISAF Medal; the Meritorious Unit Citation; the Infantry Combat Badge; and the Returned from Active Service Badge. This is a long list of citations, honours and awards that went to Sergeant Diddams for his bravery and for his contribution.

He will be remembered by his wife, Toni-Ann, daughter, Elle-Lou, son, Henry, parents, Peter and Cate, and siblings, Nikki, Sian, Christian and Luke. We cannot give them comfort at this time that we will bring Sergeant Diddams back, but we can tell the family that his life was not lost in vain. I went to Afghanistan last year and met with the Australian men and
women who were serving in uniform. Their contribution there is significant. Their contribution is helping make Australia a safer place. Their contribution is helping to bring stability and prosperity to Afghanistan. They are performing an important job in protecting our freedoms.

Finally, I would like to end with the words of Commanding Officer Lieutenant-Colonel J who said of Sergeant Diddams:

… he was humble, loyal to the end and respectful of all who contributed to the delivery of operational capability.

His pursuit of professional excellence, his devotion to his family, his dedication to his mates and to his country will always be remembered by an eternally grateful regiment, defence force and nation.

On behalf of my many colleagues in this House, I say to the family of Sergeant Blaine Diddams that his sacrifice was not in vain. On behalf of a grateful nation, we say thank you. Lest we forget.

Mr SNOWDON (Lingiari—Minister for Veterans' Affairs, Minister for Defence Science and Personnel, Minister for Indigenous Health and Minister Assisting the Prime Minister on the Centenary of ANZAC) (12:05): I thank the member for Kooyong for his heartfelt and very sincere contribution to this condolence motion. I too would like to add my sympathy and condolences at the death of Sergeant Blaine Diddams. I express my great respect for his sacrifice and our great sorrow to his parents, Peter and Cate, his wife, Toni-Ann, his children, Elle-Lou and Henry, his extended family and his comrades.

We now know, because of the contributions to this debate, of Sergeant Blaine Diddams' record as a serving person. He was born here in Canberra, enlisted at a young age and then, I think at the age of 24, passed SAS entry. Those of us who have not worn the uniform in battle—that is, most of us—cannot imagine what confronts Australian serving men and women when they go overseas to face the possibility of death as a result of being sent there by us. We cannot imagine the risks that are taken by individuals, teams, units and battalions when they go out and do what we require of them to safeguard our national interests. Those of us who have not experienced the training or the personal development that comes with being a member of an elite fighting force, such as the Special Air Service Regiment, cannot contemplate the hardship and sacrifice that leads the person in this position, such as Sergeant Diddams, to achieve the great things they achieve.

I can say to you, with the greatest of respect to our athletes who have come from the Olympic Games, that surely there are no finer athletes, in many respects, than our elite fighting men and women. We need to understand how elite they really are. In the context of our community, they are wonderful people. They are brave, they are intelligent, they are courageous to a fault and they would sacrifice themselves for their mate at a blink. It is hard for us to contemplate, but such is our military tradition, which goes back so many generations. We see it in the service of Sergeant Diddams. All of his service exemplifies that great military tradition: his courage, his bravery, his sacrifice for us. I have stood here on many occasions—that is the 33rd person killed in action in Afghanistan—and have spoken about how difficult it is for us to really understand the battle, to really know what people confront on a minute-by-minute basis.

In the case of the Special Forces, they are doing the business of facing the sacrifices, the threats and the unknowns. These are highly trained men and women. The Special Air Service
is particularly well trained and very well led. They know the risks involved in what they do, yet they do it. They know the challenges involved, yet they do it. They understand the magnitude of the threat, yet they do it—and they do it for us. There can be no finer tribute to a nation than the sacrifice of its service men and women.

Here we see a family who will suffer forever as a result of this very sad death, but their sacrifice was not in vain. We need, as a community, as a nation, as a parliament in particular, to acknowledge that that contribution will be respected. We need to know that we can enforce with all our will the view that this contribution, this sacrifice, will be forever remembered and forever valued for what it does for us. It protects us and it saves us in an ephemeral way, not directly in this room but in terms of our national priorities and national interests. In this case, it is protecting us from acts of terror in the long term. There can be no finer contribution.

This is no consolation to Peter and Cate, his dad and mum, to Toni-Ann, his wife, or to his beautiful children, Elle-Lou and Henry. This is no consolation at all, really. I am a parent of a daughter who is 25 and of a son who is 23. This is the age when these people go to fight. This man had seven tours of duty, seven tours of fighting for us through what would have been horrendous sets of circumstances that are for us too difficult to imagine. We can see all manner of television but the reality of battle is so hard for us to imagine. There is not a lot we can do to console those who now grieve, but we can say thank you and make sure that this man's life is never forgotten, because he has made an extraordinary contribution to our lives by the sacrifice of his own. Lest we forget.

Mr McCORMACK (Riverina) (12:12): Sergeant Blaine Diddams was gunned down during a mission against an insurgent commander's compound near Tarin Kowt in Afghanistan on 2 July. The 40-year-old father of two was a Special Forces soldier and a member of the Perth based Special Air Service Regiment. Canberra born, Sergeant Diddams was a career soldier, described by the shadow minister for science, technology and personnel as a 'soldier's soldier'—a leader who led tough men, who fought tough fights and who paid a tough price. Indeed, he paid the ultimate price. Greater love hath no man than this, that a man lay down his life for his friends.

'Dids', as he was affectionately known, joined the Army in 1990 when he was just 19—he was only 19. In 1995, at the age of 24, Sergeant Diddams joined the Special Air Service Regiment. He was deployed on many operations during a decorated and gallant career, and these operations were the toughest test of all. His career spanned more than 20 years. His final tour was his seventh to Afghanistan over an 11-year period. He was the 33rd Australian soldier killed in Afghanistan, the fifth from his regiment.

At Sergeant Diddams' funeral on 14 July, Special Operations Commander 'Gus' Gilmore told the gathering that the Army had lost a distinguished soldier. He said:

The scale of our loss of Sergeant Diddams is perhaps only surpassed by our recognition of his contribution to Australia over so many years in so many places and at such a consistently high standard. Australia is truly lucky to have men such as Sergeant Diddams fighting for our freedom, fighting for peace and fighting for the freedom of the Afghan people so they can hopefully one day live in peace as we so fortunately do here in Australia.

Wagga Wagga, in my electorate of Riverina, is a city which proudly has Blamey Barracks at Kapooka, home of the Australian soldier, on its outskirts. The officers at Kapooka train the

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recruits to carry on the outstanding work of those serving in Afghanistan and they know how important it is for our troops to be physically and mentally equipped for the challenges which lie ahead. It is during these sad times that we are reminded of the sacrifices that men and women make, and make selflessly and willingly, in order to bring peace and stability to a country so that in it one might live a life as good and democratic as ours. Sergeant Diddams died doing what he loved and in the only way he knew how—leading his men from the front. A man described as living life to the fullest, Sergeant Diddams was widely respected for his command, his leadership and his acumen.

He leaves behind a loving wife, Toni-Ann, two children, Elle-Lou and Henry, his parents, Peter and Cate, and four siblings. May their pain be comforted by the knowledge that Blaine Flower Diddams made a difference in his life and by his legacy. We salute him. We remember this warrior's sacrifice. We thank him for his service and may he rest in peace. Lest we forget.

Mrs PRENTICE (Ryan) (12:16): I rise to pay my respects to Sergeant Blaine Flower Diddams who has paid the ultimate price fighting for Australia, fighting for all Australians. This is also an opportunity to honour all those Australians who have served in our military forces and to honour all those who have died while serving. Sergeant Blaine Diddams is the 33rd Digger who has been killed while on deployment to Afghanistan. His death is a timely reminder of the risks that our servicemen and women face, and the honour and bravery of all Australian soldiers, and the sacrifices they make knowingly and willingly in defence of our country.

Sergeant Blaine Diddams served in the Special Air Service Regiment as a patrol commander. He served for our country on 12 deployments, including seven tours of Afghanistan. I did not know Sergeant Diddams personally but I was recently in Afghanistan with the Australian Defence Force and the serving members with whom I spoke told me that the death of Sergeant Diddams in the Chorah Valley was as a result of a fluke shot—a fluke shot that had tragic consequences. They spoke of Sergeant Diddams's unwavering dedication to Australia's cause in Afghanistan, his professionalism and also his kind-hearted spirit.

As his parents Peter and Cate Diddams said in their statement, 'Blaine's brothers and sisters all looked up to him as their hero long before he became a national hero. As parents, we are so proud of Blaine, proud of what he stood for, proud of what he had achieved, proud of who he was.'

Sergeant Diddams's colleagues and senior officers with whom I spoke in Afghanistan were understandably upset that a journalist who was there at the time broke a long-held agreement and ran the story of his death before all his family could be contacted and, subsequently, some heard the tragic news through the media. The way in which Sergeant Blaine Diddams conducted himself is a reflection of all Australian soldiers who are known to be among the most professional in the world and, indeed, the most courageous. As the Chief of the Defence Force, General David Hurley, so eloquently expressed to Sergeant Diddams's family and friends:

Words cannot ease the overwhelming grief they feel today but I hope they can find comfort in the knowledge that this soldier served his country with pride and distinction.

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This distinction was reflected in the many honours and awards Sergeant Diddams received from the ADF, including the Afghanistan Campaign Medal, International Force East Timor Medal and the Australian Defence Medal, among many others.

Sergeant Diddams was dedicated to his cause—our cause—and the country is justifiably proud of him. On behalf of the residents of Ryan, as we continue to keep our other Australian soldiers serving in Afghanistan and around the world in our thoughts and prayers, I extend my condolences to the family of Sergeant Blaine Diddams. We will remember him. Lest we forget.

Mr EWEN JONES (Herbert) (12:19): I rise to join others in honouring Special Air Service Regiment Sergeant Blaine Diddams who was tragically killed in Afghanistan on 2 July 2012. I also pass on my condolences to his wife, Toni-Ann, his daughter, Elle-Lou, his son, Henry, his parents, Cate and Peter, and his siblings, Nikki, Sian, Christian and Luke.

Sergeant Diddams joined the Army as a 19-year-old and was the son of a Vietnam veteran. He joined the SAS as a 24-year-old. He has served with distinction in Somalia, East Timor and the Solomon Islands, and he has done seven tours of duty in Afghanistan. I repeat the words of the shadow minister, Stuart Robert, when he said:

"Today we honour one of the toughest of the tough, 'a soldier's soldier' whose uniform guarded us while we slept. Today we honour Sergeant Blaine Diddams and we humbly thank him and his family for the burden they have borne for the freedom we enjoy."

I never served—and I would never even think about putting my hand up for SAS training. I do not know the toughness required for that. I do not know the toughness needed to leave your wife and kids and risk your life so that others can sleep safely and soundly. I come from the city of Townsville and we are home to 3rd Brigade, which are ready-deployed. They talk about the level of training they have to do, and it becomes instinct—they have what they call muscle memory. They have to train to become so attuned that when something happens they automatically go into the correct position. Extrapolate that out to what it must take to become a sergeant in the SAS and do seven tours of duty in Afghanistan. We can never know the toughness, the athleticism, the grit and the determination that Sergeant Diddams must have had.

To his wife Toni-Ann, his daughter Elle-Lou and his son Henry, I say thank you—you are grieving so that others can be saved. I do not have the toughness to do what you have endured and will endure. May god bless you.

I take this opportunity to say a few words about those who do come home. They do not get condolence motions if they come home with a limp or they come home with post-traumatic stress disorder. We must understand the damage that these actions do to people; we must understand that people will come home and they will not be obviously injured but they will carry a heavy toll nonetheless. We must understand and we must support, and as Australian people we must be prepared to pay for that support. We have sent these people to these places; they have defended our rights and our way of life and tried to establish a better way of life for others. There is a price to pay for that and we as a nation must be prepared to pony up for it.

To Sergeant Blaine Diddams, I say thank you—thank you for a life well lived—and I say sorry for a life cut too short. To all of us I say, 'Lest we forget'.
The DEPUTY SPEAKER (Mr Mitchell): I understand it is the wish of honourable members to signify at this stage their respect and sympathy by rising in their places.

Honourable members having stood in their places—

The DEPUTY SPEAKER: I thank the Federation Chamber.

Ms RISHWORTH (Kingston) (12:23): I move:

That further proceedings be conducted in the House.

Question agreed to.

STATEMENTS ON INDULGENCE

Hughes, Mr Robert Studley Forrest, AO

Debate resumed.

Mr McCORMACK (Riverina) (12:23): From the very first page of his mighty work The Fatal Shore, the late Robert Hughes gets the reader in with his superb use of words:

In 1770 Captain James Cook had made landfall on the unexplored east coast of this utterly enigmatic continent, stopped for a short while at a place named Botany Bay and gone north again. Since then no ship had called: not a word, not an observation, for seventeen years, each one of which was exactly like the thousands that had preceded it, locked in its historical immensity of blue heat, bush, sandstone and the measured booming of glassy Pacific rollers.

Stirring stuff, wonderfully woven—there is nothing better than excellent writing. It compels you to read on and on. This book is one of those you cannot put down, even though it is a weighty tome. It tells the tale of the brutal transportation of men, women and children from Georgian Britain—and being a staunch advocate for the Australian Republican movement, Hughes would probably prefer that to 'Great Britain'—into a harsh, cruel, penal system. This was the origin of modern Australia.

Published in 1987, The Fatal Shore was a prize-winning epic and a No. 1 international bestseller. I know Hughes's works are immensely enjoyed by the many book clubs throughout the Riverina and are regularly borrowed from regional libraries. Hughes contributed much more than just this cleverly crafted account of the historical, political and sociological reasons which prompted British settlement of our great country.

Sydney born Robert Studley Forrest Hughes AO died on 6 August, aged 74 years. He was an iconic art critic, author and maker of television documentaries. The member for Wentworth, husband of Hughes's niece Lucy, did marvellous justice to Hughes's well lived life in our parliament yesterday. We pay condolences to those Robert Hughes has left behind. We mourn his passing and we thank him for the extraordinary gift he left us in the form of his works, which will be read, reread and treasured for as long as the written word endures.

Dr LEIGH (Fraser) (12:25): on indulgence—Robert Hughes's life is a difficult one to sum up: 74 years, 15 books, multiple TV series, three wives. The member for Wentworth yesterday in the House spoke on Robert Hughes's passing with wonderful eloquence, as he so often does. I suggested to him afterwards we should create a post of parliamentary eulogist and make it his in permanence.

So many aspects of Robert Hughes's life could attract mention today: The Fatal Shore, inspired by EP Thompson's The Making of the English Working Class, or his tome on Barcelona, which was an extraordinary piece of work. But I want to focus today on his role as...
an art critic—I think the leading art critic of a generation—because it was in that capacity that he so much inspired me. It has been noted that Robert Hughes became an art critic by accident. In 1958 he was working as a cartoonist in Sydney for the fortnightly magazine the Observer, then edited by Donald Horne. He recounted that Horne had sacked the magazine's art critic and snapped at Hughes, 'You're the cartoonist—you ought to know something about art.' And so a career began.

Robert Hughes was himself an artist, not of the ranks of those whose work he analysed but enough to know something of the craft. In an interview with Peter Craven, Craven described Robert Hughes's own creative work in the following words:

He's pleased that he knows enough about making things to appreciate greatness when he sees it, and to understand the sheer difficulty of creating something that looks simple.

He left Australia in the 1960s. His friend the writer Alan Moorehead counselled: 'If you stay here another 10 years, Australia will still be a very interesting place, but you will have become a bore, a village explainer.' So off he headed, first to Europe and then to the United States.

His tongue could be sharp. American Visions, I think possibly his greatest work, contains some examples of where he could take on those who displeased him. In writing of the work of Barnett Newman, he said the following:

At one point Newman said, with a straight face, 'I thought our quarrel was with Michelangelo.' Hughes's deadpan reply:

It was not a quarrel anyone could win with a stripe.

Speaking of Julian Schnabel, one of his great nemeses, Hughes described him as:

a roundly self-admiring painter who once compared himself to Duccio, Giotto and Van Gogh. Not very close, and no cigar'. Schnabel was 'a perfect painter for a culture of replays'.

But for those whose work he loved he wrote in glowing terms. Writing of Lucian Freud, he said:

Every inch of the surface has to be won, must be argued through, bears the traces of curiosity and inquisition — above all, takes nothing for granted and demands active engagement from the viewer as its right.

Of Goya he wrote his genius lay in his 'vast breadth of curiosity about the human animal and the depth of his appalled sympathy for it'. Of Caravaggio he wrote:

Caravaggio was one of the hinges of Art History. There was Art before him, and Art after him, but they were not the same.

Sebastian Smee, the Pulitzer Prize winning expatriate Australian who is now the art critic for the Boston Globe and perhaps one of those who will pick up Hughes's mantle, wrote:

Robert Hughes, more than any other critic, played an enormous role in converting people to take pleasure in it and to be discerning about it, rather than to feel that sense of suspicion.

Sebastian Smee pointed out that Hughes helped to create a sense of enjoyment of modern art, 'to make many of us feel that we could approach it and like it and, most importantly, not like it'. As the National Gallery of Australia director, Ron Radford, said:

I had known Robert Hughes since the mid-70s and will miss his eloquent, thought-provoking writing and commentary on Australian art in a national and international context.
He touched so many Australians through his writing. His great work, particularly on the fine arts, will live on for decades and perhaps centuries to come.

**70th Anniversary of the Operations of Bomber Command**

Debate resumed.

Ms LEY (Farrer) (12:32): I come to the chamber today to participate in this parliament’s tribute to the Australian veterans who served in Bomber Command in World War II. As has already been well testified, Bomber Command was a multinational allied force that some 10,000 Australians served in during World War II. Over 4,000 of our fellow countrymen never came home. No branch of the Allied campaign in World War II suffered a greater casualty rate: 55,573 from all nations gave their lives, and that is almost half the number of men employed in the total effort. They were tasked with crippling the Nazis, using the controversial and deadly tactic of carpet bombing, with the aim of disabling critical infrastructure like railways and oil supplies.

As we know, a group of Australian veterans were in London in late June of this year for events to mark the operation’s 70th anniversary. I am pleased to say that among them was 91-year-old Edgar Pickles from the town of Barham, in the southern part of my electorate of Farrer. Edgar’s attendance was not just a celebrated occasion back home in Barham—he was reported upon by the *Times* of London no less. As that newspaper noted, the odds against survival were huge:

After 15 bombing raids over Germany in 1943, Edgar and his crew were the most experienced left in their squadron.

In that year, at the height of the conflict, it was estimated that RAF bomber crews had just a 16 per cent chance of surviving each sortie, with each expected to undertake 30 such missions. To say each flight could have been their last was not an understatement—it was more a probable outcome. In Edgar Pickles’ time just two crews actually completed this 30-mission milestone before they were despatched for slightly less dangerous duties.

For the veterans who attended—and those who could not—the commemoration in June was belated acknowledgment of their efforts. Many felt their role in that conflict had been written out of history. In fact, it was a divisive tactic. As an often quoted example, the raid on Dresden in early 1945 saw an estimated 25,000 human beings wiped from the planet, branded by some as a war crime. As Edgar also notes:

Dresden was a very sad business. We didn’t know it at the time—I guess ignorance was bliss.

I am pleased to say the $11 million memorial also has the blessing of the German people and equally commemorates all those killed during the bombings between 1939 and 1945. I am also delighted to report Edgar was one of the Diggers afforded the opportunity to be thanked personally by Her Majesty Queen Elizabeth during the memorial service. I believe he was also particularly moved after being feted and welcomed by a town in North Lincolnshire, which was the home of 550 Squadron in 1943.

Squadron Leader Edgar Pickles DFC was not the only representative from Farrer to be at Green Park in London for the 70th anniversary. I know of a fellow 91-year-old—Gordon Pyle from Finley—who also had the opportunity to attend, along with his daughter. There will no doubt be others from my region who served with Bomber Command during that dark time in our history. Today I thank and honour them, those still with us and those who are not.
I want to also acknowledge and thank the Minister for Veterans' Affairs, Warren Snowdon. As many might be aware, there was initially a very limited number of ex-servicemen from Australia set to attend the British service. That restriction was eventually lifted, allowing Edgar and Gordon and 105 other so-called 'roguish gentleman'—as the minister perceptively observed—the chance of a lifetime to be remembered. For many of them it may be their final chance.

In concluding, I want to echo the comments of the opposition leader in this House on the occasion of Bomber Command's 70th anniversary. While it was a difficult campaign, both morally and militarily difficult, we must never forget that those who served were serving us, under our flag, serving our country and serving our cause, and we should continue to honour them for that effort. I also honour and salute the service and sacrifice of all who served in Bomber Command in defence of our nation's interests.

Mr FITZGIBBON (Hunter—Chief Government Whip) (12:36): As a former defence minister, the opportunity to speak to this motion certainly caught my eye and I have seized the opportunity. Having said that, I would not claim to be an expert on Bomber Command, but I think that every Australian who grew up watching World War II movies in particular would have a full and proper understanding of the role the command played during the Second World War. Some 125,000 people participated in Bomber Command over the period of its existence, including 10,000 Australians. More than one in three would never come home: 3,486 Australians were lost in action and another 650 died in training accidents.

This morning we paid tribute to another fallen soldier, one who tragically gave his life in Afghanistan. Right across the globe many Australians gave their lives in the name of defending Australia and our interests, and certainly those in Bomber Command were very much a part of that. We know now that Bomber Command yielded 19 Victoria Cross winners, and the Queen recently unveiled a new Bomber Command memorial amid the beautiful lawns and trees of Green Park, London. This recognition of the courage and dedication of the men who fought a relentless 2,000-day campaign is long overdue.

I have very fond memories of travelling to Norway in 2005 or 2006 as part of a parliamentary delegation to European institutions, The Hague and then to Norway. While in Norway we travelled west to a beautiful town called Bergen. Anyone who knows the area will agree it is one of the most beautiful places on earth. We were very touched to find some local men there who had maintained a small memorial to a number of RAAF personnel who had given their lives on a raid on a German submarine base in Bergen, the Germans having taken over Norway during the war. These local men had maintained this memorial for all of this time, and it was a memorial to a couple of Australians who were in that raid on that occasion.

We were very pleased to come back to Australia and make a recommendation to the government that the Commonwealth War Graves Commission take authority and control over that memorial which had been built by the locals, because the locals were not going to be around for ever and we were very keen to ensure that tribute to those Australians, and those they flew with, meant they were properly remembered in Bergen. That is my personal association with that period of time and those raids, those things given by so many during that very concerning period for all of those participating in the Allied forces. It is my very great pleasure with others in this place, including the Prime Minister and the Leader of the Opposition, to pay tribute to those who gave so much and did so much as a part of Bomber
Command, and to acknowledge their contribution on this the 70th anniversary of the operations of that command.

Mrs PRENTICE (Ryan) (12:40): I rise to speak on the commemoration for the 70th anniversary of Bomber Command and to honour all those British, Australian and Allied servicemen and women who sacrificed their lives in what was one of the most perilous times that the free world has ever faced. On 28 June 2012, her Majesty Queen Elizabeth II officially dedicated the memorial in London to Bomber Command for the 70th anniversary, to recognise the remarkable service of airmen and women during World War II. Approximately 125,000 British, Australian and Allied airmen served in Bomber Command, 55,573 of whom died and a further 9,838 were taken as prisoners of war. Of these, there were approximately 10,000 Australians in the Royal Air Force or Royal Australian Air Force squadrons attached to Bomber Command, with 3,848 casualties.

The resilience of these men was amazing and was exemplified by Mr Robert Chester-Master OAM. On a trip on one of the Lancaster bombers as a tail gunner, the perspex glass at the tail of the ship shattered and Mr Chester-Master suddenly found himself stranded in a Belgian field. To his great fortune, his life was saved by a Resistance fighter who was able to hide him until the end of the war. As he parachuted to safety, he became—like my father—a member of the Caterpillar Club, a group for people who have successfully parachuted out of a disabled aircraft. The real story for the servicemen of Bomber Command was that they were willing to risk their lives every day in very dangerous and risky circumstances. For his service, Robert received and thoroughly deserved the Cross of Bravery and Fidelity from Belgium and was invited to unveil a plaque in honour of the 60th anniversary of his crash in the Belgian village.

Their willingness to risk their lives in the defence of the liberty of their nation demonstrates the underlying selflessness of a member of the Defence Force. This attitude led Mr Chester-Master to enlist in Brisbane in 1942, as an 18-year-old. Upon his return to Australia, this selflessness led him to dedicate his life to the community. I had the great pleasure to work with Robert over many years during our involvement with Brisbane Tourism. To this day Robert is still giving back to the community through his involvement in the Air Crew Association and many other organisations, as well as in his dedication to recording the stories of 31 RAAF members who were able to escape in Belgium during World War II in his book Against the Odds. It is wonderful that Mr Chester-Master is still alive today and was able to attend the commemoration in London in June. On that day, Robert was the only ex-personnel of Bomber Command who was able to fit into his Bomber Command uniform—and I have been told that this was much to both the jealousy and the delight of the more than 100 Australians who were able to attend.

I would also like to acknowledge the very important contribution of a constituent in Ryan, Mr Vic Henderson, who served in the RAF Squadron 150 in Bomber Command. Mr Henderson expressed his appreciation that he was able to attend the unveiling of the Bomber Command Memorial, and in particular the unveiling of the beautiful bronze statue which depicts a crew coming back from an operation. Quite poignantly, Mr Henderson met up with a man with whom he had served in Bomber Command, a man he had not seen or spoken to since that time.
For Mr Henderson the week brought back many memories, and he thoroughly enjoyed the gleam in the soldiers' eyes and the smiles on their faces as they finally achieved official recognition and an official memorial to their service after waiting 67 years for it to occur. During the week they were shown and were able to sit in what was one of the most common aeroplanes, the Lancaster Bomber, which certainly brought back strong emotions and memories. During the ceremony the Lancaster Bomber dropped one poppy petal for each of the 55,573 men who never came home, a very dignified recognition of those who lost their lives in the war effort.

I pay my respects to those who died and I thank all those involved who contributed to the official memorial and commemoration in London. We acknowledge and commemorate the roles of all former and current servicemen and women who have defended our great nation, and I thank the Prime Minister and the Leader of the Opposition for their statements.

Mr FRYDENBERG (Kooyong) (12:46): It is with great honour that I rise with colleagues on both sides of this House to pay tribute to the men and women of Bomber Command and to celebrate the 70th anniversary of the operations of Bomber Command.

We did not make this war, we did not seek it. We did all we could to avoid it...

Hitler and his Nazi gang have sown the wind; let them reap the whirlwind.

It is with these sobering words to the Canadian Parliament in December 1941 that Winston Churchill steeled the resolve of his country and its people for the most bloody and important battle of their lives. History's pages now proudly record the victory that transpired but, as we know, it was a struggle all the way. The forces of darkness were skilful and numerous, willing to stop at nothing in pursuit of their goals. It was only through the bravery and the fortitude of those who fought on the side of freedom that we are here to enjoy this day.

No band of brothers was more important to victory or gave more of themselves than the airmen of Bomber Command. Of the 125,000 British, Australian and Allied airmen who spent time in Bomber Command, 55,537 of them, or 44 per cent, tragically lost their lives, with another 9,838 ending up as prisoners of war. Of the more than 10,000 Australian airmen who served in Bomber Command between 1939 and 1945, 3,486 died in action. Many of these men were trained by the Empire Air Training Scheme, which opened its instruction schools in Australia in 1940.

There are some remarkable stories of heroism by the Australians in Bomber Command, such as Group Captain Hughie Edwards, who won the Victoria Cross in 1941 for his actions on the battlefield. But I pay special tribute today to two men whom I am proud to call friends. The first, Frank Dimmick OAM, is a constituent as well as a friend. At 87 years of age, I know he has many more years to go under the tender stewardship of his beautiful wife, Jan. Frank flew four operational missions over Europe in Lancasters and flew three supply drops to the Dutch, where he dropped medicine and food, all as part of 460 Squadron Bomber Command and all before his 21st birthday, between the years 1943 and 1945. After this he was remustered back to Australia to join Australian forces as we prepared to take on the Japanese.

Another of my friends, Peter Isaacson AM, DFC, Air Force Cross, Distinguished Flying Medal, served in the Pathfinder force of Bomber Command between the years 1941 and 1945. Peter made the first flight ever from England to Australia, from east to west, in 1943 and flew...
45 operational missions in Europe. Peter now is a remarkable 92-year-old who was one of 31 Australians who went to the recent unveiling by Her Majesty the Queen in London of a special memorial to Bomber Command. Peter was glowing in his tribute to the Department of Veterans' Affairs for their support in facilitating this visit.

Frank and Peter are two of many remarkable Australians who served in Bomber Command. It is therefore only fitting that the Australian War Memorial has a special monument dedicated to those thousands of Australians who served in Bomber Command. Their bravery, their heroism, their sacrifice will not be forgotten, for our freedom today is also theirs. I say to all those Australian servicemen who served in Bomber Command on behalf of our nation: thank you for your service, thank you for your sacrifice and thank you for your bravery. Lest we forget.

Ms BRODTMANN (Canberra) (12:51): The Bomber Command Annual Commemorative Day was held in Canberra in June this year. I attended the ceremony which was at the beautiful cylindrical metallic memorial at the Australian War Memorial. It evokes the tails of planes, but it also has a modern edge about it. It is a beautiful piece of art and a beautiful memorial. At that ceremony there were also a number of deeply moving speeches, and members of Bomber Command, their families and friends had an opportunity to get together and relive the old times and share memories. It was a wonderfully moving but also inclusive, warm and friendly service.

The ceremony now ranks as the third most attended ceremony at the Australian War Memorial, after Anzac Day and Remembrance Day. People were certainly out in full force on the day I attended. Ceremonies commemorating Bomber Command were held in all states of Australia as well in the UK, New Zealand and Canada. The ceremony is a time to remember World War II and the air missions flown over occupied Europe. The British wing of the Allied war effort was known as Bomber Command, and the Bomber Command Annual Commemorative Day recognises their valiant efforts. Bomber Command played an absolutely critical role in defeating Nazi Germany. As British Prime Minister Winston Churchill said in 1940:

*The fighters are our salvation but the bombers alone provide the means of victory.*

These were missions that tragically killed over 44,000 men and the tragic loss of life reflects the bravery and sacrifice of the men who flew these missions. About 10,000 Australian airmen served with the Royal Air Force's Bomber Command during the World War II, and of these almost 3,500 were killed in action and some 650 died in training accidents.

By the middle of the war Bomber Command crews had just a one in four chance of surviving 30 missions. The crews of Bomber Command were mostly volunteers and they were mostly very young men. Most of these men were barely 20 years old, and there were crewmen who had just turned 18. They flew extremely dangerous missions over occupied and heavily defended parts of Europe. The role they played in disrupting the shipping and troop movements of the Nazis was a significant factor in the survival of Great Britain and arguably the free world in the 1940s.

It is now 70 years since many young men flew as pilots, navigators, gunners and air crewman in a battle that was pivotal to the outcome of the Second World War. When our Bomber Command veterans went to London to pay tribute to their mates who lost their lives in missions over Germany, it was an emotional and memorable experience. I understand that
over 100 Australian veterans travelled to London to attend the 70th anniversary commemorations and that they were supported by the government.

We owe a tremendous debt to the thousands of Australian men who gave their lives in defending us in World War II. I honour those brave and very young bomber commanders. Lest we forget.

Mr Griffin (Bruce) (12:55): I also rise to honour the veterans of Bomber Command, the many thousands of young men who gave their lives—Australians and those from across the Empire, as it was then—and the many thousands who survived but even today live with the results of their service.

Some 10,000 Australians served with RAF Bomber Command in World War II. The great majority were recruited into the RAAF and then trained under the Empire Air Training Scheme across the Empire, in Australia, Canada and Southern Rhodesia, now modern Zimbabwe. A number of Australians in Bomber Command were in the RAF, having joined that force before the war, or went specifically to Britain to do so, as many young men did in the early part of World War II.

As I mentioned, Bomber Command was always a multinational force. Aircrews were a mixture of men from the United Kingdom, Australia, Canada, New Zealand and many other countries. Even in the designated RAAF bomber squadrons, about 30 per cent of aircrew were non-Australian. From 1941 on, men from the RAAF flew with virtually every RAF bomber squadron. Australia also provided some RAAF ground crew for the Australian squadrons, although most support and administrative tasks were carried out by local personnel.

As has been mentioned by other speakers regarding the nature of casualties with respect to Bomber Command, it was a very tragic and difficult part of the armed services. Casualty numbers were huge. Of some 125,000 aircrew, around 55,000, or some 44 per cent, were killed on air operations. Of these, 3,486 were Australian airmen—a casualty rate of 35 per cent for RAAF bomber aircrew and nearly nine per cent of the total Second World War dead, as recorded on the roll of honour at the Australian War Memorial. Also, more than 650 died on operational training in Britain.

Recently it was great to see pictures from the United Kingdom, where the dedication of the Bomber Command memorial took place. This was mentioned by earlier speakers. A delegation of veterans attended and they were supported by the Department of Veterans Affairs. There have been some issues raised with respect to elements of support provided for those who were, if you like, additional veterans who went beyond the official delegation. I understand that some of those issues are being looked at. The support provided to veterans beyond the official mission was something I started when I was minister with respect to the dedication of some fighter squadron plaques at the Air Force church in London. Previously no government had provided additional support beyond official delegations in order to allow additional veterans to attend. It was a process which was criticised at the time, but it was done in conjunction with the Air Force Association. A similar process was endeavoured to be built upon on this occasion. Although there were difficulties which need to be looked at, the fact is that additional support had not been provided before. It was an attempt to ensure that more
veterans were able to take part. It is something which I think needs to be worked on into the future.

To all those who served, we give the nation's grateful thanks. We remember all those who made the ultimate sacrifice and their families, who have suffered subsequently. They fought in a war which consumed a world and gave their all. We stand here today to honour their memory and their suffering. We wish that all who see that Bomber Command memorial in London will remember the tremendous courage, the tremendous sacrifice and the tremendous tragedy of those who fought in World War II in Bomber Command on behalf of the free world.

ADJOURNMENT

Ms RISHWORTH (Kingston) (13:00): I move:

That the Federation Chamber do now adjourn.

Question agreed to.

House adjourned at 13:01
QUESTIONS IN WRITING

Defence
(Question No. 893)

Mr Robert asked the Minister for Defence, in writing, on 29 February 2012:
Has he, or his office, requested his department to provide a brief on the Military Off The Shelf options for the Future Submarine Project, if so:
(a) on what date was this request made,
(b) by what date is this brief due,
(c) will the brief be made public, and
(d) on what date will this brief first be considered by the National Security Committee of Cabinet

Mr Stephen Smith: The answer to the honourable member’s question is as follows:
The Department has provided a range of information to Government on the Future Submarines program over several years, relating to all options, including Military Off The Shelf.
(a) and (b) Not applicable.
(b) Much of the information on the Military Off The Shelf options that has been provided to the Government is commercial-in-confidence and will not be released publicly.
(c) The National Security Committee of Cabinet will consider all options for the Future Submarines Program again at First Pass in 2013 or early 2014.

Attorney-General's
(Question No. 1055)

Mr Fletcher asked the Attorney-General, in writing, on 18 June 2012:
Can she itemise each strict liability offence that has been introduced by legislation since the election in 2007.

Ms Roxon: The answer to the honourable member's question is as follows:
Strict liability offences form part of a number of regulatory schemes in Commonwealth legislation, many of which fall outside the scope of responsibility of the Attorney-General's Department. There is no existing compilation of strict liability offences contained in Commonwealth legislation. Therefore it would require a manual analysis of all legislation enacted in the 42nd and 43rd Parliaments to identify every strict liability offence.
Providing such a response would involve an unreasonable diversion of resources. As such, a response cannot be provided.

Antarctic Climate and Ecosystems Cooperative Research Centre
(Question No. 1067)

Mr Hunt asked the Minister for Tertiary Education, Skills, Science and Research, in writing, on 18 June 2012:
Does the Government have any plans to help assist and maintain the Sustainability, Environment, Water, Population and Communities: Training if so, what is the plan; if not, why not.

Mr Combet: The answer to the honourable member's question is as follows:
The Antarctic Climate and Ecosystems (ACE) Cooperative Research Centre (CRC) is currently operating in its fourth and final funding term. Under the CRC program guidelines, this is the final term.
of funding for which the ACE CRC is eligible. No future plans have been announced for the ACE CRC beyond its current funding period.

The future of a CRC after the CRC program is a decision for the CRC and its participant organisations. The Department provides advice to support CRCs to develop options to transition from the program.

Prime Minister and Cabinet
(Question No. 1082)

Mr Briggs asked the Prime Minister, in writing, on 20 June 2012:

For (a) 2008-09, (b) 2009-10, (c) 2010-11, and (d) 2011-12, what was the total cost of overseas travel for departmental staff.

Ms Gillard: I am advised that the answer to the honourable member's question is as follows:

(a) For the period 1 July 2008 to 30 June 2009, the total cost of overseas travel for departmental staff was $710,151 (GST exclusive).

(b) For the period 1 July 2009 to 30 June 2010, the total cost of overseas travel for departmental staff was $800,218 (GST exclusive).

(c) For the period 1 July 2010 to 30 June 2011, the total cost of overseas travel for departmental staff was $1,046,466 (GST exclusive).

(d) For the period 1 July 2011 to 31 May 2012, the total cost of overseas travel for departmental staff was $883,219 (GST exclusive).

Note - Travel costs for the Arts and Sports Group and National Mental Health Commission have not been included in this response. They will be answered separately by the Department of Regional Australia, Local Government, Arts and Sport and the National Mental Health Commission respectively.

Health
(Question No. 1118)

Mr Dutton asked the Minister for Health, in writing, on 28 June 2012:

In respect of the introduction of the Diagnostic Imaging Accreditation Scheme (the Scheme), (a) were any changes to the Scheme undertaken as a result of the evaluation of Phase 1; if so, what were these changes, and (b) will her department undertake an evaluation of Phase 2 of the Scheme; if so, (i) what will be considered as part of the review, (ii) will the Royal Australian and New Zealand College of Obstetricians and Gynaecologists and the National Association of Specialist Obstetricians and Gynaecologists be consulted as part of the evaluation, (iii) will the evaluation consider the cost impact of the Scheme on small and single practitioner non-radiology practices, (iv) will the evaluation include a review of the impact on clinical outcomes of the Scheme in small and single practitioner non-radiology practices, (v) has there been, or will there be, as part of the evaluation, consideration of the exclusion of non-referred Medical Benefits Scheme items from the Scheme, (vi) when will the evaluation commence, and (vii) on what date will the findings of the evaluation of Phase 2 be released.

Ms Plibersek: The answer to the honourable member's question is as follows:

(a) No.

(b) Yes.

(i) The second phase of the review will evaluate the impact of the requirement for practices to comply with the full suite of practice accreditation standards and will help to identify any concerns raised by diagnostic imaging practices in complying with the additional standards.
(ii) The Royal Australian and New Zealand College of Obstetricians and Gynaecologists (RANZCOG) and the National Association of Specialist Obstetricians and Gynaecologists will continue to be consulted as part of the evaluation. In Phase 1, an Expert Working Group, comprising around 15 members including a representative from RANZCOG was convened to assist the department prepare the standards for the Scheme.

(iii) The evaluation will consider the cost impact of the Scheme on all practices, including small and single practitioner non-radiology practices, as well as the benefits the application of common, measurable safety and quality standards has for patients.

(iv) Yes.

(v) The appropriate arrangements for non-referred ultrasound services under the Medicare Benefits Schedule will be considered.

(vi) The evaluation of Stage 2 will commence in July 2012.

(vii) The findings of the evaluation will be available by the end of 2013, after which detailed consideration will be given to any recommendations that come from the review.