COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES

House of Representatives

Official Hansard

No. 3, 2013
Thursday, 14 March 2013

FORTY-THIRD PARLIAMENT
FIRST SESSION—EIGHTH PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES
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**SITTING DAYS—2013**

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FORTY-THIRD PARLIAMENT
FIRST SESSION—EIGHT PERIOD

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

House of Representatives Office holders
Speaker—Ms Anna Elizabeth Burke MP
Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Steven Georganas MP
Members of the Speaker’s Panel—Hon. Dick Godfrey Harry Adams MP, Mr Darren Cheeseman MP, 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,
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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</table>
### Members of the House of Representatives

<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vasta, Ross Xavier</td>
<td>Bonner, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Washer, Malcom James</td>
<td>Moore, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Wilkie, Andrew Damien</td>
<td>Denison, TAS</td>
<td>Ind</td>
</tr>
<tr>
<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
</tr>
<tr>
<td>Wyatt, Kenneth George</td>
<td>Hasluck, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Zappia, Tony</td>
<td>Makin, SA</td>
<td>ALP</td>
</tr>
</tbody>
</table>

**PARTY ABBREVIATIONS**

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

### Heads of Parliamentary Departments

- Clerk of the Senate—R Laing
- Clerk of the House of Representatives—B Wright
- Secretary, Department of Parliamentary Services—C Mills
- Parliamentary Budget Officer—P Bowen
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<tbody>
<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon Julia Gillard MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Digital Productivity</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Asian Century Policy</td>
<td>The Hon Dr Craig Emerson MP</td>
</tr>
<tr>
<td><strong>Minister for Social Inclusion</strong></td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Mental Health Reform</td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister for the Public Service and Integrity</td>
<td>The Hon Gary Gray AO MP</td>
</tr>
<tr>
<td><strong>Cabinet Secretary</strong></td>
<td>The Hon Jason Clare MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on the Centenary of ANZAC</td>
<td>The Hon Warren Snowdon MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon Wayne Swan MP</td>
</tr>
<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon Wayne Swan MP</td>
</tr>
<tr>
<td>(Deputy Prime Minister)</td>
<td>The Hon Stephen Smith MP</td>
</tr>
<tr>
<td><strong>Minister for Financial Services and Superannuation</strong></td>
<td>The Hon Bill Shorten MP</td>
</tr>
<tr>
<td>Assistant Treasurer</td>
<td>The Hon David Bradbury MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Treasurer</strong></td>
<td>The Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td><strong>Minister for Broadband, Communications and the Digital Economy</strong></td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td><strong>Minister for Defence</strong></td>
<td>The Hon Stephen Smith MP</td>
</tr>
<tr>
<td>(Deputy Leader of the House)</td>
<td>The Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Minister for Veterans’ Affairs</td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td>Minister for Defence Science and Personnel</td>
<td>The Hon Dr Mike Kelly AM MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary for Defence</strong></td>
<td>The Hon Wayne Swan MP</td>
</tr>
<tr>
<td><strong>Minister for Regional Australia, Regional Development and Local Government</strong></td>
<td>The Hon Simon Crean MP</td>
</tr>
<tr>
<td><strong>Minister for the Arts</strong></td>
<td>The Hon Simon Crean MP</td>
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<tr>
<td><strong>Minister for Sport</strong></td>
<td>The Hon Anthony Albanese MP</td>
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<tr>
<td><strong>Minister for Infrastructure and Transport</strong></td>
<td>The Hon Anthony Albanese MP</td>
</tr>
<tr>
<td>(Leader of the House)</td>
<td>The Hon Catherine King MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary for Infrastructure and Transport</strong></td>
<td>The Hon Jenny Macklin MP</td>
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<tr>
<td><strong>Minister for Families, Community Services and Indigenous Affairs</strong></td>
<td>The Hon Jenny Macklin MP</td>
</tr>
<tr>
<td><strong>Minister for Disability Reform</strong></td>
<td>The Hon Jenny Macklin MP</td>
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<tr>
<td><strong>Minister for Housing and Homelessness</strong></td>
<td>The Hon Mark Butler MP</td>
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<tr>
<td>Minister for Community Services</td>
<td>The Hon Julie Collins MP</td>
</tr>
<tr>
<td>Minister for the Status of Women</td>
<td>The Hon Julie Collins MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary for Disabilities and Carers</strong></td>
<td>Senator the Hon Jenny Macklin</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary for Homelessness and Social Housing</strong></td>
<td>The Hon Melissa Parke MP</td>
</tr>
<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>Senator the Hon Bob Carr</td>
</tr>
<tr>
<td><strong>Minister for Trade and Competitiveness</strong></td>
<td>The Hon Dr Craig Emerson MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary for Pacific Island Affairs</strong></td>
<td>The Hon Richard Marles MP</td>
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<tr>
<td><strong>Parliamentary Secretary for Foreign Affairs</strong></td>
<td>The Hon Richard Marles MP</td>
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<tr>
<td><strong>Parliamentary Secretary for Trade</strong></td>
<td>The Hon Kelvin Thompson MP</td>
</tr>
<tr>
<td><strong>Minister for Sustainability, Environment, Water, Population and Communities</strong></td>
<td>The Hon Tony Burke MP</td>
</tr>
<tr>
<td>(Vice-President of the Executive Council)</td>
<td>Senator the Hon Don Farrell</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary for Sustainability and Urban Water</strong></td>
<td>Senator the Hon Don Farrell</td>
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The Hon Chris Bowen MP

Minister for Small Business  
The Hon Chris Bowen MP

Minister for Industry and Innovation  
Minister Assisting for Industry and Innovation  
The Hon Greg Combet AM MP

Parliamentary Secretary for Higher Education and Skills  
Senator the Hon Kate Lundy  
The Hon Sharon Bird MP  

Minister for Finance and Deregulation  
Special Minister of State  
Minister Assisting for Deregulation  
The Hon David Bradbury MP

Minister for School Education, Early Childhood and Youth  
The Hon Peter Garrett AO MP

Minister for Employment and Workplace Relations  
The Hon Bill Shorten MP

Minister for Indigenous Employment and Economic Development  
The Hon Julie Collins MP  
Senator the Hon Jacinta Collins

Parliamentary Secretary for School Education and Workplace Relations  
(Manager of Government Business in the Senate)

Minister for Agriculture, Fisheries and Forestry  
The Hon Sid Sidebottom MP

Parliamentary Secretary for Agriculture, Fisheries and Forestry  
The Hon Martin Ferguson AM MP

Minister for Resources and Energy  
The Hon Martin Ferguson AM MP

Minister for Tourism

Minister for Climate Change and Energy Efficiency  
Parliamentary Secretary for Climate Change and Energy Efficiency  
The Hon Yvette D’Ath MP

Minister for Health  
The Hon Tanya Plibersek MP

Minister for Mental Health and Ageing  
The Hon Warren Snowdon MP  
The Hon Catherine King MP  
The Hon Melissa Parke MP

Parliamentary Secretary for Health and Ageing  
The Hon Brendan O’Connor MP  
Senator the Hon Kate Lundy  
The Hon Mark Dreyfus QC MP  
The Hon Mark Dreyfus QC MP

Minister for Immigration and Citizenship  
Senator the Hon Joe Ludwig  
The Hon John McVeigh MP  
The Hon Jason Clare MP  
Senator the Hon Kim Carr  
The Hon Nick Xenophon

Minister for Multicultural Affairs  
The Hon Bob Carr

Attorney-General  
The Hon David Parker

Minister for Emergency Management  
Minister Assisting on Queensland Floods Recovery  
The Hon John Madigan MP

Minister for Home Affairs  
The Hon Jason Clare MP

Minister for Justice  
The Hon Jason Clare MP

Minister for Human Services  
Senator the Hon Sam Dastyari

Each box represents a portfolio. Cabinet Ministers are shown in bold type. As a general rule, there is one department in each portfolio. However, there is a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
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<td>Shadow Parliamentary Secretary Assisting the Leader of the Opposition</td>
<td>Senator Arthur Sinodinos</td>
</tr>
<tr>
<td><strong>Shadow Minister for Foreign Affairs</strong></td>
<td>The Hon Julie Bishop MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Trade</strong></td>
<td></td>
</tr>
<tr>
<td>(Deputy Leader of the Opposition)</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for International Development Assistance</td>
<td>The Hon Teresa Gambaro MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Infrastructure and Transport</strong></td>
<td>The Hon Warren Truss MP</td>
</tr>
<tr>
<td>(Leader of The Nationals)</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Roads and Regional Transport</td>
<td>Mr Darren Chester MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Employment and Workplace Relations</strong></td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td>(Leader of the Opposition in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Employment Participation</td>
<td>The Hon Sussan Ley MP</td>
</tr>
<tr>
<td><strong>Shadow Attorney-General</strong></td>
<td>Senator the Hon George Brandis SC</td>
</tr>
<tr>
<td><strong>Shadow Minister for the Arts</strong></td>
<td></td>
</tr>
<tr>
<td>(Deputy Leader of the Opposition in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Justice, Customs and Border Protection</td>
<td>Mr Michael Keenan MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Attorney-General</td>
<td>Senator Gary Humphries</td>
</tr>
<tr>
<td><strong>Shadow Treasurer</strong></td>
<td>The Hon Joe Hockey MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation</td>
<td>Senator Mathias Cormann</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Tax Reform</td>
<td>The Hon Tony Smith MP</td>
</tr>
<tr>
<td>(Deputy Chairman, Coalition Policy Development Committee)</td>
<td></td>
</tr>
<tr>
<td><strong>Shadow Minister for Education, Apprenticeships and Training</strong></td>
<td>The Hon Christopher Pyne MP</td>
</tr>
<tr>
<td>(Manager of Opposition Business in the House)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Childcare and Early Childhood Learning</td>
<td>The Hon Sussan Ley MP</td>
</tr>
<tr>
<td>Shadow Minister for Universities and Research</td>
<td>Senator the Hon Brett Mason</td>
</tr>
<tr>
<td>Shadow Minister for Youth and Sport</td>
<td>Mr Luke Hartsuyker MP</td>
</tr>
<tr>
<td>(Deputy Manager of Opposition Business in the House)</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Education</td>
<td>Senator Fiona Nash</td>
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<tr>
<td><strong>Shadow Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon Nigel Scullion</td>
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<tr>
<td>(Deputy Leader of the Nationals)</td>
<td></td>
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<tr>
<td>Shadow Minister for Indigenous Development and Employment</td>
<td>Senator Marise Payne</td>
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<tr>
<td><strong>Shadow Minister for Regional Development, Local Government and Water</strong></td>
<td>Senator Barnaby Joyce</td>
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<tr>
<td>(Leader of the Nationals in the Senate)</td>
<td></td>
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<tr>
<td>Shadow Minister for Regional Development</td>
<td>The Hon Bob Baldwin MP</td>
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<tr>
<td><strong>Shadow Parliamentary Secretary for Northern and Remote Australia</strong></td>
<td>Senator the Hon Ian Macdonald</td>
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<tr>
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<td>Shadow Parliamentary Secretary for Local Government</td>
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<tr>
<td>Shadow Parliamentary Secretary for the Murray-Darling Basin</td>
<td>Mr Don Randall MP</td>
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<tr>
<td>Shadow Minister for Finance, Deregulation and Debt Reduction</td>
<td>Mr Stuart Robert MP</td>
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<tr>
<td>(Chairman, Coalition Policy Development Committee)</td>
<td>The Hon Andrew Robb AO MP</td>
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<tr>
<td>Shadow Special Minister of State</td>
<td>The Hon Bronwyn Bishop MP</td>
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<tr>
<td>Shadow Minister for COAG (Chairman, Scrutiny of Government Waste Committee)</td>
<td>Senator Marise Payne (Mr Jamie Briggs MP)</td>
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<tr>
<td>Shadow Minister for Energy and Resources</td>
<td>The Hon Ian Macfarlane MP</td>
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<tr>
<td>Shadow Minister for Tourism</td>
<td>The Hon Bob Baldwin MP</td>
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<tr>
<td>Shadow Minister for Defence</td>
<td>Senator the Hon David Johnston</td>
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<tr>
<td>Shadow Minister for Defence Science, Technology and Personnel (Chairman of the Coalition Policy Development Committee)</td>
<td>Mr Stuart Robert MP</td>
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<tr>
<td>Shadow Minister for Veterans' Affairs and Shadow Minister Assisting the Leader of the Opposition on the Centenary of ANZAC</td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
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<td>Senator Gary Humphries</td>
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<tr>
<td>Shadow Parliamentary Secretary for the Defence Force and Defence Support</td>
<td>Senator the Hon Ian Macdonald</td>
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<tr>
<td>Shadow Minister for Communications and Broadband</td>
<td>The Hon Malcolm Turnbull MP</td>
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<tr>
<td>Shadow Minister for Regional Communications</td>
<td>Mr Luke Hartsuyker MP</td>
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<tr>
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<td>The Hon Peter Dutton MP</td>
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<tr>
<td>Shadow Minister for Mental Health</td>
<td>Senator Concetta Fierravanti-Wells</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Primary Healthcare</td>
<td>Dr Andrew Southcott MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Health Services and Indigenous Health</td>
<td>Dr Andrew Laming MP</td>
</tr>
<tr>
<td>Shadow Minister for Families, Housing and Human Services</td>
<td>The Hon Kevin Andrews MP</td>
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<tr>
<td>Shadow Minister for Seniors</td>
<td>The Hon Bronwyn Bishop MP</td>
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<tr>
<td>Shadow Minister for Disabilities, Carers and the Voluntary Sector (Manager of Opposition Business in the Senate)</td>
<td>Senator Mitch Fifield</td>
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<tr>
<td>Shadow Minister for Housing</td>
<td>Senator Marise Payne</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Supporting Families</td>
<td>Mr Jamie Briggs</td>
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<tr>
<td>Shadow Parliamentary Secretary for the Status of Women</td>
<td>Senator Michaelia Cash</td>
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<tr>
<td>Shadow Minister for Climate Action, Environment and Heritage</td>
<td>The Hon Greg Hunt MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Environment</td>
<td>Senator Simon Birmingham</td>
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<tr>
<td>Shadow Minister for Productivity and Population</td>
<td>Mr Scott Morrison MP</td>
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<tr>
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<td>The Hon Teresa Gambaro MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Citizenship and Settlement</td>
<td>Senator Michaelia Cash</td>
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<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Senator the Hon Richard Colbeck</td>
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<tr>
<td>Shadow Minister for Innovation, Industry, and Science</td>
<td>Mrs Sophie Mirabella MP</td>
</tr>
<tr>
<td>Title</td>
<td>Shadow Minister</td>
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<tr>
<td>Shadow Minister for Agriculture and Food Security</td>
<td>The Hon John Cobb MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Fisheries and Forestry</td>
<td>Senator the Hon Richard Colbeck</td>
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<tr>
<td>Shadow Minister for Small Business, Competition Policy and Consumer Affairs</td>
<td>The Hon Bruce Billson MP</td>
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Thursday, 14 March 2013

The SPEAKER (Ms Anna Burke) took the chair at 09:00, made an acknowledgement of country and read prayers.

COMMITTEES

Gambling Reform Committee

Reporting Date

The SPEAKER (09:01): I have received a message from the Senate transmitting the following resolution agreed to by the Senate:

That the time for the presentation of the report of the Joint Select Committee on Gambling Reform on the Anti-Money Laundering Amendment (Gaming Machine Venues) Bill 2012 be extended to 28 June 2013.

BILLS

Parliamentary Service Amendment (Parliamentary Budget Officer) Bill 2013

First Reading

Bill and explanatory memorandum presented by Mr Swan.

Bill read a first time.

Second Reading

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (09:02): I move:

That this bill be now read a second time.

Budgets are a vital part of our democracy, ensuring governments are open and accountable to the community that elects them.

Transparency on costings must apply both to governments and to those who seek to govern, so the community has the proper opportunity to scrutinise policies and their budget impact well before an election.

The Gillard government established the Parliamentary Budget Office to promote greater scrutiny on costings and to ensure budget transparency from all sides of politics.

Today I introduce the Parliamentary Service Amendment (Parliamentary Budget Officer) Bill 2013 to amend the governing arrangements for the Parliamentary Budget Office.

The bill requires the PBO to publish a postelection report on election commitments of all political parties, including the full impact of those commitments on the budget bottom line.

This bill will enhance transparency of the financial impacts of policy proposals by providing an independent assessment of the tax and spending promises that political parties make.

Through these reforms, the Australian community will have more information about alternative approaches to fiscal policy.

These reforms will allow a more accurate and informed debate on economic policy in this country.

The bill will impose discipline on the promises of political parties and incentivise all political parties to be up front and honest about the cost of their promises.

It has long been accepted that Australian companies must keep their books in good order or face the risk of being exposed by an end-of-year audit.

If we are right to demand this of private companies on behalf of their shareholders and lenders, then we are most certainly right to apply this standard to political parties on behalf of taxpayers.

This reform will help to ensure that all political parties are straight with the Australian people before the election because they know that their costings will be revealed by the PBO post the election.
Politicians of all political persuasions have a responsibility to be open and accountable to those who put us in this place.

We are proud to have established the PBO as a vital institution in our fiscal and budgetary framework, and we are prouder still to be expanding its role to add this very important function.

With the support of the parliament, these reforms will remove the capacity of any political party to try to mislead the Australian people and will punish those that attempt to do so.

**Postelection report**

During an election campaign, political parties can have their commitments officially costed by the PBO or the departments of Treasury and finance.

However, this is not mandatory, and there is currently no legislative mechanism for all the commitments of all the political parties to be compiled and assessed in a consistent manner.

The Australian community therefore relies on the honesty of political parties to submit their policies for costing in good time so they can be released for the public to see.

This bill will make it a statutory function of the PBO to publish a report with policy costings of the full suite of a party's election commitments.

It will also require the PBO to indicate the combined total financial impact of these commitments 30 days after a government forms following a general election.

This means that, even if a party does not properly take advantage of the costing options available under the PBO legislation or under the Charter of Budget Honesty, the rigour of an independent analysis will still be brought to bear on that party's promises.

This bill will sharpen the focus on all the commitments made during an election campaign and ensure these promises are assessed through the independent and nonpartisan lens of the PBO.

**Election commitments**

In order for the PBO to produce this report, it will need a clear, defined and agreed list of election commitments from all of the political parties.

To achieve this, the bill will require parliamentary parties to provide the PBO with a list of election commitments of these political parties.

As well as allowing the PBO to produce its postelection report, this will also ensure that it is abundantly clear what each party has promised.

These lists will be there in black and white for all to see.

**Information gathering**

Given the PBO's statutory deadline to deliver the report within 30 days, it is important that the PBO has timely access to information from Commonwealth bodies to assist in delivering the report.

Accordingly, the bill includes arrangements for the request and provision of information from Commonwealth bodies.

The proposed arrangements are similar to the arrangements that apply to assist the Treasury and finance secretaries prepare the Pre-election Economic and Fiscal Outlook (PEFO).

PEFO actually has to be prepared within just 10 days of the issue of a writ for a general election, whereas the PBO has 30 days to deliver its postelection report.

So giving the PBO comparable information-gathering arrangements to those that apply for PEFO will be more than sufficient.

Further, the PBO is under similar time constraints when preparing policy costings.
for parliamentarians during the caretaker period.

Therefore, this new information-gathering process will apply when the PBO is preparing caretaker costings.

There are also existing arrangements in place for the PBO to request and receive information from Commonwealth bodies via a memorandum of understanding.

These arrangements will continue to apply more generally, supporting the flow of information to the PBO.

Of course, in compiling the postelection report, the PBO may also require further information from political parties themselves, and from any third parties involved in preparing the parties’ costings.

This means that if a political party tries to avoid proper scrutiny by using a private accountant without budget expertise, all of this information can still be obtained by the PBO.

Size of a parliamentary party

The bill provides that the postelection report will include the policies of parliamentary parties with five or more members or senators in the Commonwealth parliament immediately prior to the commencement of the relevant caretaker period.

This approach strikes a balance between the efficient and effective delivery of the report within the statutory timeframe and ensuring that the vast bulk of election commitments across the political spectrum are exposed to rigorous scrutiny.

Due process

Of course, for reasons of due process, it is important that political parties have a chance to review the PBO’s assessment of their election commitments.

This is needed to ensure that the policies of these parties are fairly and fully considered in the PBO’s report.

To achieve this, the bill includes a requirement for the PBO to consult with the political parties regarding their respective election commitments.

Taxpayer information

Finally, this bill amends the Taxation Administration Act 1953 to allow the Australian Taxation Office (ATO) to provide confidential taxpayer data to the PBO for the purposes of the PBO’s carrying out its statutory functions.

This will allow the PBO’s work to be more accurate, complete and fully informed.

As with all exceptions to the taxpayer confidentiality provisions, the information provided to the PBO must be kept confidential and be used only for the strict purposes provided for in the enabling legislation.

Conclusion

The PBO has performed exceptionally well in the short time since its establishment and has taken up an important place in Australia’s fiscal policy framework.

I know that many members and senators have taken advantage of the PBO’s services.

This bill makes the PBO all the more important by making it an independent assessor of the fiscal responsibility of political parties at election time.

This will impose necessary discipline on the costly promises often made in the lead up to and during election campaigns, which will be particularly important in this election year.

This will ensure that our public debate is informed by properly costed and properly funded policies, and that our focus is on the
policies that will make Australia, stronger, smarter and fairer.

Debate adjourned.

Broadcasting Legislation Amendment (Convergence Review and Other Measures) Bill 2013

First Reading

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:11): I move:

That this bill be now read a second time.

The Broadcasting Legislation Amendment (Convergence Review and Other Measures) Bill 2013 is part of a package of six bills representing the Australian government’s initial response to issues identified by the 2011 Independent Inquiry into the Media and Media Regulation and the 2012 Convergence Review.

This bill responds to matters raised in the Convergence Review, primarily in relation to Australian content and public broadcasting.

New Australian content requirements

Despite the growth of new digital services and channels, Australians still want to see Australian content.

The bill addresses the need for ongoing support for the broadcast of Australian content by legislating the 55 per cent Australian content quota on core or primary channels of free-to-air commercial television broadcasters.

The bill also imposes a new Australian content transmission quota on these broadcasters that applies otherwise than on core or primary channels.

This new quota will increase incrementally for the next three years.

It will create an incentive for new Australian drama programs to be shown on those channels by allowing one hour of such drama to count as two hours for the purposes of the new quota.

The bill also provides commercial broadcasters with the flexibility to meet their Australian content subquotas for drama, documentary and children’s programming otherwise than on the core or primary channel.

Providing increased flexibility to broadcasters in meeting Australian content obligations allows innovative programming choices, and assists broadcasters to respond to competitive market pressures.

Limitations on the number of commercial television licences

The bill implements the government’s decision, announced on 30 November last year, that no new licences or spectrum will be made available to enable a fourth commercial television network.

This is achieved by capping the number of commercial television broadcasting licences that use broadcasting services bands spectrum at three for each licence area.

The bill repeals existing provisions that prohibited the Australian Communications and Media Authority (ACMA) from allocating additional commercial television licences unless directed to do so by the Minister for Broadband, Communications and the Digital Economy, as these are now redundant.

The government’s decision to cap the number of licences at existing levels was guided by the increasing commercial pressures faced by television broadcasters as a result of structural changes caused by convergence.
The cap will also ensure that the remaining capacity in the television broadcasting services bands, known as the ‘sixth channel’, remains available for other types of broadcasting services.

This includes, but is not limited to, community broadcasting services, narrowcasting services, datacasting services or other communications services.

In light of these decisions, the bill repeals a now redundant obligation to undertake statutory reviews into the use of the broadcasting services bands spectrum to provide additional television broadcasting services or other broadcasting services.

**Repeal of the captioning and content review requirements**

The bill will also repeal a separate obligation to undertake a statutory review of the Australian content and captioning rules applicable to digital multichannels.

The review is now unnecessary given the new and modified Australian content requirements introduced by the measures outlined above and the extensive reforms to captioning arrangements implemented through the Improved Access to Television Services Act 2012.

**Updating ABC and SBS charters**

The bill proposes amendments to the charters of the ABC and SBS to recognise their roles as providers of digital media content.

This is not an expansion of their present roles, but merely recognises what the national broadcasters are already delivering.

And it reflects the value and importance of digital engagement to the work of the ABC and SBS.

**International broadcasting services provided by the ABC**

The proposed bill also implements the government’s decision that the ABC should have the sole responsibility and be funded by government to provide international broadcasting services on an ongoing basis.

The amendments recognise that Australia’s international broadcasting service is an important public diplomacy platform which should be provided by Australia’s national broadcaster.

**Indigenous non-executive director for the SBS**

With the establishment of the free-to-air National Indigenous Television service on the SBS, amendments are proposed to require the minister have regard to the need to ensure the SBS board includes at least one Indigenous director.

This strengthens the SBS contribution to the communications needs of Indigenous communities.

I commend this bill to the House.

Debate adjourned.

**Television Licence Fees Amendment Bill 2013**

**First Reading**

Bill and explanatory memorandum presented by Mr Albanese

Bill read a first time.

**Second Reading**

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:17): I move:

That this bill be now read a second time.

The Television Licence Fees Amendment Bill 2013 introduces amendments to the Television Licence Fees Act 1964 to provide a new annual licence fee scale for
commercial television broadcasting licensees.

These amendments will reduce the annual licence fees payable by commercial television broadcasters by 50 per cent, to a maximum of 4.5 per cent of gross earnings.

This reform is an important part of the Australian government’s initial response to the Convergence Review and recognises the significant commercial pressures faced by Australia’s commercial television industry.

The reduction in licence fees provided for in this bill will enable commercial television broadcasters to continue to innovate and thrive in Australia’s rapidly changing media landscape.

I commend this bill to the House.

Debate adjourned.

Broadcasting Legislation Amendment (News Media Diversity) Bill 2013

First Reading

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:19): I move:

That this bill be now read a second time.

The Broadcasting Legislation Amendment (News Media Diversity) Bill 2013 amends the Broadcasting Services Act 1992 to introduce a public interest test to encourage diversity in the more influential sources of news and current affairs in Australia.

With this bill, the government reaffirms its commitment to protect and promote news media diversity.

Diversity of control of influential sources of news and current affairs is the most effective and reliable means of achieving a strong, independent and vigorous media sector.

It secures a diversity of views, opinions and ideas, and contributes to improved and informed public debate.

There is already a high concentration of ownership within Australia’s media and communications sector.

Revenue shifts to internet-enabled news and increased operational costs have placed a number of television and newspaper businesses under severe pressure—meaning shifts in industry structure and further consolidation of ownership is likely.

To safeguard against consolidation and promote diversity, a new media specific regulatory measure is required.

Such an approach was recommended by the Convergence Review in recognition that existing diversity tests do not cover news services made available on a national basis and may not be fit for purpose, as the influential sources of news and opinion change over time.

The public interest test will assess diversity of control considerations that arise out of transactions between Australia’s largest and most influential news media voices.

The test will be administered by the Public Interest Media Advocate, a new statutory office that will be independent of government.

The advocate will assess whether transactions between registered news media voices will result in a substantial lessening of diversity in news or current affairs.

The test would only engage with transactions that involve two or more separately controlled registered news media voices that both have an auditable audience or a subscriber base above a defined threshold.
To enable certainty amongst market participants, the bill will create a register of news media voices that will be managed by the ACMA.

The register, which is to be made accessible to the public, will list news voices whose audience or subscriber number is above a defined threshold.

The defined threshold allows comparison of news services against commercial television evening news, which currently have the largest audiences and, arguably, influence.

The scheme also includes a mechanism that would allow for inevitable changes in markets where a source of news may gain or indeed lose influence over time.

If a registered news media voice is involved in a transaction that will result in a control event occurring, the transacting parties must receive prior approval from the advocate for that transaction to proceed.

The applicant must satisfy the advocate that the transaction will not result in a substantial lessening of diversity, or that the benefit of the transaction outweighs the detriment constituted by any lessening of diversity of control of news media voices.

In assessing and weighing the potential public benefits, whether a lessening of diversity of control is substantial, or whether to accept an undertaking submitted by an applicant, the advocate might take into account, where relevant, three considerations.

Firstly, the availability and reach of the news media voice, including the amount and type and distinctiveness of news content it provides.

For example, whether its content is syndicated with another news media voice, or the news media voice’s audience share.

Secondly, the extent of commonly controlled registered news media voices within that particular media sector.

For example, commercial radio, or all news media sectors collectively.

Thirdly, the ongoing commercial viability of the news media voice.

Following an assessment, the advocate will decide whether the transaction can or cannot proceed.

A key element of the transaction assessment process relates to the ability for parties to offer court-enforceable undertakings to the advocate.

The ability for a party to offer undertakings will provide flexibility for the transaction to proceed in certain circumstances where it would have otherwise been opposed by the advocate on the grounds that it would result in a substantial lessening of diversity.

It is envisioned that undertakings will address diversity concerns while simultaneously permitting the realisation of merger benefits, such as organisational efficiencies or structural improvements.

Opportunities to vary undertakings will be also available and subject to assessment by the advocate.

The advocate is provided information-gathering powers for the purpose of enabling proper consideration of whether a lessening of news media diversity is likely following a transaction.

It is expected that transacting parties will comply with directions from the advocate, however civil penalties apply to parties that do not comply with requests for information.

The bill includes interim arrangements that have been established to enable the advocate to assess transactions that occurred before the commencement date that may impact news media diversity.
This measure is intended as an anti-avoidance mechanism to reduce the incentive for news media voices to engage in diversity-lessening transactions prior to the bill’s commencement date.

I commend this bill to the House.

Debate adjourned.

**News Media (Self-regulation) Bill 2013**

**First Reading**

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

**Second Reading**

*Mr ALBANESE* (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:26):

I move:

That this bill be now read a second time.

The News Media (Self-regulation) Bill 2013 will strengthen and improve the self-regulatory arrangements for significant providers of print and online news and current affairs.

The bill addresses important issues identified in the report of the Independent Inquiry into the Media and Media Regulation, including the low levels of accountability of, and lack of sufficient incentives for compliance with, the decisions of the Australian Press Council.

In announcing the independent inquiry, the government made its commitment to an independent press clear.

A healthy and robust media is essential to the democratic process.

Labor believes it is incumbent upon government to ensure that the regulatory processes and industry structure are sufficiently strong to support the continuation of a healthy and independent media.

As citizens in a democracy we rely on the media to scrutinise the actions and decisions of those in power, to hold business and political leaders to account and to reflect and contribute to our national identity.

We therefore need media that is independent and diverse, and capable of putting the public interest above the interest of media owners, whether those owners are governments or shareholders.

Under the existing arrangements for print and online news publications, news media organisations operate within a predominantly self-regulatory framework.

Within this framework, the Australian Press Council is a self-regulatory body with principal responsibility for handling complaints about Australian newspapers, magazines, associated digital outlets and some online-only providers.

The Press Council is also responsible for developing, promoting and monitoring standards of good media practice.

The bill will significantly strengthen current arrangements by providing incentives for news media organisations to participate in self-regulation that promotes the maintenance of standards relating to accuracy, fairness, privacy and other matters relating to the professional conduct of journalism.

Additionally, the bill promotes the availability of effective mechanisms to enable Australians to make a complaint about a breach of the standards and to ensure complaints will be handled quickly and inexpensively.

The bill will empower an industry self-regulatory body to establish and have recognised, through a transparent process that includes public consultation, a news media self-regulation scheme.
The scheme will also effectively and transparently promote print and online news media organisations’ compliance with standards of practice and improve accountability to the public.

Designated broadcasting services will be exempt from the scheme, in recognition of the existing regulatory schemes and co-regulatory arrangements provided for under the Broadcasting Services Act.

A self-regulatory body may be approved by a statutorily recognised officer—the Public Interest Media Advocate—subject to the advocate having regard to certain matters.

These include whether the standards formulated under the scheme effectively deal with privacy, fairness, accuracy and other matters relating to the professional conduct of journalism.

As well as the extent to which those standards reflect community standards.

The advocate will also have regard to whether complaints can be made to the body free of charge, and the extent to which decision making under the body is independent from government and industry.

Importantly the bill also requires the advocate, in considering whether to approve a body, to also have regard to the need for freedom of expression, and the need to protect individual privacy.

It is only by being a member of a declared news media self-regulation body that a specified news media organisation will have the benefit of the ‘journalism’ exemption from obligations imposed under the Privacy Act.

The scheme that is established by this bill will be independent of government, and will be funded by industry.

This bill offers a simple and effective way to strengthen and improve the self-regulatory framework for significant providers of print and online news, free of government interference and for the benefit of the Australian public.

I commend this bill to the House.

Debate adjourned.

**News Media (Self-regulation) (Consequential Amendments) Bill 2013**

**First Reading**

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

**Second Reading**

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:31): I move:

That this bill be now read a second time.

The News Media (Self-regulation) (Consequential Amendments) Bill 2013 will amend the current exemption from the operation of the Privacy Act 1998 that exists for certain acts and practices of media organisations that are publicly committed to observing standards that deal with privacy.

Currently a media organisation is exempt from the operation of the Privacy Act where its activities consist of the collection, preparation and dissemination of news, current affairs, information or documentaries, provided it is committed to observing published, written standards that deal with privacy.

This bill will improve the accountability of news media organisations by requiring that, where it is a significant provider of print and/or online news, it must be a member of an approved, independent, industry self-regulatory body, as set out under the News Media (Self-regulation) Bill, in order to have the Privacy Act exemption available to it.
The bill will not affect other news media organisations' access to the existing exemption under the Privacy Act. I commend this bill to the House. Debate adjourned.

**Public Interest Media Advocate Bill 2013**

**First Reading**

Bill and explanatory memorandum presented by **Mr Albanese**.

Bill read a first time.

**Second Reading**

**Mr ALBANESE** (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:33): I move:

That this bill be now read a second time.

The Public Interest Media Advocate Bill 2013 will create a new statutory office, known as the Public Interest Media Advocate.

The advocate will perform functions under the new Part 5A of the Broadcasting Services Act 1992 to be inserted by the Broadcasting Legislation Amendment (News Media Diversity) Bill and under the News Media (Self-regulation) Bill.

The advocate will be the decision maker in relation to the public interest test that applies to transactions involving nationally significant news media entities.

It will also assess the adequacy of self-regulatory schemes for significant providers of print and online news, and current affairs, to promote compliance with industry standards and to handle complaints.

The advocate will be appointed by the minister following appropriate consultation.

In announcing the proposal the minister advised that it is his intention to extend the consultation to the opposition. To protect the independence and impartiality of the role, the advocate will not be subject to direction by the minister or the government in relation to the performance of its functions or the exercise of its powers.

Specifying that the advocate is not subject to direction assists to safeguard the independence and impartiality of its role and enable it to operate at arm's length from the government of the day.

The bill also provides for the terms and conditions of appointment of the advocate and imposes annual reporting obligations on the position.

I commend this bill to the House. Debate adjourned.

**MINISTERIAL STATEMENTS**

**Defence**

**Mr STEPHEN SMITH** (Perth—Minister for Defence and Deputy Leader of the House) (09:35): by leave—I wish to update the House on the first interim report to the Attorney-General and the Minister of Defence by the Defence Abuse Response Taskforce.

**Introduction**

The government is committed to providing regular reports and updates on its response to allegations of sexual or other forms of abuse in defence, including to the parliament.

On 26 November last year I also announced the government’s response to the report of the DLA Piper review into allegations of sexual or other forms of abuse in defence.

Today I will provide an update on the government’s response to the DLA Piper review.
DLA Piper Review

The DLA Piper review into allegations of sexual or other forms of abuse in defence received allegations from over 1,000 people.

The review identified a range of allegations from 775 people which fell within the review’s terms of reference, the overwhelming majority of which are said to be plausible allegations of abuse.

These involve allegations across every decade from the 1950s. The earliest date of alleged abuse is 1951.

The government’s response to the review has been guided by the recommendations in the review and will ensure that people who have alleged past abuse in Defence receive a response which is tailored to their individual circumstances and the nature of their experiences. The response includes:

- A historic general apology to members of the Australian Defence Force or Defence employees who have suffered sexual or other forms of abuse in the course of their employment.
- The establishment of an independent task force to assess the individual complaints and any wider systemic issues to be headed by the Honourable Len Roberts-Smith QC.
- Access to a capped compensation or reparation scheme; and
- A free telephone hotline so that complainants can access information about the government’s response.

Apology

On 26 November last year, I delivered in this House an historic general apology to members of the Australian Defence Force or Defence employees who have suffered sexual or other forms of abuse in the course of their employment. In my apology, I said that the men and women of the Australian Defence Force, past, currently serving and future, are entitled to be and deserve to be treated with the highest standards of admiration and respect. To those men and women in the Australian Defence Force or the Department of Defence who have suffered sexual or other forms of abuse, on behalf of the government I said sorry.

On the same day, the Chief of the Defence Force, General David Hurley, also made an apology to those who have suffered sexual, physical or mental abuse while serving in the ADF.

Independent task force

The independent Defence Abuse Response Taskforce has responsibility for liaising with those who have made allegations of abuse to determine an appropriate response in individual allegations, which can include:

- restorative justice or conciliation processes where a victim and alleged perpetrator are brought together in a facilitated process;
- referral to counselling (with the task force being funded to provide counselling services beyond those generally available to Defence personnel or veterans) and health and other existing services;
- reparation to a maximum of $50,000;
- referral of appropriate matters to police for formal criminal investigation and assessment for prosecution; and
- referral of appropriate matters for disposition by the military justice system or other Defence processes (for example, considered under the Public Service Act).

All communications made to DLA Piper, including those that were assessed as outside the scope of the review or were referred to an external body, are intended to be reassessed by the task force. The task force will also assess new allegations and complaints received since its establishment where those
allegations refer to abuse that is alleged to have occurred prior to 11 April 2011.

Today, I table the task force’s first interim report to me and the Attorney-General.

**Task force first interim report**

The task force is comprised of a leadership group appointed by the Attorney-General and me and staff who have been engaged by the task force since its establishment. The leadership group chair, the Honourable Len Roberts-Smith QC is assisted in his role by three other leadership group members: the deputy chair, Robert Cornall; member consultant, Susan Halliday; and ex-officio member, Australian Federal Police Assistant Commissioner Rudi Lammers. I am very pleased to acknowledge the presence in the advisers box of the chair of the leadership group and the task force, Len Roberts-Smith QC.

The number of cases before the task force is building steadily. In addition to the more than 1,000 DLA Piper cases, the taskforce is receiving approximately 15 new matters per week through the hotline. The task force is now preparing its transition into its operational phase, in which the assessment of allegations and complaints will be considered in accordance with the task force’s protocols. In its operational phase, the task force will consider whether the matter is:

* appropriate to be considered and assessed under the task force terms of reference;
* suitable for referral to existing counselling services should the complainant need additional counselling;
* suitable for consideration under the Defence Abuse Reparation Payment Scheme;
* suitable for restorative justice or conciliation processes, including apologies from appropriate Defence officers;
* suitable to be referred to police for assessment and possible formal criminal investigation and prosecution;
* suitable to be referred for disposition by the military justice system or other Defence processes;
* suitable to be referred to another external entity, such as the Defence Force Ombudsman; or
* in a category of allegations that merits further inquiry by a royal commission.

**Systemic issues**

All information assessed and analysed will be considered to ascertain whether there are any implications for Defence in the work it is undertaking in its Pathway to Change or arising from other cultural reviews. This includes any systematic issues identified in the DLA Piper review report, which has been provided to the task force for consideration and advice to me.

In accordance with its terms of reference, the task force will bring any such matters to the attention of the Minister for Defence, the Chief of the Defence Force, and the Secretary of the Department of Defence to ensure Pathway to Change addresses, or is updated to address, the concerns of systemic issues.

The task force is expressly considering if further investigation through a royal commission is required into particular matters identified in the report of the DLA Piper review, in particular in relation to ADFA, as previously outlined, and in relation to alleged events at HMAS *Leeuwin* in the 1960s and 1970s.

Based on an analysis of the material currently available to it about the events which are alleged to have taken place at
HMAS *Leeuwin* in the 1960s and 1970s, the task force has noted that:

- there is a consistency between material available on the public record regarding events at HMAS *Leeuwin* in the 1960s and 1970s and the substance of the individual complaints made to the task force;
- it appears that bullying and violence of a widespread and serious nature occurred at HMAS *Leeuwin* during the 1960s and 1970s;
- much of the alleged bullying and violence appears to have been unreported; and
- many of those who allege that they suffered abuse at HMAS *Leeuwin* during this time period also describe significant detrimental long-term impacts such as post-traumatic stress disorder or serious depression, which they attribute to their experiences at HMAS *Leeuwin*.

**Reparation scheme**

The government has today announced that it has approved the operation of the Defence Abuse Reparation Payment Scheme. The purpose of the Defence Abuse Reparation Payment Scheme is to recognise that abuse in Defence is unacceptable and wrong. Individuals who suffered sexual or other forms of abuse in Defence should be afforded some form of financial reparation as part of a broader acknowledgment that such abuse should never have occurred. Recognition will be made in the form of a reparation payment to persons who have made plausible allegations of being subjected to sexual or other forms of abuse in Defence. The scheme also seeks to recognise individuals who reported abuse and whose cases were then mishandled by Defence management.

Reparation payments are not intended as compensation per se. They are a way of enabling people to move forward. Payments to individuals will be capped at $50,000, with the amount provided to each complainant determined on a case-by-case basis taking into account the individual circumstances of each case. The making of a reparation payment to a person under the scheme is not intended to affect the statutory, common law or other legal rights of the person. However, a court or tribunal may, if it sees fit, take the making of a reparation payment into account in assessing the amount of any damages or compensation otherwise payable to a person under the common law or a Commonwealth, state or territory statute.

**Period of operation**

The task force was originally intended to operate for a year until December of this year and at its conclusion report to parliament through the Minister for Defence. However, I have received advice from the task force chair that he considers an extension of this deadline is necessary as there is no realistic prospect the work required by the terms of reference could be completed within the present 12-month timetable, noting the substantial workload before it and the large number of new cases. The Attorney-General and I have therefore agreed to his request that the duration of the Defence Abuse Response Taskforce be extended from 12 to 18 months. The task force is now due to complete its work at the end of May 2014.

The Attorney-General and I also agree that the cut-off for the task force accepting new allegations of abuse that are alleged to have occurred prior to 11 April 2011 will be 31 May this year, giving the task force a full year in which to assess those allegations and conclude its work. This announcement will ensure that people who have experienced abuse prior to 11 April 2011 but who have
not yet brought their case forward have the
time to consider doing so.

Parliamentary oversight

The serious nature of the matters being
considered by the Defence Abuse Response
Taskforce requires the highest level of
oversight. This is why I support
parliamentary oversight in the ongoing
management of these matters. This has
already commenced with the establishment
of the Senate Standing Committees on
Foreign Affairs, Defence and Trade inquiry
into the report of the review of allegations of
sexual and other abuse in Defence,
conducted by DLA Piper, and the response
of the government to the review.

Today, that committee will hold hearings
at which the Chair of the Defence Abuse
Response Taskforce, Mr Len Roberts-Smith
QC, the Secretary of the Department of
Defence and the Chief of the Defence Force
will appear. I propose to discuss with
members of the committee how
parliamentary oversight of the management
of allegations of abuse in Defence and
parliamentary oversight of implementation
of cultural change measures in Defence can
be effected. This parliamentary oversight
will be in addition to the first annual report
to the Parliament on Defence’s
implementation of the cultural reform
program, which as previously indicated I
propose to put forward in the House before
the end of June.

I table a copy of the first interim report to
the Attorney-General and Minister for
Defence by the Defence Abuse Response
Taskforce in conjunction with my ministerial
statement. I ask leave of the House to move a
motion to enable the member for Fadden to
speak for 12 minutes.

Leave granted.

Mr STEPHEN SMITH: I move:

That so much of the standing and sessional
orders be suspended as would prevent Mr Robert
speaking in reply to the ministerial statement for a
period not exceeding 12 minutes.

Question agreed to.

Mr ROBERT (Fadden) (09:48): First let
me thank the minister for continuing to keep
the parliament and the nation up to date on
this important issue. I join the minister in
acknowledging the chair of the organisation
overseeing this, the Hon. Len Roberts-Smith
RFD QC, and his senior leadership
executive.

I reiterate the coalition's strong and
complete bipartisan support for what is
occurring to address the issues of the past.
We are satisfied that we have been kept
informed. We are satisfied that the processes
and procedures that have been put in place
are appropriate and are working to the fullest
extent possible. I note the issues raised on
access to documentation. I also note the
work that has been done to overcome these.
I, like everyone in this place, would fully
expect DLA Piper to cooperate, and I am
sure that will be the case going forward.

It is also our very strong expectation that
the Department of Defence will make every
resource and every document available to the
group providing the oversight and will
provide assistance to that task force so they
can discharge their duty. I note the
overwhelming support for the senior
leadership team within Defence from the
minister through to the CDF, the secretary
and down. But it is important to note that the
coalition will not tolerate any departmental
obfuscation. Everything must be made fully
available to the task force upon request
without delay.

I think we all acknowledge that it is
important the task force be able to operate
completely and utterly unencumbered, as
much to expedite the process as to ensure
that those who were failed in the past receive the recognition and reparations they are entitled to. We may well be beholden to our past, but it is now our responsibility to ensure the wrongs inflicted on those fine men and women of the ADF over the last six decades are addressed and, importantly, that those egregious acts and wrongs are addressed to the satisfaction of those aggrieved, whether through counselling, reparation payments, apologies, restorative justice or all of the above. To that extent, the coalition is extremely satisfied with the process being undertaken by the task force.

In terms of the initiatives, we welcome the free hotline service that has provided an avenue to many who previously did not know there was a place to turn to have issues addressed. The coalition fully supports the minister in his decision to extend the time frame in which the task force can operate from 12 months to 18 months to enable the task force to work through until May 2014. We also put on record that if the task force requires extra time it should, of course, be given to it.

We also fully support the extension necessary for the task force to completely address and assess claims made, but we also support the idea that there needs to be a finite time for potential claimants to actually lodge their claims. The minister has stated that allegations of abuse that occurred prior to April 2011 must be made by 31 May this year. We agree with the minister that this is a sensible measure that will allow the task force the time they need to ensure everything is appropriately addressed. Importantly, it gives those aggrieved time to decide whether or not they wish to make a formal allegation to the task force. That gives eight or nine weeks for the Australian people to consider their position, and that is appropriate. I note, Minister, from our discussion yesterday, that you will be looking for some degree of advertising to ensure that as many people as possible are aware of the time frame and the time required to lodge a claim, and again you receive the coalition's strong support.

Minister, thank you for your update to the House on this very important measure. Thank you for providing the necessary parliamentary oversight. I believe that the Senate committee is meeting today and the chair of the task force will be addressing the Senate committee to provide that necessary parliamentary oversight. The key thing is that we move forward—that we move forward with grace, that we move forward with determination to right the wrongs of the past and to set a new standard. I believe that the Pathway to change document that the CDF and the senior leadership team have embarked on is addressing that adequately.

BILLS
Insurance Contracts Amendment Bill 2013
First Reading
Bill and explanatory memorandum presented by Mr Ripoll, for Mr Shorten.
Bill read a first time.

Second Reading
Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer) (09:53): I move:
That this bill be now read a second time.

Having a safe, efficient and well-functioning insurance market is vital for all Australians. Insurance enables people and organisations to participate in social and economic activities that they otherwise would not be able to engage in, as they are able to price and transfer risks associated with those activities and with other aspects of their lives.

The important role that insurance plays in Australian society has become even more evident in the past few years with the
In recognising the critical role insurance plays and the impact that insurance has on families and businesses the government has taken and continues to take a number of steps to improve the insurance market in Australia.

In this regard, on 23 November 2011 the government introduced the Insurance Contracts Amendment Bill 2011 into parliament. The bill received royal assent on 15 April 2012. The 2012 act introduced the framework for a standard definition of flood for home building, home contents, small business and strata title body corporate insurance contracts and for the provision of a key facts sheet for home building and home contents insurance policies.

During 2012, regulations to give effect to these two measures were made and I am pleased to say that a significant number of insurers have adopted the standard definition early. This measure in particular ensures that Australians can rely on a common understanding of what flood actually means in these type of insurance contracts.

This bill, the Insurance Contracts Amendment Bill 2013, is yet another example of how the Gillard government is improving the insurance market in Australia. The law governing contracts of insurance has a direct influence on the effectiveness and efficiency of the insurance market.

This bill has been developed over a long period. Its history began back in September 2003, when a review panel comprising Mr Alan Cameron AM and Ms Nancy Milne was established to embark on a comprehensive review of the act.

The review panel’s final report was released in 2004. The report noted that the Insurance Contracts Act 1984, which is the primary source of laws regulating the rights and obligations of insurers, insureds and relevant third parties, had generally been operating satisfactorily to the benefit of insurers and insureds. However, the review panel found that some changes would be beneficial given the passage of time from the act’s original enactment. Consequently, the review panel made some recommendations to give effect to the beneficial changes that they had identified in the review. The review panel also recommended that further consultations should be undertaken on the details of any proposed amendments to give effect to their recommendations.

In 2010 after extended consultation with industry and consumer groups, the Insurance Contracts Amendment Bill 2010 was introduced into parliament. While the 2010 bill passed the House of Representatives, due to the calling of the 2010 federal election the bill lapsed.

On the government’s return, it was decided that it was appropriate to consult further with key stakeholders to ensure that the amendments to the act struck an appropriate balance between providing certainty for insurers and ensuring that insureds are able to obtain appropriate outcomes under the act. Through this engagement, some additional refinements have been made to the proposed amendments to the act. These refinements further add to the beneficial nature of the amendments to the act.

The government appreciates the constructive and thoughtful way that consumer representatives and industry have worked closely together throughout the development of the amendments to the act.

The bill includes measures that will:

- remove impediments to the use of electronic communication for statutory notices and documents;
make the duty of disclosure easier for consumers to understand and comply with, especially at renewal of household/domestic insurance contracts;

- make the remedies in respect of life insurance contracts more flexible and suited to modern life insurance products;

- clarify the rights and obligations of persons named in contracts as having the benefit of cover, but who are not parties themselves; and

- clarify what types of contracts are exempt from its operation.

Although many of the amendments are technical adjustments to the act rather than significant changes to the framework of the act, as a package they will operate to streamline and clarify requirements while maintaining appropriate consumer protections.

The government is also in the process of developing draft legislation to extend the unfair contract terms laws to general insurance. This will ensure that the protections against unfair contract terms that are enshrined in Australia's consumer protection legislation will also apply to general insurance contracts, which have until now been excluded.

In conclusion, this bill is yet another significant step made by the Gillard government in improving the insurance market in Australia. This bill provides for a package of improvements and efficiencies to how the act operates, while maintaining the right balance that the act aims to strike between the interests of insurers, insureds and the wider public. This bill will help ensure a better functioning, more efficient insurance market that will ultimately benefit the entire Australian community.

Debate adjourned.

**International Monetary Agreements Amendment Bill 2013**

**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) (09:59): I move:

That this bill now be read a second time.

This bill amends the International Monetary Agreements Act 1947 to bring into force a bilateral loan agreement between Australia and the IMF that was signed on 13 October 2013.

The Treasurer first announced a US$7 billion (around A$6.8 billion) commitment as a bilateral loan to the IMF in April 2012 as part of a global effort to bolster the global financial safety net that provides a firewall against a possible renewed financial crisis.

While the IMF’s current resource base is sufficient to meet expected needs, the IMF estimated early last year there is a potential global financing gap if a severe financial crisis were to occur.

As such, the IMF considered that it needed to raise additional lending resources to ensure that it has adequate firepower to play its role in crisis prevention and resolution. These resources are in addition to the contribution made by the Eurogroup to increase the capacity of the European Financial Stability Facility (EFSF) and the European Stability Mechanism (ESM).

Increasing the IMF’s available resources in response to this potential need is thus essential for ensuring confidence that the IMF is fully equipped for its crisis prevention and resolution role.
On 19 June 2012, G20 leaders in Los Cabos committed to boosting the IMF’s resourcing through temporary bilateral and note purchase agreements, with the total commitment now standing at over US$460 billion. Australia’s loan agreement is part of this global push to increase the resources of the IMF to respond to crises.

It is not expected that the loan agreement will be drawn upon over the forward estimates period as the IMF has sufficient resources to cover its projected lending activities in current conditions.

The IMF may only make drawings under the loan agreement if its existing quota and New Arrangements to Borrow resources are insufficient to support its lending to borrowing member countries.

As noted by G20 Leaders in their 2012 Los Cabos declaration, these resources will be available for the whole membership of the IMF, and not earmarked for any particular region.

The IMF is a quota-based institution and in order to reduce the IMF’s reliance on voluntary borrowed resources such as this loan agreement, members of the IMF agreed on 15 December 2010 to a doubling of IMF quota resources with a corresponding reduction in the size of New Arrangements to Borrow credit lines.

As such, this loan is only in place temporarily to cover the IMF’s potential financing needs in the short term. Any drawings from Australia by the IMF would be repayable in full and with interest.

The bill provides a standing appropriation for payments that are drawings by the IMF under the loan agreement. The appropriation covers this specific loan agreement only, and any amendments to the value or term of the agreement would require the act to be subsequently amended.

In addition to bringing the bilateral loan agreement into force, this bill also corrects a technical issue with the existing act. It provides an appropriation to make payments for changes to Australia’s quota, which will provide greater flexibility in how these payments are made including by using a foreign currency, or possibly Australian currency, depending on the holdings of the IMF.

I commend the bill to the House.

Debate adjourned.

National Disability Insurance Scheme Bill 2012
Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr OAKESHOTT (Lyne) (10:04): I rise to put on the record my wholehearted and continued support for progress of the National Disability Insurance Scheme Bill 2012 and to congratulate everyone involved in the process of getting it to this point. I am the son of a head and neck doctor and so grew up surrounded by many people with disabilities. I learnt to swim in a hydrotherapy pool at a rehab centre. My playground was the Lismore House With No Steps. Many Christmases were spent running off my father’s shoulder, wandering around hospitals, visiting patients. I was not allowed a motorbike when I was a teenager because of the number of head and neck injuries my father had seen.

This bill is a wonderful acknowledgement by this parliament of the good work done by many people over a long period of time in making sure that we are a country that includes everyone. It acknowledges and celebrates that all Australians, regardless of physical or mental impairment, have a contribution to make. I do want to single out one person who is a great example of that. I
hope that, as this bill is implemented into law, that person will be remembered as the father of this exercise. That person is John Walsh, who is known by many people involved in this process. I am told by the minister that he is now with PricewaterhouseCoopers. From my point of view, he is a great example of what can be achieved in spite of life's adversities. He should be celebrating that we have got to this point in a bipartisan way. He is someone we should be celebrating in a country like Australia. I know success in a bill like this will have many fathers—it is great that it is bipartisan; it is great that it is happening in a minority parliament—but it is the John Walshes who are at the heart of the actuarial and policy work that has gone into getting this bill to this point. He is a great example of why this should matter to all Australians. A big hats-off to him and his contribution.

I am really pleased with this, but it is one of the few examples of bipartisanship in a parliament that could have delivered bipartisanship on many policy issues important to the nation. Unfortunately, from my point of view, over the past three years we have not seen more of this. This agreement is a shining light of what could be and what can be achieved when bipartisanship occurs. It secures the National Disability Insurance Scheme for the long term across state and political boundaries and really ups the credibility of the bill before the House today. I had previously mentioned a minority parliament. Many people at the start of this parliament were saying that it would be shaky and would not be able to do anything. Well, this bill is a substantial reform that we are seeing passed in a minority-type parliament. That is a credit to the negotiation skills of the key stakeholders involved.

I congratulate the Productivity Commission for their work in getting the matter to this point. I congratulate the minister for driving it from there and the opposition for their willingness to put their hands across the table and make this one of those rare bipartisan moments. I recognise there is a lot more work in detail to go into this. In many ways the detail will be incredibly important, both on the economics and in making sure that this is a contribution to the economy of Australia rather than a burden. As well, the challenge of shaping the boundaries will be incredibly difficult. Even now there are anomalies in existing laws about entitlements or arrangements for younger people with disability compared to older people with disability. The age of 26 seems to pop up in a lot of legislation, with things like hearing aids versus speech processors, who is or is not a designated person and the changing nature of arrangements for individuals. Those are a few examples of the complexities that are going to be involved in shaping the boundaries. No-one should think that it is going to be an easy process. I am thrilled that public policy is not shying away from that and is not standing in the way. If those boundaries can be shaped well and if the economics can stand up to some great challenges that we have in mid-term and long-term budget forecasts, then this will be a significant contribution that this parliament has delivered for Australia.

It is probably only a new Pope being announced and celebrated around the world that would be of more significance today, but I reckon this bill is pretty close to it. It will probably not get the widespread coverage that a new Pope will get, but it should. It is good work, it does matter and it is going to mean a lot to many people's lives. From a social inclusion point of view, it will build a better Australia. Well done to all those involved.
Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (10:10): I would like to start by thanking every single member of parliament who has joined in the debate on the National Disability Insurance Scheme Bill 2012 and every single person who contributed to the development of the National Disability Insurance Scheme. I think it is right that, without exception, all members have spoken about the need for, and the benefits of, the National Disability Insurance Scheme. I see my colleague the Minister for Employment and Workplaces Relations joining us in the chamber and I acknowledge his role, when he was Parliamentary Secretary for Disabilities and Children’s Services, in the early stages of the development of this scheme.

It is true that it is rare that a proposed reform of this size strikes such a chord with so many of us across political lines. The consensus in the House does reflect the consensus across the Australian community. It is a reform whose time has come. It is a reform that this government is very, very proud to be delivering so that Australians with significant or profound disability can receive the care and support they need regardless of how they acquired their disability. Just like all Australians have access to social security and universal health care, so it is that we will now have an entitlement to services and support based on need.

This bill establishes the framework for the National Disability Insurance Scheme and the National Disability Insurance Scheme Launch Transition Agency. The legislation will enable the National Disability Insurance Scheme to be launched from July this year. The launch will benefit around 26,000 people with disability and their families and carers—people living in South Australia, Tasmania, the Australian Capital Territory, the Hunter in New South Wales and the Barwon area in Victoria. In New South Wales, where we have reached agreement to roll out the National Disability Insurance Scheme across the state by July 2018, around 140,000 people will benefit. We look forward to working with people in other states so that those with disability right across the country can be supported by the full scheme.

The National Disability Insurance Scheme will transform the lives of people with disability, their families and their carers. For the first time, they will have their needs met in a way that truly supports them to live with choice and dignity. It will bring an end to the tragedy of services denied or delayed and, instead, offer people with disability the care and support they need over their lifetimes. It will end the cruel lottery that besets people today when the care and support that they receive depends on where they live or on how they acquired their disability.

I would particularly like to recognise the efforts of the disability and carer community in coming together with providers to advocate for this overdue reform; it is because of their extraordinary efforts and their willingness to come together that we are here today. They know, as the Productivity Commission found, that the current disability support system is unfair, underfunded, fragmented and inefficient. I would especially like to thank those people who have really rolled up their sleeves, who have worked so hard and so constructively to provide input into this bill—who have considered the detail and what it means for people with a disability, their family and their carers—for a scheme that each and every one of us has so much hope for.

I also want to thank the advisory group—Jeff Harmer, Rhonda Galbally, Bruce...
Bonyhady, Joan McKenna Kerr, Ken Baker, Fran Vicary and Lorna Hallahan—and all those organisations who have reached out, worked with their members and with people with disability, their families and carers and with service providers right round the country to gauge their views and test ideas and practices. All of this has been fed back into making sure that the bill that we will pass today is so much stronger. I want to thank them sincerely and all those people who have put up their hands, raised their voices to be heard not only in principle but, day by day, in practice.

The rights of people with disability, their families and carers are at the heart of the National Disability Insurance Scheme and at the heart of this bill. The bill will implement a nationwide, demand driven system of care tailored to the needs of each individual and established on a durable, long-term basis. The bill reflects the extensive work on design, funding and governance that we have undertaken with the states and territories; with people with disability, their families and carers; and with providers and other key stakeholders—work that of course will be ongoing as we continue to build and refine the scheme.

The National Disability Insurance Scheme will respond to each individual's goals and aspirations for their lifetime. The National Disability Insurance Scheme Launch Transition Agency will be established as an independent statutory body with an independent board by the passage of this bill through the parliament. The board will be supported by an independent advisory council, as set out in this legislation, and its members will bring to the scheme experience of disability and of caring. The agency will work with people to plan how they will achieve their goals, taking account of their individual circumstances and needs. For the first time, people with disability will receive the care and support they need in the course of their lifetime.

The bill sets out the objects and principles under which the National Disability Insurance Scheme will operate, including giving people choice and control over the care and support that they receive, and giving effect in part to the United Nations Convention on the Rights of Persons with Disabilities. The bill sets out the process for a person becoming a participant in the scheme, how participants develop a personal goal-based plan with the agency, and how reasonable and necessary supports will be assured to participants. People will be able to decide for themselves the type of care and support they receive and choose how they want to manage these supports. They will be able to access assistance from local coordinators who understand their local community. They will also be able to access early intervention therapies and supports where these supports will improve a person's functioning or slow or prevent the progression of their disability over their lifetime. The bill also provides that the agency will be responsible for the provision of support to people with disability, their families and carers.

What sits behind this bill as well, given its size, is the hard work of people in the Australian Public Service and in state and territory governments. I want to thank in particular officers of the National Disability Insurance Scheme task force—those from my own department, led by Serena Wilson, and those from Prime Minister and Cabinet, led by Rebecca Cross. I also want to thank the officers of the agency, David Bowen and his team. Each and every one of you have put enormous effort into this scheme that all of us are working to build, and I know that each of these officers have put their heart and soul into it.
I know this is unusual, but I want to mention the particular role of the secretary of Prime Minister and Cabinet, Dr Ian Watt, and the secretary of my own department, Finn Pratt. It is extraordinary that we have had the benefit of these two outstanding leaders in the development of this bill. Finally, I want to acknowledge the role played in my own office by my personal staff; and I thank Corri McKenzie and Kate Costello, who have also dedicated so much of their time to this bill.

I will shortly be moving amendments to the bill, and these amendments have come out of considerations by the Council of Australian Governments and other agreements that we have negotiated with the states and territories; from ongoing engagement with people who have a disability, their families and their carers; and from advocates and service providers. The amendments also respond to matters that were raised in submissions to the Senate Community Affairs Legislation Committee during its inquiry into the bill.

This bill is an enormous step in ensuring that people with disability, their families and carers receive peace of mind. Thank you.

Question agreed to.

Bill read a second time.

**Consideration in Detail**

Bill—by leave—taken as a whole.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (10:22): I present a supplementary explanatory memorandum to the bill and ask leave of the House to move government amendments (1) to (77), as circulated, together.

Leave granted.

Ms MACKLIN: I thank the House. I move:

(1) Clause 3, page 4 (lines 4 to 25), omit subclause (1), substitute:
(1) The objects of this Act are to:
(a) give effect to certain obligations that Australia has as a party to the Convention on the Rights of Persons with Disabilities; and
(b) provide for the National Disability Insurance Scheme in Australia; and
(c) support the independence and social and economic participation of people with disability; and
(d) provide reasonable and necessary supports, including early intervention supports, for participants in the National Disability Insurance Scheme launch; and
(e) enable people with disability to exercise choice and control in the pursuit of their goals and the planning and delivery of their supports; and
(f) facilitate the development of a nationally consistent approach to the access to, and the planning and funding of, supports for people with disability; and
(g) promote the provision of high quality and innovative supports that enable people with disability to maximise independent lifestyles and full inclusion in the mainstream community; and
(h) raise community awareness of the issues that affect the social and economic participation of people with disability, and facilitate greater community inclusion of people with disability.

(2) Clause 3, page 5 (line 2), at the end of subclause (3), add:
; and (c) the broad context of disability reform provided for in:
(i) the National Disability Strategy 2010-2020 as endorsed by COAG on 13 February 2011; and
(ii) the Carer Recognition Act 2010.

(3) Clause 4, page 5 (lines 12 and 13), omit "and control", substitute ", including in relation to taking reasonable risks."

(4) Clause 4, page 5 (line 24), omit "informed choice and", substitute "choice and control, and to".
(5) Clause 4, page 6 (lines 5 to 7), omit paragraph (11)(b), substitute:

(b) support people with disability to live independently and to be included in the community as fully participating citizens; and

c) develop and support the capacity of people with disability to undertake activities that enable them to participate in the mainstream community and in employment.

(6) Clause 4, page 6 (after line 16), after subclause (14), insert:

(14A) Positive personal and social development of people with disability, including children and young people, is to be promoted.

(7) Clause 5, page 7 (line 9), at the end of the clause, add:

; (f) if the person with disability is a child—the best interests of the child are paramount, and full consideration should be given to the need to:

(i) protect the child from harm; and

(ii) promote the child's development; and

(iii) strengthen, preserve and promote positive relationships between the child and the child's parents, family members and other people who are significant in the life of the child.

(8) Clause 6, page 7 (line 11), omit "(1) The", substitute "To support people with disability to exercise choice and control in the pursuit of their goals, the".

(9) Clause 6, page 7 (lines 18 to 20), omit subclause (2).

(10) Clause 9, page 10 (after line 9), after the definition of Agency, insert:

annual financial sustainability report means a report prepared under subsection 180B(1).

(11) Clause 9, page 11 (after line 14), after the definition of correspondence nominee, insert:

cover, in relation to an enterprise agreement, has the same meaning as in the Fair Work Act 2009.

(12) Clause 9, page 11 (after line 31), after the definition of early intervention supports, insert:

enterprise agreement has the same meaning as in the Fair Work Act 2009.

(13) Clause 9, page 12 (after line 9), after the definition of entry, insert:

FairICSIA agreement means the enterprise agreement known as the Department of Families, Housing, Community Services and Indigenous Affairs Enterprise Agreement 2012-2014 approved on 24 April 2012 in decision [2012] FWAA 3549.

(14) Clause 9, page 15 (after line 25), after the definition of reviewer, insert:

reviewing actuary means the actuary who is nominated under section 180D.

scheme actuary means the actuary who is nominated under section 180A.

(15) Page 21 (before line 2), before Part 1, insert:

Part 1A—Principles

17A Principles relating to the participation of people with disability

(1) People with disability are assumed, so far as is reasonable in the circumstances, to have capacity to determine their own best interests and make decisions that affect their own lives.

(2) People with disability will be supported in their dealings and communications with the Agency so that their capacity to exercise choice and control is maximised.

(3) The National Disability Insurance Scheme is to:

(a) respect the interests of people with disability in exercising choice and control about matters that affect them; and

(b) enable people with disability to make decisions that will affect their lives, to the extent of their capacity; and

(c) support people with disability to participate in, and contribute to, social and economic life, to the extent of their ability.

(16) Clause 24, page 25 (lines 20 to 22), omit paragraph (1)(e), substitute:

(e) the person is likely to require support under the National Disability Insurance Scheme for the person's lifetime.

(17) Clause 24, page 25 (lines 24 to 26), omit all the words from and including "person's support" to and including "lifetime", substitute "person is likely to require support under the National
Disability Insurance Scheme for the person's lifetime".

(18) Clause 25, page 25 (line 27) to page 26 (line 12), omit the clause, substitute:

25 Early intervention requirements

(1) A person meets the early intervention requirements if:

(a) the person:

(i) has one or more identified intellectual, cognitive, neurological, sensory or physical impairments that are, or are likely to be, permanent; or

(ii) has one or more identified impairments that are attributable to a psychiatric condition and are, or are likely to be, permanent; or

(iii) is a child who has developmental delay; and

(b) the CEO is satisfied that provision of early intervention supports for the person is likely to benefit the person by reducing the person's future needs for supports in relation to disability; and

(c) the CEO is satisfied that provision of early intervention supports for the person is likely to benefit the person by:

(i) mitigating or alleviating the impact of the person's impairment upon the functional capacity of the person to undertake communication, social interaction, learning, mobility, self-care or self-management; or

(ii) preventing the deterioration of such functional capacity; or

(iii) improving such functional capacity; or

(iv) strengthening the sustainability of informal supports available to the person, including through building the capacity of the person's carer.

Note: In certain circumstances, a person with a degenerative condition could meet the early intervention requirements and therefore become a participant.

(2) The CEO is taken to be satisfied as mentioned in paragraphs (1)(b) and (c) if one or more of the person's impairments are prescribed by the National Disability Insurance Scheme rules for the purposes of this subsection.

(3) Despite subsections (1) and (2), the person does not meet the early intervention requirements if the CEO is satisfied that early intervention support for the person is not most appropriately funded or provided through the National Disability Insurance Scheme, and is more appropriately funded or provided through other general systems of service delivery or support services offered by a person, agency or body, or through systems of service delivery or support services offered:

(a) as part of a universal service obligation; or

(b) in accordance with reasonable adjustments required under a law dealing with discrimination on the basis of disability.

(19) Clause 27, page 27 (line 20), after "paragraph 24(1)(b)", insert "or subparagraph 25(a)(i) or (ii)".

(20) Clause 27, page 27 (line 28) to page 28 (line 3), omit paragraphs (1)(d) to (f), substitute:

(d) the provision of early intervention supports is likely to benefit a person by reducing the person's future needs for supports in relation to disability for the purposes of paragraph 25(1)(b); or

(e) the provision of early intervention supports is likely to benefit a person by mitigating, alleviating or preventing the deterioration of the person's functional capacity to undertake one or more of the activities for the purposes of subparagraph 25(1)(c)(i) or (ii), or improving such functional capacity for the purposes of subparagraph 25(1)(c)(iii); or

(f) the provision of early intervention supports is likely to benefit a person by strengthening the sustainability of the informal supports available to the person, including through building the capacity of the person's carer for the purposes of subparagraph 25(1)(c)(iv).

(21) Clause 29, page 28 (lines 22 to 24), omit paragraph (1)(b), substitute:

(b) the person enters a residential care service on a permanent basis, or starts being provided with community care on a permanent basis, and this first occurs only after the person turns 65 years of age; or
(22) Clause 31, page 30 (after line 13), after paragraph (d), insert:

(da) if the participant and the participant's carers agree—strengthen and build the capacity of families and carers to support the participant in adult life; and

(23) Clause 32, page 31 (lines 5 and 6), omit subclause (2), substitute:

(2) The CEO must commence facilitating the preparation of the participant's plan in accordance with the National Disability Insurance Scheme rules.

(3) If National Disability Insurance Scheme rules made for the purposes of subsection (2) do not require the CEO to commence facilitating the preparation of a participant's plan within a prescribed period or in prescribed circumstances, the CEO must commence facilitating the preparation of the plan as soon as reasonably practicable, having regard to the obligations of the CEO under the rules to commence facilitating the preparation of other participants' plans.

(24) Page 31 (after line 6), after clause 32, insert:

32A Rules about preparation of plans

(1) Without limiting subsection 32(2), National Disability Insurance Scheme rules made for the purposes of that subsection may require the CEO to commence facilitating the preparation of the plan of a participant included in a class prescribed by the rules:

(a) within a period prescribed by the rules; or

(b) in circumstances prescribed by the rules.

(2) Without limiting the classes that may be prescribed as mentioned in subsection (1), a class may be prescribed by reference to one or more of the following:

(a) whether the participant's name is included on a prescribed waiting list;

(b) whether the participant is receiving support from a prescribed service provider or under a prescribed program;

(c) whether, when the participant first made an access request, he or she was not receiving supports other than informal supports in relation to his or her disability;

(d) the place of residence of the participant on a prescribed date or throughout a prescribed period;

(e) whether, when the participant first made an access request, he or she had left, or was reasonably likely to leave, school at a prescribed time or during a prescribed period;

(f) the participant's age;

(g) other matters.

(3) Despite subsection 32(2) and subsection (1) of this section, if the CEO is satisfied that, because of the urgency of the circumstances, it is appropriate to commence facilitating the preparation of a participant's plan at a particular time:

(a) the CEO may do so; and

(b) if doing so means that it is necessary not to commence facilitating the preparation of the plans of one or more other participants—the CEO may delay commencing such facilitation, so far as is reasonably necessary.

(4) The National Disability Insurance Scheme rules may prescribe matters to which the CEO is to have regard in deciding for the purposes of subsection (3) whether or not he or she is satisfied that, because of the urgency of the circumstances, it is appropriate to commence facilitating the preparation of a participant's plan.

(5) If the CEO commences or delays facilitating the preparation of a participant's plan in accordance with subsection (3), the CEO does not breach subsection 32(2), or National Disability Insurance Scheme rules made for the purposes of that subsection, in relation to the participants concerned.

(6) Without limiting subsection 32(2) of this section, National Disability Insurance Scheme rules made for the purposes of that subsection (including as mentioned in subsection (1) of this section) may do one or more of the following:

(a) prescribe a class by reference to a decision of the CEO about a matter prescribed by the rules;

(b) prescribe a period or circumstances by reference to a decision of the CEO;

(c) prescribe matters by reference to a decision of the CEO.
(7) The CEO does not have a duty to consider whether to exercise a discretion conferred upon the CEO by:
   (a) subsection (3); or
   (b) National Disability Insurance Scheme rules made for the purposes of subsection 32(2) (including as mentioned in subsection (1) of this section).
(25) Clause 33, page 32 (lines 18 and 19), omit "the reasonable and necessary supports that will be funded and the manner in which they", substitute "the manner in which the reasonable and necessary supports".
(26) Clause 57, page 48 (after line 31), at the end of the clause, add:
   (3) It is a reasonable excuse for an individual to refuse or fail to give information or produce a document on the ground that to do so might tend to incriminate the individual or expose the individual to a penalty.
(27) Clause 72, page 56 (line 17), omit "must", substitute "may".
(28) Clause 72, page 56 (line 24), at the end of subclause (1), add:
   ; or (c) a circumstance exists that:
   (i) is a circumstance prescribed by National Disability Insurance Scheme rules for the purposes of this paragraph; and
   (ii) presents an unreasonable risk to one or more participants.
(29) Clause 72, page 56 (after line 24), after subclause (1), insert:
   (1A) Without limiting the circumstances that may be prescribed by National Disability Insurance Scheme rules made for the purposes of paragraph (1)(c), such circumstances may relate to:
   (a) a contravention by a person or entity that is a registered provider of supports, or an employee or contractor of such a person or entity, of a law or other requirement; or
   (b) a complaint made, or action taken, in relation to such a person or entity, or an employee or contractor of such a person or entity; or
   (c) such a person or entity being an insolvent under administration.
(30) Clause 74, page 59 (after line 9), after subclause (1), insert:
   (1A) If a State or Territory Minister has parental responsibility for the child, the CEO must not make a determination under paragraph (1)(b) in relation to the child unless the State or Territory Minister has agreed in writing to the making of the determination.
(31) Clause 75, page 61 (after line 9), after subclause (3), insert:
   (3A) If a State or Territory Minister has guardianship of the child, the CEO must not make a determination under subsection (2) or (3) in relation to the child unless the State or Territory Minister has agreed in writing to the making of the determination.
(32) Clause 76, page 61 (lines 18 to 20), omit all the words after "act", substitute "in the best interests of the child".
(33) Clause 76, page 61 (lines 26 and 27), omit all the words after "thing", substitute "is in the best interests of the child".
(34) Clause 76, page 62 (lines 1 and 2), omit all the words after "thing", substitute "is in the best interests of the child".
(35) Clause 84, page 68 (after line 25), after subclause (7), insert:
   (7A) It is a reasonable excuse for an individual to refuse or fail to comply with a notice under subsection (1) on the ground that to do so might tend to incriminate the individual or expose the individual to a penalty.
(36) Clause 86, page 70 (after line 11), at the end of the clause, add:
   (4) An appointment may provide that it has effect for a specified term.
   (5) Without limiting the manner of specifying a term for the purposes of subsection (4), it may be specified by reference to the expiry of a specified period or the occurrence of a specified event.
(37) Clause 87, page 70 (after line 19), at the end of the clause, add:
   (3) An appointment may provide that it has effect for a specified term.
(4) Without limiting the manner of specifying a term for the purposes of subsection (3), it may be specified by reference to the expiry of a specified period or the occurrence of a specified event.

(38) Clause 88, page 71 (lines 5 to 7), omit all the words after "whether", substitute "there is a person who, under a law of the Commonwealth, a State or a Territory:

(a) has guardianship of the participant; or

(b) is a person appointed by a court, tribunal, board or panel (however described) who has power to make decisions for the participant and whose responsibilities in relation to the participant are relevant to the duties of a nominee".

(39) Heading to clause 91, page 73 (line 16), omit "severe".

(40) Clause 91, page 73 (line 22), omit "severe".

(41) Clause 105, page 82 (lines 15 to 34), omit the clause, substitute:

105 Consequences of failure to comply with a requirement to take action to obtain compensation

(1) A participant or prospective participant who is given a notice under subsection 104(2) requiring him or her to take action (the required action) to claim or obtain compensation within a specified period must take the required action within the period.

(2) If a participant does not take the required action within the period, and the action is to enable the participant to claim or obtain compensation otherwise than under a scheme of compensation under a Commonwealth, State or Territory law:

(a) if a plan is in effect for the participant—the plan is suspended from the end of the specified period until the participant takes the required action; or

(b) if a plan is not yet in effect for the participant—the CEO must still comply with section 32 in relation to commencing the facilitation of the preparation of the participant's plan, but the plan does not come into effect until the participant takes the required action.

(3) If a prospective participant does not take the required action within the period, the CEO is not prevented from deciding whether or not the prospective participant meets the access criteria and commencing the facilitation of the preparation of the participant's plan, but the plan does not, despite section 37, come into effect until the participant takes the required action.

(4) If a participant or prospective participant does not take the required action within the period, and the action is to enable the person to claim or obtain compensation otherwise than under a scheme of compensation under a Commonwealth, State or Territory law, the CEO may:

(a) take action to claim or obtain compensation in the name of the participant or prospective participant; or

(b) take over the conduct of any existing claim.

105A Matters relating to claims etc. by CEO

(1) If the CEO takes action to claim or obtain compensation, or takes over the conduct of an existing claim, the Agency becomes liable to pay all costs of and incidental to that claim that would otherwise be payable by the person who originally made the claim, or the person in whose name the claim was made, other than costs unreasonably incurred by that person.

(2) The CEO may:

(a) take whatever steps are appropriate to bring the claim to a conclusion; and

(b) if the claim is before a court—settle the proceedings either with or without obtaining judgement; and

(c) if the claim is before a court and judgement has been obtained in favour of the plaintiff—take such steps as are necessary to enforce the judgement.

(3) The participant or prospective participant must sign any document relevant to a claim made or taken over by the CEO under section 105 (including the settlement of the claim or of any proceedings arising out of the claim), being a document that CEO requires the participant or prospective participant to sign.
(4) If the participant or prospective participant does not sign a document in accordance with a requirement under subsection (3):
   (a) if the claim is not before a court or tribunal at the time of the failure—the Federal Court of Australia may, on the application of the CEO, direct that the document be signed on behalf of the participant or prospective participant by a person appointed by CEO; and
   (b) otherwise—the court or tribunal in which proceedings relating to the claim are being heard may, on the application of CEO, so direct.
(5) If the CEO proposes to make an application under subsection (4):
   (a) the CEO must notify the participant or prospective participant of that fact; and
   (b) the participant or prospective participant has a right of representation in the hearing of that application.

105B Recovery of amounts relating to claims etc. by CEO

Any amount obtained as a result of a claim made or taken over by the CEO under section 105 (including amounts payable as a result of the settlement of such a claim) must be paid to the Agency. The Agency must deduct from the amount of those damages:
   (a) an amount equal to the total of all NDIS amounts paid to, or for the benefit of, the participant before the amount is paid to the Agency; and
   (b) the amount of any costs incidental to the claim paid by the Agency.

The Agency must pay the balance to the participant or prospective participant.

(42) Clause 118, page 93 (line 22), omit paragraph (1)(a), substitute:
   (a) to deliver the National Disability Insurance Scheme so as to:
      (i) support the independence, and social and economic participation, of people with disability; and
      (ii) enable people with disability to exercise choice and control in the pursuit of their goals and the planning and delivery of their supports; and
   (iii) ensure that the decisions and preferences of people with disability are respected and given appropriate priority; and
   (iv) promote the provision of high quality and innovative supports that enable people with disability to maximise independent lifestyles and inclusion in the mainstream community; and
   (v) ensure that a reasonable balance is achieved between safety and the right of people with disability to choose to participate in activities involving risk;
(43) Clause 118, page 93 (line 31), at the end of paragraph (1)(b), add:
   and (iii) considering actuarial advice, including advice from the scheme actuary and the reviewing actuary;
(44) Page 98 (after line 11), at the end of Division 1, add:

125A Functions to be performed having regard to actuarial analysis and advice

In performing its functions, the Board must have regard to relevant actuarial analysis and advice.

(45) Clause 127, page 99 (line 16), omit "host jurisdictions", substitute "States and Territories".
(46) Clause 127, page 99 (line 20), omit "host jurisdictions", substitute "States and Territories".
(47) Clause 127, page 99 (lines 22 to 25), omit paragraph (4)(b), substitute:
   (b) be satisfied that the appointment is supported by the Commonwealth, States and Territories.
(48) Clause 127, page 99 (after line 25), after subclause (4), insert:
   (4A) Despite subsection (4), the Minister may appoint a person as a Board member other than the Chair if:
      (a) the Minister sought under that subsection the support of the States and Territories for an appointment (the proposed appointment) of the person as a Board member; and
      (b) 90 days have passed since the Minister sought that support; and
      (c) the Minister is satisfied that it is not possible to make the proposed appointment in accordance with that subsection or it is not known whether
the proposed appointment can be made in accordance with that subsection.

(49) Clause 129, page 100 (line 25) to page 101 (line 9), omit subclause (2), substitute:

(2) The Minister may, by written instrument, appoint a person to act as a Board member other than the Chair, for a specified period of not more than 150 days, during a vacancy in the office of a Board member other than the Chair, whether or not an appointment has previously been made to the office.

(2A) The Minister must consult the States and Territories about an appointment under subsection (2).

(50) Clause 134, page 103 (line 13), at the end of subclause 134(1), add:

; or (c) if the Minister does not have confidence in the member.

(51) Clause 147, page 110 (line 10), omit "host jurisdictions", substitute "States and Territories".

(52) Clause 147, page 110 (line 14), omit "host jurisdictions", substitute "States and Territories".

(53) Clause 147, page 110 (lines 16 to 19), omit paragraph (3)(b), substitute:

(b) be satisfied that the appointment is supported by the Commonwealth, States and Territories.

(54) Clause 147, page 110 (after line 19), after subclause (3), insert:

(3A) Despite subsection (3), the Minister may appoint a person as a member of the Advisory Council other than the Principal Member if:

(a) the Minister sought under that subsection the support of the States and Territories for an appointment (the proposed appointment) of the person as a member of the Advisory Council; and

(b) 90 days have passed since the Minister sought that support; and

(c) the Minister is satisfied that it is not possible to make the proposed appointment in accordance with that subsection or it is not known whether the proposed appointment can be made in accordance with that subsection.

(55) Clause 149, page 111 (line 30) to page 112 (line 13), omit subclause (2), substitute:

(2) The Minister may, by written instrument, appoint a person to act as a member of the Advisory Council other than the Principal Member, for a specified period of not more than 150 days, during a vacancy in the office of a member of the Advisory Council other than the Principal Member, whether or not an appointment has previously been made to the office.

(2A) The Minister must consult the States and Territories about an appointment under subsection (2).

(56) Clause 159, page 117 (after line 15), at the end of the clause, add:

(7) The CEO must give the Board a copy of any significant actuarial report or advice he or she receives, as soon as reasonably practicable after receiving it.

(57) Page 121 (after line 27), at the end of Division 2, add:

171A Transitional provisions for staff of the Agency

Schedule 1 has effect.

(58) Clause 172, page 122 (line 7), omit ",, (4) and (5)", substitute "and (4)".

(59) Clause 172, page 122 (line 21) to page 123 (line 5), omit subclauses (4) and (5), substitute:

(4) The annual report must include:

(a) the summary, that was prepared under section 180B when the annual report was being prepared, of the annual financial sustainability report prepared then; and

(b) the report of the reviewing actuary's review under subsection 180E(2) of the summary mentioned in paragraph (a).

(60) Page 129 (after line 5), after Part 6, insert:

Part 6A—Actuarial assessment of financial sustainability

Division 1—Actuarial assessment of financial sustainability

180A Nomination of scheme actuary

(1) The Board must, in writing, nominate as scheme actuary an actuary:

(a) who is a Fellow of The Institute of Actuaries of Australia; and
(b) who the Board considers is a fit and proper person, and has appropriate skills, experience or knowledge, to be the scheme actuary; and

(c) who is not the reviewing actuary.

(2) The Board must, in writing, revoke the nomination if the nominee ceases to be a Fellow of The Institute of Actuaries of Australia.

(3) Subsection (2) does not limit subsection 33(3) of the Acts Interpretation Act 1901 (which deals with revocation and variation of instruments).

**180B Duties of scheme actuary**

*Duties relating to annual financial sustainability report*

(1) The scheme actuary must do all of the following each time an annual report on the Agency under section 9 of the CAC Act is being prepared:

(a) assess:

(i) the financial sustainability of the National Disability Insurance Scheme; and

(ii) risks to that sustainability; and

(iii) any trends in provision of supports to people with disability otherwise than through the National Disability Insurance Scheme (for example, trends in the provision of informal supports and supports provided through support services generally available to any person in the community);

(b) consider the causes of those risks and trends;

(c) make estimates of future expenditure of the National Disability Insurance Scheme;

(d) prepare a report of that assessment, consideration and estimation;

(e) prepare a summary of that report that includes the estimates described in paragraph (c).

*Duty to make quarterly estimates of future expenditure*

(2) At least once each quarter, the scheme actuary must make estimates of the future expenditure of the National Disability Insurance Scheme and advise the CEO of the estimates. For this purpose, *quarter* means a period of 3 months starting on 1 July, 1 October, 1 January or 1 April.

Note: The CEO must give the Board a copy of the advice under subsection 159(7).

*Duty to provide information and advice on request*

(3) The scheme actuary must, on request from the Board or the CEO, provide actuarial information or advice.

*Duty to report concerns to Board*

(4) If the scheme actuary has significant concerns about the financial sustainability of the National Disability Insurance Scheme, or the risk management processes of the Agency, he or she must report those concerns to the Board as soon as reasonably practicable.

**180C Rules for performance of scheme actuary’s duties**

The Minister administering the *Insurance Act 1973* may, by legislative instrument, determine rules that the scheme actuary must comply with in performing his or her duties under section 180B.

**Division 2—Reviewing actuary**

**180D Nomination of reviewing actuary**

(1) The Board must, in writing, nominate as reviewing actuary an actuary:

(a) who is a Fellow of The Institute of Actuaries of Australia; and

(b) who the Board considers is a fit and proper person, and has appropriate skills, experience or knowledge, to be the scheme actuary; and

(c) who is not the reviewing actuary; and

(d) who is not a member of the staff of the Agency under section 169.

(2) The nomination has effect for 3 years or a shorter period specified in the nomination.

(3) The Board must, in writing, revoke the nomination if the nominee:

(a) ceases to be a Fellow of The Institute of Actuaries of Australia; or

(b) becomes a member of the staff of the Agency under section 169.
Subsections (2) and (3) do not limit subsection 33(3) of the Acts Interpretation Act 1901 (which deals with revocation and variation of instruments).

Reviewing actuary for first 3 years

(5) The Board must nominate the Australian Government Actuary under subsection (1) as the first reviewing actuary, as soon as reasonably practicable after the commencement of this section. The nomination has effect for 3 years, despite subsection (2) of this section and subsection 33(3) of the Acts Interpretation Act 1901, but subject to subsection (3) of this section.

Nominations and revocations are not legislative instruments

(6) Neither a nomination made under subsection (1) nor a revocation made under subsection (3) is a legislative instrument.

180E Duties of reviewing actuary

(1) The reviewing actuary must, on request by the Board, review and report to the Board on actuarial reports and advice received by the Board.

(2) The reviewing actuary must review and report to the Board on each annual financial sustainability report and summary prepared under section 180B.

(3) The reviewing actuary must include in each of his or her reports under subsection (2) a statement whether he or she is satisfied that the Agency made all arrangements necessary for him or her to conduct the review to which the report relates.

(4) If the reviewing actuary has significant concerns about the financial sustainability of the National Disability Insurance Scheme, or the risk management processes of the Agency, he or she must report those concerns to the Board as soon as reasonably practicable.

Division 3—Assistance of scheme actuary and reviewing actuary

180F Agency to assist scheme actuary and reviewing actuary

The Agency must make arrangements to enable:

(a) the scheme actuary to perform his or her duties under section 180B; and

(b) the reviewing actuary to perform his or her duties under section 180E.

(61) Clause 189, page 136 (after line 21), at the end of the clause, add:

(3) It is a reasonable excuse for an individual to refuse or fail to give information or produce a document on the ground that to do so might tend to incriminate the individual or expose the individual to a penalty.

(62) Page 142 (after line 16), after clause 200, insert:

200A Legal assistance for review not funded

Nothing in this Act permits or requires the Agency to fund legal assistance for prospective participants or participants in relation to review of decisions made under this Act.

(63) Clause 206, page 145 (lines 20 to 25), omit subclause (3).

(64) Clause 206, page 146 (lines 4 to 7), omit subclause (6).

(65) Clause 207, page 146 (line 14), before "It", insert "(1)".

(66) Clause 207, page 146 (after line 16), at the end of the clause, add:

(2) The regulations may prescribe kinds of laws of States and Territories as examples of laws to which subsection (1) applies.

Note: Before the regulations can be made, the Minister must be satisfied that the Commonwealth and all the host jurisdictions agree: see paragraph 210(2)(b).

(67) Clause 209, page 148 (after line 14), after subclause (2), insert:

(2A) The National Disability Insurance Scheme rules may provide for the CEO to issue a written assessment tool that the CEO is to use for the purposes of assessing a person for the purposes of this Act or the rules.

(68) Clause 209, page 148 (lines 21 to 24), omit subclause (5), substitute:

(5) The Minister must not make Category B National Disability Insurance Scheme rules relating to:
(a) an area, law or program of a host jurisdiction; or
(b) the commencement of the facilitation of the preparation of plans of participants who are identified (wholly or partly, and directly or indirectly) by reference to a host jurisdiction; unless the host jurisdiction has agreed to the making of the rules.

(69) Clause 209, page 149 (cell at table item 1, column headed "Description"), after paragraph (b), insert:

(ba) section 25;

(70) Clause 209, page 149 (cell at table item 1, column headed "Description"), after paragraph (c), insert:

(ea) section 44;

(72) Clause 209, page 149 (cell at table item 2, column headed "Description"), after paragraph (c), insert:

(c) section 32;

(74) Clause 209, page 150 (cell at table item 4, column headed "Description"), omit paragraphs (b) and (c).

(75) Clause 209, page 150 (cell at table item 4, column headed "Description"), omit paragraph (e).

(77) Page 150 (after line 15), at the end of the Bill, add:

Schedule 1—Transitional provisions for staff of the Agency

Note: See section 171A.

1 FaHCSIA agreement covers staff of the Agency

(1) The FaHCSIA agreement covers the Commonwealth, APS employees (except SES employees), the Community and Public Sector Union and the Media, Entertainment and Arts Alliance in relation to the APS employees' employment in the Statutory Agency established by subsection 169(2).

Note: For APS employee and SES employee, see section 2B of the Acts Interpretation Act 1901.

(2) The FaHCSIA agreement has effect under subclause (1) as if:

(a) it had been made by the CEO on behalf of the Commonwealth; and

(b) references in the agreement to the Secretary were references to the CEO; and

(c) references in the agreement to the Department or FaHCSIA were references to the Statutory Agency established by subsection 169(2).

(3) For the purposes of the Fair Work Act 2009, the FaHCSIA agreement as it has effect under this clause is taken to be an enterprise agreement separate from the FaHCSIA agreement as it has effect apart from this clause.

(4) Guidelines and policies relating to employment conditions, administrative process and other employment-related matters that had effect for the purposes of the FaHCSIA agreement immediately before the commencement of this clause also have effect for the purposes of that agreement as it has effect under this clause.

(5) Guidelines and policies have effect under subclause (4) as if:

(a) references in them to the Secretary were references to the CEO; and
(b) references in them to the Department or FaHCSIA were references to the Statutory Agency established by subsection 169(2).

(6) Subclause (4) does not prevent the alteration or revocation of the guidelines and policies, as they have effect under that subclause, by the CEO or a delegate of the CEO.

End of coverage by FaHCSIA agreement

(7) The FaHCSIA agreement ceases to cover the Commonwealth, APS employees, the Community and Public Sector Union and the Media, Entertainment and Arts Alliance under subclause (1) on the coming into operation of another enterprise agreement that:

(a) is made by the CEO on behalf of the Commonwealth; and

(b) covers the Commonwealth and the APS employees (or the APS employees except SES employees) employed in the Statutory Agency established by subsection 169(2).

(8) Subclause (7) has effect subject to section 58 of the Fair Work Act 2009.

2 Instruments about transitional staffing matters

The Minister may, by legislative instrument, provide for matters of a transitional nature in relation to the staff of the Agency.

The government amendments I move today respond to the issues that we have heard from people with disabilities, their families and carers, from service providers and from the states and territories. Over the months since we introduced the legislation we have continued to work through the detail with many people and to listen to the comments and concerns of people right around the country—and, of course, there has been a Senate inquiry, and the amendments respond to matters raised in submissions to that inquiry.

I want to make some brief remarks about the main issues in the amendments. The amendments make clear that a fundamental aim of the National Disability Insurance Scheme is to maximise the independence of people with disability. In delivering the NDIS they require that the agency supports the independence, participation and exercise of choice and control by people with disability. They give much greater visibility to the object of the scheme that relates to the Convention on the Rights of Persons with a Disability and include a specific reference to the object of maximising independence for people with disability. They recognise the context for the NDIS, reflecting the core aims of the Carer Recognition Act and the National Disability Strategy of an inclusive and accessible society.

The government has also clarified that the early intervention provisions of the scheme include older people—those, for example, with degenerative conditions like multiple sclerosis or motor neurone disease. The amended provisions focus more on the individuals who may benefit from early intervention, their condition and its likely trajectory, and the benefits early intervention may provide to them. Subsection 25(2) in the amendments allows the chief executive officer to consider that people have met the requirements if they have an impairment prescribed in the NDIS rules for the purposes of the subsection. I anticipate that the impairments prescribed in the rules will be those where there is no doubt that early intervention would have the effect of reducing a person's need for future support—for example, children diagnosed with autism. People who do not have a prescribed impairment could still meet the early-intervention requirements, where they provide evidence that they would benefit from early-intervention support from the NDIS.

The first stage of the NDIS will benefit around 26,000 people with disability, their families and carers in launch sites across the country. Amendments moved today will ensure that people are supported as they
transition from their current services, through the planning process and into the NDIS. This will reflect agreements that will be made with host jurisdictions about how people in each launch site will transition to the NDIS.

The amendments also mean that, in an emergency, the chief executive officer can expedite a person's plan. The amendments change the CEO's power to revoke the registration of a provider so that it is discretionary rather than mandatory in the circumstances currently specified in the bill. The chief executive officer would be allowed to revoke such a specified circumstance only if the circumstance gives rise to an unreasonable risk to one or more participants. This will ensure that the CEO has some additional flexibility to revoke a provider's registration but only where to do so is necessary to protect participants.

The amendments will also ensure that, where a child's guardian is a state or territory minister, the CEO must obtain the written agreement of the state or territory minister to determine that another person has parental responsibility or before determining another person is the child's representative.

On the issue of nominees, the amendments will give a stronger basis for setting a limited rather than indefinite appointment of a nominee. (Extension of time granted) This reinforces the presumption that nominees should only act where a person is not able to do the act themselves or cannot be supported to do the act.

In the feedback we received there is widespread support for the proposition that the National Disability Insurance Scheme should complement rather than replace existing compensation arrangements. There is a strong view, which we share, that compensation should be sought where there is a reasonable prospect of success. Nonetheless, there has been a concern that it is not fair to place the burden of obtaining compensation, including taking legal action for damages, entirely on individuals. These amendments address this concern. Where an individual does not take the required action to claim or obtain compensation, other than under a Commonwealth, state or territory compensation scheme, the CEO may take action to claim or obtain compensation in the name of the participant or prospective participant to take over the conduct of an existing claim. The agency would be responsible for all costs of these claims.

The amendments also give effect to the agreement reached at the Council of Australian Governments meeting on 7 December 2012 in relation to the appointments process for the board and the independent advisory council, both members and chair.

The amendments also allow the minister to terminate the appointment of a board member if the member does not have the confidence of the minister. It is expected that the minister would only exercise this provision in exceptional circumstances.

Finally, to make sure that the agency adopts an insurance approach to all its decision making, these government amendments strengthen the role of actuaries within the scheme. These amendments will ensure that the board receives and considers actuarial advice frequently, helping to safeguard the financial sustainability of the National Disability Insurance Scheme. Actuarial advice will help the board to adopt an insurance approach by providing it with detailed and accurate advice about the long-term financial implications of its decisions. I commend the amendments to the House.

Mr ANDREWS (Menzies) (10:30): I indicate at the outset that the coalition
supports the amendments. I thank the minister at the table, the Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform, for facilitating a briefing for me and Senator Fifield on the detail of the amendments. It was held this week. It gave us the opportunity to look at the detail of those amendments. They are, for all intents and purposes, sensible amendments which should be made, and this House should be supporting them. That is why we will support them today.

We envisage that there may be further amendments as a result of further inquiries into the NDIS, and that is to be expected because this is very much a work in progress. The NDIS will not be fulfilled in the way that everybody aspires to for many years. That is going to take a considerable amount of work and cooperation not only here at the Commonwealth level but between the Commonwealth and the states and territories over what may be the next two or three terms of this parliament. Such a monumental change as this one, I believe, signals something about the approach of all us in this place to an issue whose time has come, in terms of ensuring that there is the best treatment that we can possibly put in place and afford for people who have disabilities, particularly those with profound disabilities, in Australia.

Question agreed to.

Mr WILKIE (Denison) (10:33): by leave—I move amendments (1) to (3), as circulated in my name, together:

(1) Clause 4, page 5 (after line 16), after subclause (5), insert:

(5A) People with disability have a right to access independent disability advocacy support to promote, protect and ensure their full and equal enjoyment of all human rights enabling full community participation.

(2) Page 19 (after line 26), after clause 14, insert:

14A Agency may provide funding for advocacy services

The Agency may provide funding to other government agencies, for the purpose of ensuring that people with disability have access to independent disability advocacy services.

(3) Page 19, after proposed clause 14A, insert:

14B Agency may provide funding for a complaints handling mechanism

The Agency may provide funding for the establishment and ongoing operation of a national complaints handling mechanism that would have the purpose of resolving complaints made in relation to services and support provided for under this Act.

I will not take up much of the parliament’s time explaining my amendments because, frankly, I think they are self-explanatory and also because I am as keen as anyone in this place to see the National Disability Insurance Scheme pass through the parliament as quickly as possible.

The first amendment would ensure that the right to access advocacy services is a fundamental principle of the NDIS—and so it should be, I suggest, because, even with the very best of intentions and the very best disability support arrangements, there will continue to be a pressing need for some people with a disability to be able to access independent disability advocacy support services that promote, protect and ensure their full and equal enjoyment of all human rights enabling full community participation.

The second amendment addresses the concern in the disability sector that some form of guarantee needs to be embedded in the NDIS that applicants for support, and participants, will be able to access advocacy support services. Yes, there are arrangements currently in place which provide for advocacy services nationwide. But the current Commonwealth block-funding arrangement is not guaranteed and is limited,
providing currently only some $16 million annually, spread across all of the states and territories. This simple amendment will go some way at least to providing that certainty by giving the National Disability Insurance Agency the power to fund advocates should the need arise and, in doing so, also provide for another avenue of funding for any additional advocacy services that might be required, especially in the NDIS establishment years.

I add that I acknowledge that there is a widespread belief in the disability sector that advocacy services must be independent of the NDIA. This makes sense to me and I agree with it because advocates should not be put in situations where they are acting against their employer. For that reason, the amendment makes explicit that any funding for advocacy that the NDIA might provide is to be paid to other government organisations, the result being that advocates ultimately funded by the NDIA will not be acting simultaneously for the NDIA and an applicant or participant in the NDIS. They will be at arm's length from government, which is exactly the situation now.

The final amendment simply gives the NDIA the authority to establish a national complaints-handling arrangement, again if the need arises. This is important because currently the complaints arrangements in the states and territories are limited to those jurisdictions, which is obviously incompatible with a federally funded national disability support system. Moreover, I am advised that what does exist currently is inconsistent and inadequate in some jurisdictions, which reflects the very need for a National Disability Insurance Scheme aimed at bringing equity and certainty to the disability sector.

In developing these amendments I have relied on the advice of a number of people, in particular the Chief Executive Officer of the Disability Advocacy Network Australia, Andrea Simmons; as well the President of Advocacy Tasmania, Alderman David Pearce; and the Chief Executive Officer of Advocacy Tasmania, Ken Hardaker. To them and to the many others who informed my consideration of the NDIS, once again I say thank you. In closing, I say thank you to the Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform for the tireless work she has done on delivering what history will record as one of the most important nation-changing reforms of this or any parliament.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (10:37): I thank the member for Denison for his concern for the role of advocates. As he knows, we too understand the very important role that advocates play, as they work very, very hard to support the needs of people with disability.

As the member for Denison has acknowledged, the bill sets out a very clear function for the agency—to facilitate care and support for people with disability. If the agency provided funding to advocates as the member for Denison's amendment would effect, the agency would be administering funding to advocates with whom they may strongly disagree. We are concerned that this could lead to a conflict, and, as I previously indicated to the member for Denison, it is my strong view that funding for independent advocacy should remain separate from the National Disability Insurance Agency.

Of course there is funding that the government provides. That is in the budget—it is provided in the forward estimates—and I think it is very critical to the ongoing needs of people with disability. I think that this
money should continue to be provided by the government but not through the statutory agency that we are establishing today. The independence of advocacy is absolutely critical and must be maintained, including in funding arrangements. This was the view put by the Productivity Commission. It is also the view that has been put by many advocacy organisations, both to me and to the Senate inquiry. They do not want to see advocacy managed by the agency.

What is also particularly relevant in the broader context of these amendments is that the amendment would have the effect of requiring the agency to fund advocacy services, and this is not to be core business for the agency. So, although I understand and respect the intention of the amendments being moved by the member for Denison, we do not share his view about the best way to achieve it. He understands my view. So we will not be supporting the amendments.

Mr BANDT (Melbourne) (10:40): The Greens have been strong supporters for a very long time of the principle of advocacy, and especially the principle of advocacy for people who are living with a disability. The Senate inquiry report had a very active participant in our Senator Rachel Siewert, who has been heavily involved for some time in the question of the NDIS and making sure that, when we ultimately have a scheme, it does enshrine in a systematic and well-thought-out way the principles of advocacy and also that advocacy continues to be adequately funded. As any perusal of that Senate report will demonstrate, especially given that there is a whole chapter devoted in the Senate report to the question of advocacy, this is something that is far from a new issue and is something that requires some careful thought to ensure that we get it right.

One of the things that come through crystal clear from the evidence received by the Senate inquiry is that the weight of evidence from people living with a disability and from the services that represent them was that, although they wanted advocacy, they did not want funding to come from the NDIS. There are a couple of reasons for that. The first is to ensure that there is more money available for the NDIS rather than more money being taken out of it. The second and important issue is the principle of independence. Even though, if this amendment were successful, we might have an agency giving money to someone who is at arm's length, they are still in control of whether they can turn the tap on or off. And that does potentially compromise the advocacy ability of the agency that may receive the funding under this amendment.

The question of a complaints body and the ability to address issues about decisions that are made under the NDIS is also a critical one. It is important that it is raised and that it is dealt with. But, again, this is something that has been the subject of extensive evidence and requires a well-thought-out response. When this legislation comes to the Senate, the Greens will be pursuing these questions of advocacy and also a complaints mechanism through the form of amendments, because it is something that we have been concerned about for some time.

I respect the spirit in which the member for Denison is moving these amendments, but unfortunately it cuts across the weight of what the Senate inquiry has been told the majority of people who are living with a disability, and the services that represent them, actually want out of this scheme.

Yes, the legislation can be improved—and I commend the member for Denison for making an attempt to do that—but this is not the right way to go about it. It would not
have the support of the sector, which I think is very important. At the end of the day, principles of advocacy, at both an individual level and a systemic level, need to be enshrined and well funded, but independence must be first and foremost. In a situation where most of the people fronting the Senate inquiry said, 'For that reason, we do not want advocacy to be funded through the agency,' that is something that should be respected.

The Greens look forward to continuing our commitment to advocacy, including for people living with a disability, and pursuing appropriate amendments in the Senate.

Mr ANDREWS (Menzies) (10:44): At the outset, I thank the member for Denison for discussing his amendments with me and with Senator Fifield. As, I understand, has been indicated to him, we do have some sympathy for what the member for Denison is seeking to do. We understand that advocacy is important for people with disabilities. If there were no advocacy, I suspect this bill would not be in the process of being debated in this parliament. Advocacy is very important in relation to people with disabilities. However, on balance, we tend to adopt the reasons the minister has set out in relation to the separation of the funding. In relation to the suggestion about a complaints mechanism, we again have sympathy for that; it is something we believe the government should give some further consideration to. I know these matters are going to the Senate. But, on balance, at this stage we will not be supporting the amendments which the member for Denison has put before the House.

Question negatived.

Mr ANDREWS (Menzies) (10:44): I move the amendment circulated in my name:

(1) Page 80 (after line 17), at the end of Part 6, add:

Part 7—Joint Select Committee on the National Disability Insurance Scheme

103A Parliamentary Joint Committee on the National Disability Insurance Scheme

(1) As soon as practicable after the commencement of the first session of each Parliament, a joint committee of members of the Parliament, to be known as the Parliamentary Joint Committee on the National Disability Insurance Scheme, is to be appointed according to the practice of the Parliament.

(2) The Committee is to consist of 10 members, made up of the following:

(a) 2 members of the House of Representatives who are Government members;
(b) 2 members of the Senate who are Government members;
(c) 2 members of the House of Representatives who are Opposition members;
(d) 2 members of the Senate who are Opposition members;
(e) 1 member of the House or Representatives or the Senate who is a member of the Australian Greens;
(f) 1 member of the House of Representatives or the Senate who is an independent member.

(3) A member of the Parliament is not eligible for appointment as a member of the Committee if he or she is:

(a) a Minister; or
(b) the President of the Senate; or
(c) the Speaker of the House of Representatives.

(4) A member ceases to hold office:

(a) when the House of Representatives expires by effluxion of time or is dissolved; or
(b) if he or she becomes the holder of an office specified in any of the paragraphs of subsection (3); or
(c) if he or she ceases to be a member of the House of the Parliament by which he or she was appointed; or
(d) if he or she resigns his or her office as provided by subsection (5) or (6).
(5) A member appointed by the Senate may resign his or her office by writing signed by him or her and delivered to the President of the Senate.

(6) A member appointed by the House of Representatives may resign his or her office by writing signed by him or her and delivered to the Speaker of that House.

(7) Subject to the requirements of subsection (2), either House of the Parliament may appoint one of its members to fill a vacancy amongst the members of the Committee appointed by that House.

103B Powers and proceedings of the Committee

All matters relating to the powers and proceedings of the Committee are to be determined by resolution of both Houses of the Parliament.

103C Functions of the Committee

(1) The functions of the Committee are:

(a) to review the implementation of the National Disability Insurance Scheme; and

(b) to review the administration and expenditure of the National Disability Insurance Scheme; and

(c) to review any matter in relation to the National Disability Insurance Scheme referred to the Committee by:

(i) the responsible Minister; or

(ii) a resolution of either House of the Parliament; and

(e) to report the Committee's comments and recommendations to each House of the Parliament and to the responsible Minister;

(f) such functions as agreed to by resolutions of the House of Representatives and the Senate.

103D Annual report

As soon as practicable after each year ending on 30 June, the Committee must give to the Parliament a report on the activities of the Committee during the year.

I do not want to delay the consideration by the House for a long period of time, but this is the proposal which has been raised by the opposition for the appointment of a joint select committee on the National Disability Insurance Scheme. This arises from what is accepted universally in this chamber and the other place and outside this parliament—that this is the beginning of a process. We are here today at the end of the beginning, not the beginning of the end. It is going to take many years and a number of parliaments for the NDIS to be put in place. We believe, therefore, that it is entirely appropriate that this parliament, not just the executive of the day—and that might change from time to time between now and when we see the fruition of the NDIS—should continue to have an oversight role in relation to the rolling out of the NDIS.

The proposal is that there be a joint select committee on the National Disability Insurance Scheme. This is a proposal that has been made by the Leader of the Opposition. We believe that, at a time when the Independents, for example, have been calling for greater parliamentary involvement in the democracy represented by this parliament, this could be the epitome of providing that greater representation. I look forward to the contributions and the votes of my honourable colleagues to my left. Without rehearsing the argument any further, we believe this is sensible as a proposal. It means that whoever is in government over the course of rolling out the NDIS will be subject to some parliamentary scrutiny, and that can only be a good thing.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (10:48): I thank the member for Menzies. As the member for Menzies knows, and I think every single member of the House is aware, the legislation that we are voting on today sets out a comprehensive framework for the governance of the National Disability
Insurance Scheme. Most importantly, I think, in the legislation before us, the scheme will be delivered by an independent national organisation. These robust governance arrangements have been thought about very carefully. They include not only robust internal governance arrangements but comprehensive government oversight, and not just by the Commonwealth.

As the Productivity Commission recommended, the agency is established under the Commonwealth Authorities and Companies Act, ensuring that it is an independent agency with reporting responsibilities to the parliament. The National Disability Insurance Scheme board, which is responsible for the operation of the agency, will report quarterly to the ministerial council, which is made up of Commonwealth, state and territory ministers. The legislation requires a two-year review of the operation of the scheme to be tabled in this parliament.

The amendments that I have moved today and that have been agreed to by the House strengthen actuarial oversight of the scheme and also impose reporting obligations on both the scheme and the reviewing actuary. The amendments also appoint the Australian Government Actuary as the reviewing actuary for the first three years of operation. As I said, these are comprehensive and very robust governance arrangements. I reiterate that they reflect the strong view of the Productivity Commission about the need for independence of the agency. Nevertheless, they ensure regular ministerial and parliamentary oversight of the scheme, particularly expenditure of public funds both state and federal. This is of course as it should be. This is a very significant enterprise we are putting through this House today. We want to make sure the agency we are establishing today can operate as an independent, accountable and transparent organisation in the interests of people with disability and their families and carers. For these reasons, the government will not be supporting the opposition's amendment.

The SPEAKER: The question is that the amendments moved by the member for Menzies be agreed to.

The House divided. [10:56]

(The Speaker—Ms Anna Burke)

Ayes ........................ 68
Noes ........................ 68
Majority ..................... 0

AYES

Andrews, KL  Billson, BF  Baldwin, RC
Bishop, JI  Briggs, JE  Bishop, BK
Broadbent, RE  Buchholz, S  Christensen, GR
Chester, D  Cobb, JK  Crook, AJ
Ciobo, SM  Entsch, WG  Frydenberg, JA
Coulton, M (teller)  Gash, J  Haase, BW
Dutton, PC  Hawke, AG
Fletcher, PW  Hunt, GA
Gambaro, T  Jensen, DG
Griggs, NL  Keenan, M
Hartsuyker, L  Laming, A
Hockey, JB  Macfarlane, IE
Irons, SJ  Markus, LE
Jones, ET  McCormack, MF
Kelly, C  Morrison, SJ
Ley, SP  Neville, PC
Marino, NB  O’Dwyer, KM
Matheson, RG  Pyne, CM
Mirabella, S  Randall, DJ
Moylan, JE  Roy, WB
O’Dowd, KD  Scott, BC
Prentice, J  Simpkins, LXL
Ramsey, RE  Smith, ADH
Robb, AJ  Southcott, AJ
Ruddock, PM  Tehan, DT
Secker, PD (teller)  Tudge, AE
Slipper, PN  Van Manen, AJ
Somlyay, AM  Washer, MJ
Stone, SN  Wyatt, KG
Truss, WE  Turnbull, MB
Vasta, RX  Wilkie, AD
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NOES

Adams, DGH
Bandt, AP
Bowen, CE
Brookman, G
Butler, MC
Champion, ND
Clare, JD
Combet, GI
D’Ath, YM
Ellis, KM
Ferguson, LDT
Garrett, PR
Gibbons, SW
Grierson, SJ
Hall, JG
Jenkins, HA
Katter, RC
King, CF
Livermore, KF
Macklin, JL
McClelland, RB
Mitchell, RG
Neumann, SK
O’Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Rowland, MA
Rudd, KM
Shorten, WR
Smith, SF
Swan, WM
Thomson, KJ
Windsor, AHC

Albanese, AN
Bird, SL
Bradbury, DJ
Burke, AS
Byrne, AM
Cheeseman, DL
Collins, JM
Danby, M
Elliot, MJ
Emerson, CA
Ferguson, MJ
Geognaus, S
Gray, G
Griffin, AP
Husic, EN (teller)
Jones, SP
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Melham, D
Murphy, JP
Oakeshott, RJM
O’Neill, DM
Parke, M
Plibersek, TJ
Roxon, NL
Saffin, JA (teller)
Sidebottom, PS
Smyth, L
Symon, MS
Vanvakinou, M
Zappia, A

PAIRS

Abbott, AJ
Alexander, JG
Andrews, KJ
Forrest, JA
Robert, SR
Schultz, AJ

Gillard, JE
Fitzgibbon, JA
Snowdon, WE
Hayes, CP
Dreyfus, MA
Crean, SF

The numbers for the ayes and the noes being equal, Madam Speaker gave her casting vote with the noes.

Question negatived.

The SPEAKER (11:01): I exercised my casting vote with the noes on the principle that a casting vote on an amendment to a bill should leave the bill in its existing form.

Bill, as amended, agreed to.

Third Reading

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (11:02): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

PERSONAL EXPLANATIONS

Mr MORRISON (Cook) (11:03): Madam Speaker, I wish to make a personal explanation.

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

Mr MORRISON: Yes.

The SPEAKER: Please proceed.

Mr MORRISON: Yesterday, in question time, the Minister for Immigration and Citizenship, in response to a question of mine, said there was no indefinite suspension as I questioned him and said I was wrong—his quote was, 'You are wrong.' He also invited me in his response to check the facts. I can inform the House that I have checked the facts with the chief migration officer of the Papua New Guinea Immigration and Citizenship Service Authority, who advised me that the suspension was in place for transfers of asylum seekers to Manus Island. That suspension is in place now, as the Papua New Guinea government understands it. I was misrepresented by the minister—

The SPEAKER: The member must demonstrate where he has been misrepresented.

Mr MORRISON: who does not know what is going on.
The SPEAKER: I thank the member, but the use of personal explanations should not be an opportunity for an extension of debate.

COMMITTEES
Privileges and Members' Interests Committee
Report
Ms ROXON (Gellibrand) (11:04): I present the report from the Privileges and Member's Interests Committee, concerning an application from Mr Michael Smith, for the publication of a response to a reference made in the House of Representatives.

The report read as follows—
Report concerning an application from Mr Michael Smith for the publication of a response to a reference made in the House of Representatives
House of Representatives
Committee of Privileges and Members’ Interests
March 2013
Canberra

1.1 Mr Michael Smith has made an application, under the procedure adopted by the House on 27 August 1997, for the publication of a response to references made about him in the House by Hon Julia Gillard MP on 28 November 2012. The Committee considers Mr Smith should be given a response and the terms of the response have been agreed by him and the Committee. A copy of the response is at Appendix 1.

1.2 In agreeing to the response, the Committee notes, as required by the resolution of the House for Rights of Reply, that it has not considered or judged the truth of any statements made by Members in the House or by the person seeking a response.

1.3 The Committee recommends that a response by Mr Smith (at Appendix 1) to references made about him in the House on 28 November 2012 be incorporated in Hansard.

Hon Nicola Roxon MP
Chair
March 2013

Appendix 1
Response by Michael Smith to remarks of the Prime Minister

On the 28 November 2012, the Prime Minister, Ms Julia Gillard MP, made a number of remarks about me which I wish to refute.

The Prime Minister asserted “He [Michael Smith] is the man who was sacked for wanting to defame me, basing that defamation on an affidavit drawn up by John Pasquarelli of One Nation fame.”

It is untrue that I was sacked. I resigned from Fairfax Media (radio 2UE). It also is false that I wanted to defame the Prime Minister. Finally, I have never read an affidavit drawn up by John Pasquarelli.

Ms ROXON: by leave—I move:

That the report be agreed to.

The report that I present concerns an application from a person for the publication of a response to references made about him in the House. The committee has recommended to the House that the response in the terms included in the report be incorporated in the Hansard. In recommending that the response be incorporated in the Hansard, the committee emphasises that, as required by the right of reply resolution, it has not considered or judged the truth of any statements made by the member in the House or by the person seeking a response.

Question agreed to.

Infrastructure and Communications Committee
Appointment

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Cabinet Secretary) (11:05): by leave—I move:

That Mr Turnbull be appointed a supplementary member of the Standing Committee on Infrastructure and Communications for the purpose of the
committee's inquiry into the Broadcasting Legislation Amendment (Digital Dividend) Bill 2013.

Question agreed to.

BILLs

Courts and Tribunals Legislation Amendment (Administration) Bill 2012

Assent

Message from the Governor-General reported informing the House of assent to the bill.

Export Market Development Grants Amendment Bill 2013

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

to which the following amendment was moved:

That all words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading, the House:

1. condemns the Government for breaking its 2007 election promise to increase spending on the Export Market Development Grant (EMDG) scheme and instead cutting the program over the course of the last 5 years;

2. notes that the cuts to the EMDG scheme:

a. are directly due to the budget mismanagement of the Government and its wasteful expenditure policies; and

b. represent further evidence of the Government's inability to understand the plight of Australian exporters as they meet huge challenges in the quest to build their international markets;

3. expresses concern that the Government has introduced increased red tape in the administration of the EMDG scheme when what is required across the Government is a reduction in red tape; and

4. recognises that the Coalition, when in government, commits to reviewing the changes in the bill to establish their true budgetary and administrative impact on business, especially small and medium enterprises.

Mr TRUSS (Wide Bay—Leader of The Nationals) (11:06): Once again, I rise to speak to the Export Market Development Grants Amendment Bill 2013. I say 'once again' because this is the third major amendment that this government has made to the EMDG scheme since it came to office in 2007. This is just another example of Labor's shambolic policy processes. It creates uncertainty through these regular changes. Once again, this emphasises the fact that no-one in business can take the government's word that it will deliver a program and do so with the level of confidence and stability that is necessary to achieve the program's objective. That is why people are talking about sovereign risk now when they talk about Australia, because so often the government changes its mind, alters programs and leaves businesses stranded. Labor does not seem to care about or understand business, and people in business—exporters in this case—simply cannot rely on government programs anymore.

At the 2007 election, Labor promised a huge boost to the EMDG scheme. Then shadow minister Crean trumpeted his proposed changes to the scheme at that time and boasted about the new benefits Labor was going to provide under the EMDG. When elected to government, Labor changed the grants scheme to make it more generous and extended eligibility to a number of criteria. Labor also increased the funding available for the grants from $150 million to $200 million.

The EMDG is a capped scheme, but under the coalition the money provided was adequate to meet all of the claims made, in full. In 2006-07 there was a requirement for a top-up to enable the scheme to pay all of its
bills, but Labor never provided that top-up. Instead, it provided $50 million extra for the following year to implement what was to become a more generous scheme. However, the scheme was capped and paid pro rata to applicants and, as there were more people applying for grants than money was available, they would not always receive a full payment. Under the coalition, the money was topped up so that payments, except those for 2006-07, were made in full.

In 2010 the Labor government came back with another amendment to the scheme that changed the grant funding cap back from $200 million to $150 million. So the higher funding was made available only in one year. This trashed the government's election promise and reversed most of the promises the government made at the previous election—promises which were not funded and therefore led to a significant blowout in the cost of the Export Market Development Grants scheme.

The government set up the Mortimer review which looked at the changes the government had made to the scheme, but, in effect, it looked at the whole EMDG scheme. It was about the 10th or 12th review of the EMDG scheme. It has been subject to regular review, both under the coalition government and the Labor government after that. It has been reviewed to death. The government set up another review under Mortimer. To the government's great embarrassment, the Mortimer review recommended that the changes Labor had made in 2008 be reversed—that the previous, coalition government's scheme was better than the scheme Labor had introduced. The government then introduced legislation to essentially reverse the changes it had made in 2008 and reverted the scheme to the arrangements that applied under the previous government. They actually reversed it right back to what had originally been put in place as far back as 1997.

That brings us to the Export Market Development Grants scheme amendments that are proposed today. This time the government tells us that the changes will fundamentally save $25 million from the grants, effectively capping the scheme at $125 million, the lowest cap ever. So, at a time when our exports are falling, when our competitiveness in the international market is coming under serious stress, when we have a high dollar, when we have changed industrial relations and higher wages in this country, when we face increased competition from low-cost labour countries around the world and when our country has significant trade deficits, the government's response is to reduce the amount of assistance available to Australian exporters. To me, that does not make any sense.

Yesterday, in the Federation Chamber, there was another bill under debate to take $200 million away from the Export Finance and Insurance Corporation. That is the body that helps provide funding for Australian exporters to compete on international markets and to consummate trade deals with other countries, and the government is taking $200 million away from it to prop up its budget deficit. The reality is that that is the wrong signal to send to Australia's battling exporters at a time when they are facing increased competition from other countries that have massive export insurance and financing arrangements to subsidise and support trade deals. Our government is taking money away from the only body that is really able to provide that kind of support in Australia. In parallel to that, $25 million is being taken away from the Export Market Development Grants scheme. The government described these changes as sensible, but what it really demonstrates is that government policy is in disarray.
There may be people in the chamber who are confused, because it is a rather complicated scheme, but many of the exporters who have received these grants in the past and have benefited from these grants will again be confused. They are getting increasingly frustrated with the constant changes to the scheme. How can they plan an export strategy when the government keeps changing the rules? How can they know they will actually get a helping hand to break into a new market when the government keeps changing the rules?

These amendments will affect Australian businesses that are trying hard to break into export markets. Small and medium business owners, farmers and manufacturers—they are all doing it tough at the present time. Whilst on the world stage a high dollar might look good, it does hurt our exporters and industries that are heavily dependent on exports to overseas markets to survive. Throw in the carbon tax, the industrial relations reform, the change in shipping arrangements, all of which are adding cost to Australian industry and making it much more difficult for us to be competitive. This government simply does not seem to be serious about promoting our export industries.

These amendments not only reduce the amount of funding available but introduce more favourable treatment for exports to East Asia, frontier and emerging markets at the expense of grants to other markets. The amendments will increase the period for grants to East Asia, frontier and emerging markets from seven years to eight years and reduce the number of grants available to the United States, Canada, the United Kingdom and the European Union from seven years to five years. This is because the government argues that these markets already know and accept the Australian brand and so therefore Australian businesses will be able to do business more freely. In a sense, they are saying some export markets are more valuable than others: ‘Some export markets we are going to foster and others we are not interested in.’ Frankly, that is illogical. If we can find an export market anywhere, we should value that. Surely we are not going to say in the future that exports to the US or Europe are somehow or other inferior because they are not going to Asia? Certain products fit the European and United States markets and other products fit the Asian market.

One of our big advantages in our trading situation as a country is our reputation for quality and clean, green products. That reputation is probably less valuable in the US and Europe, where they have high standards of their own, than when putting our products into Asian markets, where they can command a premium price. So the government’s argument that it is somehow or other easier to put products into European countries or the United States is not valid. It may be true for some industries, but in other cases it is harder to get products into those countries. The need for support under the Export Market Development Grants scheme in Europe and America has not lessened.

We know that the government is obsessed with Asia. I share the view that it is important for us to expand our markets there wherever we can. There has already been significant growth in those countries, and we will need to have that in the future. But it defies logic that we should be proposing to walk away from significant markets in other parts of the globe because Labor wants to flash around its recently discovered interest in Asia.

I want to reiterate what the Deputy Leader of the Opposition stated in her comments on this bill—that we should not have just an Asian century; we ought to have a global
century. We as a nation need to recognise that we have to engage with the world wherever we possibly can. In order to see our economy grow, we need to encourage trade on a global scale. It is important therefore that we do not send a signal to traditional markets that they are now less important. In the same context, as we work to develop new markets in Asia, that needs to be undertaken in a consistent and diligent way. It is perhaps regrettable that under this government our relationship with many of our most important Asian markets, many of our nearby friends, has deteriorated. Our relationship with Indonesia is at a particularly low ebb because of the ineptitude of this government over the live animal trade and so many other issues. Our relationship with Korea is at a low ebb because of this government's ineptitude in handling arrangements, especially concerning defence contracts but in a whole range of other areas as well. Even in places like China and Japan this government has not managed the relationships in a constructive way. A lot of work will now have to be done to help rebuild the trust that has been lost because of the way in which this government has mismanaged our relationships with people in other parts of the world. A slight extension of the Exports Market Development Grants scheme to give people more time in those markets is not likely to undo the damage that has already been done by this country.

Japan, China, Korea and Indonesia are big importers of Australian products, and the promotion and protection of these markets will remain and continue to be of great importance to Australia in ensuring that our economy grows and returns to strength. But we should be encouraging business not only to grow these markets but to be innovative in looking in other parts of the world and in markets where our products are well known. The EMDG scheme does help; however, Australian exports are not just limited to Asian countries. That is the issue that concerns me.

These amendments will impact viability of our exports to the European Union, the United States, Canada and the United Kingdom. I will just give you one example that perhaps many people may not be aware of. Take, for example, the producers of the world's most consumed meat—that is actually goat meat. Not only is goat the most consumed meat in the world but Australia happens to be the largest exporter of frozen goat meat. In 2011-12 Australia exported 24,478 tonnes of goat meat, and the largest market for Australian goat meat happens to be the United States. In fact, the US takes over half of Australia's total goat meat exports. By reducing the number of grants available for the US market, the government could be potentially reducing the viability of Australian producers who are looking to export into that critical market.

Sometimes Australians will be surprised at where Australia is exporting, where we do well, the times we send coal to Newcastle and the times when we are able to penetrate markets where perhaps it would not be expected. Indeed, it is interesting to note that the second largest exporter of frozen goat meat in the world is Ethiopia. If we lose these markets they are potentially gone forever and are very difficult to get back.

We saw similar things with the disastrous bungled live export of cattle to Indonesia. If Australia cannot meet the demand of importing countries then those countries do not change their eating habits; they look for somebody else to supply it. That has certainly happened in Indonesia and in the live animal trade. It has also happened in the Middle East and other places at times when we have imposed bans. I get lots of letters
from people saying to me, 'Why don't we process all this meat in Australia?' Of course, we would all like to do that wherever we possibly can. But some markets are not able to take frozen or chilled beef because they do not have adequate refrigeration. Where Australia says to countries, 'We will not supply you live animals,' they do not then say, 'We love you so much that we will therefore take some other product that we do not want.' What they actually do is move around and look for another country that can supply them with live animals, and there are well over 100 countries in the world that are involved in the live animal trade. In every case where we have imposed bans on countries, we have not been rewarded by having greater exports of chilled and frozen meat. Those countries have looked to other countries—anyone but Australia—to supply their product, because they feel grievously offended when we have intervened in ways that they consider to be inappropriate.

The amendments introduced in this bill highlight the government’s mismanagement of its budget, because they are essentially being put in place to save just $25 million. This also demonstrates this government’s complete lack of understanding of small business in this nation. It is a false economy. There is an oft quoted statistic that every dollar spent on the Export Market Development Grants scheme delivers $12 of exports. One dollar in expenditure delivers $12 in exports. So, by cutting the expenditure on the EMDG scheme, this government is effectively cutting our exports. That is simply illogical. At a time when we have bad trade balances and where we have struggles with our manufacturing sector and other parts of industry in trying to find new markets and new opportunities, this government is taking away the helping hand and making it more difficult for them to do their job.

For many years, the previous coalition government managed this scheme. More money was allocated in the budget when it was required and claims were paid in full. The coalition remains committed to the EMDG scheme and will also make other reforms to help it easier for Australian exporters to compete. We will be reducing red tape for Australian business and in turn helping the export sector by abolishing the carbon tax and the mining tax to encourage the development of industry in Australia. Of course, we need to do all this to reduce Labor’s debt and get rid of their fiscal mismanagement.

There are job losses and mounting job insecurity in this country. We need to have a stable support scheme for our exporters. We need to be doing what we can to make sure that the small business sector can have confidence in government programs, can proceed with innovative new plans and can look at quality export markets around the world. We need to ensure that those who battle on the world trade market get all the help they possibly can to achieve their objectives, because, when they export, our whole country benefits.

Mr BALDWIN (Paterson) (11:26): I rise to speak on the Export Market Development Grants Amendment Bill 2013 as the coalition shadow minister for tourism and regional development. I note that, according to the Association of Australian Convention Bureaux, in 2011-12 Australia’s leading convention bureau won and assisted the placement of 456 international business events in Australia. These events are expected to attract 149,475 delegates for 609,385 visitor nights, with an economic benefit of $385.2 million. I refer the House to a media release issued by the association regarding this bill:

The proposed amendment will have significant impact resulting in fewer international delegates
for Australia and therefore reduced export revenue, and a reduction in all of the indirect benefits brought to the economy by business events. At a time when current global economic conditions and a high AUD make Australia a less attractive long haul destination, now is not the time to be reducing support for delegate boosting activities.

Given these concerns of the association, I call on the Labor government to immediately explain what impact this bill will have on Australia's business events sector.

Australia's tourism industry has been hit with so many new or increased taxes under Labor and now they are taking a further hit because of this government's economic mismanagement. The direction of this bill was explored in the Senate estimates last month, and I note the two critical issues discussed. The first is to reduce the amount that we are funding by $25 million, which will take it down from some $150 million to $125 million. This cut is a result of Labor's economic mismanagement. Labor have been unable to balance the books. The second is to do some rebalancing of grants so that we increase the number of grants to eight for applicants to emerging and growth markets and reduce to five the number of grants that might be given to applicants for the so-called mature markets: Europe, the United States and so forth. Evidence by a departmental officer at the Senate estimates states:

There was not a considered view by all applicants, and I would say that we did not consult applicants directly; we consulted with industry associations.

It is critically important that the government not only deal with peak bodies but also take the time to listen to the individual operators.

This bill has been rushed through the parliament, and the government has not engaged fully with the stakeholders and properly considered the range of options open to reform. I refer to the pre-budget submissions from the National Tourism Alliance. With respect to the Export Market Development Grants, this bill represents an unfortunate mixed bag of outcomes, resulting from implementing change without going through a proper review as recommended in the last Mortimer review. The National Tourism Alliance recommended that, with such significant changes currently taking place in one of Australia's most important export markets, an immediate review of the EMDG scheme should be undertaken to bring it into line with current shifts in both the Australian export market focus and export marketing practices.

The government has instead rushed this legislation into the parliament in its dying days, rather than observing the principles established under the Office of Best Practice Regulation. Leader of the Opposition Tony Abbott told the tourism industry in July last year:

What you will find from the next Coalition government is a ready set of ears and an enthusiasm to act in partnership with you. You will never find, from the next Coalition government, changes being sprung on you that we haven't talked through because that's not how adult governments operate. Adult governments understand that actions have consequences and they talk about the consequences with the people who will be affected by those actions.

The coalition agrees with the tourism industry that, due to the significant nature and scope of the changes in both Australia's tourism export market focus and the way tourism exporters now market their services, it required an immediate review of the EMDG scheme.

We will adopt the recommendations put by the NTA in its pre-budget submission—conducting a review, consulting with industry and acting on that basis. This was recommended by the Mortimer review—the
last time the effectiveness of the EMDG scheme was assessed. Had the government followed this course, it would have dealt with other recommendations of industry at the same time. For instance, the NTA argues that, firstly, a focus of any review into the EMDG scheme must ensure a scheme that has a simpler application process for businesses and provides very clear criteria that provide some certainty around the nature and level of such a grant and, secondly, there should be clarity around how the EMDG is applied to 'cluster' organisations and organisations that receive funding from state government bodies. To quote an Austrade officer, Tim Harcourt, one of the staff at the agency promoting its services online to prospective clients in the business community:

Small is still beautiful ... when it comes to exporting, that is. That's the word from the Australian Bureau of Statistics (ABS), whose survey of the Australian exporter community shows that around 90 per cent of Australian exporters are either small or medium sized enterprises (SMEs).

This confirms previous research by the Bureau which showed SMEs to be the 'engine room' of the Australian exporter community in terms of growth potential.

Tourism and hospitality matches this profile exactly, with 90 per cent of businesses either sole traders or small businesses. Tourism and hospitality employs 10 per cent of Australia's workforce and receives around this same proportion of Export Market Development Grants. This part of the services sector—its largest constituent part—is one of Australia's best economic multipliers.

As Minister for Tourism Martin Ferguson stated in Tourism Australia's Corporate Plan for 2012-15:

As well as employing around 500,000 Australians, the industry generates A$94 billion a year in spending which, as a sector, translates into A$71.7 billion direct and indirect contribution to GDP and makes tourism Australia's largest services export.

For every dollar spent on Australian tourism a further 91 cents is generated in other parts of the economy, a multiplier effect which surpasses mining, agriculture and financial services.

I agree with the minister on that. Tourism related services are also one of Australia's most important export industries. While only iron ore and coal earn more for the country, tourism's multiplier effect surpasses mining and agriculture. For the year to 30 June 2011, iron ore exports were $58.4 billion, coal exports were $43.9 billion, and tourism related services $33.9 billion.

People sometimes do not see, as they should, that servicing inbound tourists on shore in Australia is in fact engaging in export activity, but it surely is—through the attraction of foreign spending on Australian goods and services. In my view, there is a very good case to be made for the economy's best multipliers to be the focus of investment of taxpayer funds—whether it is tourism or other activity that derives additional economic benefit for this nation. Tourism not only creates jobs in the tertiary sector, it also encourages growth in the primary and secondary sectors of industry. This is known as the multiplier effect, which, in its simplest form, is how many times money spent by a tourist circulates through a country's economy. Money spent in a hotel helps to create jobs directly in the hotel, but it also creates jobs indirectly elsewhere in the economy. The hotel, for example, has to buy food from local farmers, who may spend some of this money on fertilisers, machinery or clothes. The demand for local products increases as tourists often buy souvenirs, which increases the secondary employment.

Industry multipliers can be derived from the input-output tables published by the Australian Bureau of Statistics. We know
this Labor government has driven Australia into record debt. We need to recommit ourselves to prudent economic management to deliver us back into the black and invest in wealth generation. But there are many things we could be doing which do not have a budget impact. For instance, Austrade could be set key performance indicators to include actively seeking meetings with capital funds for inward hotel investment. Furthermore, a responsible government would need to first address the potential for multipliers to overstate the contribution of industries because of the potential for double counting. The multipliers are sensitive to the state of economy. For example, a multiplier is likely to be different when the economy is experiencing a downturn then when the economy is running close to capacity. Finally, a responsible government would need to ensure consistency of methodology and assumptions underpinning figures claimed by competing interests.

The government’s explanatory memorandum states:

This Bill aligns the Export Market Development Grants (EMDG) scheme rules to the revised level of scheme funding. It concentrates the scheme more heavily on East Asian, emerging and frontier markets, in line with Austrade’s greater emphasis on these markets, and helps achieve savings of $25 million per year.

This sounds awfully familiar. Last year the government increased the passenger movement charge by $8 per passenger to $55 per passenger. Australia now has the highest rate of passenger movement charge of any short-haul market in the developed world, according to the Tourism and Transport Forum. The tourism industry, working with the crossbenches and the opposition, combined to defeat the government’s indexation of the passenger movement charge with the consumer price index. The EMDG scheme is meant to dispense government grants, not sustainability grants. Taxpayer funds must be spent wisely on ventures that ultimately lead to self-sustaining business activity. The National Tourism Alliance’s 2013-14 pre-budget submission stated:

… the EMDG scheme aims to encourage businesses to promote their products and services overseas, and to become established exporters whose exporting persists as a sustained activity after assistance under the scheme ceases.

We know this government has been unable to construct a consistent message. The right hand never knows what the left hand is doing. This bill does not fit with what the government is doing elsewhere. For example, firstly, there is ongoing special status for US working holiday maker program participants whilst China is excluded from the program, and, secondly, there is no G’Day Beijing or G’Day China annual event to match the G’Day LA and G’Day USA events.

Since taking office this Labor government has made a complete mess of the Export Market Development Grants scheme. The coalition, in government, will review this scheme, particularly to address the increase in red tape that is expected to arise as a result of Labor’s changes. The coalition government will restore reward, hope and opportunity for those prepared to invest and develop export markets to the benefit of all Australians. I urge the government to reconsider its approach, engage with industry participants and those that want to invest in Australia and let us all work together to deliver real benefits for the Australian economy and therefore the Australian people.

Mr JOHN COBB (Calare) (11:39): I rise to speak on the issue of trade, which is incredibly important to agriculture, as it is to the Australian economy generally, and on the Export Market Development Grants
Amendment Bill. The coalition do not oppose the bill in its current form, but we do have some very strong reservations on the approach taken by this government.

I wish to support the shadow minister's comments about Labor jeopardising market opportunities overseas. You do not actually improve our access to Asia by cutting market grants to the rest of the world. It is not as though that money is going to be added to our efforts in Asia. This bill is supposed to enhance what is happening in Asia, but it is not adding to it; it is simply taking it away from our traditional markets. They are still good markets and still exist, and we will, I hope, continue to trade with them for a very long time to come.

I know that this will deliver a decent savings pot for the government of $25 million annually, so this is far more about addressing a deteriorating budget position than looking at market access. It is another blow to business caused by the budget mismanagement of this government, which is a matter of public record and government shame. They need money to make up for their woeful management, so they simply strip it from existing programs. Just because markets are traditional it does not mean we can do better at them. Is this a reasonable decision for the government to be making? Labor are already pushing our exporters out of the market with massive cost increases, through the removal of the export certificate rebate, the introduction of the world's biggest carbon tax and catering to the Greens' environmental whims like making chemical registrations outrageously expensive. It should be up to Australian business to exploit market opportunities according to commercial realities rather than bureaucratic impulse.

Given the government's recent track record of undermining export opportunities, can we be blamed for holding our breath in this instance? In looking at the agricultural sector, the Labor government has heralded the Asian century as the solution for agriculture, yet everything the Gillard government does undermines our opportunities in that region. The Gillard government jeopardised our trade deal with Korea by reneging on a major defence contract. At the same time, the US completed a trade deal with Korea which gives the US tariff advantages in the Korean market for beef exports, which are going up at the rate of about 2½ per cent a year. Labor has dawdled on negotiations for a trade deal with China. New Zealand has secured a deal which gives them, for example, a tariff advantage of up to 20 per cent over Australia on some dairy products.

What about Indonesia? This government has done absolutely everything to completely destroy relations with our nearest, our biggest and definitely our most important neighbour. Indonesia's 237 million people—and that number is rising—are literally on our doorstep. They are 2½ days sailing, on a good day, from Broome and about 3½ from Darwin. Indonesia has a growing middle class well in excess of the total population of Australia and a high propensity for consumer spending. In short, it is an ideal destination for our farm produce. From 1999 until a couple of years ago, its annual growth surged from zero to 6½ per cent and there are no signs of that abating. It is bizarre that we have a $15 billion two-way trade with New Zealand, with 4½ million people, while our trade with Indonesia is only worth $11 billion. But that is shrinking when it comes to beef exports, primarily as a result of the non-efforts or the bad conduct of our government. Citibank has recently predicted that Indonesia will be the fourth-largest economy in the world within 30 years—and it is 2½ days sailing from Broome. Yet this
government had a huge negative impact on our relations with Indonesia when it unilaterally banned live animal exports, which led to reduced quotas in both live exports and boxed beef. Having visited Indonesia more than once and having met with government ministers about this issue, with feedlot operators and representatives of the livestock industry generally and having visited their abattoirs, the damage that was caused by the Australian government to both—

The DEPUTY SPEAKER (Hon. DGH Adams): Order! The honourable member will come back to the bill.

Mr JOHN COBB: Absolutely, and this is about Asia and it is about the—

The DEPUTY SPEAKER: The honourable member will take note of the chair. I am asking the honourable member to come back to the bill and the amendment before the chair.

Mr JOHN COBB: I will do that, Mr Deputy Speaker. Expanding these overseas markets will not only allow Australian industries to broaden production beyond the limited domestic market but also provide much-needed competition to Australia's supermarket giants.

So stepping up to be Asia's food bowl does need government to not interfere but actually get off its butt and help in doing deals with different countries. Make no mistake: our produce is highly valued and sought after. From travelling overseas and meeting visiting delegations here, it is evident to me that our farmers are renowned as producers of very reliable, sought-after, quality food. Despite that, this government has not done a good job of not wrecking these opportunities.

The bill does not create much confidence. On the one hand, the bill continues to talk up the Asian century but, on the other hand, does not do anything to enhance it. The amendment focuses on Asia by cutting out export grants and opportunities for the rest of the world—areas where we have longstanding markets—so that it can save money. This is not about exports; it is about saving money. It is not enhancing Asia. It is simply taking money away from our traditional and longstanding trade areas.

There is a better way. The coalition, if elected, will prioritise trade deals that deliver benefits for industry by rebuilding our international reputation and strengthening our relationship with our trading partners, whether they are growing, old—or totally cheesed off. For agriculture, this will be complemented by a government that has agriculture as one of its five pillars and a minister for agriculture that stands up for the industry and works proactively to make the most of opportunities.

This government have listed legislation for tomorrow that will increase the cost of chemical registration. When you add that to the carbon tax and all the things they are doing to make it harder for us to do business with Asia, it is clear we have to rectify that. We are supporting the bill, but it is because of the diabolical budget situation, not because it will increase the potential of our industries to capitalise on the Asian century.

Mrs PRENTICE (Ryan) (11:48): I rise to speak on the Export Market Development Grants Amendment Bill 2013. The EMDG scheme was set up to support export promotion expenses of eligible enterprises in order to boost exports of Australian produced goods and services. The scheme reimburses up to 50 per cent of eligible export promotion expenses incurred by small to medium sized enterprises. Claims are reimbursed retrospectively for expenditure incurred in the previous financial year, pro rata, up to the cap, which I understand
currently sits at a maximum grant level of $200,000.

The agency which administers the EMDG scheme, Austrade, similarly provides a range of vital services to would-be exporters, such as advice on prospective markets and opportunities, on-the-ground support in target countries, trade exhibitions and assistance in finding potential investors. The EMDG scheme very ably assists their work for would-be exporters and is a crucial investment program for new and existing exporters.

Last year, as a result of Labor's mismanagement of the economy, the Treasurer decided in the Mid-Year Economic and Fiscal Outlook, MYEFO, that the EMDG scheme should have its budget cut to deliver what the Treasurer calls a 'saving' of $25 million. That is not what you would hear the Labor government admit, of course. They have tried to claim that their changes are all about shifting the aim of the program and increasing the number of grants available in East Asian and so-called frontier and emerging markets. The government will exclude expenses relating to the promotion of sales in the stronger markets of the United States of America, Canada and the European Union in grant years 6, 7 and 8 for all applicants except approved bodies. The government have argued that in those stronger markets the Australian brand is already well known and accepted, claiming that small businesses face fewer barriers to doing business there and, therefore, they have reduced the duration of available grants from a maximum of seven years to a less commercially realistic five years.

I have serious misgivings about this approach. Firstly, as the Australian Chamber of Commerce and Industry rightly argues, there is no credible commercial analysis that shows that money spent through the EMDG scheme on established markets is any less valuable to the Australian market than that spent in emerging markets. I know that, while this government considers it to be easier for smaller operators to gain access to our traditional markets, we must not ignore the fact that this means the potential for growth can be so much higher. We need only look at the experience of the cruise ship industry, which has seen not just enormous growth in Asian markets but also unprecedented growth from areas such as the United Kingdom and Germany.

At this time, when the Australian dollar is so strong and Australian companies, unlike their international competitors, are reeling from the whole-of-economy carbon tax, the government should not be picking the winners or the regions in which we spend money but, rather, through this scheme, facilitating private companies to direct money to areas where it will be cost-effective.

It should be up to Australian businesses to apply for EMDG funds according to commercial realities, as opposed to the decision of some politician or bureaucrat in Canberra so far removed from what is actually happening on the ground. But that is exactly what the Labor government have done since 2007—they have meddled with the scheme, and frankly they have made a complete mess of it. Soon after taking office Labor expanded the scheme by lowering the eligible expenditure threshold from $15,000 to $10,000, increasing the number of grants from seven to eight and increasing the maximum grant from $150,000 to $200,000. This does not, on the face of it, sound like a bad idea. But, while the cost of these changes was estimated at $50 million a year, the Labor government only provided increased funding for the 2009-10 year. Then, in June 2010, Labor amended the
scheme to essentially reverse the 2008 implementation of its election commitments. This is yet another example of the government saying one thing publicly and then deciding to break promises and election commitments. All the while, small and medium sized enterprises in this case have absolutely no idea what is going on. I have heard from the industry that, from year to year, they essentially do not know what the government are going to do with the EMDG scheme—but at least this bill finally codifies the cuts that they are making now. Exporters have the unfortunate certainty that, with this bill, yes, the Labor government are cutting funding to EMDG.

One of my primary concerns with this bill is that it removes event promoters from the EMDG scheme. This Labor proposal will have a negative impact on event promoters, including businesses such as Brisbane Marketing, which is an enormously successful company that markets Brisbane to the world. Brisbane Marketing, and many other companies like it, form part of the Australian Association of Convention Bureaux, which has approved-body status through the EMDG scheme and assists its members by applying through that scheme. As a former board member of Brisbane Marketing and event manager, I know how effective EMDG support can be to the inbound event market.

We know that tourism is one of the key export industries in this country. It is a growing one, and certainly event promotion falls under this category. Some of the very important work they do is to promote events within Australia as well as destination marketing for international tourists. I am concerned that by removing event promoters from the EMDG scheme we are removing a whole tranche of ways that the government can assist businesses to promote specific events in overseas markets. The success of the sector speaks for itself: in 2011-12 the AACB won and assisted the placement of 456 international business events in Australia, which were expected to attract some 149,470-plus delegates, for 609,385 visitor nights, with an estimated economic benefit of $385.2 million. The enormous success of event promotion in Australia and its broader importance to expanding the tourism sector cannot be underestimated. As Andrew Hiebl, the Executive Director of AACB, said, today's changes will:

… have [a] significant impact resulting in fewer international delegates for Australia and therefore reduced export revenue, and a reduction in all of the indirect benefits brought to the economy by business events. At a time when current global economic conditions and a high Australian dollar make Australia a less attractive long-haul destination, now is not the time to be reducing support for delegate boosting activities.

Clearly, it is simply not the right time to be doing this. By cutting funds available through the EMDG scheme, Labor is simply making a bad situation worse for an industry already struggling from the high Australian dollar and a whole-of-economy carbon tax.

Of course, it is clear that the government is not responsible itself for the success and growth of tourism—that has been done by hardworking tourism operators. But the EMDG scheme does form an integral part of any government's approach to supporting small and medium sized operators to get a foothold in foreign markets, whether that be Asia or our more traditional markets in the USA, Europe and Canada. What the Labor government are doing is taking a very piecemeal approach to the tourism industry. They do not have a coherent strategy, nor do they intend to devise one. This cut of $25 million is again an example of damaging tourism.

David Goodwin, the immediate past President the Chamber of Commerce and
Industry Queensland and a former board member of the Australian Chamber of Commerce and Industry, believes these amendments will have dire effects on the Queensland export market. Queensland is an extremely strong exporting state, and Mr Goodwin says these changes will affect every pillar of the Queensland export market—from education and tourism through to agriculture and natural resources.

The coalition will not oppose the passage of this bill in parliament—due to fiscal constraints as a result of this Labor government's economic mismanagement we must accept reduced funding. However, I take this opportunity to reaffirm my commitment to exporters and organisations such as AACB that, if the coalition wins government, we will review this issue—and, for that matter, review any potential increases in red tape due to the changes. The coalition maintains our long-term commitment to increase general funding levels for the EMDG scheme. Tourism is a part of the coalition's strong plan for economic growth. The coalition will ensure that Australia has a vigorous five-pillar economy, including a resilient tourism services sector. Only the coalition will support the EMDG scheme, and only the coalition will take real action to support and expand Australian tourism.

Mr KELVIN THOMSON (Wills—Parliamentary Secretary for Trade) (11:58): The Export Market Development Grants Amendment Bill 2013 reflects the careful consideration of both government and Austrade as to how to contribute to Australia's successful engagement with the world through exporting the remarkable skills, innovation and goods of its hardworking men and women. It is an important issue. It is important to get the EMDG scheme right and, in the balance represented in the bill, we feel we have achieved that.

I thank all the members who have contributed to this debate, but I do need to respond to some of the more remarkable claims that were made during the debate. Few things better illustrate the opposition's failure to sincerely engage in the discussion about Australia's economic future than the amendment proposed by the Deputy Leader of the Opposition. To read it returns one to the playgrounds of our primary school days, where nonsense and abuse are paraded as debate. On the one hand, the opposition condemn this government for spending too much, and in the next sentence they condemn the prudent savings in the bill. If that is not sufficiently dishonest and sneaky, in paragraph 4 the opposition imply that if they formed government they would increase spending, but they do not commit to it. They commit to a review.

We all know about coalition reviews. People lose jobs. Funds are cut. That is in the opposition's DNA. That is what has happened in Queensland, what has happened in New South Wales and what has happened in my home state of Victoria. Let me quote the shadow Treasurer on this matter. To a London audience on 17 April last year, Mr Hockey said:

The age of unlimited and unfunded entitlement to government services and income support is over.

The next day he boasted on *Lateline*:

… we need to keep our pencil sharpened when it comes to entitlements.

So just where do the opposition stand on helping Australian business succeed overseas? The truth is that they are addicted to cutting, and their complaints about prudent measures taken by this government are hypocritical and not to be believed. They had every opportunity during this debate to commit to increasing funding for the EMDG
scheme. They did not. And, make no mistake, if they were to get elected in September, they would not.

They had the nerve to criticise our economic and fiscal strategy. Australia is the second fastest growing developed economy in the world. We have a triple-A credit rating from the three main rating agencies. We have low unemployment. We have modest inflation in the middle of the RBA's target band and low interest rates. Our public finances are in good order, enabling the RBA to reduce interest rates.

This government has been able to cut taxes, reform business taxation and assist small business with increased tax deductions. At the same time, we are making strategic investments that will secure Australia's prosperity for generations to come, with the National Broadband Network, the Gonski reforms, the National Disability Insurance Scheme, the New Car Plan and renewable energy. In a telling vote of confidence in Australia, business has invested over $1 trillion in Australia since Labor came to power in 2007. If that is mismanagement, the rest of the world would surely wish to be equally mismanaged. Australia's outstanding economic performance is built on the strategic direction provided by this government and the sometimes difficult decisions it has taken. But, on the Australian economy, we have come to expect the opposition trying to have their cake and eat it too.

Less understandable, however, is the opposition's attack, during this debate, on Australia's relations with Indonesia. It has long been a bipartisan view that our important relationship with Indonesia should not suffer from cheap partisan politics. Our relations with Indonesia are in very good shape. In 2012, two-way trade between Australia and Indonesia was valued at $13 billion, making Indonesia our 12th largest trading partner. Currently there are approximately 17,000 Indonesian students enrolled with Australian education institutions. The ASEAN-Australia-New Zealand Free Trade Agreement, now ratified by Indonesia, dramatically reduces tariffs on two-way trade and creates greater certainty across the board for Australian exporters and investors in Indonesia.

The recent ratification of the ASEAN-Australia-New Zealand Free Trade Agreement paves the way for the commencement of negotiations on an Indonesia-Australia Comprehensive Economic Partnership Agreement, as jointly announced by both leaders in 2010. This agreement will focus on the following priority sectors: agribusiness, so food security; infrastructure and resources; value-added and high-level services; and alternative energy and environment. Far from the dire picture painted by the opposition, our relations with Indonesia are excellent and are set to grow and deepen further. That is important for Australia's future prosperity at home and for a peaceful and prosperous region.

All of this raises the question of how Australia would fare with a coalition government filled with Asia sceptics. They are the regional equivalent of climate change sceptics. I note with deep concern the Deputy Leader of the Opposition's criticism of this government's focus on Asia. Her call for a focus on a global century is quite worrying. We all know that, when you make everything a priority, nothing is a priority. This unthinking focus on everything would see valuable resources poorly directed, would give no direction at all to business and community leaders about where efforts can be most productively made and would confuse our neighbours and our major trading partners about where Australia thinks
it is actually located and who we think the majority of our trade is with.

The facts of Asia's rise are undeniable. By the end of this decade, Asia will overtake the economic output of Europe and the US combined. By early next decade, the combined output of China and India will exceed that of the whole Group of Seven major economies, and average GDP per person in Asia is set to almost double by 2025. In recent years, we have seen a sharp shift in our pattern of trade. A decade ago, Australia's most important trading partners were largely in the developed world. Today, China, Japan, the Republic of Korea, India and our ASEAN neighbours absorb around three-quarters of our exports and supply half of our imports. China alone absorbs one-quarter of our exports and supplies one-fifth of our merchandise imports. Is the opposition the one remaining group in Australia that does not understand that the world is changing and that Asia is growing dramatically in economic importance?

The Asian century will present both opportunities and challenges. It will be accompanied by a need for responsible stewardship of resources and the way government works with industry. As my colleague the member for Makin eloquently stated in this debate on 12 March, it is the responsibility of government to use resources prudently and to regularly review programs to ensure they accurately respond to the needs of the industry and to those of the country as a whole. This is the serious business of government, as distinct from the shrill and opportunistic chatter of the opposition.

This bill is an expression of this government's commitment to support the efforts of small- and medium-sized exporters, develop new international markets and generate jobs and prosperity for Australians. The changes proposed in this bill will help ensure that support to Australian small- and medium-sized enterprises is well targeted and that grants go to those businesses which can benefit most from that support. The proposed changes focus the scheme on where Australia's largest opportunities lie by encouraging small- and medium-sized businesses to take advantage of the emerging opportunities in our region.

The changes in this bill will better help Australian exporters maximise the potential of the Asian century by increasing the number of grants available to businesses exporting to East Asian and emerging and frontier markets from seven to eight. This offers Australian small- and medium-sized exporters a slightly longer and more commercially realistic period to become established in those markets. To offset the additional grant expenditure associated with an increased number of grants to East Asian and emerging and frontier markets, the number of grants to the United States, Canada, the United Kingdom and the European Union—where the Australian brand is already well known and well accepted and where small businesses typically face fewer barriers—will be reduced from seven to five.

The increased focus of the EMDG scheme on emerging and frontier markets brings EMDG into closer alignment with Austrade's broader trade priorities following its review in 2011 and the government's Asian century policy agenda. These changes also deliver on the Mid-Year Economic and Fiscal Outlook decision on the EMDG scheme and will generate annual savings of $25 million, commencing this year. As I announced on 12 March, businesses that put in an EMDG claim in 2012-13 will likely receive their full EMDG entitlement. This is great news for EMDG claimants and means that any small
business that applied for a grant will receive a reimbursement of up to $150,000 this financial year.

In summary, the bill contains the following changes: an increase in the maximum of number grants to eight; the exclusion of approved bodies and joint ventures; the exclusion of expenses relating to the promotion of sales to the markets of the USA, Canada and the European Union in grants years 6, 7 and 8 for all applicants except approved bodies; the removal of the limit on administrative expenditure from the legislation and the introduction of a power for the minister to set the limit on administrative expenditure by determination; the prevention of further approval of joint ventures after 30 June 2013; the removal of event promoters from the EMDG scheme; the prevention of payment of grants to applications engaging an EMDG consultant assessed to be not a fit and proper person; the enabling of a grant to be paid more quickly where a grant is determined before the 1 July following the balance distribution date; and a requirement for applicants to acquit claims by individually paying for claimed expenses.

The government is seeking to pass this bill now to avoid creating considerable uncertainty for small businesses as they adjust to the new arrangements, which become operational on 1 July this year. I commend the bill to the House.

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

The House divided [12:14]

(The Speaker—Ms Anna Burke)

Ayes.................67  
Noes.....................71  
Majority.................4

AYES  

Bishop, JI  
Broadbelt, RE  
Chester, D  
Cibbo, SM  
Coulton, M (teller)  
Dutton, PC  
Fletcher, PW  
Gambard, T  
Griggs, NL  
Hartley, L  
Hockey, JB  
Irons, SJ  
Jones, ET  
Laming, A  
Macfarlane, IE  
Markus, LE  
McCormack, MF  
Morrison, SJ  
Neville, PC  
O'Dwyer, KM  
Pyne, CM  
Randall, DJ  
Robert, SR  
Ruddock, PM  
Secker, PD (teller)  
Smith, ADH  
Southcott, AJ  
Tehan, DT  
Tudge, AE  
Vasta, RX  
Wyatt, KG  

NOES  

Adams, DGH  
Bandt, AP  
Bowen, CE  
Brodman, G  
Butler, MC  
Champion, ND  
Clare, JD  
Combet, GI  
DAth, YM  
Elliot, MJ  
Emerson, CA  
Ferguson, MJ  
Georganas, S  
Gillard, JE  
Grierson, SJ  
Hall, JG  
Husic, EN (teller)  
Jones, SP  
King, CF  

AYES  

Briggs, JE  
Buchholz, S  
Christensen, GR  
Cobb, JK  
Crook, AJ  
Entsch, WG  
Frydenberg, JA  
Gash, J  
Haese, BW  
Hawke, AG  
Hunt, GA  
Jensen, DG  
Kelly, C  
Ley, SP  
Marino, NB  
Mathison, RG  
Mirabella, S  
Moylan, JE  
O'Dowd, KD  
Prentice, J  
Ramsey, RE  
Robb, AJ  
Roy, WB  
Scott, BC  
Simpkins, LXL  
Somlyay, AM  
Stone, SN  
Truss, WE  
Van Manen, AJ  
Washer, MJ  

NOES  

Albanese, AN  
Bird, SL  
Bradbury, DJ  
Burke, AS  
Byrne, AM  
Cheeseman, DL  
Collins, JM  
Danby, M  
Dreyfus, MA  
Ellis, KM  
Ferguson, LDT  
Garrett, PR  
Gibbons, SW  
Gray, G  
Griffin, AP  
Hayes, CP  
Jenkins, HA  
Kelly, MJ  
Leigh, AK
Question negatived.

Bill agreed to.

Third Reading

Mr KELVIN THOMSON (Wills—Parliamentary Secretary for Trade) (12:20): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Business

Orders of the Day

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (12:21): I move:

That the following orders of the day, private members' business, be returned to the House for further consideration.

Centenary of the Murrumbidgee Irrigation Area;

Primary Language Disorder; and

Attack on Ms Malala Yousafzai,

Question agreed to.

Rearrangements

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (12:21): by leave—I move:

That so much of the standing and sessional orders be suspended as would prevent the following items of private members' business being called on, and considered immediately:

Centenary of the Murrumbidgee Irrigation Area;

Skin Cancer

Primary Language Disorder; and

Attack on Ms Malala Yousafzai,

Question agreed to.

Private Members' Business

Centenary of the Murrumbidgee Irrigation Area

Debate resumed on the motion:

That this House:

(1) notes that:

(a) 2012 marks the centenary of the Murrumbidgee Irrigation Area (MIA) with the official 'Turning on the Water' taking place at the Yanco regulator on 13 July 1912;

(b) the MIA:

(i) was created to control and divert the flow of local river and creek systems for the purpose of food production; and

(ii) is, today, one of the most diverse and productive regions in Australia, contributing more than $5 billion annually to the Australian economy; and

(c) the Riverina towns of Coleambally, Leeton and Yanco, and the city of Griffith were purpose built and designed as part of the project, and are now some of the most thriving, multicultural regional communities in Australia;

(2) calls on Members of the House to:

(a) acknowledge the importance of:

(i) irrigation in underpinning national and international food security; and
(ii) our irrigation industry in Australia fulfilling its role as the food bowl of Asia;
(b) recognise that it is important to build our food-processing industry so that it can supply Asia’s growing consumer markets, and develop the research, technologies and logistics that strengthen irrigation, grow higher-yield crops and improve safety; and
(c) accept that irrigation communities such as those in the MIA are reliant on a Murray-Darling Basin Plan which fulfils a triple-bottom line of social, economic and environmental outcomes; and

(3) calls on the Prime Minister to implement her commitment to ‘strengthen irrigation’ as stated in her speech to the Global Foundation Summit in Melbourne on 3 May 2012.

Question agreed to.

Skin Cancer
Debate resumed on the motion:
That this House:
(1) notes:
(a) the incidence of skin cancer in Australia is the highest in the world and is two to three times that seen in Canada, the United States and the United Kingdom; and
(b) that skin cancers account for around 80 per cent of all newly diagnosed cancers in Australia;
(2) supports policies that focus on early detection which will in turn significantly reduce the number of Australian lives lost to skin cancer every year;
(3) notes the importance of training for general practitioners to ensure that family doctors are able to recognise, diagnose and treat the various forms of precursors or early stages of skin cancer; and
(4) acknowledges the work of anti-cancer community organisations, the medical fraternity and the pharmaceutical industry in increasing awareness of skin cancer and risk prevention strategies, promoting the importance of regular skin checks and facilitating affordable access to skin checks and early stage treatments.

Question agreed to.

Primary Language Disorder
Debate resumed on the motion:
That this House:
(1) notes that:
(a) Primary Language Disorder (PLD) is a lifelong disability which affects many children in Australia;
(b) families of children with PLD face great uncertainties and vagaries due to the obscure nature of PLD and therefore the difficulty of reaching a diagnosis of their child’s disability;
(c) children with PLD have the best chance in life if they receive treatment for their condition as early as possible;
(d) without intervention, there are profound long term implications for affected individuals in terms of gaining an education and employment, leaving them feeling isolated and despondent and at a high risk of developing depressive and anxiety disorders; and
(e) an April 2012 report by the Australian Institute of Criminology highlights the high incidence (50 per cent) of oral language dysfunction in youth offenders;
(2) recognises that:
(a) the CHILL.D. Association’s Glenleighden School is the only school in the southern hemisphere which caters specifically to the needs of children with PLD and other language disorders;
(b) for over 30 years, this school has achieved significant results for thousands of children;
(c) the CHILL.D. Association:
(i) through both its outreach program and direct clinical services, provides support for children with PLD and their families and schools across Queensland; and
(ii) provides quality specialised early intervention services through its clinic, but is limited to those families who can pay for services as PLD does not fulfil the criteria for funding under the Better Start for Children with Disability Initiative; and
(d) there are currently no consistent eligibility criteria across Australian States and Territories.
for children with PLD to access specialised educational resources; and
(3) calls on the Government to consider PLD as part of a review of the Better Start for Children with Disability Program.

Question agreed to.

Yousafzai, Ms Malala

Debate resumed on the motion:

That this House:
(1) condemns the contemptible act of attempted murder committed on 9 October 2012 by Taliban terrorists who boarded a school bus in the Pakistani town of Mingora, sought out 14 year old schoolgirl Malala Yousafzai by name and shot her point blank in the head and neck;
(2) applauds Ms Yousafzai’s advocacy on behalf of gender equality in Pakistan;
(3) expresses particular admiration for Ms Yousafzai’s public speaking debut in September 2008 when, at the tender age of 11 years, she declared in a speech to the media in Peshawar, Pakistan: “How dare the Taliban take away my basic right to education?”;
(4) notes media reports that the Taliban have openly claimed responsibility for this despicable attack on Ms Yousafzai and have threatened to try again to assassinate her at the first available opportunity; and
(5) wishes Ms Yousafzai a speedy and complete recovery from her injuries.

Question agreed to.

BUSINESS

Rearrangement

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (12:23): I move:

That consideration of government business order of the day No. 3, Tax Laws Amendment (2012 Measures No. 6) Bill 2012, be postponed until a later hour this day.

Question agreed to.

BILLS

Tax Laws Amendment (Countering Tax Avoidance and Multinational Profit Shifting) Bill 2013

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr HOCKEY (North Sydney) (12:24):
It is rare for us to oppose a bill such as this, the Tax Laws Amendment (Countering Tax Avoidance and Multinational Profit Shifting) Bill 2013, because it is meant to be a matter that goes to the integrity of the tax system. However, if we were to be in a position where we could witness the dying days of the Whitlam government prior to its dismissal, but without the dismissal, then we would be witnessing it now because this government is lurching from announcement to announcement, completely disregarding process along the way. It is a real test for the Independents as to whether they are going to agree to a process where Australians face a more aggressive and empowered Taxation Office without having any public hearing into the Taxation Office or holding any public servant to account for the additional powers that are going to be given to them by this parliament. I find it extraordinary. I do not know what the government's motivation is—I seriously do not.

The House Standing Committee on Economics was not afforded the opportunity to have a public hearing into this legislation. The government used its own numbers on the committee, including the vote of the now independent member for Dobell, Mr Craig Thomson, to prevent a feasible hearing date from being set. I thought, when the deal was done between the Independents and the Labor Party, that we were going to have this grand era of transparency and accountability, that the sunshine was going to come in, so
that everyone could see what was happening in the bowels of this chamber and in the bowels of this parliament. Yet the government—I suppose the Independents will vote with this; I would hope they do not, but I suppose they will—will try to roll this massive additional power for the tax office through the parliament without any scrutiny, treating the House of Representatives with utter contempt.

If the government and the Independents choose to do that, so be it. But, if there is a change of government, let’s not have them come whingeing to us about the treatment they may get in the future or have them lecture us about how the parliament was treated in the past. I do not want to hear them whinge about it—because this will be one of the signature examples used. I am not really interested in the denial of democracy by the Labor Party, because it is a consistent theme, but denying a parliamentary committee from simply having a hearing on what was previously a noncontroversial bill makes it a controversial bill.

So the coalition are going to oppose this bill and we call on the Independents to join with us in opposing this bill until such time as this House has the opportunity to see whether there is justification for the Australian Taxation Office to have a massive increase in its powers and to see how the Australian Taxation Office justifies claiming that, with these additional powers, it will achieve a billion dollars of extra revenue. A billion dollars of extra revenue: that is what they are claiming. ’No problem. Give us these extra enormous powers and don’t worry; we’ll claim an extra billion dollars of revenue.’

With all the integrity measures over previous years, where did that revenue come from? You ask for a tightening up of this law, you ask for new prosecutorial powers, you ask for all this additional influence, so prove to us—whether it was under the Liberal Party or under Labor—that with the additional powers you actually did improve the integrity of the system and increase revenue.

Schedule 1 to the bill seeks to amend the general anti-avoidance provisions in the 1936 Income Tax Act—provisions that are commonly referred to as part IVA. Former Treasurer John Howard was responsible for inserting part IVA into the tax act. Part IVA applied to schemes that were entered into after 27 May 1981. When introducing part IVA, John Howard said:

The proposed provisions seek to give effect to a policy that such measures ought to strike down blatant, artificial or contrived arrangements, but not cast unnecessary inhibitions on normal commercial transactions by which taxpayers legitimately take advantage of opportunities available for the arrangement of their affairs.

In 2000, when introducing the GST, the coalition included division 165 in the legislation, a general anti-avoidance rule. Division 165 resembles part IVA in many aspects, although of course it is dealing with a transaction based tax, rather than a tax on a profit or income earned over a period.

We have consistently demonstrated that we are firmly opposed to tax avoidance behaviour. We firmly support the need for a strong set of provisions that deter abusive tax arrangements. The legislature—

Mr Bradbury interjecting—

Mr HOCKEY: If the Assistant Treasurer wants to intervene again, he can get up here and explain how his good mate Eddie Obeid got away with shuffling money between trusts. Is that what you want to do, keep interrupting me, Sunshine? We know how close you were to Eddie Obeid.

The DEPUTY SPEAKER (Mr Cheeseman): Order! If the member for
North Sydney has imputations of the nature that he has just made that he wishes to make, there is an appropriate avenue available to him under the standing orders. He should use that.

**Mr HOCKEY:** It is okay, mate. If you give me a lecture across the table on integrity, I will give you a lecture about your relationship with Eddie Obeid. We must not countenance a change—

**Mr Bradbury:** I rise on a point of order on relevance.

**The DEPUTY SPEAKER:** The matter being raised is of no relevance to the debate. I draw your attention to the fact that the bill that we have before us relates to countering tax avoidance and multinational profit shifting. The member should direct his attention and his comments to that.

**Mrs Bronwyn Bishop:** On that point of order, there was no real point of order raised by the minister across the table. The fact of the matter is that this bill is about tax avoidance and Mr Obeid is involved in some of those issues. It is very relevant.

**The DEPUTY SPEAKER:** I believe that these matters are before relevant tribunals. I will get advice from the clerk as to whether these matters ought to be left before those tribunals as opposed to being raised in this chamber. I have sought advice from the clerk. It is my intention to ask all members participating in this debate to remain relevant to the particular bill before us. If we could have cooperation on that, that would be appreciated.

**Mr HOCKEY:** I would ask you, Deputy Speaker, to support me in that regard. We are focused on the concerns expressed by a number of individuals and corporations about whether the ATO is properly using its powers in relation to deterring abusive tax arrangements. In the *Australian Financial Review* this year, an article said that draft change to part IVA, on which the amendments in this bill are closely based, would 'determine whether a company is guilty of avoiding tax by looking at how else it could have done a deal if tax implications were not considered'. There is an extraordinarily large disconnect between the way in which business is properly conducted and the way in which the government, the Treasury and the Australian Taxation Office would require business to be conducted.

To taxpayers, profit after tax is a crucial metric. Suggesting otherwise introduces a sense of artificiality, even unreality. This point was made by the Corporate Tax Association, which said:

The reality is that business and individuals operate in an after-tax world, and from a practical and corporate governance perspective, it would be highly problematical to ask board members to put their minds to what the company would have done in the highly artificial world where tax is assumed not to matter.

Similarly, the Law Council of Australia observed 'Ordinary taxpayers, small business and large corporations will be required to assess their tax obligations by reference to the tax which would have been paid if they had done something that in reality they never would have done.' This bill is going to overlay complexity and compliance costs onto normal commercial transactions, whether business transactions, new investments or corporate restructures.

We really must start this debate by asking whether these amendments are required at all. Submissions to the Economics Committee from pre-eminent professional and industry groups whose members have deep expertise in taxation law argue that these amendments are just not necessary. For example, the Corporate Tax Association states:

… we have consistently maintained that the proposed changes represent an over-reaction to
the Taxation Office losing a number of court decisions that have quite limited application.

CPA Australia made a related submission:
… we believe that the proposed amendments to Part IVA contained in Schedule 1 of the Bill are confusing and deficient and do not result in an anti-avoidance regime which is comprehensible to tax practitioners let alone the broader community.

From the Tax Institute:
The Courts have applied the current rules appropriately to find that a tax benefit exists in only those cases where the taxpayer's actions have resulted in a loss to revenue. Recent cases have not resulted in the effectiveness of Part IVA being compromised and as such the amendments in the Bill are an unnecessary overreaction.

I repeat: an unnecessary overreaction. More red tape for business—when is it ever going to stop? More compliance costs for business—when is it ever going to stop? I only wish the Labor Party would have the same tough structure for itself that it is trying to apply to people who work hard and earn a buck—the same corporate government procedure in itself and within the Labor Party, particularly New South Wales and particularly the New South Wales Right. I wish they would do that instead of just applying to everyone else a higher standard than they are prepared to apply to themselves.

Mr Stephen Jones: Whilst the member for North Sydney is making some devastating points, which I would probably agree with in another forum, I fail to see how they are relevant to the legislation before the chair. I would be quite happy to join with the member for North Sydney in this discussion somewhere else, but not on this legislation before this parliament at this point in time.

The DEPUTY SPEAKER (Mr Cheeseman): Order! I would ask the member for North Sydney to remain relevant to the bill.

Mr HOCKEY: I do wonder how Treasury determined that schedule 1 to this bill 'is expected to prevent the loss of over $1 billion a year'. It is a nice round number: a billion dollars. It has a whiff of convenience to it, don't you think? We were of course denied an opportunity to ask Treasury officials for an explanation. The government controlled committee did not hold a hearing. The Treasury later put in an undated submission just before the bill came into this place. So it looks as though a government that does not want to be held to public hearings in relation to one of its bills has something to hide. They are doing it on the media, they are doing it on so many things, just like in the dying days of the Whitlam government. It is just a repeat. Everything has a political agenda.

I welcome integrity measures, especially when it comes to taxation. The fact that they do not want to have hearings suggests to me that there is another agenda. The coalition will vigorously pursue these matters in the Senate committee inquiry into the bill. So we are going to try in the Senate, and if the Greens are true to their word they will support a full inquiry in the Senate.

Building up the jurisprudence around fundamental parts of a taxation system can take many years. It was 13 years before the High Court delivered its first judgement on part IVA, in the Peabody case. If the amendments to be made by schedule 1 are passed then there will be a period, probably extending over a number of years, before there is a settled judicial view as to their correct application. Uncertainty is the enemy of investor confidence, of business confidence and of consumer confidence.

Even for the experts these amendments are not easy to interpret, and their application is not predictable. Last year the Inspector General of Taxation reviewed the ATO's
management of litigation and found that the ATO's success rate before the courts was 56 per cent in 2009-10, 47 per cent the year after and 45 per cent to May the year after that.

The Joint Committee of Public Accounts and Audit also had questions for the ATO regarding their litigation success rate—that is, the actual litigation. I do not think that includes all the assessments the ATO issues and then intimidates people into settling. The commissioner acknowledged—the previous commissioner, I would imagine—to the JCPAA that the ATO success rate was still very positive in terms of numbers. But he had concerns about the court's approach to the general anti-avoidance provisions. So it was all the fault of the courts.

The inspector general went on to note that some industry stakeholders held the view that the reason for the ATO's losses on general anti-avoidance-rule cases may be due to the ATO's poor case selection of matters they considered appropriate to litigate. Stakeholders also informed the inspector general that they had concerns about whether officers internal to the organisation could objectively review the facts and evidence in a case to determine, independently of the compliance section, whether the matter should be settled, defended or appealed.

This is a matter that I have raised on previous occasions, and I sense that a lack of objectivity in decision making inside the ATO is starting to have a significant impact on tax policy. The poor decisions about which cases to litigate, which have led to losses in court, are now driving the government's legislative agenda. And unfortunately there will be a cost imposed on a large number of taxpayers who must comply with a new general anti-avoidance rule.

I cannot fathom how the Treasurer can possibly justify the statement in the explanatory memorandum to this bill that the compliance-cost impact of the amendment will be low. Where do they get this from? The Law Council do not agree. They see the schedule as thrusting additional costs onto taxpayers—red tape:

The consequence of legislating this Bill will be to create significant difficulties, for ordinary taxpayers, small businesses and large corporations (both Australian and foreign) in understanding their tax obligations.

Who says it is low? On what basis do they say that the regulatory impact is low? Who writes this? And where is their accountability? How much have they consulted with businesses big and small, who are drowning under red tape? Yet the suggestion is that the regulatory impact is low.

Justice Pagone of the Supreme Court of Victoria, an author of a leading work about part IVA, has explained how onerous a new approach to the general anti-avoidance rule would be for taxpayers, since the onus of proof rests on them:

The question about what needs to be established arises in the context of the legal burden of proof falling upon the taxpayer to disprove what would have happened or might reasonably have been expected if the scheme had not been entered into or carried out. …

The ability of the Commissioner to rely upon something which did not happen, would not have happened, but which nonetheless might reasonably be expected to happen, may be difficult for taxpayers to disprove.

Do you reckon? Does the Assistant Treasurer understand this legislation? Can he get his mind around it? This is saying that business needs to start to model every alternative use, every alternative tax scenario, before it actually goes down this path—don't just get on with the job of doing your business but
consider this impact on your business if you went down a different path, and prepare yourself. And the advice is that the regulatory impact is low.

Finally, the amendments’ proposed starting date of 16 November 2012 must be changed. Where did they get 16 November from? This bill is different from the draft version that was released on 16 November last year. The changes made by the bill should not begin before royal assent. This is typical of Labor. They want to regulate yesterday; they introduce the bill now. And they say, 'All this is applying.' What is applying? 'Oh, well, the bill.' What bill? We haven't got a bill. It is like media; the process is no different. You guys are a shambles. But the problem is that the taxpayers are paying the price. This is not the way to govern a country; it is just not. How could anyone plan anything on a bill that has not been passed, has not even been debated and yet is meant to apply from 16 November last year?

I do not know what is going on here. If there is a change of government in September, the mountain of hard work will just get higher and higher to try and get back some certainty, stability and predictability into government. For crying out loud! I have never seen anything like it. I said that this is like the dying days of the Whitlam government. If Gough Whitlam had not been sacked, this is what it would have looked like—exactly this: a shemozzle appealing to every union official; a shemozzle all about protecting the leader. There is no good policy here. It is bad policy. What is more, it is incompetent and malicious.

Schedule 2 of this bill inserts new subdivisions into the Income Tax Assessment Act as well as the Tax Administration Act that the government says will modernise transfer pricing rules. Our transfer pricing rules have been rarely amended and they have largely stood the test of time. Last year, the government sought to make retrospective changes to the transfer pricing law that took effect from 1 July 2004. Typical. The bill sought to retrospectively amend legislation to include transfer pricing articles within Australian tax treaties. It also sought to clarify the interaction between transfer pricing and thin capitalisation rules, which had previously only been dealt with through administrative arrangements.

The coalition opposes retrospective tax changes as a matter of principle. That is why we oppose the bill. How can anyone get on with the job of living their daily life, complying with the law as it stands, when along will come Labor in the future to introduce laws that say they broke the law today? That is why the Liberal Party is, in principle, always going to oppose retrospective changes. We understand that retrospective legislation can change the substance of transactions struck between taxpayers who have made every effort to comply with the prevailing law at the time of the agreement. It can expose taxpayers to penalties in circumstances in which taxpayers could not possibly have taken steps at the earlier time to mitigate the potential for penalties to be imposed. It may change a taxpayer's tax profile, which in turn can materially impact the financial viability of investment decisions and, of course, the pricing of those decisions.

Most importantly, the retrospective application of the change will heighten Australia's level of perceived sovereign risk. 'We have trashed everything else so let's give sovereign risk a go,' says Labor. At the time, the government refused to answer questions around the quantity of revenue at stake. It was only after questioning at Senate budget estimates last year and a subsequent response to a question on notice that the ATO advised that there was $1.9 billion of primary tax in
We find ourselves in a very similar position today. We have a bill before the House dealing with significant changes to important legislation that has not been given due process in this parliament and has not been given proper scrutiny. But Labor wants to ram it through. It does not have any regard or respect for taxpayers. That is why we are going to pursue it in the Senate.

The bill before the House seeks to replace the existing transfer pricing rules in division 13 by inserting these into three subdivisions in the Income Tax Act 1997—companies, branches of companies, and trusts and partnerships. It also inserts a subdivision into the Tax Administration Act in relation to record keeping and penalties that may be applied by the commissioner. The amendments within this schedule align with the internationally consistent transfer pricing approaches as set out by the OECD. These amendments apply to both tax treaty and non tax treaty cases. These amendments also contain specific rules relating to transfer pricing documentation.

These new rules are self-executing—that is, taxpayers will now apply the new transfer pricing laws on a self-assessment basis. The commissioner may challenge a taxpayer's calculated tax result, to which the taxpayer may then respond. To the extent that taxpayers may apply these complex rules when they did not previously, an increase in compliance costs is likely.

The complex and costly compliance rules impose a much greater requirement to keep contemporaneous documentation on small and medium business impacted by the de minimis thresholds that apply to the bill—more red tape. The de minimis threshold at which entities need to apply these complex and costly compliance rules at face value appear to be too low relative to the revenue risk. My colleague the member for Dunkley has raised this issue as well. I am not sure if he is speaking on this bill.

Mr Billson: I am.

Mr HOCKEY: There is no-one in the Labor Party who has ever worked in a small business, is there?

Mr Billson: No-one.

Mr HOCKEY: And they have had quite a few small business ministers in the last five years.

Mr Billson: Five.

Mr HOCKEY: Five small business ministers in five years.

Mr Billson: Four in the last 15 months.

Mr HOCKEY: Labor has had four small business ministers in the last 15 months.

Mr Stephen Jones: I rise on a point of order. While like any member here I enjoy banter between the member for North Sydney and the member for Dunkley, I would ask you to direct the speaker to make his contributions through the chair.

The DEPUTY SPEAKER: I ask that the minister direct his comments through the chair and ask him to remain relevant.

Mr HOCKEY: I am directing my comments through the chair and I am directly relevant. That is why I just talked about the red tape impact on small business. I cannot see how that is not relevant, Mr Deputy Speaker. I am mindful of the fact that the government has made such a mess of this bill and maybe one of the reasons is that it has had five small business ministers in five years and four small business ministers in the last 15 months. That might be related to the fact that hardly anyone in the parliamentary Labor Party has ever worked in small business—hardly anyone. Has anyone in the Labor Party worked in small business? I
cannot hear a word. No. They would not know what the red tape burden is. I can tell you what the red tape burden is: it costs money; it costs jobs. Many submissions to the House economics committee inquiry argued that the de minimis threshold should be raised and that doing so would not put revenue at risk. It would result in large savings in compliance cost and reduce complexity, especially for small- to medium-sized enterprises.

We are just asking why the government is so committed to this bill. Why is it so rushed? We are concerned that the design and drafting of this schedule may have been rushed. It requires further testing. That is consistent with the submissions from the Corporate Tax Association, PricewaterhouseCoopers, KPMG and the Tax Institute. For example, on page 7 of its submission to the committee, the Tax Institute said: 'We are concerned that the bill as currently drafted would not yield many of the lauded simplicity and certainty benefits and will increase the compliance burden, especially and disproportionately on small to medium enterprises.' Is anyone listening? These are submissions that are saying that this will mean more red tape for small- and medium-sized business and that you have got it wrong.

We find it difficult to fathom how the financial impact of this schedule is estimated at zero extra tax dollars per year whereas the financial impact of schedule 1, relating to general anti-avoidance provisions, is expected to prevent the loss of over a billion dollars per year. Where does that number come from? It has been plucked out of the air. We have an impressive record in relation to tax simplification. We have an impressive record in relation to tax reduction. But it is the Labor Party that is introducing bills while refusing to facilitate proper scrutiny, and they just keep getting it wrong: exhibit A, the mining tax; exhibit B, the carbon tax; exhibit C, the 27 new or increased taxes Labor has introduced. We will oppose this bill because it is bad legislation and the format in the House is a disaster.

Mr Stephen Jones (Throsby) (12:54): The role of government is to provide security and services that are needed by the citizens of the country. It is the responsibility of citizens, including corporate citizens, to make a contribution to the provision of those services. Over the last several decades we have seen an increase in demand for local, state and federal governments to provide more services and new areas of services such as the National Disability Insurance Scheme, which every speaker on the legislation in this House has stood up and said they applaud. They said that this Labor government initiative is an important initiative, but they have all expressed concerns about the capacity of successive governments to foot the bill for this to provide education, research and development, and infrastructure and also meet the increasing costs of traditional services in the area of health. Indeed, we have had a raging debate on the funding of health services in this country. It is known that the system we have had in place until recently is unsustainable because the significant increase in health funding costs will far outweigh—in fact, they will swamp—the capacity of any state or territory government to meet those costs under pre-existing arrangements.

So, what we know is that we have to get the revenue side of things right. If the public’s demand for the provision of these services remains unabated, we need to get the revenue side of things right. We also need to ensure that we do it in a way that creates the right environment for businesses to invest. And I note that the member for North Sydney, the man who wants to be
Treasurer of this country, in his devastating contribution to this debate, dragged out the old chestnut of sovereign risk. What he should have done before raising issues of concern about sovereign risk is pick up a copy of the 2013 World Bank report. These are the sorts of reports one should be looking at in relation to business confidence about investing in this country—the reports of authoritative institutions, such as the 2013 World Bank report on the best countries to do business in. You will note, Mr Deputy Speaker Cheeseman, because I know you are on top of this issue, that the World Bank, in its 2013 report, rated Australia as in the top 10 countries to do business in, out of 185 countries. So, when they wheel out this nonsense week after week about sovereign risk, the only ones who are listening are the Liberal Party cheer squad—certainly not the authoritative reporters on this matter such as the World Bank.

These bills are aimed at ensuring that we close down tax loopholes, and there are two schedules aimed at doing that. It is not surprising—and I make no criticism whatsoever—that there are those organisations who see this as a threat to their tax avoidance mechanisms and regimes. It is quite natural that if an organisation or an individual has profited by minimising their tax through tax avoidance schemes they are going to make a bit of noise when the government and the parliament see it fit to try to close down some of these avoidance mechanisms. That is normal. They will make some noise, they will make some complaints—there is nothing abnormal about that. But it is abnormal to have the man who would be Treasurer of this country, the man dealing with his own fiscal problems at the moment—a $70 billion black hole in his budget costings—get up in this parliament, not five minutes ago, to defend those rules. That is abnormal. You would think that a man who has some fiscal problems of his own would want to look at each and every measure he could to try to close some of these tax loopholes.

Schedule 1 of the bill is aimed at closing those tax loopholes that have been addressed by the minister. Schedule 2, which I would like to address in some detail, goes to transfer pricing. But before I do that I want to address some of the points that the member for North Sydney raised in his devastating address. The crux of his contribution to this debate is that there has not been any consultation and somehow this legislation would have been improved by a public hearing. I want to address both of these issues. First, on the issue of consultation, particularly as it goes to schedule 2 of this bill, there has been extensive consultation on those matters. A discussion paper was released in November 2011. That is nearly 18 months ago. There was a series of large stakeholder meetings to discuss the principles that would form the basis of the legislative framework throughout 2012. There was a month of public consultation after that around draft provisions in November 2012. In December 2012 there was an additional large stakeholder meeting to discuss the details of the draft. The bill has benefited significantly from this consultation process.

I sit on the House Standing Committee on Economics, which this bill was referred to for a public inquiry. We set down a date for a public inquiry, 4 March. All the government members were able to make themselves available to hear evidence from concerned members of the public on 4 March. But where was the member for Moncrieff? Where was the member for Higgins? Where was the member for Wright? They were not available. In a devastating criticism, the shadow Treasurer said the government should have had a public inquiry into this bill.
and that government members of the economics committee should have made themselves available. He should have picked up the phone and talked to the member for Moncrieff, the member for Higgins and the member for Wright. I presume he has their phone numbers. If there is any blame in this, it should be directed to his own members of the economics committee. We were ready, willing and available to hear evidence in a public inquiry but it was his own side that closed it down. They made themselves unavailable.

This contribution from the member for North Sydney was nothing more than a ginormous bubble of fluff. We hear a lot of contributions like this from the member for North Sydney. He should be directing his devastating critique of this bill to members of his own back bench, because if there was not a public inquiry then the blame lies fairly and squarely on the coalition members of the economics committee; that is where the blame lies.

In his 30-minute tirade we heard nothing from the member for North Sydney on the issue of transfer pricing. This is a very important part of this bill. What is transfer pricing? Transfer pricing is where a transnational corporation has operations in one country, in this case Australia, and operations in another country, and they use their global network as a means of minimising tax by transferring costs and profits from one part of their operation, which may have a tax impost on them, to another part of their operation in another country purely for the purpose of avoiding a tax. It became quite famous over the last 12 months.

There was a lot of public debate about transfer pricing when that global IT company that is familiar to all of us in this place, Google—a company that set itself up with the motto 'do no evil'—was exposed as having engaged in extensive transfer-pricing operations to avoid taxation, including avoiding taxation in this country. They quite rightly were rounded on by leaders right around the world saying that a company that is dedicated to 'doing no evil' really wanted to look at some of its corporate practices.

This bill is addressed at cracking down on transfer pricing. Transfer pricing has sometimes been described as something which is just part and parcel of doing business if you are a transnational corporation. Indeed, the global CEO of Google, Mr Eric Schmidt, said on 13 December, 'Transfer pricing is just a part of capitalism.' I reject that and I call on all members in this place to reject that. It may in some countries be legal but it is certainly not moral. It is not a practice that is without victims. In this country, the victims are the taxpayers who are at threat of having to bear a greater burden of the tax take because companies like Google and other large transnational organisations are avoiding tax in this space, avoiding their responsibility to make contributions towards infrastructure and vital services that are needed in any advanced democratic country such as ours. Through their tax avoidance processes they are effectively shifting the burden of taxation onto other taxpayers. In this respect, I would say states and territories are also victims of this—because if there is less money available through corporate taxation arrangements from these transnational corporations then there is less money available for the Commonwealth to disburse to the states and other entities for the provision of health and education services.

But it is not just taxpayers who bear the burden of this and lose out from transfer pricing; it is also some of our domestic companies who are penalised. If they are not a part of a transnational corporation, there is...
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not a level playing field. They are penalised because they do not have access to transfer pricing loopholes. That means they are paying a proper rate of tax while somebody down the road, a transnational corporation, is cheating. They are getting an unfair advantage in a similar market, so you do not have a level playing field. Costs are imposed, but not borne, by the domestic competitors. So they have an interest. There are many, many Australian companies who are going to welcome this legislation because it will go a long way to addressing some of the loopholes that are available to transnational corporations to transfer costs out of this jurisdiction so the domestic companies are bearing a disproportionate burden of the tax take.

It may not be of interest to everybody in this place, but I know that a lot of people also share the concern, not just as citizens of Australia but as global citizens, that transfer pricing arrangements are also used as a way of denuding treasury coffers, typically those of developing nations, of the vital revenue that is needed to ensure that they can build the health systems, education systems, transport systems and all those robust institutions that are needed for a thriving democracy and a thriving economy in developing countries. Where transnational corporations use these sorts of loopholes to avoid those taxes they are harming everybody. This is not a victimless crime. This is something that affects everybody.

So, instead of hearing long-winded, misguided and, in some cases, downright untrue contributions from the shadow Treasurer, these are the sorts of things we would expect members of the opposition to be focusing their attention on. How can we ensure that we have a level playing field for countries paying tax in this country to ensure that we are not disproportionately levying a tax burden upon wage and salary earners and other taxpayers to the advantage of transnational corporations and to the disadvantage of domestic taxpayers who do not have these sorts of loopholes available to them? These are the sorts of things we should be talking about.

If the member for North Sydney is truly aggrieved about the fact that the economics committee did not hold a public inquiry then he should be hauling the member for Higgins, the member for Wright and the member for Moncrieff into his office right now and saying: 'Where were you? I have just come into the House and embarrassed myself by saying there should've been an economics committee public inquiry into this. I have made a complete and utter goose of myself in the parliament by calling for a public inquiry. I've now discovered that the government members of the economics committee were ready, willing and able to have that inquiry and the only reason that it did not occur is that my own backbenchers were not available, were not doing their job, and would not turn up.' They have severely embarrassed the shadow Treasurer—and they are probably delivering their apology to him right now. I would also call on the shadow Treasurer to come to the House and issue an apology to all members on this side of the House for misleading us.

Mr BILLSON (Dunkley) (13:09): Well, there you have it; there was the defence of this extraordinarily poorly handled legislative process. The member for Throsby has come up with 'the diary defence': the fact that the government has proven itself to be unwilling or incapable of engaging with the many organisations that have made considered and thoughtful submissions on this bill and the fact that it chose one date that did not happen to work for some of the committee members. That's it—the diary defence. It is Labor's only defence to an appalling abuse of parliamentary process, to
an uncosted and untested impact on the enterprising Australians who create wealth and opportunity. All we get from the member for Throsby is the diary defence: ‘Oh, we would like to have had this conversation, but we chose a date and some people couldn't make it so we abandoned the hearing.’ What utter nonsense.

This kind of shambolic, dysfunctional poor excuse for governance that we see under this pathetic Labor government has just been demonstrated writ large here. Here we have substantial changes to tax laws that will impact not just, as the member for Throsby would have you believe, on the evil big end of town involved in all sorts of rorts and the like. This impacts much wider than that. It impacts on SMEs across the country. It is a range of provisions that have not been tested for their justification in terms of the problem they seek to solve, nor for their construct in terms of whether they are effective at all, nor for their calibration. The question is whether this is nothing more than a last-minute election grab for power by a government desperate to look like it is doing something at a time that it presides over the most appalling deterioration in the Commonwealth’s finances. It is hard to draw any other conclusion.

I listened carefully and courteously to the member for Throsby. His attack on the very valid points and criticisms and measured remarks of the shadow Treasurer was to say that somehow the coalition is defending rorts. Is everything so base politic to you guys? Does it not matter to you that the public policy formation process should be more inclusive and should value the input of those who live and work with this every day? Or do you just want the headline of the title of this bill? I think that is really what this is about. I do not think government members have turned their mind to any of the actual content of this legislation. No, they are just happy that they have a piece of legislation before the parliament talking about countering tax avoidance and multinational profit shifting and they have not bothered to apprise themselves as to what the actual mechanisms are, or their consequences for enterprises in this country. When will you guys get tired of your constant assault on small business? It is quite remarkable.

I hear a government member interjecting that it is all about multinationals, but perhaps if he could quote himself he might have then recognised the merit of the argument. The submissions provided by tax authorities, by accounting firms and by business advisers one after another pointed to the deficiencies in these provisions as they have been drafted. The fact is that the government has refused to allow an engaging hearing process. The word ‘hearing’ has as much meaning as question time: you do not get any answers and you do not even get a hearing to be heard and have your concerns addressed and have the arguments weighed against what is being asserted in the documents foisted on this parliament. No, under this Gillard Labor government we do not have that.

It is the same with the government’s media reforms. They just jam it through and any tactic will do. And we see this again with this legislation. There have been no opportunities for people who have taken the time to work through this process and engage themselves in this formulation of widely reaching laws. For a start, they just deserve basic courtesies. The Australian business community gets enough of it when the tax office is telling it how it should run its business. It is not that they have done something wrong. It is just a little inconvenient that you are an independent contractor. We insist that you are an employee, because that is easier for us, and we will refuse to give you an ABN because we reckon you are not really an independent
contractor. Yet the law is clear. They should apply the law—a novel idea—but no, they have to go the jihad on SMEs.

Here is another example of it. The tax office has not had a great record on some of its cases on anti-avoidance measures. The shadow Treasurer outlined that there is a one-in-two diminishing rate of success. The member for Fraser, having a learned mind, would turn his thinking to just why that success rate is the way it is. Would he immediately think the law is not up to the task or might he actually look at the cases? Might he actually feel that the interpretations being imposed by the tax office are inconsistent with the way the law is drafted? Maybe there was not any anti-avoidance at all. They could have looked at those internal case selections and had some external people look at them, to reality check the cases that they have pursued, rather than self-support each other's assessment within the ATO. If you got a dispassionate assessment of it, then you might get a different outcome. But they say, 'No, we're in and we're going to change the law.'

This change of the law actually contemplates posing a retrospective tax question: what if this transaction had been done another way? If the tax office want to get into that business, they should go into business and make those judgments. But, in the meantime, they should apply the law—I know that is a novel idea! We have seen how this works in other examples. We saw how this worked under the sober and thoughtful warning of the Inspector-General of Taxation. The member for Fraser might recall that the Inspector-General of Taxation himself was concerned about the way the tax office went about its business.

There was the example of some whistleblowing from a former ATO staff member about formal targets to punch through objections to audit decisions and wave other ones through irrespective of their merits. It was widely reported, but what was of more concern was that late last year the Inspector-General of Taxation's report found that more than 5,800 small businesses had been targeted by the ATO. They were forced into simply paying default tax assessments because they could not afford to fight or correct the ATO's false assertions. There was the institution designed to be fair and consistent in applying the law going after these little guys because they could not push back.

We saw a more of it in MYEFO. Do you know what was extraordinary in MYEFO, Mr Deputy Speaker? I looked through that document to see whether the government would maybe finally get the idea that, after reducing the number of people employed in small business by a quarter of a million over the last five years—despite population growth and your Treasurer saying there has been trend economic growth—there has been a substantial contraction in SMEs. I am hearing all these stories that the information you give only has to be slightly off and the ATO will go after you and how they were so active in insolvencies that they ran out of administrative filing fees and that is why insolvency rates were at record highs.

I looked in MYEFO to see whether there was a little bit of encouragement or support for small businesses. Do you know that the only small-business positive comment in that document was about what the Chinese government was doing to support Chinese small businesses? In MYEFO, the government was comforting itself that the slowdown in the economy in China would not be as great as some had predicted because the Chinese government was doing things to support small business. That was the only positive comment. Do you know what the other mention of small business was
in MYEFO? It was the announcement of another $380 million to continue this jihad on small business, knowing that small businesses have no capacity to fight back. The tax office is after you, there is a behemoth in the room and the small businesses—as found by the Inspector-General of Taxation—too often have to pay go-away money.

We see this here in these measures. In schedule 1, under the anti-avoidance provisions, it is quite remarkable because there is a nice round $1 billion dropped on the table. That is what the effect is going to be: a nice, sweet $1 billion. There has been concern raised by any number of eminent organisations, including Certified Practising Accountants Australia, who do terrific analytical, evidence based work on these concerns, the Tax Institute, the Corporate Tax Association of Australia and the Institute of Chartered Accountants in Australia. All of these organisations have said there are some problems with the way in which these provisions operate, because they assume some alternative theory about commercial transactions that are then imputed into the tax thinking and therefore might produce a different outcome.

That is not to say that someone has been behaving motivated by tax mischief or tax opportunity. 'Maybe, we could reconstruct this process and see if the transaction could be executed in another way.' That might spit out a different tax outcome. There might be a perfectly legitimate business justification about why the transaction went the way it did. But does that then leave people open to further action of a retrospective nature under these expanded general anti-avoidance provisions? There are has been no effort to calibrate how they deal with anti-avoidance, but they look all the world like they are just dealing with a poor success rate on litigation.

When these bodies seek to get guidance on that and to interact, as happens in a hearing, on the calibration and justification, they get nowhere. There is no opportunity to do that. It was interesting, wasn't it, that even in that truncated, poor excuse for a committee hearing exercise—which has brought great shame onto this parliament—the Treasury's submission was a belated attachment. It was an afterthought. They tried to get behind the policy justification, which should come out of Treasury, to see how the particular instruments are being advocated and crafted in the interests of the tax office's conduct. There is no chance to have that conversation at all. That is what is the great shame about this process.

You then move onto schedule 2, which was quite interesting. You heard the member for Throsby talking about the evils of transfer pricing and what that can do to the tax take in Australia. Do you know that, in the explanatory memorandum, schedule 2 does not raise a dime? Do you not find it the slightest bit interesting that we have got a nice, round $1 billion figure for anti-avoidance but, when it comes to this horrendous evil and the reaching over to the OECD for their work—and it is all sweet—it does not raise a dime, according to the explanatory memorandum? Doesn't that make an interesting conversation?

So powerful are these provisions that they are getting jammed through the parliament because our tax base is at risk. We hear these erudite presentations from government members about transfer pricing—it is eroding tax bases and impeding developing countries for having doctors—and how it is fantastic, but when you look at the detail it does not raise a dime. So what is it?

Dr Leigh: It's protecting revenue.

Mr BILLSON: The interjection is that it is protecting revenue. It does not raise a
dime, yet so urgent is this potent and powerful measure that the parliament is not afforded the courtesy of a hearing about it. You just have to jam it through. When you look at its impact on small business, submission after submission points to an overriding concern about this legislation creating extraordinary additional compliance costs for taxpayers and also uncertainty about what taxpayers need to do and what they need to do differently to ensure that they are complying with these revised transfer pricing tests.

The government comes in here and talks about the evil of these behemoth multinationals, ignoring the fact that there is no safe harbour for small business. There is no carve-out; there is none of the wisdom reflected in the United Kingdom law. I quote from the ICAA’s excellent submission, where they say:

In our view, in a proper balancing of compliance costs against revenue risks, it is essential that some taxpayers are completely carved out of the transfer pricing rules. This is on the basis that below a certain point it is just not cost effective or practical to impose transfer pricing guidelines. The UK has recognised this in its transfer pricing rules which provide that SMEs are exempt from the transfer pricing rules. An SME under this definition is one that has less than 250 employees and either:

- turnover of less than €50m; or
- assets with a balance sheet total of less than €43m.

We note that this approach of completely carving SME taxpayers out of the transfer pricing rules need not however, prevent the ATO from still being able to gather information—

and use its extraordinary toolkit that is available now—

to address any concerns it has around related party dealings by SMEs.

They make the following point:

… the Institute believes that penalties should not be imposed for any adjustment made under Subdivisions 815-B to 815-E on a SME taxpayer that has made reasonable efforts to comply with the legislation—

should be taken into account. Where has that wise counsel gone? The de minimis thresholds of $10,000 and $20,000 proposed here are far too low to achieve their intended purpose. To go after those behemoths that the government likes to say this is about, why are those thresholds so low? The proposition is to raise the threshold to $5 million to have their intended effect, but then we think, 'This is not supposed to raise a dime.' It is a saviour of budgets. It is the headline the government is after. It is an appalling abuse of parliamentary process and it is just further evidence of this dysfunctional, divided and hopeless government. (Time expired)

Dr LEIGH (Fraser) (13:24): A strong tax system is fundamental to driving innovation, entrepreneurship and economic growth, because it is only through a strong tax system that we are able to provide the infrastructure that business needs to thrive; it is only through a strong tax system that we are able to fund high-quality education and the research and development we know business depends on. So making sure that we have a strong tax system with good anti-avoidance provisions is a pro-business measure. Those who oppose it—those who say that we ought to have a tax system with loopholes in it—are not pro-business; they are pro-loopholes. They are standing up for those who believe that there ought to be loopholes that those with cunning lawyers can use to avoid paying tax.

This bill puts in place measures that will counter tax avoidance and multinational profit-shifting. It will, as the speaker before me reluctantly acknowledged, protect significant amounts of revenue. Over $1
billion of revenue will be protected by these measures. That is what these measures are about. They are about ensuring that our tax system follows the values that Australians hold dear: the values of equality and fairness; the value of opportunity; the values that say that, just because you can hire the best lawyer in town, you should not be able to get an unfair advantage with our tax code. That is all this bill is about.

If you listen to those opposite, you might think that this bill has been cooked up in a Treasury dungeon somewhere and thrust upon the parliament, but nothing could be further from the truth. Treasury went through a normal public consultation process, as they do with tax reform bills of all types. But beyond that, in the case of this bill, the Assistant Treasurer set up an expert roundtable and Treasury used that expert roundtable extensively. So the views of those affected by these changes have been thoroughly canvassed.

As the member for Throsby acknowledged, there was a willingness on this side of the House to hold a parliamentary inquiry to look into this bill, but when the availability of members was canvassed it was found that, while government members were available in abundance—I cleared the day in my diary—opposition members were nowhere to be seen. So, when the member for Dunkley talks about courtesy, fundamentally the courtesy is of those in the opposition to be willing to attend an inquiry. When we found that there was not a single member of the opposition willing to turn up to this inquiry, we took the view that fundamentally the opposition were not particularly interested in holding a parliamentary inquiry. Had the members for Higgins, Wright and Moncrieff been willing to attend that inquiry, it might well have gone ahead. Had even one of them been willing to attend that inquiry, it might well have gone ahead. But all of them had more pressing concerns.

You would not have known that by listening to the member for North Sydney; you would not have known that from listening to the member for Dunkley. For them, this is just a big story about a government conspiracy. But, when it actually comes to making time to hold a parliamentary inquiry, opposition members were unable to do so. Now they have the temerity to turn up in the parliament and attack the government for failing to hold that inquiry. That is just not good enough. If you cannot make yourself available for a parliamentary inquiry, you forego the right to come into this parliament and claim that that inquiry should have gone ahead.

Let me go to some of the measures before speaking about the context in which they are being implemented. These amendments will maintain the effectiveness of the general anti-avoidance rule to counter tax avoidance. The role of part IVA is exposing the substance or reality of what taxpayers have done to the ordinary operation of the tax law. Taxpayers should not be able to avoid the tax consequences of what they have actually done by arguing that they would have done something completely different or nothing at all. They should not, in colloquial language, be able to have their cake and eat it too. In putting together this bill, with consultation with the public and the expert panel, we received legal advice from senior counsel with expertise in part IVA. So this is a balanced response to address problems without interfering with ordinary commercial activities. That is schedule 1.

Schedule 2 deals with multinational profit shifting. It is about bringing Australia’s transfer pricing regime into line with OECD best practice. It is one of the reasons we have the OECD. It is not just a rich nation’s club
headed in Paris; it is aimed at sharing best practice, particularly in the area of taxes but also in areas like education and health. Here, we have looked to best practice across OECD countries and we have put in place these reforms to make sure that we do not have the tax base eroded and we do not have profits shifted. In doing that, we will protect a significant amount of revenue.

These powers directly reflect the OECD guidelines. There is not a broad new power. They have what is known as a reconstruction power, an essential feature of a modern transfer pricing regime. The notion behind a 'reconstruction power' is that it helps you tackle an artificial structure, not just an artificial price in an isolated transaction. It is no surprise that there are some who are at the moment using these loopholes and benefiting from the avoidance measures and multinational profit shifting, but they will not be able to do so under this bill. Those of us on this side of the House believe that it is fundamental to a fair go and fundamental to equal treatment of firms that they not be allowed to erode the revenue base in the process. If we are to fund the services that the social sector demands and that I know from my conversations with businesspeople that they are keen to see then we need a strong revenue base. Less tax from one company just means more taxes that have to be paid by other companies and other individuals across the economy.

We know there is a strong demand for infrastructure spending. That is why this government has doubled the road budget and quadrupled the rail budget and spent more on urban public transport than all other governments since Federation combined. But we know there are still calls from business to spend more on infrastructure. Routinely, when business groups survey their members, infrastructure spending stands out as a key priority. Why wouldn't it? We had a period under the Howard government when the pause button was pressed on infrastructure spending and infrastructure decisions were made not based on the national interest but based on sectional political interests. One of my academic papers looked at the Roads to Recovery program. There you could see, even taking into account the population density of an electorate, that coalition electorates were receiving significantly more Roads to Recovery funding than were Labor electorates. That was because, under the coalition, infrastructure spending was too low and was not targeted to the areas most in need and not driven by cost-benefit analyses. That is not true under this government. But in order to maintain strong infrastructure spending we need a strong tax system to back it up.

A lot has been said in this debate about the general issue of tax reform under this government, so let me address directly some of the statements that the shadow Treasurer and the member for Dunkley have made about tax reform under this government. We have a proud record of tax reform. As economists and environmentalists alike have urged, we have put a price on carbon pollution, the most efficient way of addressing dangerous climate change. We have moved from a royalties regime to a profits based mining tax which will make sure that when the world price goes up through luck rather than ingenuity the tax share goes up commensurately. We have put in place an instant asset write-off. We have tripled the tax-free threshold. Those opposite will sometimes ask, 'We had a low-income tax offset there; what do you mean you have tripled the tax-free threshold?' Let me be very clear: what I mean by that is that we have taken one million Australians out of the tax-filing system.

The member for Dunkley likes to talk about reducing red tape. One of the big
forms of red tape for low-income Australians is filing an annual tax return. If those opposite were to get into power, they would put the responsibility for filing a tax return back onto a million Australians for no additional revenue and no additional benefit to those individuals. We know from surveys that they take a day a year to file a tax return. So that would be an extra day a year gone for a million Australians were the coalition to come to office.

Mr Billson: Mr Deputy Speaker, I rise on a point of order. I am enjoying the member for Fraser's contribution, but there are about 4½ minutes left for him to actually deal with the bill before the House. I encourage—

The DEPUTY SPEAKER (Mr S Georganas): The member will resume his seat. The member for Fraser will continue.

Dr LEIGH: I am addressing directly some of the statements made by the member for North Sydney and the member for Dunkley on the issue of tax reform and the suggestions that have been made that this reform to counter tax avoidance and multinational profit shifting has somehow come out of the blue. It is important to understand the context of tax avoidance and multinational profit-shifting laws. Their broad context is a Labor legacy of tax reform.

We have been committed to good tax reform, guided by the experts. We, for example, followed through with fuel tax reforms that were brought into parliament by Peter Costello in 2003, supported by the opposition right up until the last minute, when they realised they could get some political mileage from backflipping on a Peter Costello reform—extraordinary stuff!

The reason we are committed to this bill to counter tax avoidance and multinational profit shifting is that we realise revenue must be raised as fairly as possible and must be spent as fairly as possible. That is why we have means tested the baby bonus, the private health insurance rebate and family tax payment part B. When the member for North Sydney went to London he talked about 'the age of entitlement'. When he came back to Australia he said that reducing the baby bonus for second and subsequent children was like China's one-child policy.

We need a bill to counter tax avoidance and multinational profit shifting because a strong tax system is essential to a fair society. We have to protect that revenue because if we do not then that means increasing taxes in other places. That is fundamentally the problem that the coalition has in so many of these areas. They are constantly saying that there are taxes they are going to reduce, that there are revenue measures they are going to oppose. The effect is that they now have a $70 billion hole in their costings—not my figure, a figure of the member for Goldstein, subsequently backed in a few days later by the member for North Sydney, who said, 'well, $50 billion, $60 billion, $70 billion', as though there really was not much difference. What is a spare $20 billion between friends? Let me be clear as to the implications.

Mr Simpkins: Where's your surplus?

Dr LEIGH: I did look over because I thought briefly that the interjection might be the member for Wright turning up to this debate to explain where he was when we had the parliamentary hearing that was scheduled. But let me continue.

The bill before the House ensures that we protect revenue, because if we do not protect revenue then we get into the problem the coalition find themselves in. The problem the coalition find themselves in is a massive costings gap. That is because, if you are a special interest, the coalition welcomes you with open arms, but, if you are a struggling
Australian family, the coalition puts up their hand. They want to cut the schoolkids bonus, which is $410 for primary school children and $820 for secondary school children. They want to take that away. They want to increase taxes on low-income Australians by bringing down the tripling of the tax-free threshold. They want to cut pensions, because they have to do that once they have gotten rid of the carbon price, that most efficient way of dealing with dangerous climate change.

This bill is part of a set of Labor reforms concentrating on making sure our tax system is as fair as possible. On this side of the House we will not be driven by special interest. We will be driven by the Australian national interest. We will be focused, like a laser beam, on the interests of Australians and on making sure our tax system is fair and equitable. (Time expired)

Mr HUSIC (Chifley—Government Whip) (13:39): I actually think my colleagues the member for Fraser and the member for Throsby are being too hard, because they need to appreciate that those opposite do have consistency. When it comes to issues of revenue and whether or not the taxation base of this country is being eroded, you have to know that they will not do anything about it. It has been there for decades. They had their little game where they were trying to track down the BLF. Malcolm Fraser and then Treasurer John Howard were in there, boots and all, after the BLF. That uncovered all these bottom-of-the-harbour taxation schemes.

Mr Simpkins: Mr Deputy Speaker, I rise on a point of order. I do not think we are here to talk about the Labor Party’s preselectors; I think we are here to talk about the bill.

The DEPUTY SPEAKER (Mr S Georganas): Order! The member will resume his seat. The member for Chifley.

Mr HUSIC: Nice try, sunshine.

The DEPUTY SPEAKER: And the member for Chifley will make his remarks through the chair and refer to members by their correct titles.

Mr HUSIC: Absolutely; I withdraw that. When they had a threat to the taxation base of this country, they did nothing in relation to bottom-of-the-harbour schemes. We had the types of arguments you have got here today that try and scoff at whether or not it is a legitimate thing. We had the member for Dunkley say the same thing. In the member for Dunkley's eyes, if this measure does not raise a dollar it is not worth doing. But even though there are some on that side who do not recognise that protecting the taxation revenue of this country is an important priority, there are some conservatives who do. For example, on 21 May last year, one particularly prominent person from their side said that this is a big issue. He said:

This is a big issue relating to the erosion of the Australian tax base. Over time, the erosion of the tax base will become material. You’ve got X billion dollars of revenue … being earned—

In this case he singled out Google—paying very little tax in Australia.

Who said that? That was the shadow communications spokesperson, on the front page of the Australian Financial Review, under the headline 'Raise taxes on tech giants: Turnbull'. He goes on to say how this is a big threat to taxation revenue. He is not the only conservative to think this.

Over in the UK David Cameron sees this as a significant issue, regardless of the member for Dunkley or the shadow Treasurer thinking that this is not an issue. Prime Minister Cameron says that this requires the immediate attention of the G8.
Why? Because, as he acknowledges, left on the shoulders of just one country, companies that move across borders will flout taxation laws, will erode revenue and will ensure that they find ways around it. So Prime Minister Cameron is saying that the G8 has to work on this. Here we are saying we need to work on it.

What do we have here in Australia? We have conservative politicians who—with respect to consistency when it comes to taxation revenue and protecting our revenue base—turn a blind eye to these things, to the rorts and the threats to taxation revenue, at a time when they have to plug a $70 billion hole in their estimates. But we have got others saying that this is serious enough to work on at the G8 level. The OECD is dedicating massive amounts of attention to this very issue. Frankly, as technology has changed, as we have globalised, as companies move across borders, this is a significant issue.

Our taxation system taxes profits. When a company is operating across borders and sets up transfer pricing in a way that takes into account the fact that profits are taxed, it will be able, through its transfer pricing arrangements, not only to jack up prices locally for consumers but to do it in a way that lessens the ability of taxpayers to get their fair share. That is why it is an important issue.

The reason you have to listen to the contribution of some of those opposite during this debate is that this matter will be significant. In years to come, when they catch up with the rest of the world that realises that this is an issue, they will be back-peddling at a million miles an hour. You will not get a speed camera that can pick up how quickly they will back away from their words. This is a massive issue for governments worldwide. To be leaving it in their hands, saying, 'We need to have a committee process that fully looks at this,' when the rest of the world is already furiously looking at it as a joke.

How long did those opposite give for the Workplace Relations Act changes that ushered in Work Choices? When they ripped out conditions for Australian workers across the country, they did nothing—they gave no time whatsoever. Now they have become a big defender of parliamentary process, when, at the same time, we have these massive threats to our revenue. Their position on this is a joke and they need to recognise they have to speed up and get with the program.

The DEPUTY SPEAKER: Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour and the member for Chifley will have leave to continue speaking when the debate is resumed.

STATEMENTS BY MEMBERS

Bosnia-Herzegovina

Mr SIMPKINS (Cowan) (13:45): Yesterday I attended a gift-unveiling ceremony for the 20th anniversary of diplomatic relations between Australia and Bosnia-Herzegovina. Bosnia's Ambassador, Dr Damir Arnault, officially unveiled the gift to recognise the strong and friendly ties between the two countries. The gift was a mediaeval-style stone sculpture which has been located in Parliament House's formal gardens. The sculpture was created by Mr Adis Fejzic, who was born in Sarajevo but now resides in Brisbane. At the unveiling, Mr Fejzic described his gift as a 'summary' of Bosnia and Herzegovina in Australia. The sculpture features the Star of David, a cross and a crescent, appearing as one and representing the multicultural and multireligious Bosnia and Herzegovina. The connection to Australia is emphasised with the traditional Bosnian spheres constellated in the form of the Southern Cross.
Bosnia is a country that has over the decades changed, advanced and developed greatly. In January I had the opportunity to visit Sarajevo and saw the progress. Also, yesterday I had the opportunity to meet with ambassador to discuss the issues currently facing his homeland. We also discussed how Bosnians living in Western Australia would benefit greatly from the signing of a social security agreement with Australia. The government needs to address this matter urgently. Finally, I would like to thank the Bosnians in Cowan, and there are many, for their efforts and their positive contribution to our community. Bosnians across the whole country contribute strongly to Australia.

**Myalgic-Encephalitis**

Dr LEIGH (Fraser) (13:46): I rise to speak on a petition scheduled to be tabled by the chair of the Petitions Committee on Monday. The principal petitioner is Ms Ariette Singer, a constituent of mine, who is concerned about funding for myalgic-encephalitis and its accompanying illness multichemical sensitivities. The petition notes that ME/CFS has been classified as a neurological disorder by the World Health Organization since 1969, but there are not currently universally recognised treatment protocols. Many sufferers are still undiagnosed or, as the petition argues, misdiagnosed. I was fortunate to meet in my electorate office with Ms Singer, who spoke with me about the challenges that ME/CFS and MCS presents her. She spoke to me about her hypersensitivities to extremes of temperature, chemicals, light, noise and smells, frequent migraines and the fact that other sufferers have even attempted suicide. I draw the House's attention to her concerns and those of other sufferers.

A terrific volunteer in my office, Samm Cooper, has also recently been diagnosed with CFS and so it is a condition of which I am well aware and one to which more attention should be paid.

**Standing Tall Against Abusive Relationships Program**

Petition: Transport Industry

Mr VAN MANEN (Forde) (13:48): I would like to take this opportunity to recognise the efforts of Vicki Bailey and the team at Soroptimist International at Beenleigh for their Walk the Talk event to raise funds to support the STAAR program at the Beenleigh PCYC. The STAAR program is Standing Tall against Abusive Relationships and it is run by a wonderful lady, Larissa, who herself was a victim of domestic violence. The program at the moment is helping some 40 to 50 women dealing with the effects of domestic violence in their lives. I thank them for their efforts and what they are putting back into our community.

I would also like to take this opportunity to table a petition on behalf of one of my constituents, Mr Stephen Corcoran, advocating higher safety standards for truck drivers and seeking to bring to the attention of the broader community some of the issues truck drivers face on a regular basis. This came out of his being involved in a major accident many years ago and the recent death of a friend in an accident.

*The petition read as follows—*

To the Honourable The Speaker and Members of the House of Representatives

This Petition to Recognise Deaths in the Transport Industry

Draws to the attention of the House that Too many professional Truckies die on our roads, at rates of up to 30:1 compared to any other job in Australia! Decreasing the Road Toll and providing incentives for safer roads is in every human beings interest.
We therefore ask the House to act now to include Danger Money as part of our award, paid as a Tax Free amount of $100 dollars per day from two citizens.

Petition received.

Global Poverty Walk

Ms BRODTMANN (Canberra) (13:50): I rise to acknowledge the efforts of two of my constituents, Matt and Wendy Napier, who have gone to extraordinary efforts to raise awareness about global poverty. Matt Napier, who his wife describes as ‘an inspirational man’, is currently walking 4,400 kilometres across Australia to raise awareness about this issue. Matt is not just walking; he is taking over five million steps and bouncing an AFL football the whole way.

Anyone who knows about an Aussie Rules football will tell you that it isn't the easiest ball to bounce—so to do this from one side of the country to the other is indeed an incredible feat. Matt left Perth on 2 February after a very well-attended launch and is already making his way across the Nullarbor. When I last heard from Matt and Wendy, they were about 20 kilometres from the border of Western Australia and South Australia and reported that they were making good time. They have received a lot of support from the Western Australian public and have had several offers of support from the South Australian public as well. They have said their journey is going well and they have got some good media coverage too.

I look forward to seeing Matt and his wife Wendy when they reach the east coast later this year. Matt and Wendy Napier are passionate about the Global Poverty Walk, which is their incredible contribution to addressing world poverty. They have told me that they believe all children, no matter what country they are born in, should have access to food, clean water, basic health care and a primary education. They simply want Australia to do its fair share to ensure this happens.

Hughes Electorate: Traffic

Mr CRAIG KELLY (Hughes) (13:51): I rise to voice my support for the residents of the Georges Fair estate. This is a beautiful new family-friendly estate within the electorate of Hughes, adjacent to the Georges River and the New Brighton golf course. Over a thousand residents have already chosen Georges Fair as the place to raise their families, and this number is set to double in the years to come. However, this peaceful neighbourhood has come under attack due to a recent opening of Brickmakers Drive, a road that was designed to be a local road and has now turned into a rat run for heavy vehicles including prime movers and B-doubles. Although so-called traffic-calming devices have been installed, they are having little or no effect, with the heavy vehicles rampaging through the estate 24 hours a day.

These heavy trucks are creating noise and air pollution and present a significant danger. To make matters worse, next door there is a proposal to develop a recycling facility that will crush hundreds of thousands of tonnes of concrete and asphalt every year. The sheer size and scale of such an operation and its close proximity to residential housing is astounding and is completely unacceptable.

The heavy industrial development will add a further 324 truck movements a day to Brickmakers Drive, further exacerbating air and noise pollution. I urge the Liverpool Council to expedite the process of placing weight restrictions on Brickmakers Drive and continue to oppose the Moorebank recycling centre. (Time expired)
Cybersafety

Mr LYONS (Bass) (13:53): Online scams are something that I need to raise with this House. Incidents of consumer fraud may not be reported for a number of reasons. For example, victims may not be aware that they have been scammed, may not be aware of law enforcement interest, may feel responsible for becoming a victim and may not know who the scam should be reported to. Due to the anonymity of the internet, scamming can be incredibly easy. If you are not careful, you could get scammed out of your time, your money or both.

Scammers go to great lengths to gain your interest and trust such as by sharing personal information. Scammers may take months to build what seems to be the romance of a lifetime, may even pretend to book flights to visit you, but they never actually come. SCAMwatch report that once the scammers have gained your trust they will be either subtly or directly after your money, your gifts, your bank details and they will pretend to need these for various reasons. I recommend that people follow the advice of SCAMwatch, which is to talk to an independent friend, relative or fair trading agency before you send any money online. The advice that you should always follow is: if it sounds too good to be true, it probably is.

Fahey, Ms Sylvia

Ms O'DWYER (Higgins) (13:54): In this place we often have an opportunity to speak on condolence motions about very important people in our society who have passed away, but we do not usually get the opportunity to talk about some of the little people. Recently I attended the wake of a much loved member of my electorate of Higgins, Ms Sylvia Fahey, who passed away at the age of 87 after a long battle with cancer. Ms Fahey was well known throughout my electorate as a person who had devoted her life to our community. She was dedicated and hardworking. On numerous occasions, she defended and fought for a variety of organisations in my electorate, including one that was very dear to her heart, the Prahran RSL.

In 2012 Ms Fahey's service to the Higgins community was officially recognised when she was announced as the City of Stonnington's Community Citizen of the Year for her 70 years of service to the Prahran community. When Ms Fahey was not campaigning for traders' rights or raising funds for the Prahran RSL, she was often to be found at her own small business, Sylvia's Milk Bar, which is one of many small businesses in my electorate of Higgins. She ran the business for over 40 years.

I take the opportunity in the parliament today to pay tribute to Sylvia for her service to our community and to commend those community organisations that do great deeds. Sylvia is like so many others in our local areas who work hard for others, often without recognition, and I pay tribute to them as well. They are the hundreds of thousands of people who make Australia even better. (Time expired)

Property Council of Australia/Rider Levett Bucknall Innovation and Excellence Awards

Ms BRODTMANN (Canberra) (13:56): I rise to congratulate three ACT office projects that have been named as finalists in the 2013 Property Council of Australia/Rider Levett Bucknall Innovation and Excellence Awards. This is a terrific achievement for the ACT. These awards celebrate innovation as well as leading practice within Australia’s property development and investment industries. As the ACT executive director of the Property Council of Australia, Catherine Carter, said:
All three nominated projects validate the strength of the ACT property industry.

Two of the three nominees are for bringing new life into old landmarks, specifically the modernisation of the RM Hope Building on Kings Avenue and the innovative re-use of Juliana House in Woden. The other nominee is for the state-of-the-art sustainable headquarters of the Department of Health and Ageing's Sirius Building, also in my electorate of Canberra.

All three ACT finalists are in the running for the property industry's sought after Gold Logie, the Australian Development of the Year Award. National award winners will be announced at the 2013 Property Council of Australia/Rider Levett Bucknall Innovation and Excellence Awards gala dinner to be held in Sydney on Saturday, 18 May. I wish all the ACT finalists all the very best for the awards.

Hospitals

Mr TUDGE (Aston) (13:57): We know that the government has no shame, but the hospital ads that the government has placed into Victorian metropolitan newspapers go to new lows. We know the history of this. The government ripped $107 million from Victorian hospitals, causing beds to close at the premier cancer institution, the Peter MacCallum Cancer Centre, and at the Royal Children's Hospital. As well there are beds to close in my own electorate of Aston.

After significant community pressure, the government put that money back into the Victorian coffers. It was a great surprise to many of us to then see ads which claim that this will reverse the cuts made by the Victorian government—

The DEPUTY SPEAKER (Mr S Georganas): Order! The member will not use props in the chamber.

Mr TUDGE: and that they are putting $107 million directly into these hospitals. It is nothing of the sort. These are misleading, deliberately deceptive ads. They are highly political and they should rightly be paid for by the ALP and not by the taxpayer.

I have written to the Auditor-General in relation to this, and I am very pleased that the Auditor-General is going to be taking this matter up and investigating the appropriateness of this funding used towards political purposes. It costs about $70,000 every time these ads are placed in the metropolitan papers. That is the cost of a nurse for a year, which the government is wasting on these political ads. The ALP should be paying for them and not the taxpayer. (Time expired)

Surf-Lifesaving

Ms O'NEILL (Robertson) (13:59): I rise to put on the record two wonderful events that have happened locally regarding surf-lifesaving in the seat of Robertson. The state titles for New South Wales Surf Life Saving were held at Umina Beach. Very sadly, the weather came in and rained on the parade of our juniors. The adaptability of Bill Cook and his team was amazing as they shifted the event to Terrigal, and many, many young people from around the state had a wonderful time regardless. I was also very pleased to open $200,000 worth of renovations and extensions to the deck at that particular surf-lifesaving club, and there was $150,000 from this federal government for the MacMasters Beach Surf Life Saving Club. It was a very good investment in a great agency locally.

The SPEAKER: Order! It being 2 pm, the time for members' statements has concluded.

STATEMENTS ON INDULGENCE

Pope Francis

Ms GILLARD (Lalor—Prime Minister) (14:00): on indulgence—Five weeks ago today, Australians woke up to the news that
Pope Benedict XVI had resigned and that there would be a new pope. Today we woke to the news of the election of the new pope, a pope from the New World. Former Cardinal Bergoglio has taken the name Francis, the first pope to do so—a name synonymous in the Catholic tradition with poverty and purity, something which speaks of a very admirable ambition for the papacy. The Catholic Church now has a new pope, and the global south now has a new voice.

We are advised that His Holiness will officially be installed in a mass in Rome on Tuesday, 19 March, the Feast of St Joseph. Today I spoke to Sir William Deane and requested that he and Lady Deane, two of our nation's most eminent and beloved Catholic laypeople, represent the Australian government at this very significant occasion. I am absolutely delighted that Sir William Deane accepted my invitation; indeed, he expressed that he was honoured to do so. Sir William as a former Governor-General is of course a particularly fitting Australian representative. No doubt Sir William and Lady Deane will be joined by many Australians who choose to go to Rome, and no doubt they will be joined in prayer by many, many more who will watch from home with great joy. We wish them, on that journey, and Pope Francis well in these historic days.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:02): As the Prime Minister has just said, Pope Francis is the first Jesuit pope, he is the first South American pope and he is the first non-European pope in over a thousand years. He has lived in a simple apartment. He had ridden the bus to work. He has mostly cooked his own meals. He has regularly visited the poorer parts of Buenos Aires. In other words, he is a holy and simple man who has practised what he preached. So, on this historic day, the coalition wishes him strength and judgement in the discharge of his heavy responsibilities.

Reference to Federation Chamber

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:02): by leave—I move:

That further statements on indulgence on Pope Francis I be permitted in the Federation Chamber. I add my congratulations to those of the Prime Minister and the Leader of the Opposition on His Holiness's elevation, and I add that my thoughts are with the Catholic community in my electorate on this special day.

Question agreed to.

Northern Territory Government

Ms GILLARD (Lalor—Prime Minister) (14:03): As members would be aware, and members of the public would be aware too, there is a new Chief Minister in the Northern Territory, a new Chief Minister for the Liberal Party there. I think it is appropriate for this House to note that this means that, for the first time ever, an Indigenous person will be serving as a head of government in an Australian state or territory, that person being Mr Adam Giles. Whatever the circumstances, this is a moment in history for Indigenous Australians and it is appropriate that we mark it in this chamber.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:04): I welcome the observations of the Prime Minister. This is an important occasion for our country and it should be marked in this way in this parliament. I have to admit that it has been a tumultuous few weeks in Northern Territory politics and I do feel for the former Chief Minister, Terry Mills, who did lead the Country Liberal Party to victory last year. Still, in a very important sense, yesterday was a very auspicious day for our nation and an auspicious day, if I may say so, for the
conservative side of politics. It was, after all, the coalition that gave this national parliament its first Indigenous member in Senator Neville Bonner; it was the coalition who gave this House of Representatives its first Indigenous member in our friend and colleague the member for Hasluck; and now the coalition has given Australia its first Indigenous head of government in Adam Giles, the Chief Minister of the Northern Territory.

I know Adam Giles quite well. He was in fact a senior officer in the Department of Employment and Workplace Relations which I once administered as the relevant minister. He is a highly capable man, and I am confident that he will be a fine Chief Minister. So, on behalf of the coalition and, I am sure, all members of this place, I wish him well in the discharge of his heavy responsibilities.

MINISTERIAL ARRANGEMENTS

Ms GILLARD (Lalor—Prime Minister) (14:05): I inform the House that the Minister for Employment and Workplace Relations and Minister for Financial Services and Superannuation will be absent from question time today for personal reasons. The Treasurer will answer questions in relation to financial services and superannuation, and the Minister for Employment Participation will answer questions in relation to employment and workplace relations.

The Minister for Regional Australia, Regional Development and Local Government and Minister for the Arts will be absent from question time today as he is in Newcastle on ministerial business. The Minister for Resources and Energy and Minister for Tourism will answer questions on his behalf.

The Minister for Veterans’ Affairs, Minister for Defence Science and Personnel and Minister for Indigenous Health will also be absent from question time today as he is in Sydney on ministerial business. The Minister for Defence will answer questions in relation to veterans' affairs, defence science and personnel, and the Minister for Health will answer questions in relation to Indigenous health.

QUESTIONS WITHOUT NOTICE

Budget

Mr ABBOTT (Warringah—Leader of the Opposition) (14:07): My question is to the Prime Minister. Will the Prime Minister guarantee that the government's debt limit will not exceed $300 billion?

Ms GILLARD (Lalor—Prime Minister) (14:07): I thank the Leader of the Opposition for his question. I think it follows exactly a question asked to the Treasurer yesterday, which was answered yesterday. What I can say to the Leader of the Opposition, and what of course is always the backdrop to these questions from the Leader of the Opposition, is that the opposition fails to recognise that, as a result of the global financial crisis, as a result of circumstances in our economy, including the sustained high rate of the Australian dollar and the pressure it is putting on manufacturing, tourism and some other industry segments, we are seeing revenue write-downs.

What the government will always do in these circumstances is focus on jobs. I had the opportunity a little earlier today to make a major statement about our focus on jobs, on putting the jobs and opportunities of Australians first—that is what we will always do.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:08): Madam Speaker, I ask a supplementary question. Given that the debt currently sits at $263 billion and is costing taxpayers $12 billion in interest payments each year, does the Prime Minister
agree with her Treasurer's statement that further increasing the debt limit would be 'no big deal'?

Ms GILLARD (Lalor—Prime Minister) (14:08): The Leader of the Opposition chooses to take words out of context and to twist the meaning of what the Treasurer said. I refer the Leader of the Opposition to the Treasurer's full answers in this parliament.

I would also say to the Leader of the Opposition: if he wants to be taken seriously on questions of budget accounting, if he wants to be taken seriously on his often-stated desire to return to surplus, then he cannot at the same time come into this parliament and oppose savings measures. We have been treated to the farce over the last few days—

Mr Pyne: Madam Speaker, I rise on a point of order. I note in passing that in fact the Leader of the Opposition is the only person at the dispatch box who has an economics degree, but putting that to one side for the moment—

A government member interjecting—

Mr Pyne: Well, where's your economics degree from? The point of order is that the Prime Minister was asked a very straightforward question—

The SPEAKER: Order! The Manager of Opposition Business will resume his seat. The Leader of the House will resume his seat. That was an absolute abuse of the right to take a point of order. If you had come to the dispatch box and asked for relevance, I would have actually said the Prime Minister should return to the question before the dispatch box. But, if everyone wants to keep using the word 'you' in respect of their economics degrees: mine is from Melbourne Uni. The Prime Minister has the call.

Ms GILLARD: Thank you very much, Madam Speaker. You can tell already it's Thursday from the student politics performance we are seeing over there. Any time that the Manager of Opposition Business wants to come and look at my academic transcripts, studying economics at Adelaide and Melbourne universities, he is more than welcome to—in fact, I think I still have the textbooks in the shed; he can have those as well.

But to the Leader of the Opposition—

Opposition members interjecting—

The SPEAKER: Order! If individuals would like to hear an answer, we do need silence. The Prime Minister has the call.

Ms GILLARD: To the Leader of the Opposition: no-one is going to be reassured about his competence because he went boxing and played rugby 30-odd years ago. A reassurance about his economic competence would be taking a consistent approach to questions of surplus— (Time expired)

Employment

Ms O’NEILL (Robertson) (14:11): My question is to the Prime Minister. How is the government delivering opportunity and supporting jobs by putting the interests of Australian workers first?

Ms GILLARD (Lalor—Prime Minister) (14:11): I thank the member for Robertson for her question, and I know that she, unlike those opposite whose performance we have just seen, is genuinely concerned about the strength of our economy and the jobs and opportunities it offers working people and their families.

Today we can say that, since this government came to office, we have created 926,000 jobs—that is, the unemployment figures which have come out today show the unemployment rate has remained at 5.4 per cent. What that means is we have seen an increase in the number of jobs of 71,500 in
the last month. For the information of the House, this is the largest monthly increase in jobs since July 2000.

Ms Macklin interjecting—

Ms GILLARD: Yes, they are very quiet over there—

The SPEAKER: Order! The Minister for Families, Community Services and Indigenous Affairs!

Ms GILLARD: because Australians getting the opportunities and benefits of work is not something that the opposition likes to hear. This is the best monthly job creation result in 13 years. And to give this some perspective: the US economy created 236,000 jobs in February. What that means is that an economy 15 times bigger than ours is creating jobs at three times the rate—15 times bigger and their job creation is only three times bigger than ours. That tells you about the resilience of the Australian economy, and we should be proud of it as a nation.

But, of course, even with Australians getting the benefits of work, our economic future as a nation is not assured. We have to be making the right decisions now for our country’s future. And today I had the opportunity to reinforce that, when we talk about the benefits of work, we also talk about the dignity and fairness that comes with work—making sure that people get treated fairly at work. We know that there are many Australians who are very reliant on the penalty rates they receive in their pay packets for making ends meet. So today I have announced that there will be a new modern awards objective in the Fair Work Act to protect penalty rates, because we understand how important they are. We will always put the jobs of Australians first, we will always protect the working conditions of Australians—and today is a very good day, as we get the news that more Australians have got the benefits of work.

Budget

Mr HOCKEY (North Sydney) (14:14): My question is to the Treasurer. I refer the Treasurer to the $12 billion—

Government members interjecting—

Mr HOCKEY: Mate, there is only one job you are interested in, I know!

The SPEAKER: Order! The member for North Sydney has the call. He will commence his question again.

Mr Mitchell interjecting—

The SPEAKER: The member for McEwen is warned!

Mr HOCKEY: We know what job is going. My question is to the Treasurer. I refer the Treasurer to the $12 billion that the government will spend this year servicing its gross debt. Can the Treasurer confirm that the annual cost of servicing Labor’s gross debt would be enough to fully fund the Commonwealth’s contribution to the National Disability Insurance Scheme and any new funding model for school education, each and every year?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:15): What we are seeing play out here today is an attempt by the opposition to put in place another fear campaign. I will make a couple of very, very clear points. This government makes no apology for putting growth and jobs first—absolutely no apology. It is the case that this government moved during the global financial crisis to support jobs and growth in our economy in the face of the worst global recession in over 80 years. And it is true that in that process we incurred some debt. But we did that to support jobs and growth. And what is the outcome of that process? Over 900,000 jobs created in Australia. Everybody on this side of the House is proud of that
record because we understand the importance of the dignity of work. When an economy is challenged by a global financial crisis, what responsible economic policymakers do is support their economy.

We have had some Tea Party rhetoric today from the shadow Treasurer about levels of debt. Our debt is around one-tenth of the debt of other major advanced economies, and the benefit we receive from what the government did over the past five years is 900,000 jobs. But of course they ignore the facts. They cannot answer the question about why Australia is one of the few economies in the world with a triple-A credit rating and a stable outlook. The reason we have a triple-A credit rating and a stable outlook is that we have strong public finances.

**The SPEAKER:** I call the Manager of Opposition Business, who is not going to test my patience again, on a point of order.

**Mr Pyne:** No, not at all, Madam Speaker—not at all. On a point of order: the Treasurer was asked a question about whether it was true that the $12 billion of interest payments would pay for the Gonski and the NDIS responses of the government. He has not even tried to address that question. I ask you to bring him back to it.

**The SPEAKER:** The Treasurer will return to the question.

**Mr SWAN:** I certainly am. I was asked a question about debt and I was going to go on and make this point. If you care about debt, if you care about paying it off, then you want our economy to grow faster. If you care about these issues, you should support employment. If you have contained inflation, if you have a strong investment pipeline and if you have low interest rates, you can support growth and jobs in our economy.

But of course there is a different view. Those opposite would make a different choice than the choice we made during the global financial crisis and the choice I announced at the end of last year. Their choice would be to cut jobs and growth in the face of revenue write-downs. So Australia does have a very clear choice. Everyone on this side of the House stands for growth and jobs and those on that side of the House stand for big cuts in public expenditure—

**The SPEAKER:** The Treasurer will return to the question.

**Mr SWAN:** which will hit growth and jobs and result in higher deficits and higher debt. That is the Liberal future.

**Mr HOCKEY** (North Sydney) (14:19): Madam Speaker, my supplementary question is to the Treasurer. Treasurer, what is the average annual interest rate you expect to pay on the $300 billion of debt?

**Mr SWAN** (Lilley—Deputy Prime Minister and Treasurer) (14:19): As the shadow Treasurer knows, those rates change over time.

**Mr Hockey interjecting**—

**The SPEAKER:** Order! The member for North Sydney will observe the standing orders.

**Employment**

**Migration**

**Mr HAYES** (Fowler) (14:19): My question is to the Minister for Immigration and Citizenship. How is the government supporting jobs and making sure that Australians do not miss out on job opportunities because of abuses in the 457 system? And, Minister, are there other approaches to this?

**Mr BRENDAN O'CONNOR** (Gorton—Minister for Immigration and Citizenship) (14:20): I thank the member for his question
and his ongoing interest in protecting Australian workers from unfair practices. This government is very proud of its record in creating job opportunities for Australians. We have avoided the worst of the GFC by taking courageous decisions and that is borne out yet again today by the unemployment figures. The facts are that there have now been 926,000 jobs created in this country since we were elected, 71,500 in this period, which is the highest amount since July 2000—quite remarkable figures indeed. We will continue to do this because we have the right policies in place. But in doing so, in creating jobs, we want to make sure that we protect Australian workers and ensure that their conditions of employment are decent. That is what Labor governments do and that is why the government has announced reforms to the 457 visa system for temporary labour, because there is a concerning trend for the program in that the growth in the program is in the lower skilled occupations.

There have been dramatic increases in sponsorships in the retail and hospitality sectors, which have basically doubled in the last 12 months. These are, as we all know, traditional sectors for young people to get their foot in the door and gain experience, often paying for their expenses while studying for another trade or profession. So it is important that these entry-level jobs are there for local workers.

Indeed, there are a couple of examples that have been of concern to me recently. A pizza shop sought to employ a human resource manager, a position usually found in larger businesses. The department at the time was unable to prevent this sponsorship from occurring under the current rules, even though they strongly suspected that the position was not genuine—and they found, subsequently, that that was the case.

In Parramatta a company was seeking to employ project and program administrators—or so they said—but when the department looked at the actual job descriptions it turned out that those 457-visa workers would be working as security guards. That was an abuse of the system that will be, of course, rectified by the efforts of this government to bring about the reforms that are needed. None of these was a genuine skills shortage and that is why we need to stamp out these rorts.

Of course, we have a different position from those opposite. The Leader of the Opposition was suggesting that the 457 scheme should be the mainstay of immigration. That would displace Australian workers and undermine employment conditions and is not acceptable to this government.

**Asylum Seekers**

**Mr ABBOTT** (Warringah—Leader of the Opposition) (14:23): My question is to the Prime Minister. I remind her that seven illegal boats have arrived in Australia in the last nine days, adding to the 33,500 illegal arrivals since the government changed its border protection laws.

**Mr Albanese:** Speaker, I rise on a point of order. The Leader of the Opposition is being deliberately misleading in the framing of the question.

**Mr Dutton:** You are desperate and dying.

**The SPEAKER:** The member for Dickson is warned. The Leader of the House makes a valid point in respect of language, but the question is in order.

**Mr Pyne:** Could he start again?

**The SPEAKER:** The Leader of the Opposition can commence his question again.
Mr ABBOTT: I remind the Prime Minister that seven illegal boats have arrived in Australia in the last nine days, adding to the 33,500 illegal arrivals since the government changed border protection laws. So I ask the Prime Minister: isn't illegal immigration by boat, rather than skilled migration, the biggest immigration rort happening under her government?

Mr Albanese: Speaker, I go to the point of order. The Leader of the Opposition knows that, under the law prevailing under both the former government and the current government, it is not illegal to seek asylum.

Mrs Bronwyn Bishop: Speaker—

The SPEAKER: The member for Mackellar can resume her seat. As I said before, the issue raised by the Leader of the House is a valid point. But the question was in order.

Mr Ruddock: I rise on a point of order.

The SPEAKER: The member for Berowra will resume his seat. I will not enter debate as other Speakers have. I have ruled the question in order.

Mr Ruddock interjecting—

The SPEAKER: The member for Berowra will resume his seat.

Ms GILLARD (Lalor—Prime Minister) (14:26): In answer to the Leader of the Opposition's question: first, on the question of asylum seeker and refugee policy, the Leader of the Opposition is well aware that in line with his normal reckless negativity he came into this parliament and exercised his vote for more boats. That is what he did. He could have exercised his vote to back in the expert recommendations of the former Chief of the Defence Force, Angus Houston; a refugee expert, Paris Aristotle; and a foreign affairs expert, Michael L'Estrange. He could have listened to that expert opinion. Instead, he came into this parliament and put his hand up for more boats.

I note that, on this topic of asylum seeker and refugee policy, today, of all days, is a very unusual time for the Leader of the Opposition to raise it, because he and his shadow minister are completely at odds on refugee and asylum seeker policy. The Leader of the Opposition has gone up and down the country, over a number of years now, saying he will stop the boats. He has never said how, but he will stop the boats! And he has said on radio today that he would be making a difference from the first few weeks. And he has said in the past that he would stop the boats in the first few months if he were ever elected; whereas his shadow minister last night said, 'I don't put timeframes on it and I'm not about to. I'm not making such forecasts.' Those were the words of the shadow minister—

Mr Pyne: I hesitate to take this point of order but—

Honourable members interjecting—

The SPEAKER: Order! The member for Bass is warned.

Mr Pyne: How can it be relevant for the Prime Minister to be saying that the Leader of the Opposition did something in this House when that bill was never brought into the House for a vote and therefore we have never voted against that bill?

The SPEAKER: The Manager of Opposition Business will resume his seat. There are other forms in the House to address such issues. The Prime Minister will return to the question before the chair.

Ms GILLARD: As I was saying, what we have had from the opposition, between last night and today, is complete chaos on this question. On this side of the House, apart from pursuing asylum seeker and refugee policy in line with the
recommendations of the expert panel, we are rightly focusing on the question of Australian jobs. We believe that jobs are important to Australians: it is at the centre of what a Labor government does. And when there are more than 100,000 temporary overseas workers in Australia and when the rate at which these visas are growing is 20 per cent—far faster than the rate at which employment is growing—then we are concerned. We will always put the jobs of Australians first.

I know that the Leader of the Opposition has a different perspective and that his policy is to make these temporary foreign visas a mainstay of our immigration system. For us, this is about the Australian economy, jobs, opportunity and working conditions, and in those we will always put Australians first. We recognise that there are from time to time legitimate skill needs, but we will make sure that a temporary visa scheme addresses that—and only that.

Mining

Mr CRAIG THOMSON (Dobell) (14:30): My question is to the Minister for Sustainability, Environment, Water, Population and Communities. Liberal Party identity Nick di Girolamo, who is linked to the Obeid family through a $3 million loan from the Obeid family trust to buy shares in Australian water holdings, appears to have convinced his Liberal mate Premier O'Farrell to continue to examine the feasibility of a mine in my electorate directly under designated water catchment areas. Will the government support the Central Coast community and my private members' bill to stop this mine, or do they line up with the mining interests and those of Premier O'Farrell? (Time expired)

Mr BURKE (Watson—Minister for Sustainability, Environment, Water, Population and Communities) (14:30): Over the years, questions have been asked of environment ministers in which environment ministers are asked to comment on specific proposals. Every environment minister has answered those questions the same way and I do not propose to depart from that. If an environment minister in any way prejudges a development application, the application itself gets thrown out in court, and so it should, because the framework for an environment minister should be national environmental law, and national environmental law alone. The only additional issue that would be attached to the particular proposal the member for Dobell refers to would be if, when it was first made a controlled action, there was no concept of a water trigger—and there is now a proposal for a water trigger before this parliament.

The particular mine that the member for Dobell refers to, as I understand it, has already been determined to be a controlled action and is in the beginnings of its process. I think there may have been a public comment stage already. What would happen in that instance is that they would be among the companies that are now being contacted by my department and directed as to what additional information would be required to take into account the broader impact on water resources should the parliament pass the amendment now before it.

Employment

Ms ROWLAND (Greenway) (14:32): My question is to the Treasurer. Will the Treasurer update the House on today's Australian Bureau of Statistics employment numbers? How are the government's economic and fiscal policies working to support Australian jobs?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:32): I thank the member for Greenway for that very important question. Jobs have been at the
very heart of every single decision this government has taken over a five-year period. The decisions we took during the global financial crisis meant that we did not suffer the skills destruction, the high unemployment and the capital destruction that we have seen across so many other countries, developed economies, right around the world.

We can see the benefit of that in today's job numbers. I know those opposite do not welcome these numbers, but everybody on this side of the House does welcome these numbers. We had 71,000 jobs created in February. That is the largest monthly increase in over a decade. Of course we should be cautious about monthly figures; they can jump around. What we can say is that there have been 200,000 jobs created over the past year and 926,000 jobs created since the government came to power. That is 920,000 additional families with a breadwinner with a job. It is 920,000 new careers or careers that have been restarted. It is 920,000 opportunities for a better life, because there is nothing more fundamental to security, nothing more fundamental to peace of mind and nothing more fundamental to dealing with cost-of-living pressures than to have a job—and to have a job with decent working conditions. That is why the government puts employment at the very heart of all of its economic decision making.

You can see this is in stark contrast to what has happened elsewhere around the developed world. Unemployment hit 11.9 per cent in Europe a week or so ago. Countries there are still slipping back into recession. Those that have come out are slipping back in. Just look to the UK, where you see the impact of policies which hack away at growth and jobs. In the time that this has been achieved in Australia—over 900,000 new jobs—something like 28 million people globally have hit the unemployment scrap heap. This result for Australia is something that did not come by chance; it came by choice. It came because of a government that had the courage to take the big decisions in the face of the global financial crisis and the global recession. All of the time, jobs were at the very centre of our response, and that stands—as I said before—in stark contrast to some of the responses that are being seen in Europe and the response that has been seen in the UK, where they are on the verge of their third recession in four years. We do not want that for Australia.

That is the backdrop to the decision the government took at the end of last year to support jobs and growth. We understand that, if your economy is growing, if you are generating jobs, that is good for your budget. That is not something understood by those opposite. (Time expired)

Ms ROWLAND (Greenway) (14:35): Speaker, I ask a supplementary question. The Treasurer has talked about the role of fiscal policy in supporting jobs. Can he outline what the government is doing to ensure that all policies are properly costed?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:35): I thank the member for Greenway for that question. If you are going to generate jobs, if you are going to have a strong economy, you have to have a good fiscal policy. When policies are prepared and taken to the election, they should be independently analysed and independently costed. That is why we have established the Parliamentary Budget Office and that is why I have put to the House today some further refinements of that—to ensure that the farce that occurred at the end of the year before last, after the last election, where those opposite had an $11 billion hole in
their budget bottom line, can be revealed by the Parliamentary Budget Office.

We have seen the need for this in the last 24 hours. We certainly have. A Hollywood scriptwriter could not come up with a better script than what we have seen from the shadow Treasurer over the past few days. First, they were against making the baby bonus more sustainable. First of all they were against it. Then they were for it. All the articles were put out there—they were going to vote for this measure, for savings, to make it more sustainable. And what happened then? The shadow Treasurer got rolled by the member for Menzies. But then it gets worse. The Leader of the Opposition goes out today to give us the latest instalment and he cannot tell us what they are going to do if they are elected. He cannot tell us any of that. What that demonstrates is that those on that side of the House do have a secret agenda. (Time expired)

Mr Hockey interjecting—

The SPEAKER: The member for North Sydney is on the brink of expiring yet again from the chamber.

Migration

Mr RUDDOCK (Berowra) (14:37): My question is addressed to the Prime Minister. Prime Minister, I refer to this report in the *Straits Times* of Singapore carrying the headline 'Canberra closing door to migrants ahead of election' and the report next to that headline detailing Pauline Hanson's support for the Prime Minister's attack on skilled migrants. Is this the message you, Prime Minister, were hoping to send to Asia after the release of the government's paper, *Australia in the Asian century*? (Time expired)

Honourable members interjecting—

The SPEAKER: Order! The member for Banks!

Ms GILLARD (Lalor—Prime Minister) (14:37): To the member's question, first I would seek to confirm that we are talking about the Pauline Hanson who was a preselected Liberal candidate—that Pauline Hanson. I presume that is who we are talking about. We are talking about the Pauline Hanson whom former John Howard refused to condemn month after month after month.

The SPEAKER: The Deputy Leader of the Opposition!

Ms O'Dwyer interjecting—

The SPEAKER: The member for Higgins will leave the chamber under standing order 94A.

The member for Higgins then left the chamber.

Ms GILLARD: I presume we are talking about that Pauline Hanson. And I presume I am being asked a question by a man who—what consideration did he give to Australia's reputation around the world when he was minister for immigration? I would ask that question.

Mrs Bronwyn Bishop: Madam Speaker, I rise on a point of order. When the change was made to insert the words 'directly relevant' it was meant to make a change. Even on the old definition, the Prime Minister is not being relevant to the question that was asked. I ask you to either sit her down or ask her to directly answer the question as to whether or not this is the message she wants sent to Asia.

The SPEAKER: The member for Mackellar will resume her seat. An answer to a question is based on the entire question.

Ms GILLARD: As for the government's policies and what I have announced in the last few weeks, and what was addressed indeed by me and by the minister for immigration in this parliament today, at base I believe that jobs in Australia, in our nation,
should first and foremost be available to Australians. Of course Australians are those who are born here and who have made Australia their home, of which I am one—a migrant to this country.

Mr Hockey: Born here?

Ms GILLARD: 'And migrants to this country', I just said, thank you very much.

Honourable members interjecting—

The SPEAKER: Order! This is an absolute example of the noise coming from the other side. You cannot hear the question and then you are interjecting about what you do or do not think you are hearing. If you actually allowed the question to proceed in silence, from all sides of the chamber, we might get through and hear some answers.

Ms GILLARD: Because the opposition is not listening and is preferring to bellow, let me go through it again. I believe when we are looking at jobs and opportunities in our nation those jobs and opportunities should go to Australians first. They should go to Australians and we should make sure that we are always providing, particularly to our children but to our nation as a whole, the skills and abilities to seize those job opportunities. Even with the world's best training system there will be times when, because of peak demand or very specialised skills, you will need to fill skills shortages from overseas with temporary overseas workers. That will always happen, but I do not believe that a program of temporary overseas workers should be used to substitute for appropriate investment in training and skills—for example, the way in which that happened under the former Howard government in the healthcare system. I do not believe that that should occur.

I also do not believe that, where there are Australian workers with skills and attributes to do the job, they should not get those job opportunities. Our 457 visa system, a system now with more than 100,000 people in it, should be the subject of crackdowns and rigour. We will always aim for that. I know the Leader of the Opposition has an entirely different set of policies and I think he is most decidedly wrong on that. We believe in jobs and this is the day on which we can point to our track record of creating jobs in this country. (Time expired)

Mr Ruddock: Madam Speaker, I seek leave to table a document. I want the parliament to be fully informed and to have a copy of the relevant page of the *Straits Times*.

Leave not granted.

Disability Services

Mr GEORGANAS (Hindmarsh—Second Deputy Speaker) (14:42): My question is to the Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform. I think we would all recognise that today is a historic day with the passage of the National Disability Insurance Scheme legislation through this House. Will the minister update the House on the next steps in building a stronger and fairer Australia for people with disability, their families and carers?

Mr Pyne interjecting—

The SPEAKER: The Manager of Opposition Business is warned!

Mr Pyne: Madam Speaker, I rise on a point of order. Only moments ago you stood in your seat and said that it was impossible to hear the answer because of the opposition's shouting across the chamber. We could not hear what that question was about because of the shouting across the chamber of the Prime Minister. And I was warned.

The SPEAKER: I actually referred to both sides of the chamber. I was very deliberate in saying that no-one could hear
because of the shouting coming from both sides of the chamber. It was very difficult to hear the member for Hindmarsh—I do concede that. I only warned the Manager of Opposition Business because I finally had some quiet and he was continuing. In the interests of getting all the questions out, occasionally I let things roll so that we do not eat into the time. The minister has the call and will be heard in silence, especially by the member who is out of his seat.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (14:44): I do thank the member for Hindmarsh very, very much for his question and for his support for the National Disability Insurance Scheme. He is right: today is a very, very significant day for people with disability and their families and carers, as we have seen the National Disability Insurance Scheme legislation pass this House, something that so many people right around Australia have campaigned for for years. I want to say to each and every person with a disability right around the country: your time has come. It is the case that we will see the National Disability Insurance Scheme start on 1 July.

It will start for little children in the member for Hindmarsh's seat in South Australia, in other parts of South Australia and in the areas in and around Geelong. It will be a very big change for people with disability in the Hunter region in New South Wales. From next year, it will be here in the Australian Capital Territory. All of these areas will see the first stage of the National Disability Insurance Scheme. From 2016, we will see the implementation of National Disability Insurance Scheme right across New South Wales. This is a very, very significant reform and one which is at the heart of our efforts to build a stronger and fairer Australia.

It will be a fairer Australia for those people with disability who have, for years, faced what is a cruel lottery, for people who never know whether or not they are going to get the respite they need and for people who never know how long they are going to have to wait for a wheelchair. People can now look forward to all of these things and to a change for the better.

Also, right at the heart of this reform is our desire to see a stronger future for people with disabilities so that they, too, can participate in our society and participate where they can to get the opportunity to work. One of the major changes that this government has already implemented—thanks to the minister for employment services—is to take the cap off disability employment services, so that they too can enjoy the benefits that come from work. We have seen 136,000 people with a disability placed in employment. This government is all about making sure that people with disability get to take their rightful place in our society.

Migration

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:47): My question is to the Prime Minister. I remind the Prime Minister of her claims that Australian business is rorting the 457 visa system. Why did the Prime Minister waive the requirement that her communications director, a 457 visa holder, obtain the security clearance required to work in her office? Isn't the Prime Minister being a hypocrite when she, to use her own words, is rorting the 457 visa system?

Ms GILLARD (Lalor—Prime Minister) (14:48): Of course all the staff in my office have met all relevant requirements. I am unsurprised to get a question as petty and ridiculous as this on a day in which we have seen 71,500 jobs created for Australians.
Nothing could make the contrast more stark. We are a political party focused on work and opportunities for Australians, as compared to this opposition with its adolescent, student politics games and its cheap personality politics. We will get on with the job of creating jobs.

Ms Julie Bishop: Madam Speaker, I rise on a point of order. On the question of relevance, the Prime Minister wants us to believe it was impossible to find an Australian worker to carry out that job in her office. She waived the requirements—

The SPEAKER: Order! Points of order are not an opportunity for debate.

Ms GILLARD: Once again, in the face of such silly displays from the opposition, we will get on with focusing on jobs and opportunity for Australians. We understand that, on that side of the parliament, your focus is on cutting back benefits for Australian families and refusing to put Australians first for job opportunities.

DISTINGUISHED VISITORS

The SPEAKER (14:49): I would like to welcome this afternoon to the gallery a delegation from Mozambique, led by the President of the Republic of Mozambique. We welcome them to the chamber this afternoon.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

Carbon Pricing

Mr MELHAM (Banks) (14:50): My question is the Minister for Climate Change and Energy Efficiency and Minister for Industry and Innovation. Will the minister update the House on the operation of the carbon price and related changes to the tax system for working people? What has been the impact of the carbon price on the economy and jobs so far?

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency) (14:50): I would like to thank the member for Banks for his question, because the carbon price has been operating now for nearly nine months. Despite all of the absurd, ridiculous and mendacious predictions from those opposite, the fact is that the economy is growing, jobs are growing and emissions are falling. In the first six months of the carbon price, emissions in the national electricity market in fact fell by 8.6 per cent. As we have heard already in question time, 71,000 jobs were created in the last month and 920,000 jobs have been created since Labor was elected to government.

Beyond that, the government uses the carbon price revenue and has done so to make significant tax cuts for low- and middle-income earners. We have done that by trebling the tax-free threshold from $6,000 to $18,200. The fact is this: that reform has freed up one million people from having to lodge a tax return and is providing tax cuts to over seven million people. In fact, 6.3 million people have received a tax cut of at least $300 a year.

But not everyone supports those tax cuts, of course. Last week, I was on a radio panel discussion with the shadow Treasurer. I asked him during that interview, 'Are you going to reduce the tax-free threshold?' He replied, 'Well, we've said that.' So let's get it absolutely clear: the Liberal Party will be increasing taxes on low- and middle-income earners; they will be reducing the tax-free threshold—

Mrs Bronwyn Bishop: Madam Speaker, I rise on a point of order on the question of relevance. The precedent is that quoting opposition policies is not directly answering the question and therefore he is out of order
and should be asked to either sit down or return precisely to the question.

The SPEAKER: The minister will refer to the question before the chair.

Mr COMBET: It is entirely relevant to the question. The fact of the matter is that the coalition will reduce the tax-free threshold—reverse the reform that the government made. They will increase income tax for over seven million people. The coalition will bring the lowest paid one million Australians back into the tax system. They will have to fill out a tax return and many of them will have to pay additional tax. It is a tax hike on over seven million people. That is coalition policy. There is no objection to it. That is the fact of the matter and the shadow Treasurer has confirmed it time and time again.

We have the opposition leader endeavouring to re-present himself to the community as a sensitive and caring character who understands the cost of living, but what rank hypocrisy it actually is, because he does not understand it at all. He is taking a policy position to the election to increase taxes for over seven million Australian people. I will tell you what: we do not mind campaigning on that issue.

Public Interest Media Advocate

Mr TURNBULL (Wentworth) (14:54): My question is to the Prime Minister. I refer her to the News Media (Self-Regulation) Bill 2013 which states that the Public Interest Media Advocate will judge the extent to which the Press Council’s standards will ‘deal with privacy, fairness, accuracy and other matters relating to the professional conduct of journalism’. How is this consistent with Senator Conroy’s assertion that the public interest advocate is ‘simply a registration function’ and that ‘the government or the advocate are not changing a single standard that the Press Council currently has’?

Ms GILLARD (Lalor—Prime Minister) (14:54): To the member for Wentworth’s question, in terms of the bill that is before the parliament and the scheme, the Public Interest Media Advocate does not regulate print or online media. That is not its function. In much of the public reporting on this matter and some of the statements that have been made publicly, people might have got the impression that it is the regulator directly. That is not true. It is true that, through the various inquiries that the government has had, including the Finkelstein inquiry, there was a recommendation for a statutory regulator of that nature, and the government specifically rejected that recommendation. We have instead gone down the path incorporated in the bill before the parliament. What that means is that news organisations can come together and create a press council or a number of press councils. There have been two press councils, effectively, in existence in recent times. So, media organisations come together and create a press council. They then work through the standards and mechanisms that the press council is going to engage in, how the press council is going to function and what standards it believes are appropriate standards. The role of the Public Interest Media Advocate is then to receive all of that work from the press council and respond to it as to whether or not, in the assessment of that very independent body—this is a statutory person, not a government person, and I do stress that—

Mr Randall interjecting—

The SPEAKER: The member for Canning is warned!

Mr Turnbull: Madam Speaker, I rise on a point of order going to relevance. The question related to reconciling the language of the bill, which I have in my hand, with the
statement by Senator Conroy, which is clearly at odds with it.

The SPEAKER: The member for Wentworth will resume—

Mr Turnbull: I recognise this was not discussed with the cabinet, but he could at least be a little bit familiar with it.

The SPEAKER: The member for Wentworth is now abusing the point of order and I am not amused. The Prime Minister is being relevant to the question.

Ms GILLARD: As I was saying before the point of order, the role of the Public Interest Media Advocate is then to satisfy itself that the press council that has come forward has adequate arrangements in place regarding standards of practice which reflect community standards and expectations about news and current affairs, appropriate and responsive complaints handling, arrangements for the body to publish agreed standards, appropriate governance arrangements and suitable funding arrangements. That is, this is about the media having a self-regulation model that attends to media standards. I believe that is appropriate. That is the bill before the parliament. I understand that the member and the opposition are looking for a bit of craven political advantage here from media barons. We will leave them to that kind of approach to politics. We will put the public interest first, and that is what we have done in this legislation.

Goods and Services Tax

Mr LYONS (Bass) (14:58): My question is to the Assistant Treasurer and Minister Assisting for Deregulation. Why is it important that states and territories get their fair share of GST revenue to deliver vital education and health services for families? What are the obstacles to states, including my home state of Tasmania, getting their fair share of GST revenue in the future?

Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (14:58): I thank the member for Bass for his question. Our government believes the distribution of GST should be fair and equitable. That is why Labor supports the principle of horizontal fiscal equalisation. It means that states, like the member for Bass's home state of Tasmania, get their fair share of GST funding so that they can provide vital services in areas like health and education, just like the larger states. These are the same principles that underpinned the GST when it was introduced by the Howard government more than 10 years ago. This government will not be walking away from those principles which ensure that each and every Australian gets a fair share, regardless of where they live.

The same cannot be said for the Leader of the Opposition. Last year he flew over to Perth and told a number of journalists over there that, under the coalition, he would rip away hundreds of millions of dollars from smaller states like Tasmania and South Australia. He said:

… the GST revenue should be distributed on what is closer to a per capita arrangement.

“This is the unified position of the Coalition premiers. I think it makes a lot of sense.”

This government believes that we should govern in the interests of all Australians, not just those who live in a state that has a Liberal Premier—that is if you can keep up with who they are at any given point in time.

Under the opposition leader's plan to move towards a per capita approach to funding, he will rip away $600 million each year from Tasmania. That will mean in Tasmania less money to fund doctors and nurses in our hospitals and less money to fund teachers in our schools. But I noted yesterday that the Leader of the Opposition came forward in the chamber and said,
'Tasmania will not be worse off.' How does this work? You are either going to rip money away from Tasmania or you are going to increase the GST.

I know the Leader of the Opposition is not all that familiar with economics, but this is a simple case of mathematics. If you want to carve up a bigger slice of the GST for Western Australia then some other state is going to get a smaller slice.

Mr Hockey interjecting—

The SPEAKER: Order! The member for North Sydney will remove himself from the chamber under 94(a). He went too far.

The member for North Sydney then left the chamber.

Mr BRADBURY: It is always the reference to a slice of pie that gets him going!

Opposition members interjecting—

The SPEAKER: The Assistant Treasurer will withdraw.

Mr BRADBURY: I withdraw. You cannot give states like Western Australia a larger slice of the pie without leaving states like Tasmania with a smaller one. There is of course one way you can do that and that is if your real plan is to increase the GST.

Media

Mr PYNE (Sturt—Manager of Opposition Business) (15:02): My question is to the Prime Minister. I refer the Prime Minister to revelations today that members of the cabinet feel they have been given insufficient time to consider the most draconian curbs on free speech in peacetime in this country. Will the Prime Minister confirm what many believe—that this proposal is a stunt designed to distract the media, the caucus and the public from the crisis engulfing her leadership and stave off the member for Griffith for one more week?

Ms GILLARD (Lalor—Prime Minister) (15:02): Of course, cabinet deliberations are confidential, but I would remind the member that on 14 December—

Opposition members interjecting—

Ms GILLARD: No amount of bellowing is going to change these facts. On 14 December 2010 the government announced the Convergence Review. On 2 March 2011 the Chair of the Convergence Review was announced. On 1 June 2011 the Convergence Review framing paper was released. In June submissions started coming in. For example, Foxtel's submission on the framing paper was received. On 6 July 2011 the Convergence Review's emerging issues paper was released. On 14 September 2011 a media inquiry was announced. On 28 October 2011 submissions started being received by the Convergence Review from entities like the Newspaper Publishers Association. On 1 November 2011 News Limited made a submission to the Convergence Review. On 11 November 2011 News Limited made its submission to the media inquiry. Then on 15 November 2011 we had the interim report of the Convergence Review released. On 10 February 2012 the News Limited submission on the interim report of the Convergence Review was received; so was the Newspaper Publishers Association's submission. Then we released the Finkelstein report, and the Convergence Review final report was released. All of that happened in March and April 2012. So across a period now of a number of years, through a public course of inquiries and investigations which were well known, well reported and apparently understood by everybody except the member for Sturt, who asked this question, the government has worked through the policy issues and therefore brought to the parliament the legislation that was announced a little bit earlier this week.
As usual, from the opposition, what we continue to see is mendacious and silly claims, because the one thing they can never cope with, whether it is on carbon pricing, the economy, media policy or anything else, is the facts. They are simply beyond them.

**National Day of Action Against Bullying and Violence**

Mr PERRETT (Moreton) (15:05): My question is to the Minister for School Education, Early Childhood and Youth. Will the minister update the House about the National Day of Action against Bullying and Violence? What is the government doing to address bullying and to help students, schools and parents deal with this important issue? How are schools in my electorate of Moreton taking part?

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (15:05): I thank the member for Moreton for the question. He has had over $90 million approved in 150 projects in schools in his electorate for libraries and multipurpose halls, and I know how important education is to him. It has been an important week for education. We started with the announcement by Minister Bowen and me of new special measures to make sure that graduates have the skills that they need when they get into schools and into classrooms. We had, with the Prime Minister, the launch of My School 2013, an important website that provides more information than ever before for families and school communities around Australia about how students and schools are going. This morning we read of some of those success stories. I have a bit of pride, if I can indulge, in Maroubra Bay Primary School in my electorate. It is doing very well under the National Partnership on Literacy and Numeracy.

But I am asked about bullying. It is an important issue, I know, for everyone in the House. Some of the statistics are challenging, with around one in six kids bullied weekly. Sometimes it is even more. Certainly in terms of online bullying we are seeing increasing incidences around Australia. It is troubling. It is troubling for parents and schools. We all know that it can have really terrible consequences.

We have the National Safe Schools Framework. It is the first of its kind in the world, developed with advice from experts, and we are providing extra resources for the National Safe Schools Framework so that there are good resources available for each school. We have a cybersafety help button for kids if they get into strife online. There is a 'Bullying. No Way!' website which contains particularly important information.

Tomorrow is the third National Day of Action Against Bullying. I have been very pleased to launch the national day and to endorse it. More than half a million students will be out there saying, 'We will take a stand together because there is no place for bullying or violence in our schools.' It is an important national event. I certainly appreciate the support we have had from media outlets, particularly in Queensland, around it.

This year we ran the first Safe Schools are Smart Schools competition for schools to highlight what they have been doing to address bullying. The member for Moreton will be pleased to know that one of the outstanding entries in the competition came from a school in his own electorate, the Warrigal Road State School. They have got a good program, the Playground Buddies Program. It is a peer mentoring program that is focused on safety, where buddies show that they are a good role model and help those students who need support. What have
we seen? A safer school environment, less incidence of bullying reported in school and fewer kids saying that they did not have anyone to play with. This is a really important day for schools around Australia and for the community. We ask everybody to take a stand against bullying.

Mr PERRETT (Moreton) (15:08): Madam Speaker, I ask a supplementary question. I thank the minister for his answer, particularly the mention of Warrigal Road State School. How is this national day consistent with the government's approach to the education portfolio more generally?

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (15:09): I am happy to take that supplementary question from the member for Moreton. The fact is that we have put in place those measures and policies which deal with a range of issues that young people face in schools in Australia. That is about making sure they get the support they need in literacy and numeracy. It is about making sure they get the support they need from improving teacher quality. It is about making sure that parents and the school community have the information that they need—that is the My School website. It is about having national leadership and national standards to deliver the best possible education for young students. That is a national curriculum and that is national standards for teachers and for principals as well. It is also recognising that there are some tough issues for kids in schools, where things like bullying can have a real impact on the child's life in school and what happens afterwards. That is why a National Day of Action against Bullying and Violence, which we support, is particularly important.

I spoke about the National Safe Schools Framework. We need to have a national plan for school improvement which makes sure that the National Safe Schools Framework is embedded in the plans in every school, not only to lift the performance of students in their school but to make sure the school is doing every single thing it can so that the students' learning journey is the best it can possibly be. We are committed to that course of action.

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

QUESTIONS TO THE SPEAKER

Points of Order

Mr RUDDOCK (Berowra) (15:10): Madam Speaker, I want to apologise to you for my persistence in taking a point of order, but I want to put beyond doubt that, for lawful entry to Australia, a valid visa is required.

The SPEAKER (15:11): The member for Berowra will resume his seat.

PERSONAL EXPLANATIONS

Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (15:11): Madam Speaker, I wish to make a personal explanation.

The SPEAKER: Does the Assistant Treasurer claim to have been misrepresented?

Mr BRADBURY: Most grievously.

The SPEAKER: The Assistant Treasurer has the call.

Mr BRADBURY: Earlier today in the House the member for North Sydney claimed that I was a friend of Eddie Obeid and implied that I had knowledge of his tax affairs. I wish to put on the record that, to the best of my recollection, I have never met Mr Obeid, nor do I have any knowledge of his tax affairs outside of what has been publicly reported.
Mr ABBOTT (Warringah—Leader of the Opposition) (15:11): Madam Speaker, I wish to make a personal explanation.

The SPEAKER: Does the Leader of the Opposition claim to have been misrepresented?

Mr ABBOTT: I do.

The SPEAKER: The Leader of the Opposition has the call.

Mr ABBOTT: Today in question time the Assistant Treasurer claimed that the coalition and I plan to rip off Tasmania. This is the second day running when this false claim has been made. Tasmania will be no worse off under a coalition government.

DOCUMENTS

Presentation

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:12): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the documents.

Debate adjourned.

COMMITTEES

Selection Committee

Report

The SPEAKER (15:12): I present report No. 77 of the Selection Committee, relating to the consideration of bills. The report will be printed in the Hansard today. Copies of the report have been placed on the table.

The report read as follows—

Report relating to the consideration of bills introduced 12 to 14 March 2013.

1. The committee met in private session on 13 and 14 March 2013.

2. The committee determined that the following referrals of bills to committees be made—

Standing Committee on Climate Change, Environment and the Arts:
- Environment Protection and Biodiversity Conservation Amendment Bill 2013

REASONS FOR REFERRAL/PRINCIPAL ISSUES FOR CONSIDERATION: This is a major change to the EPBC Act and requires very close scrutiny.

Standing Committee on Infrastructure and Communications:
- Broadcasting Legislation Amendment (Convergence Review and Other Measures) Bill 2013
- Broadcasting Licence Fees Amendment Bill 2013
- Broadcasting Legislation Amendment (News Media Diversity) Bill 2013
- News Media (Self-regulation) Bill 2013
- News Media (Self-regulation) (Consequential Amendments) Bill 2013
- Public Interest Media Advocate Bill 2013

REASONS FOR REFERRAL/PRINCIPAL ISSUES FOR CONSIDERATION: Referral is proposed because of the extremely short timeframe the Government has proposed for consideration of these laws. The Government's so-called 'media reforms' are the largest shakeup of media regulation since 2006. Some of the most important elements of these measures, such as the precise criteria defining the 'public interest' which the legislation will apply to changes of media ownership, have not been publicly disclosed prior to introduction of these bills. As a result there has been no opportunity to consider any unintended consequences or conflicts with existing laws and regulations. The laws also propose the first direct government controls over material published in newspapers in peace time in Australian history. To expect the Parliament to debate and vote on such far-reaching bills without the opportunity to call witnesses, to hear evidence and to undertake the detailed objective scrutiny only a committee process provides would be an abuse of the democratic process.
Treaties Committee
Membership

The SPEAKER (15:12): I have received advice from the Chief Government Whip that he has nominated Mr LDT Ferguson to be a member of the Joint Standing Committee on Treaties in place of Mr McClelland.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:13): I move:

That Mr McClelland be discharged from the Joint Standing Committee on Treaties and that, in his place, Mr L. D. T. Ferguson be appointed a member of the committee.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE
Media

The SPEAKER (15:13): I have received a letter from the honourable member for Wentworth proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The threat posed to free speech by the Government's proposed media reforms. 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 TURNBULL (Wentworth) (15:14): Our democracy depends on a free press as much as it depends on free elections. The work that journalists do, the work that newspapers, broadcasters and website bloggers do, is as important as the work that we do here as legislators. A key test of a democracy is the extent to which the press is free—not free from anything but free from government. Around the world the greatest threat to press freedom is governments—governments that seek to have the press tell them what they want. We know that every government feels it is being treated unfairly by the press, and I have to say that any government that read the press every day and was satisfied with the reports would have a press that was not doing its job. The job of the press is to make governments and the powerful uncomfortable. The job of journalists is to uncover wrongdoing. The job of journalists is to hold governments to account. I will come to some great examples of that in a moment.

When you have a government in a country such as ours which has never sought to regulate newspapers—to interfere with the content of newspapers in peacetime—take that step for government oversight of the content and the standards of newspapers, that is an incredibly big step. That is a momentous moment. It begins with a walk with the Public Interest Media Advocate and could end with a press that is virtually controlled by the government. Keeping government's hands off the press is fundamental; it is vital to our democracy. So, you would think that if a government, a competent government—were we to have one—were even to consider a step such as this, it would do so with the greatest of care, with the greatest consultation, with lengthy hearings, with extensive debate.

But, oh, no. These so-called media reforms are really a jumble of measures, each of which has virtually nothing to do with the others—some relate to licence fees, some to content, some to newspapers. They are a complete dog's breakfast of measures which have no coherent unity among them. They have been flung into the parliament by Senator Conroy, the Minister for Broadband, Communications and the Digital Economy, and the only question that his action has settled is this: he is without question the least
competent minister in this most shambolic and inept of governments. Yesterday, when the Leader of the House was sitting opposite me, I asked him to nominate a more incompetent minister and he was unable to nominate one. So that title is without question.

Mr Adams: What about the editor of the Australian?

Mr Turnbull: Clearly, honourable members opposite have some other nominations for the most incompetent minister. I will put my case to you. Senator Conroy has been unable to persuade the proprietors of television stations, including Mr Kerry Stokes, that they should accept a media law package which includes a 50 per cent cut in their licence fees. Anyone who cannot sell a 50 per cent cut in licence fees to a television station proprietor must be the worst salesman of all time. I put it to you, Madam Speaker, Senator Conroy could not sell fresh fish to starving seals. This is a long cavalcade of incompetence. This is the same government that introduced a mining tax that generated little or no revenue. We should give credit where credit is due—the gentleman’s name has been bandied around today, and the truth is that the only Labor politician so far that has succeeded in spreading the benefits of the mining boom is Mr Eddie Obeid. It is fair to say he has spread it fairly narrowly within his immediate family, but every single one of the profound defects in the way this government operates is on display here: a lack of consultation, even a lack of consultation within their own cabinet.

Yesterday we even had the chief executive of News Limited, Kim Williams, say that he had not been engaged by the government in the preparation and the discussions relating to this legislation. Whether you are a fan of Kim Williams or not, they do employ 14,000 Australians. It is a large media company and, just as the government would have been well advised to consult the mining industry before they introduced that hopeless mining tax, so you should talk to the various stakeholders and interest groups within the media industry before you proceed. The reality is that this is a case of malicious, malevolent intent, revenge directed at the News Limited newspaper group, coupled with that characteristic indelible, unmistakable Conrovian incompetence.

I say this to you, Madam Speaker: in terms of the importance of protecting freedom of speech and freedom of the press, remember this: I mentioned Mr Eddie Obeid a moment ago, and it was not a government agency or the New South Wales police or in fact ICAC that uncovered what appears to be the largest example of corruption in our lives—the scale of the corruption is colossal; it disgraces the Labor Party indelibly. Who uncovered that? Kate McClymont, one courageous journalist working for the Sydney Morning Herald. She was able to pursue that because of cooperation and collaboration with the ABC—cooperation between media outlets which this government is threatening to ban. Imagine that! Is it a payback against Kate McClymont as well?

The coalition is profoundly opposed to any measures which restrict freedom of the press. We know that if we are fortunate enough to be returned to government, we will grind our teeth at the injustices meted out to us by the newspapers of the day. We will rant and rage against the unfair broadcasts and criticisms of us. We know all that, but we know that that is vital to our democracy and we would never seek to restrict that freedom.

The government has tried to suggest that the Public Interest Media Advocate is just a
sort of teddy bear and is not going to involve any serious restriction on the newspaper industry. Senator Conroy told the ABC AM program:

The public interest advocate when it comes to the Press Council functions is simply a registration function, that the Press Council itself is upholding its own positions.

What Australians want to see is the media be accountable through the Australian Press Council. The Government or the advocate are not changing a single standard that the Press Council currently has.

Yet, as we know from the language of the bill itself, the Public Interest Media Advocate will judge the extent to which standards formulated under the news media self-regulation scheme, the Press Council, deal with privacy, fairness, accuracy and all other matters relating to the professional conduct of journalism. If the Public Interest Media Advocate comes to the conclusion that the Press Council is not doing its job and deregisters the Press Council, then all of its members will lose the exemptions under the privacy law without which they are not able to conduct their business. If a newspaper or media group that is covered decides it does not want to join the Press Council, as the West Australian has decided—and that should be its perfect right—it will not have the protection of the exemptions under the Privacy Act. This is getting the government, through this bureaucracr, absolutely, directly involved in the standards that affect journalism.

There is an even more sinister element here. We have many laws that deal or relate to media industry acquisitions. In terms of diversity and competition, the competition regulator, the ACCC, has extensive powers under its act and, of course, has recently used them to ensure that Kerry Stokes did not buy a larger share in Fox. So, there is protection there already. This new regulator will be able to approve or prevent media acquisitions if they fail a public interest test. What does that mean? It is a completely vague concept which is utterly unworkable in any practical sense and meaningless because it has no other purpose than to protect not the public interest but political interest. Every media acquisition will require extensive consultation with the government. It will be the government that will determine who can buy what newspaper.

Of course governments will make those decisions on political grounds, just as the Labor Party government did in 1986 when it allowed Rupert Murdoch to buy the Herald and Weekly Times group. That is a very important point to bear in mind, because it was not the coalition. We are accused of being lickspittles of the media moguls. Let me tell you: I have been involved with media moguls most of my life. I have never seen anything as sycophantic as a Labor politician in the presence of a billionaire. Remember this: they rant and rave about media concentration but they allowed Rupert Murdoch's News Limited to buy the Herald and Weekly Times in 1986, and that is what gave Murdoch the domination of the metropolitan daily newspaper market. In the nearly 30 years that has intervened, Murdoch still has the same domination in the metropolitan dailies, but the slice of the overall news and information pie represented by newspapers gets smaller every day because we have never had such a diversity of voices, courtesy of the technology of the internet, that we have available today. We have access to more news, more views, more opinion and more sources of factual information than ever before.

Social media alone gives every individual their own little megaphone, which, if aggregated with others, can be an enormous megaphone. It means that politicians such as any of us do not have to suck up to an editor
or a producer to get our views out into the public domain. We can post them via social media on our own sites on Twitter or on Facebook and we can be heard. We have a more diverse media world than we have ever had. Yet this is the moment, a time when diversity is greater than ever and a time when it is actually increasing and not diminishing, when the Labor Party—the architects of the largest media acquisition in our country's history, the one that created the dominance of metropolitan newspapers that they rail against today—say we must regulate the media.

We know that their motives have nothing to do with diversity. They have nothing to do with protecting a diversity of voices. What they want to do is pay back News Limited. They want to send a message to Kim Williams and his editors that says: 'If you don't play nice, there will be a stick waiting for you. If you don't play nice, next time you want to buy something, next time you want to buy a business like Alan Kohler's Business Spectator and the Eureka Report, you're going to have to pass the Public Interest Media Advocate's public interest test. That's going to be, of course, whether we think you pass our political interest test.'

I say this to you, Madam Speaker, if by some mischance this shambolic set of reforms manages to get through this parliament, if we are returned to government after the election, we will repeal them. If this Labor Party, this Labor government, gives to future governments the tools to manipulate the media, we will disown them and abandon them, and we will return Australia's media to the state it has today of being free.

Mr DREYFUS (Isaacs—Attorney-General and Minister for Emergency Management) (15:29): Let us take a considered and careful look at the record on free speech, since that is the way in which this has been put by the member for Wentworth. Let us compare the hysterical rhetoric that we have just heard from the member for Wentworth, and the hysterical rhetoric from a whole range of people on the other side of this chamber, with what has actually happened in terms of historical facts.

The Labor Party has always been the party which stands up for freedom of speech and democracy in this country. It is the Labor Party which has for over a century now fought for the protection of democratic values. It is the Labor Party which has fought for legal protections which allow all Australians—all Australians—to exercise their right to speak freely and engage in democracy, not just those with the most vitriolic views.

The ability of citizens to speak freely and to openly debate the issues of the day is a hallmark of a robust democracy, and I suspect that the member for Wentworth might be able to agree with that statement. The right of all citizens to speak freely is one of our most highly valued and fiercely protected rights. Voting rights are another key part of democracy—so is giving the right to all our citizens to enjoy fully the benefits of our democracy. Without those rights, freedom of speech becomes meaningless in practice, and that is why Labor has fought not only for freedom of speech but also for all those other rights.

Australia's first racial discrimination act was passed under Prime Minister Whitlam. The establishment of the Human Rights Commission occurred under Prime Minister Hawke. The Sex Discrimination Act gave new rights to more than half our population. I could mention the introduction by the Hawke government of section 327 of the Commonwealth Electoral Act, which
prohibits a person interfering with the free exercise of any political right in relation to an election. Native title and, with it, the fundamental recognition of the rights of first Australians was introduced of course under Prime Minister Keating. It was Labor that created section 18C of the Racial Discrimination Act in 1995, ensuring that hate speech and racial vilification has no place in Australia and that vulnerable groups in our community enjoy to the full the right to be an Australian citizen and the right to enjoy the benefits of our community—that is a provision which this Liberal Party has pledged to repeal. Or I could mention the Disability Discrimination Act, giving rights to some of our most vulnerable Australians; it too was passed by Labor. Once again, today, we are passing landmark legislation to create a National Disability Insurance Scheme.

Our government has appointed a new Children’s Commissioner—one of the first acts I was able to take as the new Attorney-General—to represent and speak out for those who have a smaller voice in Australian society. And it was our government that repealed Work Choices, which of course limited Australians' right to freedom of association. Australians in 2007, with their vote, overwhelmingly rejected the restriction on their liberty and on their right to organise that were bound up in that Work Choices legislation. It is our government that has asked an independent monitor to consider national security assessments of irregular maritime arrivals; established a parliamentary human rights scrutiny committee; and required all ministers to report on compliance of laws with human rights principles.

It was our government that introduced the most significant pro-disclosure reforms to the Freedom of Information Act since the act was first passed. We have removed application fees, we have abolished the conclusive certificates that were so beloved by the Howard government and we have introduced free decision-making time for journalists. We have established the Office of the Australian Information Commissioner. It is the Labor Party that has always been, and will continue to be, the champion of individual liberties, enshrining these protections in law.

By contrast, we have seen a lot of empty posturing about free speech from the Liberal and National parties. The member for Wentworth took it to perhaps the heights of the overblown rhetoric we have seen on this subject when he said yesterday—and I will quote him, because the level of bluster and rhetoric he reached was so startling:

Freedom is at stake, liberty is at stake, democracy is at stake …

The member for Wentworth's credibility is at stake if he thinks that those comments are appropriate to this legislation that has been proposed. The Liberal Party's credibility is at stake if they seriously think democracy is at stake because of these reforms.

Let us look at a few more historical facts here. Democracy can be said to have been truly at stake when the Liberal Party, the same Liberal Party that sits opposite us now, tried to outlaw a political party in 1950. That is what Liberal Prime Minister Menzies did—tried to outlaw a political party, which of course the Australian people resoundingly rejected at a referendum. We can go further back in time and point to the same Menzies, not as Prime Minister but as a minister, trying to prevent Czech socialist Egon Kisch, a famous case, from even entering Australia because of his political views. In contrast, Labor did not seek to prevent the right-wing extremist Geert Wilders from entering Australia this year. We can point to other examples of such conduct by this Liberal
Party while in government, such as Sir Robert Menzies repeatedly suppressing damaging media stories with D-notices or, indeed—to bring it a bit more up to date—the conduct of the Howard government, which repeatedly used conclusive certificates to prevent freedom-of-information releases, and those, of course, as I have mentioned, are provisions which the Labor Party has repealed in government.

You could say that democracy was truly at stake when the Liberal Party, under the leadership of former Prime Minister Howard, wanted to and did impose gag orders on churches and charities in exchange for funding. Labor has lifted that ban. If we are going to talk about freedom of speech and freedom to participate in political debate in this country, let us remember it is Labor that lifted that ban, allowing charities to speak freely and to participate in political debate, and made sure that there will be no such bans in the future. But this Liberal Party, in its Liberal National Party manifestation in Queensland, has not given up on gagging charities and churches or anyone else who has an opposing view. The Queensland LNP government has not only imposed gag orders on churches and charities but has removed funding from organisations which speak out against that government. Now, that is democracy at stake, not the imagined and overblown, rhetorical opposition that has been raised to these media reforms.

Democracy was truly at stake when the Howard government restricted voting rights by passing laws that cut off the rolls as soon as an election was announced, bringing it forward by nearly a month, to make sure that thousands of young Australians and other people who had not got on the roll were disenfranchised. That is something that puts democracy at stake, not these media reforms.

We could point to the Liberal Party's hero Peter Costello fighting all the way to the High Court to resist giving News Limited journalist Michael McKinnon Treasury information under the Freedom of Information Act. Labor has removed gag clauses. Labor is allowing charities and churches once again to speak freely and contribute to robust democratic debate in Australia. Labor has improved journalist shield laws. Labor is developing whistleblower legislation.

It is not a stretch to say that the party of which the member for Wentworth is a part is now much closer to the American Tea Party than it has ever been before. It is a party that is focused on selfishness. It is a party that is focused on unregulated big business more than ever before. It is ridiculous to think that
liberalism has anything to do with the dries that are now occupying the benches on the other side of this chamber. We see through the Liberal Party's sanctimonious posturing in relation to media reform. It is, as usual, simply backing self-interest and jumping on the bandwagon.

Let us take a brief, considered look at this current free-speech debate that has been put forward in response to the media reforms. Journalists occupy an extremely privileged position in our democracy—they have access to information that no other business, no government nor the average man or woman on the street can access. The onus is on journalists to protect and keep the confidentiality of their sources. The reform that we are talking about does not force journalists to reveal their sources; what it does is to focus attention on Australians' personal information. It is a package of reforms that will enhance privacy for Australians. It will ensure that the media deals with photographs and personal data in an appropriate and entirely responsible fashion, and it will be modelled on self-regulation.

I want to mention a perhaps-overlooked fact in this debate: the provision that we are seeking to amend, section 7B(4) of the Privacy Act, was placed there by the Liberal government in 2000. It was placed there when the Privacy Act was extended from its previous form, which just dealt with government, to the whole of the private sector. That is the provision we are dealing with—the provision which says, in simple terms, that journalists are exempt from the provisions of the Privacy Act provided they work for a recognised organisation that signs up to a code that says there will be an observance of privacy protections. All that is occurring with this proposed amendment is the use of the same provision, one that was put there by the Liberal Party in government.

I would like to note what Senator Ian Campbell said in the second reading speech in 2000 on this very provision. He said in the Senate:

The media in Australia have a unique and important role in keeping the Australian public informed.

In developing the Bill the Government—that is, the Liberal government—has sought to achieve a balance between the public interest in allowing a free flow of information to the public through the media and the individual's right to privacy.

In order to achieve this balance, the Bill does not apply to acts and practices of media organisations in the course of journalism—and this is the important bit—where the media organisation has publicly committed itself to observing published standards that deal with privacy in a media context.

The Liberal Party, too, expects the media to uphold these standards—and that is the context in which we should be seeing this. The Liberal Party in government put in place an exemption for journalists. That exemption will be continued. It was a conditional exemption when they legislated for it; it will be a conditional exemption under these reforms as well—and the condition is that the journalist is someone employed by an organisation that is going to observe privacy standards. It is not particularly complicated, nor is it some massive intrusion, as has been suggested here. We will be continuing to use self-regulation. The Press Council will continue to be in existence and it will develop the standards. It will not be the independent Public Interest Media Advocate who is developing the standards; it will be the self-regulating Press Council which is developing the standards. The Public Interest Media Advocate is going to consult with the federal Privacy Commissioner, Tim Pilgrim, who will take into account Australians' privacy protections in the media and decide...
whether or not the standards that are developed by the Press Council are appropriate.

We could take a look at the member for Wentworth's own record on free speech. Just yesterday he encouraged Senator Conroy to sue News Limited—and it is not surprising, because the member for Wentworth is an expert on using defamation writs to silence his critics. He sued the Sydney Morning Herald over a piece involving an allegations about an ex-girlfriend's cat. He went after the Australian Financial Review because of an article calling him 'part polymath, part sociopath'. He has a long track record of using defamation writs to silence free speech. (Time expired)

Mr HARTSUYKER (Cowper) (15:44): I welcome the opportunity to contribute to this debate on a matter of public importance. I would like to start by contrasting two quotes. The first is from Winston Churchill, who said:

A free press is the unsleeping guardian of every other right that free men prize; it is the most dangerous foe of tyranny … Under dictatorship the press is bound to languish, and the loudspeaker and the film to become more important. But where free institutions are indigenous to the soil and men have the habit of liberty, the press will continue to be the Fourth Estate, the vigilant guardian of the rights of the ordinary citizen.

That is a very important quote. I would like to contrast that quote with another from a very famous person, Lenin. Back in 1920, Lenin said:

Why should any man be allowed to buy a printing press and disseminate pernicious opinions calculated to embarrass the government?

Well, this is a government that has made an art form of embarrassing itself. It does not even really need the assistance of a printing press to do that; it is doing it all by itself.

But I must say that it is a sad day for democracy in Australia, a sad day for the history of the Australian parliament, when the opposition has been forced to bring on a debate to defend the freedom of the press from a democratically elected government seeking to muzzle its influence. Make no mistake, the media reforms introduced into the parliament by the government this morning are nothing more than a full-frontal attack on the freedom of the press in this country. It should not be for the government to approve the standards by which the media outlets must conduct themselves.

This debate about free-press controls and the reform of the media industry provides us with an opportunity to reflect on the key parliamentary figures involved in this matter. On the government side, we have the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. Senator Conroy is quite famous—for nothing particularly good, I might say, but he is quite famous. He is famous for bragging that he has unfettered power over the telecommunications industry in Australia and that he could make senior executives of Australia's major telecommunications companies 'wear red underpants on their head'. Would you like to hand control of what good media reporting is to a minister who has claimed that he has the authority to make telecommunications company executives wear red underpants on their head? I think not. He is also famous for overturning the Australia Network tender process because the preferred tender came from a company that he in fact despised. I could go on, but those two examples give a fair indication of the type of man we are dealing with. I need say no more.

But on the other hand, on the coalition side, we have the shadow minister for communications, the member for Wentworth, and he has a track record in
relation to freedom of speech. It was the member for Wentworth, the shadow minister for communications, who rose to prominence by standing up to the establishment and defending free speech in the Spycatcher trial. His reputation goes before him.

The contrast could not be more obvious. The government only support freedom of the press when it suits them. We on this side of the House recognise that freedom of the press is the foundation stone of a democracy. On the other side, we have a minister who spends his days attempting to deceive and mislead this parliament and the Australian people about the true status of the NBN, and in his spare time he is now attempting to muzzle the media.

For this reason, we are resolute in our opposition to the government's proposal to regulate the media. Not only are we opposed to the government's attempts to control the media on an ideological basis; we are also appalled by the chaotic handling of this issue and the minister's insistence that these reforms must be rammed through this parliament. We found out this morning that the minister rammed the changes through cabinet, even though some of his senior colleagues were absent from the meeting. The minister rammed these changes through the Labor caucus despite the protests of the caucus chairman. The arrogance of this minister is breathtaking.

The bills introduced this morning should be subject to a major Senate inquiry. They should have been released for comment before being introduced into this House. The key stakeholders should have been consulted. At the very least, the cabinet should have been given time to read the papers. At the very, very least, the cabinet ministers should have had the chance to read the papers before being asked to approve them.

These are typical bullying tactics from Senator Conroy. I have a message for the minister: these tactics may work in your factional fights within the Victorian ALP, but they are not appropriate in this parliament and have no place in this parliament.

As the shadow minister for regional communications and a member representing a regional electorate, I am also bothered by the government's approach to the reach rule. Geographical boundaries are becoming increasingly irrelevant in the media landscape. Media consumers are accessing news and entertainment on demand, from all over Australia and the world. In years gone by, someone living in my town of Coffs Harbour would have had access to a local newspaper—whichever newspapers were delivered to the local newsagent. Now we have access to newspapers from all around the world. We used to have a choice of two TV stations. Now we have more than a dozen digital television stations and access to online videos from many, many sources. People are getting their local news and stories from blogs and websites as well as the local newspaper. We have YouTube and scores of other sources. So, while the reach of traditional television networks is still restricted by law, the reach of new media is unlimited. With this in mind, changing the current reach rule does not appear to be an unreasonable proposition.

However, I am deeply concerned about the possibility that mergers between television networks could result in a reduction in the amount of quality locally significant content broadcast in the regions. Unfortunately, the government has given the new joint select committee only one day to examine how the reach rule might impact on local news services and what measures should be put in place to protect local content. This is a very complex issue and the
amount of time being offered for consideration does not do justice to it. We need to have proper scrutiny, proper analysis, and we need the opportunity for stakeholders to make a meaningful contribution. These are measures that need to be properly thought through and they ought to be subject to thorough parliamentary scrutiny. A one-day inquiry and the deadlines imposed by the minister with regard to these bills fall far short of the standard of proper parliamentary scrutiny that the members of this House see as appropriate.

The free-to-air television body Free TV Australia made two submissions to the Convergence Review which advocated the removal of the reach rule. We have now seen two of the three main free-to-air networks air concerns about removing the reach rule and one national network enter into preliminary merger discussions with a regional network pending the removal of the reach rule. It is clear that some stakeholders are eager for the reach rule to be removed, and some believe that removing the reach rule would be detrimental to business. I mention these background issues to make the point that removing the reach rule is a complex issue that requires more scrutiny than can be provided in a one-day committee meeting.

Despite the complexity of the issue, the bottom line is quite simple: we will not be railroaded into supporting an outcome that is not in the best interest of our constituents. We will only be satisfied with the outcome if it protects local content and local news. Despite the rise of the internet, Australians living in the regions still rely on their local television network as their key source of local news and stories. We must not allow any changes that reduce the amount of local content and storytelling broadcast in regional licence areas.

I am also concerned about the impact on local presence if the reach rule is removed. Whilst these are separate issues, they are linked. Local news and content is important, but it is also important to have reporters and cameramen on the ground in the regions. We need to have local news and stories told by local people, not by some syndicated network 3,000 kilometres away, where the individual involved cannot even pronounce the local place names. Holders of regional broadcast licences are using limited public spectrum to make money. In return, the least we can expect is that they broadcast material relevant to that licence area.

This government has a history of introducing rushed and ill-considered reforms and seeking to avoid the harsh glare of public and parliamentary scrutiny. We will participate in the joint select committee in good faith, but we will not be rushed into supporting an outcome that is not good for our constituents, we will not be rushed into any measures that will reduce freedom of speech for the press and we will not be rushed into playing the minister's games—a minister who cannot be trusted. He cannot be trusted with the NBN and he certainly cannot be trusted with media reform.

**Mr MURPHY** (Reid) (15:54): This is a matter of importance. The debate on the member for Wentworth's motion is very, very important because it says that there is a threat posed to free speech by the government's proposed media reforms. But at the heart of the Labor government's media reforms—as you know, Mr Deputy Speaker—is the potential for further concentration of media ownership in Australia.

**Mr Hawke:** Rubbish!

**Mr MURPHY:** It is not rubbish. If the member for Mitchell listens to me he will understand better. I have been in this place
for 15 years, and every time this issue rears its ugly head I have been an outspoken opponent of concentration of media ownership.

I will accept the point that the member for Wentworth made in relation to the Labor government's allowing News Limited, Mr Murdoch, to buy the Herald and Weekly Times—and we understand the politics of that time. I disagreed with it; I still disagree with it. It certainly allowed News Limited and the Murdoch family to get a stranglehold on the print media in Australia. Even more shameful for the government of the day, our government, was the fact that the Foreign Investment Review Board somehow, conveniently, looked the other way when Mr Murdoch decided to abandon his Australian citizenship and become an American citizen to dominate the media internationally, starting in America and the UK, while being allowed to keep his media assets in Australia. I opposed that. I was not here at the time; I certainly would have railed against that if I had been.

We have not heard from the member for Wentworth or the member for Cowper about the potential for concentration of media ownership in Australia. For the benefit of those members, and the member for Mitchell, I will remind the House that the Murdoch media owns 70 per cent of the metropolitan daily newspapers in Australia. They own more than 50 per cent of the regional and suburban newspapers in Australia. They now have a 50 per cent monopoly share in Foxtel in Australia; interests in AAP, HarperCollins Publishers and other publishers; and have one of the most accessed sites on the internet: news.com.au.

I do not have any problem with the so-called propaganda, that has been referred to in recent days, by the Murdoch media. The Murdoch media have the right to run the stories however they like but they do not have the right to drown out all the other voices. And this is what is going to happen without this legislation. And that is why I feel so passionately about it.

Those on both sides of the House—whether they are in the Labor Party or the Liberal Party—are guilty of surrendering to the power of the media moguls in Australia. And that is wrong. If this legislation goes through it will preclude Mr Lachlan Murdoch from getting control of a free-to-air television network—and I am referring specifically to the Network Ten—and being able to buy radio stations.

What do you think would happen if the Murdoch family were able to get control of a free-to-air television network in Australia? I will tell you. The lucrative sporting dollar would flow principally to the Murdoch family. They have the game sown up with Foxtel. It is a very convenient way to get around the antisiphoning legislation so that the most attractive programs that have to be run on free-to-air television will be run by channel 10 under Mr Lachlan Murdoch, extracting the best advertising dollar. And what will that do to Channel 7, Channel 9, the ABC and the SBS, in terms of their capacity to broadcast sport and provide a bit of competition? It will neuter them. What will they be left with? They will be left with broadcasting the lawn bowls and programs like that. Okay, it might be fair enough for those people who like lawn bowls but it is not very lucrative like the Rugby League, the cricket, the Melbourne Cup, World Cup soccer and the Olympic Games—all the principal sporting events.

I draw to the attention of the previous speakers, and the member for Mitchell, a very sober and balanced analysis in response to all the hysteria led by Mr Kim Williams,
the chief executive of News Limited in Australia, in relation to this package. Mr Richard Ackland, who is a very respected commentator, says:

The self-righteous bloviating from press interests, and the shrill coverage from News Limited papers in particular, leads to the suspicion that Senator Conroy can't be far wrong with his tiny package of media reforms.

The Daily Telegraph, without a glimmer of irony, thinks it is an "aggressive attempt to silence your media".

Kim Williams, Rupert Murdoch's provincial governor, said this is the first government outside of wartime to "attack freedom of speech".

The ever-reliable "professor" David Flint thinks the media plan is an assault on the very foundations of our federation.

Opposition spokesman Malcolm Turnbull declared—

"Freedom is at stake, liberty is at stake, democracy is at stake."

It is at stake if our laws do not go through the parliament, because there will be a concentration of media ownership. I will go on, for the benefit of the member for Mitchell, who is still in the chamber, so he knows what Mr Ackland said. The article continues:

And this from a Liberal Party spokesman whose leader has growled at the ABC about its "bias" and about whom the public broadcaster lives in fear of retribution.

What is really at stake is how far these special pleaders can get away with their over-egged rhetoric.

Maybe forgotten in the excitement is the realisation that under the Conroy plan, Murdoch's News Limited will now have its Foxtel pay TV operations subject to a public interest test for mergers and acquisitions. It can't get more shocking than that.

The main components of the Minister for Communications' announcement on Tuesday, about which the details, expected to be revealed on Thursday, are: self-regulating press standards with oversight by a public interest media advocate; and a public interest test for media mergers and acquisitions.

Some TV "reach" provisions are to be referred to a parliamentary committee that is expected to solve something that the free-to-air moguls can't agree on themselves. So one point at a time.

The main print standards body will still be the industry-run Australian Press Council, although the plan envisages the possibility of competing self-regulatory bodies that are approved or "declared" by the public interest media advocate.

The standards or codes of journalistic conduct are the ones that presently exist. The industry will remain self-regulating and no government funding is to be provided.

The PIMA would have oversight of the media councils, seeing that they were doing their jobs properly and responding to complaints appropriately.

Where's the threat to free speech, liberty and democracy in that tiddlywinks scheme?

The complaints are a bit rum when you consider that historically the press barons fought tooth and nail against the implementation of even an industry-run council. They turned on and off the funding faucet whenever it suited and generally regarded the whole process with disdain.

Now the Australian Press Council is being embraced as the rock on which our freedoms are built.

Instead of fines and torture as penalties for disobedience proposed by the Finkelstein review, it is now a carrots and sticks approach.

Journalist exemptions under the Privacy Act would apply only to those media organisations who signed up to a self-regulating press standards body. How wicked is that?

I do not have time to read the rest of it, but everyone should read it because it is a balanced and accurate reply.
I remind the House where I started: what this is all about is the future of our democracy, because this will allow concentration of media ownership in Australia. People do not vote for a media company; in a small number of cases they vote for a local member and in most cases they vote for a party, its policies and the leader. They do not vote for Rupert Murdoch.

Mr Fitzgibbon: They vote for John Murphy now.

Mr MURPHY: I hope so.

Ms O'DWYER (Higgins) (16:04): This week we have seen a new low from the Minister for Broadband, Communications and the Digital Economy with his announcement of Orwellian media reforms. Those who have followed the career of the minister—the factional power plays and the egocentric statements that he can, if he so chooses, get people to wear red underpants on their heads—might describe these Big Brother media reforms as a new low, and they might think that is a big statement. In this place, when I make such statements, I am at least protected by parliamentary privilege. But, if Senator Conroy has his way, those who critique him in the press may not be so lucky.

Why? He has announced that the government will regulate the media in this country—a media that has been, until this point, free of government control and interference. In all other longstanding democracies, the media has been free for centuries. He has said that the government now will intervene and interfere here.

Why does the media need regulation? What is the problem that he says needs solving? No-one can in fact articulate this. The Prime Minister herself, when questioned by journalists—something that may well become an inconvenience of the past if these reforms go through—ducked the question. She could not give one example. We know, though, the real reason why these so-called reforms have been brought into this place: the Greens have demanded it. Bob Brown demanded it when he was leader. He described News Limited as the 'hate media'. The member for Reid describes the media as the 'Murdoch press' and 'press barons'. Christine Milne, the new leader, is very concerned about who owns what in the media. The simple fact is that the Labor Party do not like being held to account. They do not like scrutiny. Why is this? Because a free media does not do as it is told.

A free press is critical to our democracy. That is why we stand opposed to any restrictions on the press. Winston Churchill said so accurately some time ago:

A free press is the unsleeping guardian of every other right that free men prize; it is the most dangerous foe of tyranny … where free institutions are indigenous to the soil and men have the habit of liberty, the press will continue to be the Fourth Estate, the vigilant guardian of the rights of the ordinary citizen.

This is why it is important. We have seen the investigative reporting of our press in recent times. We have seen them uncover the scandals of the HSU. We have seen them uncover the scandals of the Obeid empire. All of this of course is very inconvenient to those who sit opposite.

What has been the reaction to Senator Conroy's announced changes? Have they been universally acclaimed? No. His announcement has united each and every voice in the media to condemn the move. Let me remind the House of some of the statements which have been made. Kim Williams, the chief executive officer of News Limited, said:

This government will go down in history as the first Australian government outside of war time to attack freedom of speech by seeking to introduce
a regime which effectively institutes government-sanctioned journalism.

Seven West Media said:
This is an unprecedented restriction that is wholly inconsistent with the notion of a free press.

Greg Hywood, the chief executive of Fairfax, said:
… there’s no evidence that there is a problem to solve in Australia. We can’t see the purpose of further regulation of news publications.

Andrew Bolt, the Herald Sun commentator, said:
I never dreamed—never feared—Australia would have a government plotting to control journalists it did not like.

But lest they think that this is some media conspiracy, News Limited conspiracy, let me quote Mark Scott, the managing director of the ABC:
It's a disaster for us all. It's profoundly disappointing. The voice of industry was ignored.

Let us examine the reforms which the government says are so vitally needed. There are two in particular that I want to examine today: the new public interest test, which it says will apply to media mergers; and, secondly, the government appointed Public Interest Media Advocate.

First to the public interest test. The government is very concerned that we have a diversity of voices. Yet never before have we seen in the media such diversity as exists today. The internet has definitely changed the landscape, as has social media. We now have access to voices like we have never had before. This should give some comfort to those opposite.

Already we have regulators who look to the very questions of diversity and competition. We have the Australian Competition and Consumer Commission, the ACCC, which actually implements the former Trade Practices Act, now the Competition and Consumer Act. They make sure that we do have competition in this space.

Only recently the ACCC knocked back Channel 7 in its attempt to buy Fox Sports. When those opposite have been asked the question, ‘What is it in particular that this public interest test will ensure does not occur?’ they cannot explain it. Also, the Australian Communications and Media Authority looked to the question of diversity. Yet the government says we need to add another regulator, that we need to add a new test, a test which no doubt will cost more and a test which so far lacks any detail. If the government is truly concerned about media diversity, let me remind them that in 1986 it was the Hawke-Keating government which allowed News Limited to buy the Herald and Weekly Times. Yet it is only now, months out from an election, that the government seems to think we have an issue with media diversity.

Let me also touch on the Public Interest Media Advocate. The government say that this is vital in order to have the right ethical standards and sanctions. Yet we know that this is simply a solution in search of a problem. They cannot say what it is that the Public Interest Media Advocate will do. They also ignore the fact that we already have an independent body, a self-regulated independent body, the Australian Press Council, which does indeed regulate the ethical standards of the media.

In the time remaining, I want to touch briefly on the process which has led us to this matter of public importance today. After doing nothing for two years, Senator Conroy now claims that there is great urgency to respond to the Convergence Review and the Finklestein inquiry. He says it is an imperative to regulate the media and to pass the bill by the end of next week. We on this side are alarmed at the lack of process, the
lack of due diligence, the lack of consultation and the lack of detail which have become a hallmark of this current government and the way they do business.

I reflect upon recent initiatives of the government which have had a similar lack of process and lack of scrutiny: the Clean Energy Finance Corporation, again another Greens-Labor special, a $10 billion Bob Brown bank, with no consultation, no notice, no detail and $10 billion of taxpayers' funds being whittled away. This was all done in less than five business days and according to the timetable set by Senator Conroy. We know that he wants to put through this bill by the end of next week. There has been no detail, there has been no consultation even among the cabinet of the Labor Party. It has been rushed through to try to restrict the voice of freedom in Australia. This is something we all must stand united against.

A free press is essential for our democracy. The Conroy announcement will ensure that the media is turned into a eunuch. We must stand united against this. It will hurt our democracy and ultimately hurt the Australian people.

PRIVILEGE

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (16:14): Madam Speaker, I wish to raise a matter of privilege, in relation to the truth of statements made by the Prime Minister about Mr Michael Smith in the House of Representatives on 28 November 2012. This morning, the member for Gellibrand, as Chair of the Standing Committee of Privileges and Members' Interests, read into Hansard a letter from Mr Smith rebutting the Prime Minister's remarks. As the member for Gellibrand stated this morning:

… the committee emphasises that, as required by the right of reply resolution, it has not considered or judged the truth of any statements made by the member in the House or by the person seeking a response.

While Mr Smith has been given the right of reply and a certain degree of natural justice with the reading into Hansard of his letter, I believe the committee should be given the opportunity to judge the truth of the statements at issue made by the Prime Minister to the parliament. I therefore request, Madam Speaker, that you consider whether a prima facie breach of privilege has occurred.

The SPEAKER: Again, for everybody, rights of reply do not judge the matters. That is not what they are there for. Just for the record—and for everybody else out in radio land and on the email at the moment—rights of reply are a privilege that the parliament offers individuals and they should be respected. It is not about judging the matter. I will take into consideration the matter that the Deputy Leader of the Opposition has put before us.

MATTERS OF PUBLIC IMPORTANCE

Media

Mr FITZGIBBON (Hunter—Chief Government Whip) (16:16): I was about to begin by saying that lately I am wondering whether there is something in Australia's drinking water. We have seen, I think, another example of it just in the last few seconds. I speak with some authority on that matter, given I am a member of the Standing Committee of Privileges and Members' Interests, and I suggest that the matter raised by the Deputy Leader of the Opposition is not in conformity with the consensus view of the privileges committee. But we are here this afternoon to talk on this matter of public importance with which the opposition has led its attack on the government's current proposals for media reform.
I did not hear the quote from the member for Higgins, but I heard her quoting Sir Winston Churchill. Because I did not hear the exact quote, I am not sure where he made the quote she shared with the House—but I know it would not have been on the internet and it would not have come off YouTube; it was more likely broadcast live on the wireless. You might recall that. That is the thing before we had transistor radios and even before Video Killed the Radio Star.

I make the point that the world has changed somewhat in technological terms and in broadcast terms since the days of Winston Churchill; maybe some of those on the other side might want to keep up with some of those changes. I am wondering what this debate over the course of the last few days is really all about. I have with me two reports. They cannot be seen by those listening on radio, but one is the inquiry report of the Hon. R Finkelstein QC. It is 468 pages long. It is a weighty document and one I can claim to have read maybe 70 per cent of. I am not going to claim 100 per cent. It is weighty and time consuming, but I suspect that there are very few others—

Mr Murphy interjecting—

Mr FITZGIBBON: Reid, of course. I am confusing the seats; there have been all these changes. But I know the member for Reid has read it. He holds a great expertise in these areas.

The second document is the convergence review, which is another 176 pages. Again, I think I can claim to have read almost all of that report. Again, I have seen no evidence whatsoever that anyone on the other side who has participated in this debate has read any of those documents at length. I am even more sure that no-one who has contributed from the other side has even read the proposals put forward by the government in any great detail; because, if they have, they have completely misunderstood them or otherwise have sought to deliberately misrepresent them.

The other great thing which has changed since Sir Winston Churchill's days is that the media—the print media in particular, although radio does a pretty good job—has become increasingly bold in its reporting of matters that in Winston Churchill's time would have been considered private and therefore sacred and not for publication. The intrusion of the media into our public lives has grown extensively in recent years. That is something that cannot be challenged by those who sit opposite. That is why I am disappointed that the government has not yet further progressed the idea of a statutory tort in privacy, giving people who have had their privacy breached by media organisations or any other individual a statutory course of action.

Back to my theory about there being something in our drinking water: the campaign that was waged against Ray Finkelstein's recommendations and his report was really extraordinary, in my view. It was completely over the top and they must have been shocking to such a learned individual. They must have been a real lesson for him in the way politics works in this country. But the present self-regulatory arrangements, of course, suit Australian newspaper proprietors and, therefore, he should not have been surprised by the ferocity of some of the responses.

The Australian Press Council is a creature of the industry and is funded by the industry. It causes our newspaper owners little grief, no matter how extreme they might become from time to time in their reporting. We saw an example of that earlier this week, where the minister was depicted as Stalin and a number of other despotic leaders. As Finkelstein points out, the APC suffers from
serious structural constraints. It does not have the necessary powers or the required funds to carry out its designated functions. Publishers can withdraw when they wish and order their funding as they see fit. Since the beginning this debate, they have changed some of those things in the hope of holding an intervention from government at bay, but the change has been very, very small indeed.

Letting our media police themselves is obviously, from my point of view, a mistake. It has left victims of their exaggerations and misinformation with no other option than to find redress through the courts. But, as Finkelstein points out, these processes are 'protracted, expensive and adversarial, and offer redress only for legal wrongs and not for the more frequent complaints about inaccuracies and unfairness'. While it has never delivered the desired outcomes, self-regulation is becoming less and less efficient.

Finkelstein's response was to advocate for a public regulator—a regulator completely at arm's length from the government of the day, a regulator which would be publicly funded so as not to be captured by the media proprietors themselves. I thought that was a perfectly sensible recommendation, and Finkelstein of course stands by it, but there was a huge amount of opposition from media outlets towards this public regulation and a very public campaign. The government has heard those complaints. They have taken them on board and said, 'Okay, we'll allow the industry to continue to regulate itself.' That should have been welcomed very loudly by the industry, but we put one condition on it, and that is effectively what this debate is all about. We have asked that, in future, when they construct their regulatory regimes and when they construct their processes for enforcing the standards—the standards set by themselves—those standards and those processes will be ticked off by an independent advocate looking after the public interest, an independent advocate which will take into account community expectations. This is not rocket science.

It is pretty clear to me that the front page we saw on the Telegraph this week involving Minister Conroy would surely not meet community expectation. I doubt anyone on the other side would defend that front page. This is no conspiracy. This is an independent expert, someone highly regarded in the community—it might be a former judge, for example—inviting media proprietors to come to him or her and ask, 'What are the standards as you see them? What are the standards acceptable to the Australian community?' He or she would look at those and tick them off, saying, 'I agree. I think that is a good approach. I congratulate you on your effort,' and then he or she would ask, 'How would you go about your corporate governance—your processes to ensure these standards are upheld?' and, I suppose, 'How would you ensure that any journalist or editor breaching your own standards would be dealt with?'

Those on the other side would have you believe that this is some form of government intervention. I do not think anyone on the street around our cities and towns would share that view. This is a crazy reaction to what is a fairly soft policy, certainly compared to Finkelstein's recommendations and, indeed, some of the recommendations in the convergence report. But, notwithstanding that, for some reason media proprietors have gone to war. Those on the other side, of course, see a political opportunity in that. Isn't it a shame? That is despite the fact that in my communities people are now saying we are becoming more like Fleet Street every day, the media is out of control and you cannot trust what they are saying. You would have thought that those on the other side would take a bipartisan approach and work
with us to see whether we can fix these problems.

I just want to make this point, though: I believe this will restore confidence in our media publications. This will allow people to appreciate and find confidence in the fact that someone is looking over self-regulation. That restoration is a good thing for the media proprietors. The sooner they work that out the better for them and the better for the Australian community.

Debate adjourned.

COMMITTEES

Broadcasting Legislation Committee

Appointment

The DEPUTY SPEAKER (Hon. BC Scott) (16:26): The Speaker has received advice from the Chief Government Whip, the Chief Opposition Whip and Mr Oakeshott nominating members to be members of the Joint Select Committee on Broadcasting Legislation.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (16:27): by leave—I move:

That Mr Murphy, Mr Neville, Mr Oakeshott, Mr Turnbull and Mr Zappia be appointed members of the Joint Select Committee on Broadcasting Legislation.

Question agreed to.

BILLS

Returned from Senate

Customs Amendment (Anti-Dumping Commission) Bill 2013

Customs Amendment (Miscellaneous Measures) Bill 2012

Completion of Kakadu National Park (Koongarra Project Area Repeal) Bill 2013

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

MATTERS OF PUBLIC IMPORTANCE

Media

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (16:28): by leave—I move:

That the member for Mitchell be permitted to address the parliament until 4.30 pm on the issue that was raised in the Matter of Public Importance.

Question agreed to.

Mr HAWKE (Mitchell) (16:29): I want to thank the Leader of the House for his generosity. One person I will not thank is the Minister for Broadband, Communications and the Digital Economy. In finishing on the Matter of Public Importance, I note that the Leader of the House is in favour of free speech—but the minister for communications is not—so I want to praise him for that generous move.

This so-called reform is a great sham. I am pleased in the time remaining to put on the record my strong opposition to what the government is doing. This minister has a track record, whether it be mandatory
internet filtering or mandatory data retention. All of the things that he has tried to do use the words 'mandatory' and 'compulsory'. So I do not buy the arguments of the Attorney-General, who came in here and said, 'We're really about individualism and freedom.'

He asked, 'What is everybody really going on about?' The Prime Minister said, 'I can't believe this sanctimonious nonsense about freedom of the press.' The media are going on about these reforms which came in response to a problem from the UK. The Finkelstein report of 468 pages, which the member for Hunter raised, was from the UK. I am against these proposals. (Time expired)

ADJOURNMENT

The SPEAKER (16:30): Order! It being 4.30 pm, I propose the question:

That the House do now adjourn.

Military Superannuation

Dr JENSEN (Tangney) (16:30): Six months from today, Australians can vote for fairness for our military veterans by electing a coalition government in Canberra. Only the coalition is committed to the fair indexation of the Defence Forces Retirement Benefits scheme and the Defence Force Retirement and Death Benefits Scheme military superannuation pensions. Under a coalition government, DFRB and DFRDB superannuants aged 55 and over will have their superannuation pensions indexed in the same way as age and service pensions. I have been on this since we were in government. Signing the pledge gives a written guarantee to the 57,000 military superannuants under these schemes that the coalition will keep faith with those who have served and protected Australia. This will ensure that these veterans and their families will have access to fair, just and equitable indexation of their superannuation entitlements.

In my time as a member, I have been in regular contact with members of the Australian Federation of Totally and Permanently Incapacitated Ex-Service Men and Women, West Australian Branch, known affectionately as TPIs. TPI members in my electorate have studiously and consistently advocated for the fair indexation of their pensions. As far back as 2007, Labor led people to believe it would provide a fairer deal for ex-service men and women. Labor has never delivered. Since the 2010 election, the coalition has twice tried to pass legislation through the parliament to deliver fair indexation to ex-service men and women and their families. At every attempt, Labor and the Greens have combined their numbers to defeat the legislation.

Currently, DFRDB and DFRB members have their superannuation indexed only in line with movements in the CPI. The coalition's plan provides for these superannuants, aged 55 and over, to have their superannuation pensions indexed in the same way as other Australian government income support pensions. Twice yearly, pensions will be indexed to the higher of the consumer price index, male total average weekly earnings or the pensioner beneficiary living cost index. This will provide increases for up to 57,000 retired Australian Defence Force members, with superannuation pension indexation which better reflects changes in the costs of living.

These changes have long been sought by veterans organisations, including the TPI ex-service men and women in my electorate of Tangney. These are honourable men and women who served Australia, and the coalition believes this fair indexation is the right thing to do given the nature and risks of military service. Australia's service personnel, past and present, after giving so much to their nation, deserve to live their lives with financial security.
Labor’s commitment at the 2007 election to fix military superannuation has become another of its many broken promises. The Gillard Labor government has promised much to those in the veteran community but, as I have heard consistently from local TPI representatives, has repeatedly failed to deliver, due to its self-interest and poll driven policy paralysis. This Labor government is probably unable and unwilling to find the funds necessary to meet its commitment to veterans and their military superannuation reform requests because of its tide of waste. There has been more energy spent criticising the coalition’s plan by this government than coming up with anything of its own. I say ex-service men and women deserve more than your empty rhetoric.

The coalition have consulted widely and listened carefully to the views put forward by veterans, ex-service personnel and others. Our plan is fully costed and fully funded. If the Labor government is re-elected in September, veterans will be worse off and will not get the fair indexation they deserve. Our veterans and their families deserve fair indexation. A coalition government will deliver it and fund it in our first budget.

**Cybersafety**

Mr LYONS (Bass) (16:35): I rise in the House today to speak about online scams and their repercussions in the community, particularly in my community of Bass. Online scams are everywhere and often go unreported. It is important to be alert and informed so you can spot a scam when you see one. Incidents of consumer fraud may not be reported for a number of reasons. For example, victims may not be aware that they have been scammed, not be aware of law enforcement interest, feel responsible for becoming a victim or not know to whom the scam should be reported.

Due to the anonymity of the internet, lying and scamming can be incredibly easy. If you are not careful, you can get scammed out of your time or even money. Scammers will go to great lengths to gain your interest and trust, such as sharing personal information. Scammers may take months to build what seems like the romance of a lifetime and may even pretend to book flights to visit you, but never actually come. SCAMwatch report that once they have gained your trust they will ask you either subtly or directly for money, gifts or your banking/credit card details. They will pretend to need these for a variety of reasons. For example, they may claim to be in the depths of despair due to financial hardship or the illness of a family member. In other cases, the scammer might start off by sending you flowers or other small gifts and then tell you about a large amount of money they need to transfer out of their country or that they want to share with you. They will then ask for your banking details or money to cover administrative fees and taxes to free up the money. I must warn people that this may be money laundering, which is a criminal offence. You should never agree to transfer money for someone else.

Regardless of how you are scammed, you could end up losing a lot of money. Online dating scams can cheat Australians out of millions every year. The money you send to scammers is almost always impossible to recover and, in addition, you may feel long-lasting emotional betrayal at the hands of someone who you thought loved you and was trustworthy.

I recommend that people follow the advice given by SCAMwatch, which is to talk to an independent friend, relative or fair trading agency before you send any money to anyone you meet online. Never give credit card or online account details to anyone by email. Be very careful about how much
personal information you share on social network sites. Scammers can use your information and pictures to create a fake identity or to target you with a scam. Scams target people of all backgrounds, ages and income levels across Australia. There is no one group of people who are more likely to become a victim of a scam. If you think you are 'too clever' to fall for a scam, you may take risks that scammers can take advantage of.

My Tasmanian Labor colleague Senator Catryna Bilyk is the Chair of the Joint Select Committee on Cyber-Safety. I thank her for all her hard work in promoting cybersafety in Tasmania. Also, recently Australia formally joined 38 other nations as a party to the world's first international treaty on crimes committed via the internet. Becoming party to the convention ensures Australian legislation is consistent with international best practice. It enables domestic agencies to access and share information to facilitate international investigations and help countries in the region build capacity to address cybercrime.

I encourage all Australians to be educated about cybercrime and scams and to use common sense. As always, if it sounds too good to be true, it probably is.

On a final note, I also want to briefly touch on the other side of this debate. Sometimes relationships do blossom on the internet. However, the anonymity of the internet does pose a risk to both parties involved. The Australian government is working to ensure Australians and prospective Australians are protected in this era where relationships form online.

The family violence provisions, amended late last year, allow certain people applying for permanent residence in Australia to continue with their application after the breakdown of their married or de facto relationship, if they or a member of their family unit have experienced family violence by their partner. The provisions were introduced in response to concerns that some partners might remain in an abusive relationship because they believe they may be forced to leave Australia if they end their relationship. This is a sensible reform.

I encourage MPs to talk in their communities about online scams and encourage all Australians to be vigilant.

(Time expired)

Swan Electorate: Great Eastern Highway

Mr IRONS (Swan) (16:40): I rise to update the House on the Great Eastern Highway in my electorate of Swan. I see that the member for Canning, a previous member for Swan, is at the table. He would know that this was a major issue in the electorate when he was the member for Swan. My last update to the House in a speech totally devoted to this matter was on 4 July 2011, but I have spoken about it in other speeches since.

Today I am pleased to be able to inform the House that the Great Eastern Highway in my electorate of Swan is now fully open, some nine months ahead of schedule. This must be some sort of record for a public works program and I congratulate the WA government and its partner City East Alliance for its speedy work. The widening of the Great Eastern Highway has been called the most expensive road upgrade in Perth’s history. While it was essentially a road-widening exercise, there are many new features including new U-turns, cycling lanes, footpaths and an improved traffic flow.

The road has been widened to six lanes from Kooyong Road to Tonkin Highway and it has been an extremely complex process. The resumption of land, the demolition of buildings and the number of undersoil...
utilities that had to be considered, combined with the need to keep the road open presented a real challenge for the engineers. 3-D modelling was used to help with understanding this and we actually used one of those images on one of my Great Eastern Highway update pieces for the nearby residents. During the process they managed to uncover the track for the old convict road. The *West Australian* reported on 13 November 2012:

A 20m stretch of road made from big jarrah discs was found under bitumen near Belmont Avenue. Thought to have been built by convicts in 1867, the road gives an insight into WA’s convict history and early infrastructure.

Governor John Hampton ordered construction of the road. Convicts had to lay the wood discs, known as Hampton’s cheeses, and fill the spaces with limestone or soil.

State Heritage Office executive director Graeme Gammie said this type of road was Mr Hampton’s solution to the problem settlers faced in getting carts to Guildford.

Finishing touches will continue to be applied to the Great Eastern Highway, but the six lanes are now open.

It is worth reflecting on why such a big project was needed. It was not just congestion on the old road which made action necessary. There were also the crash statistics, which were twice the state average. There has been near unanimous praise for the road since it has reopened, with drivers extremely impressed with the traffic flow.

I would like to thank the workers from City East Alliance who were contracted by the WA government to undertake the work. The fact that they have been able to complete the work nine months early is obviously a credit to them. Many of the workers live in my electorate and they have worked hard on this project and delivered what they set out to well ahead of schedule. I would also like to thank my constituents for putting up with the disruption over the past year and a half while these complicated works have been taking place. The road has been open for the entire period in one form or another and there has obviously been lots of stop-start congestion while the works have been underway.

This was the first issue I started working on as the Liberal candidate for the seat of Swan in 2006-07 when we ran a local community campaign to secure funds for the upgrade. As I have mentioned before, we took our local community campaign to the then Prime Minister, John Howard, who saw merit in the proposed upgrade, being, as he was, a great supporter of road improvements around Australia. Other people in this place have seen the facts differently, but it was a great moment when he visited Perth in person on 27 September 2007 to announce the upgrade and it was well received by the WA people and a great reward for their support of the community campaign.

After seeing how popular this commitment was, two days later the member for Griffith, the then Leader of the Opposition, announced that the Labor Party would match the commitment, securing important bipartisan support. Many challenges followed after the election of the Rudd government. The internal chaos that followed, with initial delays, meant the cost blew out further and we had to secure more funding. Before the 2010 election this was still a live issue in the electorate as the Labor government had not committed to the additional funding required. The people of Swan were incredulous that the Labor government still had not managed to get its act together and start the work or secure funding. So we committed again that the Liberals, if elected, would complete Great Eastern Highway without the mining tax. The government found the money and, thankfully, the project is now finished.
Focus will now turn to the Gateway WA project for the further upgrade of the roads around Perth Airport, a project that I was proud to announce a Liberal commitment to prior to the federal election. Labor also made a promise, but unfortunately they have repeatedly linked their commitment to the proceeds of the mining tax. We will wait to see whether we can get funding for that or whether the money will be borrowed from overseas.

Creative Australia

Mr HUSIC (Chifley—Government Whip) (16:45): I would like to start by praising the significant announcement yesterday by the Minister for the Arts of new investment for a national cultural policy—Creative Australia. While this new policy is multifaceted, I would like to voice my support in particular for the boost in spending on preserving and encouraging the use of Aboriginal and Torres Strait Islander Indigenous languages to $54 million over the next four years. This new policy is in response to recommendations of the report of the House of Representatives inquiry into language learning in Indigenous communities, called Our Land Our Languages. As a member of the committee that oversaw this inquiry, I have voiced my support a number of times in this place for us to better recognise Indigenous languages and commit to promoting the use and teaching of these languages.

In announcing this new policy yesterday, the Minister for the Arts said:

One of the five goals of the national cultural policy is to recognise, respect and celebrate the centrality of Aboriginal and Torres Strait Islander cultures to the uniqueness of Australian identity. Through Creative Australia we will work to preserve the hundreds of languages used in Aboriginal and Torres Strait Islander communities and provide support for traditional and contemporary forms of cultural expression.

The preservation of Indigenous languages and cultures is critical to closing the gap on literacy and numeracy for Indigenous students—an area where we continue to struggle to make inroads.

At the same time the finishing touches were being made to this new national cultural policy, a colleague of mine in the NSW Parliament, the Hon. Walt Secord, was speaking about the need to establish a national Indigenous cultural institution. Mr Secord speaks with a degree of authority on this matter, being of Canadian indigenous descent. I would like to join with him and support his call for Australia to fulfil its obligation to celebrate and help preserve the diverse Indigenous cultures of this land.

Over the past few decades, Australia has embraced Indigenous art, which today can be found in family homes, museums and in corporate spaces. In many suburbs and geographical places, Indigenous names are in common use and are widely accepted, but I wonder how many people understand the origin of these names. My own home is located in a suburb within the Chifley electorate called Colebee. The suburb takes its name from a local Darug man, Colebee, who along with Nurragingy received the first ever Indigenous land grant made in 1816 by Governor Lachlan Macquarie. The suburb is now located within the original land grant which only last year was placed on the State Heritage Register. The area I am proud to represent has a very rich Indigenous heritage, but today is home to Indigenous people from Aboriginal cultures from all over the state and elsewhere in the country.

The culture of Australia's Indigenous peoples are among the oldest continuing cultures in the world and it is remiss of us as a nation that we have no national institution set aside to record, showcase and preserve these cultures. We have museums devoted to
the modern history of Australia, maritime history, geological history and even the popular culture of this country and so it is well past time we had a place where the rich Indigenous culture of our nation can be expressed and preserved.

For visitors to this country, it must be a source of disappointment that they have to really dig deep to uncover our Indigenous heritage and that there is no real beacon calling them to one central place. It is a misconception among many international visitors—and even some who live here—that Aboriginal culture is homogenous and that they have the same stories, language and spirituality. It is also a misconception that it can be addressed with the right resources and information.

Mr Secord noted in his speech that both Canada and the United States have institutions which keep alive their own continent’s Indigenous cultures and he highlighted the irony which exists in that a selection of etchings printed at the College of Fine Arts in Sydney will be exhibited at the Aboriginal Art Museum at, of all places, the University of Virginia later this year. It is my intention to write to the Minister for the Arts, asking him to consider this matter, because I do think it is something that we as a nation have not fulfilled and that we should address. It is my fervent hope and wish that we are able to set up a national Indigenous cultural institution.

Health Services

Mr COULTON (Parkes—The Nationals Chief Whip) (16:49): I ask the Minister for Health to wait for 30 seconds. Today is one of those rare days when we get to recognise someone from my electorate in the parliament. In the gallery today we have Kelly Foran, who has started a website called Friendly Faces Helping Hands that helps people in a time of medical crisis to gain information. We have just had a meeting with Dr Nicolarakis from your office, Minister, where Kelly talked about her website.

Kelly’s story is one that is very interesting. She has had a series of health issues, including brain tumours and a stroke, while her infant son lost an eye to cancer and her husband had a farm accident which landed him in a Brisbane hospital. She saw the need for people, not just country people, but those who find themselves in a medical crisis to gain the necessary information. There are many services available to people, but finding that information in a time of crisis is particularly difficult.

Kelly, for the last 3½ years, has been running the website, Friendly Faces Helping Hands, along with a 24-hour call centre, from a farmhouse 60 kilometres from the nearest town. Through the website and call centre, she can put people in touch with the things they need. If you are sent to a hospital in Sydney or Brisbane—she has 600 hospitals on that website—you can find cheap accommodation, get parking at a reasonable rate, buy nappies for your child after hours or get a cheap meal with your family if your loved one is down there.

Over time, it has grown into other services from within the community. What is interesting—and the minister would understand this—is that there are a lot of services out there but quite often the communication between them is not that great. Even the local GPs are not aware of what is available.

Kelly is in the process of enlarging the website and would dearly like it to become much bigger. It is about as big as it can be on the voluntary basis that she is doing it. She has had some help from her local community through generous support, and her friend Renee is with her now in Canberra in her...
quest to gain more understanding. I take this opportunity to bring Friendly Faces, Helping Hands to the attention of the Australian parliament as a great example of someone, who with absolutely no resources, saw a need through her own experiences and is doing something about it. Quite often we have people visit us in this place with a problem and they want us or the minister to fix it. Kelly has actually come along with a solution and not a problem and is certainly looking for some assistance.

Recently all federal members of parliament had volunteers awards throughout their electorates, and Minister Butler, the Prime Minister and me, as the local member, in Parkes signed certificates for the volunteers. Kelly Foran is Volunteer of the Year for the Parkes electorate for 2012. On top of that there has been a bit of fortuitous luck. Last night Clubs Australia held a function in the Great Hall. They had a lucky door prize of $5,000 to the charity of your choice and a dinner for two at your local club. The member for Parkes was the lucky recipient of that prize. So it is with great honour that I would like to give that $5,000 to Friendly Faces, Helping Hands for Kelly to continue with the great work that she is doing.

I think it is a wonderful opportunity to recognise Australians who have done it tough but who are doing something about it. Kelly’s story would actually bring tears to your eyes, should I go into it, but I am sure she would rather I did not. Friendly Faces, Helping Hands is about an everyday Australian in a farmhouse 60 kilometres from town doing something that is already helping hundreds of people right across the country.

The SPEAKER: I thank the member for Parkes for bringing that to our attention and I welcome his guest to the gallery.

International Women's Day

Ms OWENS (Parramatta) (16:55): Last Friday, as we all know, was International Women's Day, and in honour of that I would like to acknowledge some of the extraordinary young women in my electorate. Three of them came to Canberra and I met with them in my office today. They were part of the Roadtrip to End Poverty run by the Oaktree Foundation. They joined around 1,200 young Australians that left their homes on Friday and set out through circuitous routes, through the backblocks and regions of their various states, on their way to Canberra. The three young women joined a group of 100 or so in Parramatta last Friday, and I saw them off. I left my office, just 100 metres along the street, and wandered down to meet a group of them. I was told to look for the person in the red shirt, only to find that there were 100 of them in red shirts. I think I was the one that was found, as I was the only one not wearing red. I said to them then that my office was down the road and that it would probably be easier not to work their way to Canberra. But with extraordinary enthusiasm they set forth to spread the word about the need for Australia to increase its funding to foreign aid to 0.7 per cent of GDP.

Oaktree is an extraordinary organisation in its own right. It has about 1,200 young Australians participating in the Roadtrip to End Poverty but it has about 140,000 members around the country. They have done an extraordinary job. This year alone they have raised $1.5 million to support projects in Papua New Guinea, East Timor and Cambodia. Over 1,000 young Australians have graduated from their educational programs.

The three young women who met with me today, Claire Russell from Parramatta, Rudo Makuyana from Parramatta and Madeleine...
Pearman from Merrylands, were three great examples of the next generation, the leaders of the future. I was very privileged to meet them, and they put their case very, very strongly. I would like to congratulate them for their extraordinary commitment to helping people around the world who find themselves in some dreadful circumstances.

On Friday night I met another young woman. It was the first time I had met her, and that surprises me because she is an extraordinary young woman. Her name is Elly Kohistani. She is a young Afghan Australian and had organised an event for International Women's Day in support of an Afghan organisation called Young Women for Change, a group of young women in Afghanistan who have come together to fight for the rights of women during the reconciliation process and as the troops prepare to withdraw in 2014. They spoke to me and to the other guests about concern for women in Afghanistan and about the extraordinary work that this organisation, Young Women for Change, is doing. They told me that, when they told the organisation in Afghanistan that they were raising funds, the response was: 'It's great; we will take the money, but what we really need for you to do is to be our witnesses and keep the attention of the world on the plight of women in Afghanistan through this process.' It is an incredibly important message for us and it is particularly important to the large number of Afghan Australians that I have in my electorate.

It was a great event, with 100 or so people attending from across the spectrum, from the young to the senior. There were a very large number of Afghans. Many were Australian born and still have Afghanistan in their hearts, and they, quite rightly, were making the case that we, as one of the nations that have been in Afghanistan, have a responsibility to see the country through this transition, as of course we will.

Elly Kohistani was joined by the ambassador, His Excellency Ambassador Andish, as well as Dallas Mazoori, who is a human rights transitional justice consultant with extensive field experience, who was quite an extraordinary speaker. There was also Dr Mariam Sarajsada, who is an asylum seeker who came from Afghanistan with her two children and is now a practising doctor in Sydney.

International Women's Day was extraordinary in its own right because of the number of amazing women that I met or got to see again. They all had an extraordinary commitment to women around the world. These four young Australians, I thought, deserved special mention because of their commitment and incredibly hard work for others as such a young age. They are really remarkable young women and I know that we will see much more of them in the years to come.

**The SPEAKER:** Order! It being 5 pm, the debate is interrupted.

**House adjourned at 17:00**

**NOTICES**

The following notice was given:

**Mr Perrett** to move:

That this House:

(1) opposes the Queensland Government’s plans to cut local bus services in South East Queensland;

(2) notes that these cuts will:

   (a) affect many vulnerable residents that can least afford it—seniors, pensioners, part-time working mums and dads and students;

   (b) have broader consequences, such as:

   (i) negatively impacting on timetables for remaining services;

   (ii) reducing access to Park’n’Rides and connecting train services; and
(iii) increasing the number of vehicles using on-street parking, clogging residential streets and putting more cars on local roads;

(3) strongly supports better public transport in Queensland;

(4) notes the:
   (a) changes are geared towards cutting ‘community’ bus services and moving towards a more profitable commuter service;
   (b) changes will create confusion and significantly increase travel time for commuters, and will be a backward step towards improving South-East Queensland’s public transport network; and
   (c) Queensland Government’s privatisation plans regarding other state-owned assets and government services, and condemns any move to sell-out Queensland’s public transport network;

(5) calls on the Queensland Government to rule out these cuts to South East Queensland’s public transport system; and

(6) notes:
   (a) the Coalition’s failure to condemn these cuts despite the Federal Leader of the Opposition and Federal Shadow Treasurer recently making flying stops to Queensland;
   (b) that the Leader of the Opposition of the Brisbane City Council, the largest public transport bus provider area in Queensland, moved a motion calling on the Council to support residents who oppose these bus cuts and to reject the Queensland Government’s planned bus routes cuts; and
   (c) the Brisbane City Council rejected the Queensland Government’s planned local bus route cuts.
CONSTITUENCY STATEMENTS

Lifeline Australia

Mr BUCHHOLZ (Wright) (09:30): Today I rise in this House to acknowledge the 50 years of Lifeline's contribution to Australia and especially to Queensland, my state. In Queensland, Lifeline services are operated by UnitingCare Community. Lifeline is dedicated to providing crisis support services, suicide prevention and mental health support for Australians. The key service streams include individual and community support for children, families and older persons as well as disability services and child care. This week in the parliament we were asked to wear our Lifeline badges. For those in Australia who may not have seen the Lifeline badge, it is a round badge with a series of dots on it. I believe there would be half a generation of Australians who do not understand what the dots symbolise.

Back before the iPhone and before mobile phones, when we used landlines, you would speak into the mouthpiece of the phone, which is what the dots on Lifeline's badge symbolise. Lifeline's catchcry was: if life's problems are getting you down, pick up the phone and call Lifeline.

Lifeline services available in Queensland today include their crisis line, which is 131114—possibly the most symbolic of all of the programs that Lifeline runs; it is what they are known for. Lifeline also runs suicide bereavement and prevention support for individuals and groups and a disaster recovery program, which my very community has taken advantage of in the last couple of years as our electorate of Wright has been devastated and inundated with floodwaters. Lifeline offers accredited and non-accredited training direct to the public and the industry sector. UnitingCare Community is aided by over 2,600 staff and 5,600 volunteers who help and support 300 different community service programs. That is an incredible volunteer effort. In Queensland we have 130 Lifeline shops across metropolitan and rural areas, and we have 10 Lifeline centres across the state.

I take the opportunity, in closing, to advise all of my colleagues that in the parliament here we have a Parliamentary Friends of Lifeline group, and I encourage each of you to take up the challenge of being part of the Lifeline family. As a way to understanding Lifeline far better, if you are part of the community and you would like to get involved in Lifeline, there are a number of areas you can get involved in from a volunteer perspective, whether it be in their shops or in their phone counselling. Or, if you would like to get some training and some upskilling, reach out to your local Lifeline centre. Once again, I congratulate them on their 50 years. Keep up the great work, Lifeline. You are doing a great job. Australia would be a worse place without you.

King, Mrs Norma, OAM

Ms PARKE (Fremantle—Parliamentary Secretary For Homelessness and Social Housing and Parliamentary Secretary for Mental Health) (09:34): I rise today to acknowledge and congratulate Mrs Norma King of South Fremantle in my electorate on being awarded the Medal of the Order of the Australia, OAM, this past Australia Day for services to the community as an historian.
Born in Kalgoorlie in 1922, Norma married a miner, Mr Rob King, at the age of 17. She and Rob raised nine children—and also, sadly, lost a child—while travelling throughout Western Australia living in mining towns, some of them now ghost towns, such as Mertondale, Agnew, Lawlers, Wiluna and Big Bell Gwalia. The King family returned to Kalgoorlie in the 1950s following the closure of the Big Bell mine. Over the next four decades Norma applied herself to the task of writing about and recording the detail of life in the mining towns, documenting the evolution of the goldfields region before moving to South Fremantle, where she currently resides. May I add that we are very proud to have her, especially given that Fremantle is a place with a special interest in and respect for history and heritage.

Norma is a distinguished author of eight books published across a span of more than 40 years, beginning with Nickel Country, Gold Country in 1972. She has authored booklets and brochures for the Kalgoorlie Boulder region's tourism industry and numerous articles for the Countryman and Kalgoorlie Miner newspapers. Her other books include Colourful Tales of the Western Australian Goldfields, The Waldeck Story, Daughters of Midas, Wings Over the Goldfields, The Voice of the Goldfields, The Hannans Club: The First 100 Years and most recently her autobiography, Then They Called Me Norma.

Writing came later in life to Norma. She picked up her professional pen in 1969 following an illness that restricted her movement. By that time, seven of her children had moved out of the family home and, recovering from illness with only two kids at home, she obviously felt at a bit of a loose end. Norma is also a very fine artist. I had the privilege of seeing some of her work when I visited with her and her daughter Zena to congratulate Norma on her award. I should make the point that Norma and Rob's children, nourished and inspired by their parents lives, work and travels, are themselves an amazing bunch of talented people.

Norma King is a life member of the WA section of the Fellowship of Australian Writers, the Eastern Goldfields Historical Society and the Golden Mile Art Group. The award of the OAM is well-deserved recognition of Norma's tremendous contribution to the recording and documenting of the history of the Western Australian goldfields and of her dedication to sharing her time and expertise with students, writers, journalists, researchers, film makers and tourists. The Order of Australia is an acknowledgment and celebration of those who serve and lead us to the highest possible standard. The honour that Norma has received is a great personal achievement by a remarkable woman. Norma has given so much to the wider Western Australian community. Her work represents an enduring and important legacy of places and times and people who might otherwise not be properly remembered. Fremantle salutes a wonderful Western Australian.

International Women's Day
Clean Up Australia Day
Coal Seam Gas

Mrs GRIGGS (Solomon) (09:37): I rise today to speak on two recent community events in my electorate of Solomon. On Saturday 9 March, for the fifth consecutive year and in partnership with the United Nations, the City of Darwin and the Northern Territory government, a very purple walk was held in Darwin's CBD in celebration of International Women's Day. Along with the Lord Mayor of Darwin, Katrina Fong Lim; the remarkable
Allison Anderson, who is the Northern Territory Minister for Women's Policy; the Speaker of the Northern Territory parliament, Kezia Purick; candidate for Lingiari Tina McFarlane; and Linda Fazldeen, the Country Liberals' second Senate candidate, we had the privilege of marching with many extraordinary women from Darwin and Palmerston. These women come from many walks of life across the Territory. We walked with mums, grandmas, aunts and sisters. These women are the backbone of our community. It was great that we were supported by senior officers from the Northern Territory Police Force.

We are very proud in the Territory that women hold many leadership positions. You might be surprised to know that women make up 50 per cent of our federal parliamentarians, two out of four. Hopefully, at the next election we are looking to make that three out of four. In the Northern Territory Legislative Assembly, 40 per cent are females. In local government, 38 per cent of members are women. I would like to thank the organisers for this wonderful march and once again want to recognise all Territory women for their contribution to our community.

Clean Up Australia Day was on Sunday, 3 March. I again organised an event for Clean Up Australia Day. This day is very important to Territorians. It brings together local residents to clean up their beaches, parks, creeks and rivers. Along with some of my constituents, I spent the morning cleaning up the parks that run alongside the esplanade in Darwin. I would like to thank the tireless volunteers who came out despite the pouring rain to help preserve our amazing parks in the greater Darwin region. There were many other clean-ups across Solomon. I admire all the volunteers for pushing through the terrible weather to get on with the job.

With the little time that I have left I would like to mention that Stuart Blanch, from the Environment Centre Northern Territory, presented me with the 'Call to country' document, with a set of requests from the conservation community to protect the environment from the effects of coal seam gas and shale gas exploration.

I thank Mr Blanch for continuing to bring these issues to the forefront of our minds to ensure our environment is protected. Whilst I do not agree with this request, I do feel it is important to share with you all the environmental concerns that are raised in my community.

Kingston Electorate: Carers

Ms RISHWORTH (Kingston) (09:40): I went to a great event in my electorate on 28 February. It was the opening of the Southern Carers Support Centre. This was a very special occasion. We know that there are so many carers out there, 2.6 million, who put others' needs before their own. Often carers could be a family member, friend, parent or child who are caring for someone with a disability, mental illness or other medical condition or someone who may be frail or aged.

As I go around my electorate I meet so many carers who, when I talk to them, always bring up the needs of the person they care for first before they ever bringing up their own needs. I think this shows just how special a group of people carers really are. We have to think about those who will care for the carers. It is really important that we have support for carers out there and that is why I was very pleased that the Southern Carers Support Centre was opened on Main South Road. In fact, it is now my neighbour because it is opposite my office.
This service will be very important for local carers in the region. It will provide a network for carers, information for carers and referrals for carers if they need specific supports. The building has been purpose fit so that there is a lounge room in which carers can have a cup of tea and share a story or two. It will also be organising and helping with respite for carers. These are all really critical things that carers in my local community do feel are so important.

As I talk to carers, one of the things they raise with me in my electorate, because it is an outer metropolitan electorate, is that they at times feel very isolated. They do feel a long way from services and they do feel it is hard to get support. So this will be a really important service. One particular young person I spoke to there was actually facilitating a young carers group for children who might be caring for parents, and that will be really important.

I would like to congratulate Peter Sparrow, the CEO of Carers Support Agency, for seeing the south as an important place to set up shop; all the carer support board directors as well as all the staff and volunteers, who will make this service so critically important. Carer support has been in the southern suburbs, but having a physical location will really help so many carers in the local area. I would like to congratulate everyone involved and encourage people to use the service.

Herbert Electorate: Sport

Mr EWEN JONES (Herbert) (09:43): Two stories in Townsville have dominated the sporting headlines over the last month. First, the Townsville Fire. If you draw a line from Perth to Brisbane, there is only one women's national league team in any sport in the northern half of the country, and that is the Townsville Fire women's NBL team. They were beaten in last week's grand final by the best team in the league, Bendigo, but that is not the story. The story lies in the club that all but folded, and in a coach who was able to get a bunch of girls from around the country and make them into a team. No one gave them a chance of beating Adelaide or Dandenong in the semi-finals, but they did so by maintaining pressure all game, every game as a team.

It is also important that they do it basically for love. There was a story in the paper last week that the girls have had to do a lot of travel and have had to drop hours and income from their part-time jobs to play these finals. That takes commitment. To Jessica Foley, who leaves the sport at the very top of her game to become a doctor, I wish you all the best. To the captain, Rachel Flanagan, who was knocked senseless in the semi-final, you are a hero of mine for the way you have continued to maintain a super-high standard when the future looked so gloomy. To the rest of the girls, Mia Newley, Nicole Romeo, Olivia Thompson, Michaela Cocks, Casey Lockwood, Kayla Standish and our star import, Jessica Adair, I say thank you for making sport sport again. To coach Chris Lucas and assistant coach Peter Sinclair, thank you for making a team here and for believing. They will celebrate their season with a red and black ball on Saturday night, and so they should. They are everything that is good about sport.

In the other story, the Cowboys will run out this weekend in the first home game for 2013, and they have still not received an apology from this government after being accused as drug cheats. I know high-performance coach Paul Bowman very well. I would suggest that Minister Clare not come to the training, because the coaching and administration staff would tear him to pieces even before any of the players got to him. How dare this government simply put it out there that they were considered to be drug cheats, when there was no
evidence at all. How dare they cast a pall over Australian representative players like Johnathan Thurston, Matt Bowen, Brent Tate, James Tamou, Dallas Johnson and Matt Scott and insinuate that they may be drug cheats, and then just walk away when nothing could actually be found.

The Prime Minister stood in this parliament yesterday and said we should not mix politics with sport—too late, Prime Minister, too late by half. Your government owes the North Queensland Cowboys an apology, both to the club and to every individual player.

Drug cheats should be banned from our game, but can we get some evidence first and not just a rumour? Then charge someone and get a conviction before besmirching the lives and reputations of so many good people. This government should be ashamed of itself in this instance. At a time when we should be celebrating the re-signing of Thurston, Scott and Tamou and preparing for a great season, our players and supporters have had to deal with rumour and innuendo from government minister who should know better. Go the Fire. Go the Cowboys. Both those teams know that there are no shortcuts. Both teams are taking that hard road and making the right choices all the way through.

Corio Electorate: Centenary of ANZAC

Mr MARLES (Corio—Parliamentary Secretary for Pacific Island Affairs and Parliamentary Secretary for Foreign Affairs) (09:46): Go the Cats. In the winter of 1918, three months before the armistice, a group of Lara residents gathered to plant trees at the local recreation reserve in honour of those still fighting in the Great War. The sugar gums and pine trees were not intended as memorials but rather as beacons of hope and welcome for those yet to come home. A newspaper report from the time said the original plan was for local ladies to plant a tree in honour of their soldier friends at the front. But heavy rain that Saturday kept the ladies at home and the tree planting task was finished by the men. It is believed 150 sugar gums encircled the northern edge of the recreation reserve and 30 to 40 pines were planted within the reserve.

Today, just a handful of the trees remain. They are the earliest known trees planted in the Geelong region to honour soldiers from the First World War. A decade later memorial gates were built at the reserve as one of the first acts by the recently formed Lara RSL Sub-Branch. Further pines were planted to honour soldiers who fell during World War Two.

The City of Greater Geelong recently carried out a study of the trees and the gates to determine the extent of heritage protection they require. The council's report will be released shortly for public consultation. It would be wonderful to see heritage protection for these trees and gates so that they remain a permanent reminder of what the community endured and families sacrificed. I know the RSL would love to see memorial plaques installed on or near the sugar gums to help people understand their historical significance. A total of 101 servicemen and two women left the Lara district to join the war effort between 1914 and 1918. Of the men, 23 never came home. From a small farming district, taking in Lara, Little River, Anakie, Staughton Vale and Avalon, that is a heartbreakingly high number. One family, the Lodge family, lost three sons in all. The Connop and Collins families lost two sons each. One can only imagine the private grief endured by these families and the collective community grieving that lingered for decades.
Next year our nation marks the ANZAC centenary—a four-year commemoration of the sacrifice of those 60,000 Australians who lost their lives in the First World War. It is a war that shaped us and changed us, a war that made Australia what it is today.

As a community we in Geelong are being asked how we would like to mark the ANZAC centenary. The story of the Lara sugar gums reminds us that it is not just medals and memorabilia that should be cherished. Stories of sacrifice and honour exist all around us. We just need to go looking for them.

Mr BILLSON (Dunkley) (09:48): It was awkward to watch—a bit like a child being sent to a dress-up party with no costume and not so much as a funny hat. That is what all observers could feel as the Gillard government's recently appointed Small Business Commissioner faced Senate estimates. What became very clear from the thoughtful questioning by coalition senators is that this appointment carries the title of commissioner, but without any clear commission. This is an extraordinary missed opportunity, as the government has appointed a very capable and able individual to this role only to provide none of the tools necessary to ensure that the role is effective and of value and use to the small business community. Instead it appears to be a self-serving appointment by the government, designed to advantage its interests and not those of the small business community, which the government should desperately begin supporting.

While Labor tries to make much of the appointment, the government happily overlooks how the first Commonwealth-appointed Small Business Commissioner was under a coalition government back in 1999. This was a dedicated role in the ACCC with real purpose and teeth, designed to support the implementation of what were then recently introduced unconscionable-conduct and fair-trading provisions, including the adoption of the first franchising code. A decade and a half later, Labor decides to reuse the same title and duplicate that use of the term Small Business Commissioner but attach it to a new role, with no clear purpose, function or power being afforded to the incumbent.

When the Small Business Commissioner explained that he had not met with the Prime Minister and the Department of the Prime Minister and Cabinet and revealed that there is rarely a need for small business issues to concern the Prime Minister because she is 'very much focused on the issues of the day', the tokenism of this appointment was very much highlighted. In a series of questions asked of the Small Business Commissioner about how he had been able to help or whether he had been asked to provide policy input or advice on a range of pressing small business concerns, we learned that no minister has taken the time to seek wise counsel from this role, that the work of government proceeds without the benefit of this role's input and that, time and time again, the opportunity is missed for this role to have an influence over what the government is doing, despite it being described as a policy activist.

Absent any genuine commitment to or interest in small business, Labor cannot even sustain this tokenistic interest in the sector. In the Prime Minister's National Press Club speech where she outlined the state of the nation, her plans for the year ahead and what she thought was important for Australia, no mention was made at all about small business. When it came time to consider which business interest could best contribute to mapping out economic recovery
as part of the G20 process, no small business interest was involved in that exercise. They were again overlooked.

It is way past time for this government to try and throw out these little crumbs to a crucial sector of our economy. What is needed is a government that genuinely partners with and supports the engine room of the economy that is the men and women of small business.

Tasmania: Bushfires

Ms COLLINS (Franklin—Minister for Community Services, Minister for the Status of Women and Minister for Indigenous Employment and Economic Development) (09:52): I want to talk about the very serious issue of bushfires in my home state of Tasmania. In recent days, temperatures have been high again, and unfortunately bushfires have flared up after what has been a very difficult summer for Tasmanians particularly. The resilience of local Tasmanians I think really needs to be put on the record in this place, as does the generosity of the Tasmanian people who volunteer throughout the bushfires and afterwards, cleaning up and providing support, donating their time and their efforts.

Sadly, bushfires have hit all regions of Tasmania over what has been a very difficult summer, including parts of my electorate. The worst affected region, though, has undoubtedly been the Tasman Peninsula, particularly the town of Dunalley, as well as the Central Highlands; Lake Repulse, at the east coast; and Richmond and Middleton in my electorate, as well as, in recent days, Risdon Vale in my electorate.

Sadly, during these bushfires one life was lost with the passing of a Victorian firefighter who came down to help the Tasmanian firefighting effort on the Tasman Peninsula. This was not because of the fire but because of other reasons. It is very, very sad indeed, but it was remarkable that more Tasmanian lives were not lost throughout these bushfires. Of course, Tasmania had record temperatures at that time and very strong winds, and it was really quite difficult for those people who were involved in these bushfires. As I said, thankfully there was just the one loss of life.

But this is not the first time that Tasmania has faced disaster with bushfires. The 1967 Tasmanian bushfires devastated the communities in my electorate of Kingborough and Huon. Many families, including that of my own father, lost everything they owned, and I cannot forget that 62 Tasmanians died in the 1967 fires. I have spoken about them many times in this place before.

But I think we also need to talk about the first-class emergency management system that Australia now has in place—sadly because, of course, we have had far too many emergency situations in recent years, with many, many thousands of Australians affected. The more that individuals can do to prepare themselves for bushfire and other emergency situations, the better off people are.

I really want to put on record my thanks to the Tasmanian community for their resilience, to the firefighters for their efforts, to the SES for their efforts and to every single Tasmanian who has donated their time, their service and their support to those in need. Thank you.

Swan Electorate: State Election

Mr IRONS (Swan) (09:54): Momentous events occur in all states, and on the weekend we had one in Western Australia—the state election. I would like to thank the people of Swan about the four state seats that fall within the electorate of Swan, and I also take this
opportunity to congratulate the Premier, Colin Barnett, on his government's re-election. The South Perth electorate is held by a good mate of mine, John McGrath, a former journalist. He is horrified by the media legislation being introduced into this place to gag dissent about this government. John has been around for a long time—he was elected in 2005. His primary vote was 67 per cent, an increase of 14 per cent over the 2008 election. I congratulate him for his re-election in the seat of South Perth and I look forward to working with him again in the district around the seat of Swan.

The seat of Cannington was held by Bill Johnston, the former state secretary of the ALP. I see Bill at a lot of events out in the community, and I know Bill has worked hard for his electorate. I give particular recognition to Jesse Jacobs, the son of Graham Jacobs, a minister in the Barnett government. We have all been through long campaigns, and sometimes we see a little overenthusiasm in some electorates. There was a bit of guerrilla warfare in the seat of Cannington, but Jesse did really well, gaining a 10.3 per cent swing on primaries but he just missed out on being elected. So, again, I congratulate Bill Johnston on his re-election and look forward to working with him again for the benefit of the residents of Swan.

In Victoria Park, Haider Zaman only nominated two months ago and he put up a great fight, receiving a 4.7 per cent swing. I see the member for Shortland is here—we share the area of Belmont in our electorates, and I would particularly like to mention Glenys Godfrey who, on her third try, has now won the seat of Belmont in the Western Australian state parliament. Glenys is 63 and has served as the mayor of Belmont for six years. Last year in members' 90-second statements I spoke about a gentleman by the name of Ron Godfrey. Ron was Glenys's husband, and he passed away during the election period while Glenys was campaigning. He passed away at 6.30 in the morning and Glenys was out doing a community forum at 9.30 the next day. I congratulate Glenys for her stoic performance—she will be a great member for the people of Belmont and I look forward to working with her as well in the next four years.

Shortland Electorate: Links Youth Service

Ms HALL (Shortland) (09:57): The Links Youth Service at San Remo Neighbourhood Centre is a model for youth services throughout Australia, and they do a fantastic job under the leadership of Corrina Peck. They operate under the auspices of the San Remo Neighbourhood Centre, even though they operate in a separate building. Links offer a number of different services to young people in the San Remo area. San Remo is a fairly isolated area which lacks many services. It is in the northern part of Wyong shire.

The Links Youth Service offer case management. There are a number of young people living in the area who have very complex issues and needs, and Links have a number of skilled workers who can work with these young people. They also offer a mental health service. There are no mental health services such as headspace in the northern part of Wyong shire—headspace on the Central Coast is located in Gosford—and this is an outstanding area for a headspace to be located. When young people with varied and complex mental health issues visit the youth service, they are offered assistance, and there are some skilled case workers there who can work with people who have conflicts and significant mental health issues. In many cases Corrina will take these young people in her car down to headspace at Gosford.
The really exciting news is that next week there is going to be a GP clinic opening at the youth service. This GP clinic will be in partnership with health, and it will give young people access to GP services in their area locally—it is really good. They have got a number of support groups operating out of there—there is a successful gay, lesbian and transgender support group; they have a number of workshops for people with behavioural problems—they work closely with the high school; and they also have workshops on confidence building. This is a fantastic service. This is a service that really links into the community and provides the things that young people in San Remo need, and I congratulate everybody that has been involved with the youth service.

The DEPUTY SPEAKER (Hon. BC Scott): In accordance with standing order 193, the time for members' constituency statements has concluded.

BUSINESS

Rearrangement

Mr HUSIC (Chifley—Government Whip) (10:00): Mr Deputy Speaker; I have been preparing for this moment of greatness. I move:

That order of the day No. 1, committee and delegation reports, be postponed until a later hour this day.

Question agreed to.

COMMITTEES

Constitutional Recognition of Local Government Committee

Report

Mr COULTON (Parkes—The Nationals Chief Whip) (10:01): I wish to speak on the report of the Joint Select Committee on the Constitutional Recognition of Local Government. I will say from the outset that I agree with the proposal and the words being proposed for a possible referendum, but I have been disappointed and somewhat frustrated at the way this has been handled. It is nearly 12 months since the expert panel, set up by the government to look at the constitutional recognition of local government, presented its report and we are still in the position that we are in today.

I was alarmed to read in the national press on Monday of this week that the minister is going to spend another six weeks negotiating with the states before a final decision is to be made. One of the witnesses to the inquiry in Sydney in January, the Australian Electoral Commission, indicated that, to run a referendum efficiently, you need approximately six months. Of course, we are past that point and we are getting into a narrow margin of time.

It is well known that some states are in favour of this referendum and some are opposed, but the states that are opposed made their position clear long before the words of this referendum question were made known and long before they realised what this proposal actually meant. As someone who comes from a local government background, to an extent I do not believe that this referendum goes far enough. On the other side of that, what is being proposed is basically to close up a loophole. It is to enable the federal government to directly fund local government in some programs. It is not a major overhaul of the federal-state relationship; it is not going to undermine the states' relations with local government. The programs that the federal government—sometimes on an ongoing basis, but sometimes on a
temporary basis—fund for local government are very important to the people in those local government areas. The obvious one, the one that is discussed a lot, is the Roads to Recovery program. This program is seen, particularly in the bush, as the signature program. It is the ongoing legacy of John Anderson, the former member for Gwydir, that the program has been put in place. It has already had one challenge in the High Court. I believe that if the program were lost then most of the 17 local government areas in my electorate would be not viable.

The other program, if you cast your mind back to 2008, is the stimulus program implemented by the Rudd government. Many of those programs turned out to be a debacle—the insulation program and the BER program in many cases turned out to be a poor use of money.

Government members interjecting—

Mr COULTON: I am going to give you a pat on the back in a minute, so settle down. I guarantee that the money that went to local government through those local infrastructure programs was used to good value. The money given to every local government area I am aware of that got funding directly from the federal government during that stimulus program was money well spent. Other dollars were leveraged so that the dollars that came from federal government to local government were magnified several times over. If the Rudd government at the time had given more money to local government and less to ill-thought-out and ill-conceived green programs like the pink batts program, the Australian economy would be a lot better off.

So where are we now? The government says that it wants a referendum, and there is a bit more negotiation to go through. The coalition has said that it supports the concept of recognition of local government, but there are some reservations as to the timing and the preparedness. I personally believe that, if the minister gets his skates on and gets around the states to explain to them that this is not an affront to their sovereignty but merely housekeeping to close a loophole, this is possible. I had some frustration at the Australian Local Government Association's initial input into the hearing in January, but I was somewhat relieved to see them come to a firmer position in the later hearing. Right across Australia local government bodies are prepared to come into action to fight to see this referendum succeed.

I do not know whether the reluctance of the minister to commit to doing more on this is to do with a lack of finance for the case. It is interesting that the referendum to recognise the Aboriginal people in the Constitution has now been delayed. It was given a considerable amount of funds to present the case for and against, yet at this stage there has been no promise of any funding to move on this local government referendum.

In closing, there is still time. I have told the minister that if he goes ahead with this I will do my level best to make sure that this referendum is a success. The Australian local government bodies rely on this, particularly in regional Australia. In regional Australia the local government bodies rely on direct funding, so the minister needs to bring the states into line and get this referendum underway. If he does not do that pretty well immediately then I feel that the success of the referendum would not be great. The real tragedy would be to put this referendum up in a half-baked way. It needs to happen in a way that is going to be successful.
Mr IRONS (Swan) (10:09): It is always a pleasure to follow the member for Parkes. When I serve on committees with him he always makes a positive input and I know that in this inquiry of the Joint Select Committee on Constitutional Recognition of Local Government he also had a positive input. He comes from a regional area that relies heavily on the council and on funding from both state and federal government and he works hard for anything that would assist his council areas with more streamlined funding. If you have ever been to Parkes you will know that it is also now known as 'Coulontown'. He has a high presence there and I know he is enthusiastic to see that this referendum, if it goes ahead, is successful. This whole debate has been like that: everyone wants to see a successful referendum proceed.

However, I feel that, because of the lack of time we are faced with to run a successful campaign, there might not be success. During the inquiry I questioned one of the witnesses giving evidence around the earliest time any legislation could be introduced to proceed with a referendum. Under the current timeline, the earliest time it could be introduced would be about budget week in May. That would leave a very short period of time for a successful information campaign about this referendum to be made public so that people could be informed. The witnesses said they did think that short-term propositions had been successfully advocated for, but I cannot think of any. At this point in time, we think that maybe we need more time to have a successful referendum.

The government has demonstrated extraordinary lack of action to put in place the preconditions that were recommended by the expert panel and other stakeholders such as the Australian Local Government Association. As a direct consequence, the time remaining between now and 14 September is likely to be insufficient to put in place the necessary mechanics, education campaigns and other measures highlighted by expert witnesses as necessary to ensure an informed outcome of the referendum question.

Coalition members are of the opinion that the referendum should only be considered once the preconditions identified by the expert panel have been met. The coalition acknowledges the constitutional uncertainty that recent High Court cases have created with respect to direct funding of local government programs by the Commonwealth. The coalition is committed to restoring funding certainty to local programs and has indicated support for the appropriate limited financial recognition of local government in the Australian Constitution as a way to achieve this. Coalition members of the committee also note that the evidence received by the committee highlighting that the program's specific funding, which is currently provided directly to local government, may still be provided in full via existing avenues that are constitutionally valid. Coalition members consider that the existence of valid alternative funding pathways to address the funding uncertainty introduced by the recent High Court cases reduces the imperative to pursue constitutional change in the face of the fact that preconditions for success highlighted by the expert panel and other stakeholders such as ALGA have not yet been met. The coalition members are mindful of the inquiry terms of reference, which called for an assessment of the likelihood of success of the referendum. They remain of the view that the recommendation of the main report, to proceed with a 2013 referendum, despite the preconditions for success not being established, places at risk many millions of taxpayers' dollars. This risk, together with the risk of a lack of informed and positive public engagement with the issue, appears to be unnecessary given the alternative
pathways to ensure ongoing local government program funding should the direct model in fact be successfully challenged in the courts prior to the referendum question being put.

Regarding the lack of action by the government, the coalition's support for action to address funding issues through constitutional change has been provided subject to consideration of the specific change to be proposed by the government and the change being limited to remove the question of constitutional validity in relation to direct Commonwealth funding of local government. Similarly, it was offered in the expectation that the government would approach the consideration of any such referendum question on the basis that all practical and reasonable steps were taken to ensure the Australian population made its decision on a fully informed basis.

The government formed the Expert Panel on Constitutional Recognition of Local Government—the expert panel—to identify options for the constitutional recognition of local government and to report on the level of support for such recognition amongst stakeholders in the general community. The expert panel's final report stated:

The majority of panel members support a referendum in 2013 subject to two conditions: first, that the Commonwealth negotiate with the States to achieve their support for the financial recognition option; and second, that the Commonwealth adopt steps suggested by ALGA necessary to achieve informed and positive public engagement with the issue, as set out in the section of this report on the concerns about a failed referendum (see page 16). Steps include allocating substantial resources to a major public awareness campaign and making changes to the referendum process.

As such, the expert panel was supportive of the 2013 referendum on financial recognition of local government through a change to section 96 of the Constitution, provided two conditions were met. The first condition was negotiation with the states to achieve their support for the government's proposed question, and the second was to take steps, as recommended by ALGA, to achieve informed and positive public engagement with the issue.

The expert panel's final report was delivered in December 2011, almost two years prior to the latest possible date for the next federal election. As at that date, the government had plenty of time to ensure it took the blueprint for a referendum on financial recognition of local government as provided by the expert panel, put it in place and proceed to put the question to a voting public equipped with the benefit of a full public education campaign on the issues. As noted in the majority decision Final report on the majority finding of the Expert Panel on Constitutional Recognition of Local Government: the case for financial recognition, the likelihood of success and lessons from the history of constitutional referenda, we now have the benefit of a nominated election date, 14 September 2013. This date is some 10 weeks earlier than the latest possible date the election could have been held.

At the first hearing of this committee, reservations were expressed by ALGA with regard to timing, were a referendum to be held in conjunction with the 2013 general election. They noted that they did not consider the question should be put to the people before a number of preconditions have been met. These preconditions reflected the conditions recommended by the expert panel in their report. Coalition members note the supplementary submissions by ALGA, received after the second hearing, in which ALGA indicate they will actively support the 2013 referendum, but accept wholly the argument put by ALGA in earlier evidence of their advisability of first meeting the stated preconditions.
As at the date of the first hearing in mid-January 2013, evidence was received that, even given the latest possible date for an election being late November 2013, the prospect of meeting those preconditions in time to hold the referendum at the same time as the election were not high. Given the nominated date for the election and the time that has since elapsed, the prospect of these preconditions being fully met by 14 September this year has only reduced. As such, the prospect of a referendum held in conjunction with this year’s federal election raises serious risks that it will be held in an environment where potential consensus of stakeholders, including the states, has not been met and where the opportunity to fully inform the voting public through public education and other avenues has not been fully realised.

There has been a lack of engagement with the states and, as yet, I do not think some of the states have even responded to the minister in regard to where they stand or whether they will support this referendum. The coalition members of the committee were strongly of the view that the meeting of both of the expert panel’s conditions is vital before any referendum on this issue is put to the people. Australia is a federation of states and, as the evidence attests, the support of state governments can make or break referenda. If state governments are largely opposed to change, history proves it is very difficult for referenda to pass. In the view of the coalition members, the recommendation by the expert panel that the government negotiate to achieve the states’ support for financial recognition is an essential precursor to the committee being able to make a recommendation on the likelihood of the referendum being supported by the Australian people. A number of witnesses reinforced the view that, for the referendum to be successful, states either had to be actively supportive of the measure or at least run dead on the issue.

I quote the conclusion to our dissenting report to the report of the inquiry:

Coalition members noted that the Chair’s Preliminary Report recommended action be taken immediately to put in place the necessary steps to hold the referendum in conjunction with the 2013 Federal election.

We held concerns that the time was insufficient but remained open to the prospect that such immediate action may address those concerns. However, it is clear that such urgent and immediate action has not occurred and seven weeks has passed with little if any progress.

Coalition members are now of the opinion that the time remaining between now and the nominated election date of 14 September 2013 is insufficient to put in place all the necessary mechanics, formal, informal and partisan education campaigns and to otherwise ensure an informed outcome for the referendum question.

We acknowledge concerns regarding the impact of further High Court cases that may impact on the constitutionality of direct payments to local governments by the Commonwealth and that delays in granting constitutional financial recognition may come at a cost to the many valuable services provided at a local government level.

As noted, the Committee received constitutional evidence that clearly demonstrates that avenues exist for funding currently provided directly to local government, to still be provided in full, even in the face of (potential) judicial findings that direct payments are not constitutional.

The most obvious avenue is through grants through the states, tied on the basis that they must be both passed on in full and subject to use for the programs currently funded (or as directed under future Commonwealth-local government programs).
Coalition members acknowledge that this is a less clean avenue than direct payment, but accept the evidence that options such as this are available and that, accordingly, there is likely to be no potential risk of loss of funding to local government, eventuating from further developments following the Pape and Williams cases.

As such, we consider there to be little financial risk to local government in delaying the holding of a referendum on financial recognition of local government in the Constitution, until such time as the conditions previously discussed have been met.

As such, Coalition members of the Committee recommend that a referendum on the issue of financial recognition of local government only be held after the pre-conditions posed by the Expert Panel and those previously promoted by ALGA, have been met.

Mrs PRENTICE (Ryan) (10:22): I rise to speak on the final report of the majority finding of the Expert Panel on Constitutional Recognition of Local Government, the case for financial recognition, the likelihood of success and lessons from the history of constitutional referenda, including the dissenting reports.

The coalition has committed to support the appropriate financial recognition of local government in the Australian Constitution—that is our policy. Back in December 2011, the expert panel produced—and I was very honoured to serve on that expert panel—its recommendation. The final report said, and this was back in December 2011:

The majority of panel members support a referendum in 2013 subject to two conditions: first, that the Commonwealth negotiate with the States to achieve their support for the financial recognition option; and second, that the Commonwealth adopt steps suggested by ALGA—the Australian Local Government Association—necessary to achieve informed and positive public engagement with the issue, as set out in the section of this report on the concerns about a failed referendum … Steps include allocating substantial resources to a major public awareness campaign and making changes to the referendum process.

That was December 2011. They were very clear recommendations with a very clear way forward—and what did the government and the minister do with those recommendations? Zip. Absolutely nothing. Once again, they are either setting this up to fail or they are just not interested in this program. They made an election promise to have a referendum on this issue, but they have done nothing to support it in any way.

There are a whole range of thoughts and views out in the public arena. Some people think that this is all an undercover plot to take over state governments; I assure you, it is not. But, unless we run an informed public awareness campaign, those are the sorts of messages that are going to get up in the public arena. That is why the expert panel—and, indeed, this second committee—came up with the same conclusion: we need to talk to the states and we need to run a public awareness campaign.

That was the recommendation in 2011. It is now the recommendation two years later, and the government has done nothing. The minister is reprehensible in his lack of action on this issue. Where is the funding for ALGA? Where is the funding for this campaign? The government was quick to give the Indigenous community $10 million to help them with their public awareness campaign, but to show its lack of interest and lack of support for this particular issue it has given nothing, committed nothing, to the Australian Local Government Association for their public awareness campaign, which was a recommendation that came out of the December 2011 report and again in the report from the committee that we have just
had—because if you do not want to do something, form another committee and take the time to do nothing. That is the hallmark of this Labor government.

There is no doubt that we have issues with funding for local government and, indeed, the Pape and Williams cases show that there are issues going forward. But as Professor AJ Brown said in his comments to the hearing that we held in Sydney earlier this year, this constitutional change should not be seen as anything more than a new conduit for funding to local government. It is not about taking away the rights of state governments; it is more about looking at funding more money to local government. His report states:

… this is a mechanism for local government to get a larger agreed share of the total financial pie. That is what local government is legitimately looking for and that is what it should be looking for. State governments are incrementally allowing local government a larger share of responsibility and resources in the federal system as a whole, as is the federal government. When anything major happens, the first thing that both federal and state governments agree on, once they have agreed that they need to do something, is who is going to do it, and more often than not local government plays a huge role.

I think we have all seen that over the years. We have seen the shifting of responsibility from state and federal governments down to local government. Because local government is closer to the people, because it does have that community contact, they are in a place to deliver programs and projects more efficiently, more effectively and, quite frankly, with better financial value than many of the state and federal governments. Dare I say it, if local government had delivered the pink batt scheme, it would have worked; but you are never going to achieve something like that from the federal government level.

So, once again, it is all very well shifting the jobs onto local government, but we need to be able to fund them so that they can do it effectively. Local governments now do everything from running the bus system and the transport system to running libraries and child care. Basically, they pick up the need in the community because they see it, they understand it and they know what their community wants. So we need to be able to fund that effectively.

As Professor Brown went on to say:

So we really need to recognise that this is about increasing, in a planned, sustainable way, the financial flows of resources to local government—growing them, even though that should occur necessarily as a result of both federal government and state government being prepared to share those resources with the third tier of government more effectively. That is what this is about.

The other issue that he highlighted, and which I agree with, is that any change that could possibly pass as a referendum would need to leave the regulatory control over local government with state governments as it is currently. Once again, I highlight that this is not a conspiracy to wipe out state governments. We all agree that regulatory control over local government should be left with the states. This is about providing a more effective and more efficient conduit for financial delivery for the states, as has been successfully challenged recently in the High Court. As I said, the federal government, by not doing anything, is setting up this referendum to fail.

In the first round of hearings, ALGA raised their issues about not being prepared and not being ready without having the funding to run an effective public campaign. However, at the last hearing they said they believed that if they were funded appropriately they could run that campaign. So this is why my colleague Mark Coulton, the member for Parkes, and I made the additional comments that we believe that of all people, ALGA, the Australian Local...
Government Association, is best positioned to know whether it can or cannot deliver the public awareness campaign in the time frame and is best positioned to know through its members whether this referendum will succeed.

They came to the last hearing and said yes, they are ready to go. But, once again, what has the minister done? Has the minister got any further with his negotiations with the states? We have not heard back. This is something he should have been doing, quite frankly, from before the expert panel started meeting. Why hasn't he raised these issues with the states? This is of vital interest. Why hasn't he reassured the states that this is not about taking power away from them, that this is just a conduit, as Professor Brown said, for more efficient and effective funding methods? But, once again, the minister has done nothing. The minister is not interested in seeing this referendum succeed, and I am very concerned that the funding they allude to—the funding they gave the Indigenous referendum supporters—is not going to be there for ALGA. And, quite frankly, that funding needs to happen today if ALGA is going to be able to effectively run a public awareness campaign for this referendum to succeed.

We all know the importance of local government in the community, because they are there on a day-to-day basis. If ALGA tells us it needs funding to run an effective campaign, then that is what we should be doing. Once again, tragically, we are not getting that support from this federal government. I call on the minister to act immediately to reassure his state ministers that this is a campaign to make funding more efficient, to bypass the problems we have had with our successful challenge in the High Court and to move forward with the campaign for a referendum.

I would also like to place on record my appreciation of the many local government areas and associations and indeed individuals who contributed over 140 submissions to the inquiry, as well as to those who attended the public hearings, which helped with our deliberations. There is a genuine interest in this area, and there is a genuine interest in facilitating the right outcome. But, once again, it is the government that is dragging the chain. It is the government that is setting this up to fail. In February this year, ALGA gave further evidence to the committee that they recommended that we continue with a referendum. But, as I have said, unless the government is genuine, unless the government funds that campaign and unless the government works with the local government associations and bodies, we are not going to see this referendum succeed. And if they go ahead on that flawed basis they are setting it up to fail, which I believe is completely reprehensible.

Mr CHRISTENSEN (Dawson) (10:32): It is a pleasure to rise to speak on the final report of the Joint Select Committee on Constitutional Recognition of Local Government. I do so from a position of having a little bit of experience in these matters, having served on local government for six years. A saying that goes around amongst some councillors—and perhaps the previous speaker, the member for Ryan, is aware of it—is that if you do any more than a decade in local government you are immediately declared criminally insane! So I am sort of glad that I went on to bigger and better pastures—but I am not sure how long the member actually served in local government!

Mrs Prentice: A decade.

Mr CHRISTENSEN: A decade—you may be just under the limit! But, to go on to the report, I am pleased to see that the report has recommended the adoption of financial recognition. It is the minimalist recognition, I think it is fair to say, and it is through the
constitutional financial powers that are extended to the Commonwealth government—simply that the words 'local government' be inserted into that financial head of powers. That is, as I said, a minimalist position, but it is a very important one. As many people around this place would know, we had the Pape case in the High Court, which came up with a ruling that direct funding by the Commonwealth government to schools being state controlled was not constitutionally valid. So there is speculation, and I suppose it is well founded in local government circles, that that same ruling could essentially be used to negate some of the federal funding that goes direct to local councils.

One of those programs which have been quite successful was that introduced by the former Liberal-National coalition government and continued under the current government—that is, Roads to Recovery. Roads to Recovery has had immense benefits for local governments all around Australia and in local communities. It is delivered directly from the federal government to local governments to assist them in their road construction budget.

I think that in the Mackay region in particular it has been somewhat of a godsend. I know that roads are the No. 1 issue for nearly all residents in my area; it is certainly in the top 3. I learnt that in the first week of being a local government councillor. I think it was probably three days after I had found out I was elected to then Mackay City Council. At 5.30 am I got a knock on the door—I was actually living in an area which is now in your electorate, Madam Deputy Speaker Livermore—from someone who wanted to complain about a road. I thought, 'Wow, this is a good initiation into local government: 5.30 am knocks on the door by constituents.' His complaint was about a local road, which we got upgraded through the Roads to Recovery program eventually, McColl Street, which is in Walkerston.

There are so many roads that get upgraded through this program. Currently, over the last period of this term of parliament, we have had Roads to Recovery funding going to Casey Avenue in South Mackay; they are doing a bridge upgrade there. We have Connors Road in Paget, Archibald Street in Paget, Grasstree Beach Road—again, down in your electorate, Madam Deputy Speaker. There is also Eversleigh Road in Sarina, Paradise Street in South Mackay, Mount Martin Loop Road—in your electorate, Madam Deputy Speaker—along with Armstrong Beach, Paradise Street in South Mackay, and on and on it goes. If this funding were not there, or if there were a High Court challenge to that funding, it would be to the detriment of all of those residents and motorists who use those roads. I can tell you from the point of view of the ones in my electorate—Connors Road, Archibald Street, Paradise Street—these are very well-used and, up until recently, well-worn roads. So, if we did not have this funding in place or if it were subject to a High Court challenge, that would be to the detriment of not just the local government but to the local communities.

I know that there is an argument that we can direct that through the states. Certainly, through the financial assistance grants, funding does go from the federal government through the states to local government. But the report has given some indication as to why that is not such a good methodology for distributing that funding. They give three reasons. The first is a little bit of a superficial reason but it does say here that that indirect route through the state governments 'lessens the ability of the Commonwealth to implement and to be seen to be implementing its own policies at a local level'. The other two reasons are probably more important. The second reason the indirect route is not good is that 'it fails to recognise local government as a legitimate third tier of government in the Australian system.' It says:
Although this is an issue of status, it is clearly of great significance to local councils throughout Australia.

I am going to come back to that point in a second. The final and probably the most important one is:

... local government and its advocates raised concerns that Commonwealth funding via State governments is inefficient, ineffective, and may result in a reduction of the money flowing to local government by reason of deductions for administrative expenses.

It is always a major concern when you have got double handling or triple handling of finances that you are going to see less of the dollar actually get down on the ground. You are going see less of the money actually going into bitumen, less of the money going into the work crews that actually build these roads. So that is the reason why the financial recognition is extremely important.

The No. 2 point that was raised on the issue of the validity of local government is also a key point. Obviously we had local government amalgamations. I went through that. I was on a bigger council that, most people would have thought, stood to benefit from amalgamations at the time with Mirani Shire Council and Sarina Shire Council. I was opposed to that even though there were some benefits. At that time I represented a rural division in which there were a fair few residents who felt that because they were in rural division they missed out on a lot of the funding that went through Mackay City Council at the time.

The unfortunate reality is these amalgamations were just done by the stroke of a pen really by the then Beattie government. What it saw was reduced representation for residents in Mirani shire and Sarina shire. They had councils that were about seven members strong with their own elected mayor. Now, on the Mackay Regional Council, I do not think there is one representative—if I am not mistaken—from the old Mirani shire, which, as I said, had its own mayor and six councillors; and there is but one representative from the old Sarina shire.

I think that reduced representation is a very sad thing because if you have your own council and your own mayor collecting your own rates, then you are spending all that money back in your own area. You have got people on the ground in these little townships. I know in places like Netherdale, Yongala and Grasstree Beach their say is completely watered down now. So some of the projects, as a fact of life, get overlooked now because there is not that representation there.

I know the report states that there could have been another view in the recognition of local government in the Constitution, a democratic recognition, which may have gone one step better in giving local government a true position and not just making it a creature of the state governments. Unfortunately, it is at the moment. The reality is tomorrow we could see other councils merged. We are currently seeing de-amalgamations across the state and that too can be done at the stroke of a pen although they are giving a vote at this stage. I know it is causing some concern again, particularly in your electorate, Madam Deputy Speaker. Being in your part of the world, I read the newspapers and know that there is some concern about that. The fact is local government now is simply the creature of state government. If I was to vote on a particular option, it would be for a full democratic recognition. However, I accept that that may not be amenable to a lot of people, particularly to state governments. The financial recognition as a minimalist position is probably the best way for us to go.
What a good job all of the local governments in my local area do in trying circumstances as well. Mackay Regional Council is powering ahead under the leadership of Mayor Deidre Comerford. Certainly the council is extremely united. It is getting things done. Local government is always subject to complaints. Some of them are legitimate, but I think that on the whole there is a great deal of respect for the work that Mackay Regional Council is doing.

Mayor Jenny Whitney of the Whitsunday Regional Council is having a very trying time at the moment because of the massive amount of debt that was left by the last administration. She is doing what she can to fix that up. She is powering on and getting results. I know that there is lot of support in the Whitsunday community for her and for what she is trying to do with the council.

Further north, the Burdekin Shire Council under Mayor Bill Lowis is a common-sense council. Bill is a common-sense mayor. A lot of the things that he says are probably outside the square of what a lot of even the council bureaucrats think. But it is very common sense. It relates to a lot of people in the Burdekin. They are going to go great guns over the next few years.

Finally, in Townsville, representing some of those southern areas, is Councillor Jenny Hill, the Mayor of Townsville; and my local councillor, Councillor Les Walker. He is a good councillor by all reports of the local residents. Again, they are doing a good job up in Townsville, I would say. They are dealing with financial issues.

Getting back to the report, I commend it. I am not actually sure whether this year is the right time to be holding a referendum. Perhaps having a referendum outside of an election period may be more beneficial. It would be more costly, I know, but it might be more likely to see the result get up that we on all sides of the House want. Whenever it is, I will be a strong supporter, having been in local government. I know the benefit that the constitutional recognition of local government will have. Thank you very much for letting me address the chamber.

Mr McCormack (Riverina) (10:47): At the outset, I compliment the member for Dawson on his remarks. He has given a lot to local government in his area. It is one of the reasons why he is now serving his electorate as a federal member. I also acknowledge the presence in the chamber of the member for Greenway, who headed the committee that looked into constitutional recognition of local government. She has done a thorough job—she wants me to say an excellent job, and I will: an excellent job—of compiling this report. I also note that there has been a dissenting report to the final report on the majority finding of the Expert Panel on Constitutional Recognition of Local Government, The case for financial recognition, the likelihood of success and lessons from the history of constitutional referenda. That dissenting report was submitted by Senator David Bushby, Senator David Fawcett and the member for Swan, Steve Irons. There are also additional comments from coalition members the member for Parkes, Mark Coulton, and the member for Ryan, Jane Prentice. They also need to be taken on board in this debate.

I represent a large electorate, the Riverina in south-west New South Wales, which takes in 13 local government areas. They are: Bland, based at West Wyalong; Carrathool, based at Hillston; Coolamon; Griffith City; Gundagai; Junee; Leeton; Murrumbidgee, based at Coleambally and Darlington Point; Narrandera; Temora; Tumbarumba; Tumut; and Wagga Wagga City. There are two cities among those 13: Griffith and Wagga Wagga. The other 11
are shire councils. They are all good councils. They are all run by people who want to do the best for their local communities. Local government is grassroots representation at its very best. I am proud to say that all 13 shire or city councils within my electorate are doing an earnest and admirable job.

I would like to draw on some reflections made last night by the member for Makin, who is a former mayor of the City of Salisbury in South Australia. He made some very pertinent points to this particular debate. He indicated that there were propositions in both 1974 and 1988 to change the Australian Constitution in order to give local government the recognition it, as he put it, quite rightly deserves. I certainly agree with him on that point. In 1974 the proposal was to change section 51 of the Constitution, related to the ability of the federal government to borrow money on behalf of local government. At the same time there was a proposition to amend section 96 in very similar terms to what are being proposed currently. This would have enabled the federal government at the time to fund local government directly. As the member for Makin provided us last night, the 1974 proposition failed.

The 1988 proposition was slightly altered. It was about inserting a new section 119A into the Australian Constitution, which effectively gave recognition to local government as a legitimate level of government in Australia; perhaps in a similar way to the state constitutions. And again, as the member for Makin pointed out and as we all know, it also failed.

Only eight of the 44 referenda since Federation have actually succeeded, and that is why this is too important to put to the people and allow it to fail now. The member for Makin also pointed out the court case of Pape v Commissioner of Taxation in 2009. That court case found that the Australian government did not have the authority to fund local government directly. As the member for Makin pointed out, this is not simply about doing what we think is morally right; it is also about ensuring the way this government and this country has operated for decades continues.

He pointed to Roads to Recovery, which is a wonderful program. We all know how important Roads to Recovery is in fixing up those local and regional roads to the state which we should have in this country of ours. Safety is of paramount importance and, unfortunately, we all know from the road toll statistics around our nation that the—

*A division having been called in the House of Representatives—*

*Sitting suspended from 10:52 to 11:07*

**Mr McCormack:** For a constitutional question to succeed, as the member for Makin pointed out last night, it not only needs to be passed by a majority of states but also needs to be passed by a majority of voters across the whole of the country. As he said, it is not easy—and indeed it is not easy.

I spoke to four mayors just this morning about this particular piece of legislation, and certainly about constitutional recognition of local government—firstly, the mayor of the largest council in my electorate, that being Wagga Wagga City Council. The mayor there, Rod Kendall, said that it is extremely important that local government be granted funding directly from the Commonwealth. He pointed out that local government is a highly respected level of government. He said that this is such an important issue, certainly when you consider that Wagga Wagga at the moment is negotiating with New South Wales for funding for a levy bank to protect the 63,000 population city from future flooding by the Murrumbidgee River.
We experienced an evacuation of the central business district last March when the Murrumbidgee River came within centimetres of flooding the central part of the city. That would have been absolutely disastrous. The devastation in sheer dollar terms, let alone the human cost, would have been extraordinary. It just makes good sense that Wagga Wagga City Council receive the funding it needs to heighten, to lengthen, to strengthen the levy bank that has existed in the city since the early 1960s.

But at the moment it would be difficult for the Commonwealth government, if it did wish to fund that particular piece of infrastructure, to ensure that the full amount of money went straight to that particular project. As most mayors alluded to when I met them this morning, any money that is directed through the states to local government invariably gets creamed off. I also spoke to the general manager of Wagga Wagga City Council, Phil Pinyon. He talked about Roads to Recovery. He talked about the funding that local government receives under the Natural Disaster Relief and Recovery Arrangements, and of course that is always contingent on the states actually saying that there is enough damage for the Commonwealth to fund it.

The then Attorney-General, Nicola Roxon, in her capacity as the Minister for Emergency Management, was fantastic last year when it came to funding local government areas within my electorate after there were devastating floods in February and March. She even allocated funding as a special one-off payment—grants of $1,000 per adult and $400 per child under the Centrelink program—to a village called Ungarie, in the Bland shire. The New South Wales government overlooked this particular community because there was not enough widespread damage throughout the Bland shire for it to actually get the state tick-off for Commonwealth assistance. Ms Roxon provided that funding and it was very much appreciated; it was tremendous.

The member for Greenway, the chair of this committee, wanted me to point out that the planning director of the city of Wagga Wagga, Andrew Crakanthorp, believes that there is enough time and enough will—I certainly agree with him there—and that it is way too important for us not to proceed with a referendum. Whether now is the time, whether there is enough time between now and 14 September to be able to do that given the fact that it is now six months to the day to the election—and certainly whether this legislation actually passes—we will see, but we need to be ready to say, 'All systems go,' if indeed it does. I know the member for Greenway thinks there is time enough; I know the government thinks there is time enough. Certainly this has bipartisan support, but whether or not we can convince the public, educate the public, and get the states on board in those six months remains to be seen.

John Dal Broi, Mayor of Griffith City Council, said that it is a big issue for grants to go straight to a local government rather than be filtered through the state. He said that by the time they get the funding from the Commonwealth via the states, it is watered down—and he is quite correct. Ian Chaffey, Mayor of Tumbarumba Shire Council, has been serving in local government, on and off, since 1977. He is a long-time mayor; he is a wonderful advocate for local government and for common sense. He talked about the states raking off money; he said, 'They will always take off a tidy slice, generally through bungling, incompetent bureaucrats.' He said that one of the biggest hurdles—to use his word—to get this through was to convince the public that it is necessary. He said, 'It's not a grab for power, but an opportunity for reform.' He said that local government in New South Wales is a wonderful
thing and that his shire is doing its best to be able to use the money that it gets—and certainly there are a lot of road projects within Tumbarumba shire which do need fixing—but that the resistance, through all forms of reform and through all forms of change, is always difficult. He actually quoted Alvin Toffler's *Future Shock* from the 1970s to say that people just do not like change, they resist change. Certainly the states are resisting change. As I understand it, at the moment we are still talking and trying to work it through, but they are resisting this change because they see it as taking away some of their power.

I spoke to Rick Firman, who is the mayor of Temora Shire Council, and he said that he was quite nervous—'quite nervous' were the words he used—about whether there is sufficient time to be able to convince the public and to be able to get the states on board to get this referendum, if goes ahead on 14 September at the next federal election, passed. All councils have contributed to a campaign fund through their state shire associations and other organisations, overseen by the Australian Local Government Association, to try to get this particular referendum passed. I know there is a project in Temora Shire Council at the moment that they would love to get Commonwealth funding for—that is, a heavy vehicle bypass through that beautiful town of Temora. There was no better demonstration of the fact that a heavy vehicle bypass is needed than when on Friday, 23 November last year, at the opening of the Temora medical centre, some heavy duty, heavy-wheeled stock trucks—semi-trailers—passed through Hoskins Street at the time of the opening. Not only could we not hear ourselves think, but the slosh coming out of those cattle trucks, and the stench that it left, left something to be desired. There are some wonderful little cafes in Temora's main street and alfresco dining. It is difficult to eat a meal after a cattle truck has passed just metres away and you get the odour—

_Honourable members interjecting—_

**Mr McCormack:** You understand where I am coming from! It is difficult. Rick Firman and the general manager, Gary Lavelle, have been working tirelessly on getting environmental impact statements and plans drawn up and doing everything they can to get a heavy vehicle bypass. I have raised this with the Minister for Regional Development and Local Government, Simon Crean. He is interested in the project. Temora is a great town and it needs this to happen. But if it happens under the current arrangements, and New South Wales takes its share, then the money that hopefully the Commonwealth would provide to such a vital piece of infrastructure would, unfortunately, as the Griffith mayor said, be watered down. Temora shire, like many councils in New South Wales, is at the moment facing the prospect of amalgamation. Resource sharing is a good thing and councils certainly do it at the moment. I know that Bland, Temora and Junee shire councils work hand in hand on so many things. But these are big areas and they do not need to be amalgamated. One of the reasons Bland Shire Council did not get funding from the Commonwealth last year is that it was so big, and Ungarie was so small that the devastation caused to it was not big enough for the whole shire to get that tick off.

This is an important piece of legislation. The mayors of my 13 local government areas are very keen to ensure that there is constitutional recognition of local government. However, with regard to whether this is the right time, this is too important a change to the Constitution to get wrong by not having public support and state support. That is why there was a
dissenting report by coalition members. However, I do commend the member for Greenway for her report.

Debate adjourned.

National Broadband Network Committee

Report

Debate resumed on the motion:

That the House take note of the report.

Mr McCORMACK (Riverina) (11:17): I rise to speak about the review of the National Broadband Network rollout. It is a very important review. Broadband is already rolling out in the Riverina, certainly in Wagga Wagga. My good friend Joe Dennis was in Wagga Wagga just recently talking about the National Broadband Network. Parts of Wagga could have internet download speeds of 140 megabytes per second as early as mid-next year, according to NBN Co. Representatives were in the city on 6 March to dispel myths about the controversial multibillion-dollar project and to inform outlying areas of fewer than 1,000 premises about the services which will become available as part of the rollout. Mr Dennis, who is a consultant with NBN Co., said the rollout will be staggered. It will happen incrementally in three-month blocks, he said. The trouble with the NBN rollout is that it is just too slow and the take-up rate is not as high as the government would like. I can see the member for McEwen shaking his head. But I am correct on that: it is too slow and the take-up is not high enough. The trouble with this whole project was that it was initially going to cost $38 billion. We do not actually know what the figure might be now; it could be $50 billion or it could be $55 billion. The member for McEwen is again shaking his head. I am sure he will correct me and say no, it is going to come in under budget and on time. But it is just not going to happen.

Mr Mitchell: You don't want that.

Mr McCORMACK: We do want it to happen. We do want better broadband services for regional areas. But I will tell you what I would like to happen, and that is a better regional telecommunications fund to fix some of the black spot areas of mobile telephone communication. It is something I hear about every day from the people I represent. I am sure that you, as a regional member, hear it as well. I hear complaints about regional telecommunications and the black spots in our particular areas—your electorate of McEwen, my electorate of Riverina, the electorate of Flynn in Queensland and electorates in other parts of Australia. I hear far more complaints about poor mobile coverage—and I am sure that you do and that my Nationals colleague Ken O'Dowd, who is sitting right beside me, does as well—than I do about people wanting to download games faster than they can now.

Mr Mitchell interjecting—

Mr McCORMACK: Well, it is games, and other things as well, which perhaps are not going to add to the nation's coffers.

Mr Mitchell: Education?

Mr McCORMACK: It is certainly education—and, if you are going to interject, I will throw in medicine, too. I know that there is a doctor in Temora, Dr Ash Collins, who is particularly keen to promote e-health in Temora. But the speeds that he has at the moment
enable him to do that, and the NBN has not actually hit Temora yet. There are a lot of hospitals in my area that are quite happy with the download speeds that they have now. Medicine in real time is more important in regional areas, where there are far fewer specialists and far fewer doctors than in metropolitan areas. I would like hospitals to prioritise things a little better than they are now, certainly with the public health dollar. That would enable prostate biopsies to be performed in the theatre at Wagga Wagga Base Hospital and palliative care services for Wagga Wagga, which are not happening now.

Getting back to the rollout of the NBN, about 99 per cent of Australia's population has mobile phone coverage. However, 77 per cent of Australia's landmass has no reliable mobile coverage. That, I believe, is a far greater problem than having fibre to the node rolled out to as many premises as are lucky enough to have it. I was speaking to an NBN representative just last week who said that one of the biggest problems was that they were able to do a certain amount of rolling out of the NBN until they hit rocks. The ripping up of lawns and all those sorts of things are causing great distress for a lot of people. If the NBN just went up the main streets of particular towns and cities, certainly throughout regional Australia, you might think that it was not such a bad project. But the fact is that it is not going to towns of fewer than 1,000 premises. It is not being taken up in some areas by people who simply do not want to have to pay the high costs. And certainly we do not want our children and grandchildren to be saddled with a $50 billion debt when we are already $260 billion in debt.

I have been criticised for saying it—and the member for McEwen would probably know the sorts of critics who are out there—but I believe health is No. 1 and education is not too far behind when it comes to priorities for spending of taxpayers' money by the Commonwealth. There was no cost-benefit analysis done of the National Broadband Network before Labor just decided that this would be a good thing. They got on a plane and wrote down a few things on a coaster: 'School halls; that comes before health. What else can we do? Pink batts in roofs would be a good idea. We'll rip people's lawns up and lay this expensive fibre network which a lot of people do not need, or do not want, and cannot afford. But, hey, we'll do it, because we'll not have to worry about how we pay it back. We'll not have to worry. The coalition will do that. We have not produced a surplus since 1989, so why start now?'

**An opposition member:** Why start now? Why break the habit of a lifetime?

**Mr McCormack:** Exactly. Wyatt Roy will be a grandfather—in fact, I do not know whether Wyatt Roy, the member for Longman, will even be with us by the time Labor produces a surplus. And certainly there has not been one produced in his lifetime.

**Mr Mitchell:** Yes, there has.

**Mr McCormack:** No, there has not. The last time Labor produced a surplus was 1989 and Wyatt Roy was not born.

**Mr Mitchell:** He was born then!

**The Deputy Speaker:** Order! The member for McEwen is speaking next and he can have his say then.

**Mr McCormack:** Problems with mobile coverage was the predominant issue raised with the Regional Telecommunications Independent Review Committee in 2011-12, not that long ago. The issue was raised at every public hearing and in two-thirds of submissions. I just love some of the comments that came from that, and I just love the way country people speak.
Jim Barwick, who lives near Warialda, where Mark Coulton, the member for Parkes, comes from, said this:

For crying out loud, surely we have a right to be able to make a bloody mobile phone call without having to climb a tree or sit on a silo!

And he is right. There are farmers in my electorate who stand on top of their International tractors. My father used to have an International tractor, and they are huge red things. They are iconic in Australian rural settings. I can just picture Dad, if he were still alive, standing on top of his tractor making a phone call and saying, 'Yeah, I'll get that price for wheat.' It is just ridiculous to think that they have to stand on top of the engine of a tractor to get mobile coverage, and for poor old Jim near Warialda, he has got to make his calls from in a tree or on top of a silo. We had another comment:

… businesses are unable to capitalise on advances in technology to improve productivity—for example, agricultural applications that use mobile technology to record and process data in the field. Mobile coverage is so important in rural areas, but it is not happening. Now, with wheat being deregulated, farmers need to have access to mobile phone coverage.

One of the most important aspects of mobile phone coverage is safety. We are a nation of fires, floods and natural disasters—not because of climate change, but because that is just how Australia is. It is a country of contrasts. It has been since time began and it will continue to be. It is just the way this wonderful brown land operates. There were fires up in Tumbarumba in late 2009 and several floods in 2010; floods in February in Ganmain last year and in fact floods in all parts of my electorate in March last year; and there were fires again particularly throughout the east of my electorate and also in Narrandera in January this year—fires that made the national news. Many of those poor people affected by those floods and those devastating fires were not able to make emergency phone calls on their mobile phone because there was no coverage. There has never been any coverage, so, when the landlines go down due to natural disaster, what happens? How in the hell do these poor people know in advance that there is going to be an emergency, and how can they make a call to get themselves help, to get themselves that emergency assistance which they so desperately require? Certainly, if we are elected in September this year, and may the good Lord let that happen, I will certainly be lobbying for better mobile coverage, as I have with ministers.

Ms Saffin interjecting—

Mr McCormack: I can see the member for Page laughing. This is a serious subject.

Ms Saffin interjecting—

Mr McCormack: I know you are serious about mobile phone coverage in your electorate, because I know your electorate well, and I know that you have also got problems with mobile phone coverage.

Ms Saffin: We do.

Mr McCormack: You do. It is so important for country members to continue to fight for better services, because governments of all persuasions tend to be citycentric. They do. That is just the nature of the beast. But I can tell you, as a regional member, we will continue to fight for better mobile coverage, for improved access to the sorts of services that we need. I know how passionate the Nationals are about representing the regional areas and I am sure that all regional members are concerned and passionate and desperate to get better services for
their areas. There is no bigger thing in regional areas than health; education is another, and mobile telephone communications are also very important.

Since 2008, the Labor government have done nothing—I will repeat that: nothing—to improve mobile phone coverage in regional Australia. This is to their detriment, to their eternal shame. The Boorowa Shire Council says:

Business in general has become more cost efficient through the use of technology, there is a definite productivity contrast between those farmers who enjoy mobile coverage, and those that don't. This impacts not only on profitability and competition, but will also have a negative impact on land values.

That was from the RTIRC report, and that land values issue is very important. Real estate in regional areas is now always valued according to whether properties do or do not have mobile phone coverage. If you bought a prime piece of agricultural land without mobile phone coverage then all of a sudden your land is devalued because you do not have a tower within range. But your neighbour's land, which might not have been worth the same amount, all of a sudden is now at a higher value. It is not fair. It is not right. In a land where we should be using more wireless technology and we should be smarter with our Commonwealth money, I cannot see that that is fair. I cannot see the equity in it.

The coalition took action when in government. We spent about $145 million between 2001 and 2007 to improve mobile coverage. I will repeat again: Labor has done nothing since 2008. But we, the coalition, implemented the $15.65 million extended mobile coverage in regional Australia program, which improved CDMA coverage in 62 locations. We also funded the Towns Over 500 Program, which improved mobile phone coverage for 131 towns in regional Australia with populations of more than 500 people because we do care about towns with under 1,000 premises. We also funded two programs to improve mobile coverage along highways worth a total of $44 million. We also implemented a significant number of small projects worth more than $10 million through the Networking the Nation initiative. But you know what? We did not do enough but they have done nothing.

Those opposite are rolling out a Rolls-Royce of NBN with no cost-benefit analysis. There is no accountability but that is so typical for everything that side does. There is absolutely no accountability because they know that after September 14 they will not have to worry. From our point of view, hopefully they will not be the ones paying it back, we will. We are the proper managers of fiscal policy in this country. The public knows it and the voters know it because they went to the polls and showed they are not fools in Western Australia on Saturday, just like they did in Victoria, just like they did in my state of New South Wales, just like they did in Ken O'Dowd's state of Queensland. They know when they are being duped. They are being duped at the moment. They are certainly being duped with the NBN. There is no cost-benefit analysis, no accountability. That is typical Labor. We all know it but we also know that regional communications are so vital to get people the right coverage for safety aspects, to enable them to do business and to help regional Australia go ahead to be the best that it can be.

Mr MITCHELL (McEwen) (11:32): It is often said that politics is theatre for ugly people. We just had a Logie performance there by the member for Riverina. I will start by reminding the member for Riverina—

Mr McCormack interjecting—
Mr McCormack: No.

Mr MITCHELL: We are talking about an audit committee report on the NBN. The member is not only not on the committee, but also he fails to understand that it is talking about a national broadband network, not mobile phone black spots. I do understand the member for Riverina's point on mobile phone black spots because they were the ones who sold Telstra and removed it from being a public company into private hands where it relies on profit not community service. They are the ones who sold out the bush totally when they were the lapdogs to the Liberals in the Howard government and left most parts of regional Australia failing in mobile phone coverage. They also had 18 failed plans on broadband. Every single one they did failed. As he runs out of the chamber, I will give him a copy so that I can remind him it was his party that sold Telstra and sold out country Australia. We are falling behind the rest of the developed world in our internet connections, speeds and availability.

Those opposite sit there and try to run this failed little argument that it is all about games. It just shows their ignorance and why their leader has appointed the member for Wentworth to 'demolish' the NBN. They do not want it. In the worst-case scenario, if they do get into government it will mean that regional Australia and the developing outer suburbs of capital cities, the expanding ones in the newer states, will not have quality 21st-century broadband speeds. They will not have access to the new and improved medical treatments that are available only through using high-speed broadband. They want to keep country Australia and our outer suburbs back in the Dark Ages, using copper which has been around for 100 years. But copper cannot compete with modern-day technologies that are available using optic fibre. Nothing is as quick as optic fibre. That is why it is important to have these things.

You can see that through instant things like breast screening and the like, that can be done across country areas. People can have live-feed straight back to a major hospital and get results instantly. You see that through the educational opportunities where people in rural and remote areas have the opportunity to learn close to home without having to leave their communities and head to the major cities. You see that with business opportunities where people can work from home, increasing productivity and removing the pressures on our clogged roads—and, Madam Deputy Speaker Vamvakinou, you being from Victoria would know just how bad the road system is now that the new Victorian government under its second Premier, the unelected Premier, has gone to the northern suburbs and said that there will be no upgrades until 2046. At the same time they are opening 120,000 blocks of land just north of your electorate in my area, and they are not going to build any road infrastructure.

It has taken this government to sit down and bite the bullet and say that we need this broadband. It is an essential service in today's modern society. It is not a luxury for the rich and for those who live in Darling Harbour and places like that. It is something that everyone needs right across the country.

I have been able to travel overseas and have a look at opportunities where fibre-optic cable is used and where you see the different resources available for rural and remote communities. For example, I was in Ottawa in Canada where they were teaching traditional dance and
traditional methods to their First Nation peoples. Some of these people were 10,000
kilometres away, but they were doing it live using the optic-fibre broadband and they were
able to provide these educational opportunities to rural and remote communities from Ottawa
with specialists to make sure that those traditions continued. That is vitally important for the
people of the First Nations particularly in Canada, but it can also be used over here. That sort
of technology can be transferred here for us to use.

We have seen the opportunities with training for medical students, where they can have a
classroom that is borderless. It does not matter where you are, if you have got access to high-
speed broadband you can come together and learn these vital skills that are needed to help
people particularly in country areas. That is why the NBN is such an important piece of
national infrastructure. It has often been quoted that it is the 'railways of the 21st century', and
it is. It is something that needs to be done and that is why Labor is getting on with the job of
doing it. Being part of the committee—and I have the pleasure now of being the deputy chair
of the committee—I believe that when you sit down and have a look at what is happening and
where it is going, you can see that this is important.

It is pretty sad that we got such an appalling dissenting report based on partisan lines from
the opposition who are continuing their role to destroy the NBN. Claims were made in a
dissenting report that the NBN has 'failed to deliver on brownfield sites'. When NBN Co. uses
their latest corporate plan, they round connections to the nearest thousand. They sit there and
say, 'Okay, brownfield sites—we are going to do 29,000 connections.' That is a great target.
They actually delivered 28,817. According to that lot opposite, that was a failure. It is
ridiculous that they would say that, but in new sites where NBN had over what their original
plan was, which was 10,000 and they got to 10,027, there was not a whisper out of those
opposite to say, 'NBN are fantastic; they have reached more connections than they intended
to.'

This is a very complex piece of infrastructure that is being built, as I said, to help
productivity, to help growth and to help ensure that, no matter where you live, you are going
to have access to these things. In areas such as mine, when you get out to places like Riddells
Creek, Romsey and Seymour, the biggest complaint I get about the NBN is that it is not
going there quick enough. People want the NBN and they want it now, because they know
the opportunities are there in education, in health, in business or even their for own personal
use. It is very important that we continue with this, and the threat of those opposite, to say
they are going to demolish the NBN and get rid of it, is absolutely appalling.

In the dissenting report, the arrogance of the opposition in relation to this was quite clear.
They went out and said to NBN Co., 'You should not be entering contracts that go past 14
September in case there is a change of government.' The absolute idiocy to say such a thing!
Should we then go to the defence department and say, 'Look, you shouldn't enter contracts for
Joint Strike Fighters and all these sorts of things up until 14 September because there could be
a change of government'? It is absolutely silly to say those sorts of things. The arrogance of
virtually going out to all the departments and saying, 'The world stops on 14 September,' is
crazy. Yesterday, we saw them carrying on about needing to have business surety for the
future. Yet at the same time—this is just further evidence that they will say one thing to one
group and one thing to another group—they want all government contracts to stop on 14
September. So they want those who are building our frigates and the like to stop—just pull up
stumps. Nothing could be more frightening to the Australian economy and to the business community than to have this lot out there running around saying that everything should stop on 14 September. It is absolutely ridiculous, and I think that will show.

Wherever you look on any industry website or any industry journal, the support for the NBN is there. The option that they are putting forward is fibre-to-the-node. We know it does not work. It is like building a highway and then having no exits, because that last bit between the node and your home makes the NBN what it is. Bringing fibre to the home is going to give us limitless opportunities. I admit that I am not the world's most technical person on this, and I know that, as we go forward, having the cable—the backbone—in place gives us the opportunities. As new technologies grow and develop, they will have access to that—access to things that we never thought of. You might not be old enough, Deputy Speaker, but I can remember a time before mobile phones—we never had them. Have a look now; 1991 was the first email. Look how far we have come in our lifetime to where we now have smartphones that do everything for us. You can even get connections now for people at home that can tell you when your fridge is empty. Your phone is able to do this, through apps and using a backbone—that is the important thing, because I know some members opposite will say that 4G will cover that, but their ignorance on the needs of having a backbone are ridiculous. I am sure that other members on this side will be speaking about this and go into more detail, because it is actually amazing ignorance of what is available.

This report has been tough to put through because, at every turn, NBN has faced a roadblock called the Liberal Party, that have come out and tried to stop everything NBN Co. does, to stop this from being built and to cut down the opportunities that are available for Australians when the rest of the country is crying out for high-speed broadband.

**Mr MITCHELL:** The member opposite again just showed his ignorance, and I think the key part of this is that not one member of the committee is speaking on this. They have gone and dragged out the leftover Luddites and said, 'Can you talk on it?', because they know, deep down, they are embarrassed about what they are putting forward. They know that members in their community are actually screaming out for it. That is why you get members opposite saying, 'We want NBN; we want it now.' Why don't you go out and tell your community, when they scream: 'Hey, I don't want you to have it. I want you to stay in the 20th century. I don't want you to get into the 21st century. I don't want your hospitals to have the latest medical opportunity. I don't want your kids to have the best educational opportunities. And I don't want you to have the best business opportunities at home. So stop screaming about it.' I dare you to go out and say that. Go and tell your community that you are actively pushing for them not to get access to the NBN. See how long you last then. This is such an important piece of infrastructure that it should have bipartisan support, but it does not, unfortunately, because, as I said at the start, the constant negativity of the opposition leader is intended to destroy the NBN and stop people having access to high-speed broadband no matter where they live across this country.

It is an important report. As I said, it is failed by a very appalling dissenting report that is just full of errors and absolute jokes. It is actually a bit of a giggle if you read it. On one hand they are saying NBN is not being transparent enough. Then on the other hand, two pages later, they are talking about how they do not like all the figures. You cannot have it both
ways, but that is the way they do their politics. They will go and tell you one thing and they will someone else another, just like they are doing with GST, just like they are doing with Work Choices, just like they are doing with the baby bonus. With all these things, no matter where you look at it, they are the party of contradiction. I think Australians have woken up to this. They know that the NBN is an important piece of infrastructure for our future. They want it and they want it now, and NBN Co. should be given the opportunity to continue rolling it out and to make sure everyone gets access to high-speed broadband.

Ms ROWLAND (Greenway) (11:46): I am pleased to speak in this debate. I do wish the member for Riverina was here, but maybe he can look this up another time. A couple of things I found disappointing in his contribution. He talked about the importance of health services for his regional area. There are a few regional members here in the chamber. Then he went on to talk about using the NBN to download games. The thing is: it is not about the download, it is about the upload. If he wants people in his region to have the best health care, the best remote access, this is a policy he should be supporting wholeheartedly. If he speaks to any practitioners in his community I am sure that they will be very aware that unless the NBN is built they will not have the highest speed broadband, not just for the internet, which is but one application, but for the upload of the most advanced applications to enable these remote health services to actually be realised.

There is another thing that I need to correct him on. He went through the litany of initiatives that he believed the former coalition government had undertaken in fixing mobile black spots. I will run through a few of them. Firstly, he talked about the millions and millions of dollars that had been allocated to CDMA network improvement. This is now redundant technology, so I do not why we are really counting that. Secondly, he talked about upgrading on highways. I will tell you the story of that. The Howard government opened up contestability in the universal service obligations, starting with the Pacific Highway. I am glad our members who represent the Pacific Highway are here because, as they will well know, that was an absolute failure, it was an abject failure. If you drive along the Pacific Highway, as I do every single Christmas, you will find there are black spots there, because the previous government decided that this would be an area of contestability in the USO. It was a dead set failure.

There is not only this when you look at the litany of failure that they had over their term of government in these regional areas. I will pay credit to some very genuine people amongst those opposite. People like Mr Neville, who was a very important force at that time in trying to get a better deal for regional areas, was met with roadblocks at every turn. When Telstra was sold, the only concession that was made to regional areas was to remove the universal service obligation requirements from the Telecommunications Act and just place it in another piece of legislation. There was nothing that went along with this. I know these things because, for a decade, this was one thing that I did: I would have to go through and analyse different universal service requirements and regional builds and using Australia as an example when I was doing rollouts in remote areas in places like Cambodia and China. Every time you would do these analyses you would find how Australia had failed dismally on this point.

I disagree in part with the member for McEwen—he was asking what does mobile have to do with the NBN. You will find mobile operators are very keen on the NBN because they are going to be able to fibre-up their base stations. Those opposite seem to think that mobile
telecommunications are these little bits floating around in the atmosphere, and they just end up between devices. You need, at some point, a terrestrial element to this—the infrastructure to support this high speed is what mobile operators have been calling out for.

This applies not just to regional areas. If you go to some new areas in my electorate—areas like The Ponds—and you try to use an iPhone or another smart phone, it will not work because of the black spots in the coverage there. What are we doing about that? This is why in the north of my electorate, in Riverstone, we have the site of the first Sydney metro roll-out of the NBN. That is why this government is so adamant about investing in this—we know that this is going to be so important for both wire-lined, fixed wireless and wireless technologies generally.

In the context of regional Australia I want to mention something else that members might have missed from Tuesday. It seems the opposition is now taking its broadband advice from consultants and bankers as well, which does not surprise me. The Financial Review on Tuesday indicates that a new report by Allen & Overy and Venture Consulting suggests one option is to separate NBN Co. into two entities—Metro Co., serving profitable urban operations, and Regional Co., housing operations in remote areas that would require government subsidies for longer. This is great if you are Telstra but a pity if you are in a regional area which is loss-making. It would be giving two classes of service—no equivalent service, but two classes of services for Telstra. It is money for jam. I find it absolutely incredible that we have regional members coming in here trying to lecture me on how bad the NBN is when they should pick up the thing and, as well, just see where they are getting their advice from.

In the article in the Fin Review, the member for Wentworth talks about the privatisation of NBN Co.:

I think it’d be better off not belonging to the Government,” he said. “But I just think it’s going to be very hard practically, and I used to sell businesses and assets for a living, it’d be very hard to sell for quite a long time.

The reality is that in the legislation passed in 2010 the government committed to a sell-down of its stake in NBN Co. This is the bloke who wanted to make it easier to sell NBN Co., coming off the back of their hugely successful privatisation of Telstra—which it was not. They wanted to make it easier to flog off. But where does he put his own money when it comes to technologies? He is putting his money in France Telecom, which is a fibre-to-the-premises solution rather than a fibre-to-the-node. I will talk bit about fibre to the premises and fibre to the node in a minute. The Financial Review goes on to say that FTTN—fibre to the node, which the member for Wentworth continues to push—would require use of existing copper connections into homes, leaving Telstra in a strong position to protect and even increase its NBN windfall. So not only are they proposing to create two classes of consumers when it comes to high-speed broadband in this country—one for regional, one for metro—but also they are entrenching the dominance of Telstra in the customer access network. If that is not totally insane, I do not know what is.

FTTP has been raised leading up to this report, and it is also mentioned in the dissenting report. It is interesting that France Telecom is actually discarding all its copper. As the member for McEwen rightly pointed out, copper is reaching its use-by date. It has served us very well, but even Telstra knows it needs to be decommissioned—and when it gets
decommissioned, I, for one, do not want it to be replaced with more copper; I would prefer it to be replaced with the highest-quality infrastructure, and that is what the NBN is. The French, as I said, are moving completely to fibre to the premises.

But the disparities the coalition is seeking to create in broadband access in this country get worse. Not only does it appear that the coalition is taking advice on different rules for regional and metro areas. But now there is a proposal from 19 February that people who want the NBN should have to pay for that last connection. Mr Turnbull's latest idea is to make Australians who want direct fibre connected to their homes pay for it themselves—a connection fee of as much as a $3,000. Unless you have $3,000 in your back pocket or you live in a metro area, you can pretty much forget it.

It is interesting to note that the opposition's questioning in the hearings that led up to this committee report really just tried, again, to focus on the idea that 'We can do it cheaper if we do fibre to the node rather than fibre to the premises.' Sure, you will be able to do it cheaper—you will be able to do it cheap and it will be absolute rubbish in terms of quality and speed and in terms of competition. And in the long term the costs of maintaining fibre to the node—not just building it, but the maintenance costs—will be far higher for FTTN. An analysis from Computerworld says:

Fibre-to-the-node, around the world, costs between one quarter and one third of fibre-to-the-premises.

And that is true. It says:

That is the experience in North America and Europe.

It says that not only will an FTTN deployment result in higher long-term costs but that the reason we need a new NBN is 'to provide a truly universal service', and that if you are looking to rely on the existing copper network, which would be that last connection, you are going to inherit all of the quality issues that we see today.

So, it is very true that we do need fibre to the premises, because, again, the NBN is a scaleable technology—and it is infinitely scaleable. This is 21st century infrastructure that Australians deserve to have, regardless of where they live and work. And I will quote Mr Quigley of NBN Co.—because I was at the committee hearing on 30 October last year—who very rightly pointed out, when asked about these things:

Reliability is much higher on fibre. There are lots of different types of copper in the network, a whole range: paper filled, jelly filled, some aluminium, some direct buried, some in conduits, some in ducts. It is hard to generalise other than to say that, in general, copper maintenance costs are rising, particularly in those places where you have damp conditions and you are subject to wet weather.

More and more, as I look at these announcements that are made willy-nilly by the opposition about what their broadband policy would be, I do not take a great deal of comfort from their Real Solutions plan. It is, again, just a series of platitudes: 'We're going to deliver it, we're going to do it cheaper, we're going to roll it out faster.' Yes, but it ignores the reality that we still have incredible black spots today, and there are something like 439,000 dial-up subscribers in Australia. It is absolutely ridiculous, when we have had—how many failed plans?—from those opposite when they were in government, and we still have nearly half a million dial-up subscribers in Australia.
I also wish to take up the very valid point the member for McEwen made, that some members go into their electorates and say one thing and then come in here and do something completely different. I am going to call them out on this. They run around the country whingeing that they do not have the NBN, that they are not getting it fast enough. But when they come into this place, they vote against it. Not only do they vote against it; they obfuscate. They make sure that things happen slowly. They try and present every argument as to why the NBN should be destroyed. They have a policy which says that it should be destroyed. Yet people like the member for Dickson run around the country, taking up petitions and telling people, 'We want the NBN now,' and then they come in here and vote against it. What hypocrites! What absolute hypocrites!

I want to quote, in particular, from a media release which I think was put out by the member for Dickson—or it may have been the member for Wentworth or both. It states:

Residents … voiced their disappointment in the Government for cancelling the Howard Government’s contract with the OPEL consortium to deliver a broadband network in outer suburban and rural and remote Australia by 2009.

I am very happy to talk about the Opel network, because those opposite are talking about cost-benefit analyses. There was never a cost-benefit analysis for Opel. And so it is no surprise that when this government was elected and saw that Opel was not going to deliver everything it promised, it said: 'We're not going to go ahead with this. This isn't going to deliver for people in regional Australia.' So those opposite cannot come in here and say: 'We want the NBN to roll out faster. Why isn't it rolling out to all these business parks in my electorate?' These people should be honest and say to their residents: 'Well, actually, I've been campaigning against it. I've got a policy to abolish it.' Do not go out there and start taking up petitions and saying, 'Woe is me', and then come in here and do something absolutely different.

I will end by saying that, the more I look at these plans, the more I am absolutely convinced that what we will see from those opposite will be no different from what they went to the electorate with in 2010, which was a mish-mash of different technologies but all of them stuck in the stone age and all of them not about equivalence. (Time expired)

**ADJOURNMENT**

Ms BRODTMANN (Canberra) (12:02): I move:

That the Federation Chamber do now adjourn.

**Contemporary Gymnastics Academy**

**Antisocial Behaviour**

Mr IRONS (Swan) (12:02): I take this opportunity to update the House on two important local issues in my electorate of Swan, in Western Australia. Since last year, I have been working with the Contemporary Gymnastics Academy in Carlisle to help them find a new home so that they can expand the services they provide to local people. There was uncertainty surrounding their lease and they were looking for expanded new premises that could cater for the ever-growing interest among kids and adults in the sport and exercise programs that they provide. Given that they are one of the only artistic gymnastics clubs in the local area, it was particularly important that they survive and thrive into the future.
Following the relocation of activities, which previously took place at the Queens Park Recreation Centre, to the new Cannington Leisureplex, the Contemporary Gymnastics Academy put in an application to the council to lease the centre. There was great community support for this proposal, as indicated by one of the surveys I did through the area. Unfortunately, after a lengthy process, the City of Canning decided to award the lease at the new centre to the eightball association, which was disappointing for the gymnastics club. However, we did not give up and we continued to look for a new home due to the support in the community and the fact that there are exceptionally few gymnastics facilities in the region. We started looking and put out a call to the public for a location for a new home for the gymnastics centre.

In the *Southern Gazette* on 12 February 2013, in an article by journalist Susanne Scolt, we put out a public call to try and find a new home. Mrs Michele McDermott said that she was particularly keen that the club stay in the local area as all the gymnasts were local residents. We also knew, however, that while most of the members came from the Victoria Park area there was a big potential for expansion in the Canning area following the survey results I conducted in the local community. So we ideally wanted somewhere in the heart of Swan which would be accessible to everyone. Michele stated that they were looking for a warehouse that was square, with a lot of space for training and a high roof for their equipment.

After a long process, I am pleased to be able to advise the House that Michele and the gymnastics association have found new premises on Tennant Street, Welshpool, and the club's future is now secure. This is very close to where my business used to be. I visited the new facility recently and it is twice as big as the old facility and perfect for the club. The location is close to perfect as it is close to the suburbs of Canning, Victoria Park and Belmont and also next to a train station.

I would like to publicly thank the owners of the Welshpool site who worked with the club and provided the facilities at a reasonable rate. They have made a great contribution to the community by doing this. Michelle must be congratulated for her tenacity—and she should be commended as she has been focused throughout the process and has got a deserved result. I will continue to help the club in any way possible into the future.

Finally, I would like to talk about another local issue that I have been working on in Lathlain in my electorate of Swan. In January Lathlain residents contacted my office about an escalation of antisocial behaviour taking place at the vacant Red Castle Motel site in Lathlain. According to residents, the site was occupied by squatters and had seen a spike in incidents since a fire at the vacant building in September. There was concern that the premises might become a base for criminals and drug dealers operating in the area.

We contacted the relevant parties, and a meeting was held between the officer in charge of Kensington police, the police inspector of the south-east metropolitan district, representatives of the owners and representatives of the town of Victoria Park to address the issues. The meeting was positive and there was a consensus on immediate action to prevent the site from becoming a source of crime in the Lathlain-Burswood area. The priority was obviously to secure the building, and there was widespread agreement from all parties that this needs to happen as soon as possible, and this has now been undertaken. Significant responsibility lies with the owners to secure the premises to prevent access.
We know that crime is in issue in the Burswood area and we do not want this to develop into a base for further criminal activity. Long-term, the stadium precinct developments—including a train station overhaul, combined with the rejuvenation of the Crown at Burswood—provide an opportunity to design out much of the crime problems that exist in the area. In the meantime we must stay vigilant and continue to crack down on the antisocial behaviour as much as possible. I will continue to work with the police and the council to do what I can to help. Our focus, as always, is on the community who deserve and should be able to live in a harmonious environment and have an expectation of safety and freedom from crime in their area. Thank you.

**Greenway Electorate: Child Care**

**Ms ROWLAND** (Greenway) (12:07): I rise today to discuss childcare services in my electorate of Greenway and to outline why it is important that we properly support childcare workers. With 8.2 per cent of the population in Greenway aged zero to five years, making it one of the youngest electorates in the entire country, and with 13,080 children from 9,930 families in child care during 2011-12, the early childhood education and care sector is critical to my electorate. With this extremely young demographic comes a great demand for childcare services and the staff to operate these services. I am currently adding to this demand, with my daughter Octavia beginning child care in Glenwood in a few weeks.

For families in my electorate, child care is of paramount concern. It is often an issue raised with me by my constituents. That is why this government is investing to lift the quality of child care for the great benefit of families across all of Australia, and particularly benefiting my area of west and north-west Sydney. We have driven historic reforms in partnership with the state government. Our reforms are improving staff-to-child ratios so every child gets more individual care and attention. They are also raising staff qualifications to ensure that our hardworking childcare staff are better able to lead activities that help children learn and develop. We are also introducing a quality rating system for all childcare services so parents can make an informed choice.

I do want to discuss in particular the Big Steps campaign. As noted by United Voice, workers in the early childhood education sector are struggling; 180 educators leave the sector each week due to low wages and conditions. That is a staggering number. That is why I recently joined United Voice and the hardworking team at the Goodstart childcare centre on Glenwood Park Drive to lend my support to their campaign for greater pay for childcare workers. I would particularly like to praise the work of Cheryl Kay, the director of Goodstart, Glenwood Park Drive, for her commitment to the childcare sector and for her honest and thoughtful appraisal of the current situation facing childcare workers.

I did have the opportunity a couple of weeks ago to spend some time with Cheryl and her team. I took Octavia along as well. I am sure many other first-time parents are experiencing exactly the same thing that I am: you don't know what is going to happen when you put your child in child care; it is a big thing to give your child over to the care of someone else.

I would like to put on the record and really pay tribute to those staff who obviously take such care and such delight in what they do, and have such passion for what they do. I think what Cheryl said to me was the shortest tenure for any of her staff is eight years. So people want to stay working in the sector. That is why I think it is so important that we give them every incentive to stay and enable them to stay.
When I was scouting around for a childcare centre for Octavia, I visited a few and I talked to some parents in the car park who were picking up or dropping off their kids. I was recommended a couple of places—

A division having been called in the House of Representatives—

Proceedings suspended from 12:10 to 12:24

Ms ROWLAND: As I was saying, I would speak to some of the parents in the car park when they were dropping their kids off or picking them up. All of them would say how much care was taken of their children during the day. You could see that their children were happy. I think it says a lot when you put your trust in these people who you do not know that well and your best indicia is that the kids are happy. When they come home you can see they have learnt something, because there is an early learning framework provided by our childcare centres. I think that is a wonderful thing.

We know that these workers do need higher wages. We also know that the capacity of parents and employers to pay more is extremely limited. That is why the Big Steps campaign is calling on the government to make up the shortfall between award and professional wages in ECEC to the tune of $1.4 billion in recurrent funding.

We all know how important the early years of a child's life are for their ongoing development. That is why I have been pleased to support a number of initiatives, including things like Paint the Town REaD in Blacktown, and participate in things like baby rhyme time, which is vitally important to teach children early literacy and numeracy skills. David Gonski stressed the importance of a child's early years in their development in his review of funding for schooling. A crucial part of this is their time in child care. That is why I support United Voice's Big Steps campaign and will continue to do so. (Time expired)

Energy

Mr O'DOWD (Flynn) (12:26): Today I would like to talk about Australian and global demands on energy now and into the future. I will give a brief insight into Australia's energy requirements over the next 30 years. Some of these figures have come from ExxonMobil documentation that they delivered to me over the last few weeks.

The world's population will increase by 25 per cent from seven billion to nine billion over the next 30 years with 75 per cent of the world's population living in Asia, the Pacific and Africa. Electricity generation will grow by 50 per cent. Electricity and natural gas will account for 60 per cent of the world's demand for residential and commercial requirements. That is as of today. Heavy duty transport fuel will grow by 65 per cent over the next 30 years. Light vehicles will become more efficient and be probably more battery operated, but demand for light vehicle fuel will grow as the demand grows. Diesel will account for 70 per cent of the growth in transport fuel. Industry demands will grow by 50 per cent.

Interestingly, China's demand for energy will decline by 20 per cent from 2025 to 2040. Up until that point it will still keep growing. Nuclear and natural gas generation will increase 150 per cent in non-OECD countries. Demand for oil and gas supplies will increase by 60 per cent. Based on current demands we have 200 years of natural gas available. Gas will grow faster than any other major fuel source. As for our minerals, which do align themselves with energy: iron ore, coal and gas will be in high demand from China and India both now and in
the near future. After those countries' demand for minerals, you will see the rest of Asia and
Africa will increase their demand for energy supplies.

In Australia the lack of R&D and investment in vital infrastructure programs can see us
lose out in the marketplace to supply these commodities internationally. It is quite interesting
to note that our forefathers had the foresight back in 1903 to build a water pipeline from Perth
to Kalgoorlie. At 530 kilometres it then was the world's longest pipeline to provide fresh
water and probably still is now. Those guys had the foresight to put water into Kalgoorlie and
those areas. Of course, that opened up the opportunity for gold mines et cetera.

Where are we now? We use a lot of fossil fuels, which we have traditionally done. They
produce petrol, diesel, kerosene, tar, oils and greases. We use liquid natural gas, brown and
black coal in coal fired power stations and coking coal in steel manufacturing. We use some
biofuels, such as ethanol. We have the renewables: wind, solar and hydro. Windmills are
having a few concerns, with a restriction zone of five kilometres around each windmill, and,
of course, solar becomes far less attractive when you take away the government support.
There are some environmental issues with hydro. I recall that Tully, in North Queensland, had
its future mill stopped many, many years ago. We have seen what happened with the
earthquake in Japan, but uranium is used in countries in Europe and there are nuclear powered
submarines et cetera in the US naval fleet.

America has found future fuels in the fossil fuel line and they should become self-sufficient
in the not so distant future. I do think coal will still be king as it is still very cost effective.
Coal seam gas will be prevalent on the east coast of Australia and will supply over 85 per cent
of all gas. For nuclear power, waste disposal is a real issue. For renewable energy, the target
of 20 per cent by 2020 is totally unachievable and not very cost effective. We will have to do
a lot of work on biofuels because they are not popular. We will have to get motoring groups
like the RACQ to— (Time expired)

Calwell Electorate: International Women's Day

Ms VAMVAKINOU (Calwell) (12:31): I want to speak today about the activities and
functions in my electorate last week to commemorate International Women's Day. This is an
annual occurrence in my electorate. The University of the Third Age Hume, which is one of
my favourite local groups, held an International Women's Day conference in Craigieburn on
Friday. The event included many speakers, from a variety of fields, including representatives
from Alzheimer's Australia, the McGrath Foundation and Victoria Police. They also were able
to discuss financial planning tailored for women and also the ever present area of women's
health. The Secretary of U3A, Aina Crawford, a survivor of having grown up with a very
abusive father, shared that experience with the many women present. Women's groups tend to
share their own stories as part of assisting with awareness and the healing process for other
women. All of the speakers at the Hume U3A conference were focused on assisting and
informing the women who were present.

Early onset dementia is a very big issue in my electorate. Alzheimer's Australia provided
information about early onset dementia—learning to recognise signs and symptoms and
knowing where to go and how to deal with people who may be presenting with these
symptoms is critical. And empowering women and helping them to understand is critical to
how the family members who may be affected are dealt with. I commend the University of
the Third Age and its committee—including President Luke Peers, Vice-President Liz Munro,
Treasurer John Druery, Membership Officer Ann Druery and the ever-active Secretary Aina Crawford—for all the wonderful work they do in the electorate.

The other big group of women in my electorate who were celebrating International Women's Day was the Australian Mesopotamian Women's Association. They held an event on Tuesday which was attended by some 300 women. They had guest speakers discussing the history of International Women's Day and looking at cultural diversity as a cornerstone of our women becoming involved in the overall integration process in the Australian community.

The Greek-Australian Recreational and Instructive League of Victoria also hosted a function. They are going to be launching a book titled The Odyssey of Women: The Migrant Story. It is a collection of personal stories from migrant women of Calwell, my electorate. It will detail their accounts of settling and adapting to life in Australia and their successes and tribulations in raising their families in a new home. This book will include stories of very successful businesswomen as well as the stories of women who have achieved excellence in their professions. The president of the league, Thekla Scarsella, who is a migrant herself, is the driving force behind this book. She is one of the most active women in my electorate.

I also pay tribute to the Northside Malayalee Community Club, which for the first time ever hosted an International Women's Day event. The event was named 'Empowering women: strength, courage and choices'. It was held last Sunday, 8 March, at the Greenvale Recreation Hall. The club secretary, Anita Dudhani, said it was the first time that they have celebrated International Women's Day and members enjoyed themselves. They had an array of topics and they are delightful women. They had many guest speakers who touched on issues related to domestic violence and gender equality. They provided women with a brief history of International Women's Day. They also had martial arts workshops which, I understand, proved to be very useful and enjoyable to all those women who participated.

In conclusion, I acknowledge the women in my electorate for the wonderful work that they do for our community. I look forward to sharing these activities with them next year.

Western Australia State Election

Dr JENSEN (Tangney) (12:36): On Saturday 9 March 2013 the blue tide of the Liberal landslide in the Western Australia state election sent out a clear message. The message is that ordinary people do not want Labor. In WA the federal Labor government is laboured government, with projects stalled and promises broken. The only person to deliver real progress has been Colin Barnett and his Liberal team. The Barnett government is one of uncommon unity and purpose. Last Saturday's election was won by delivering the strongest economic performance in the country over the last four years, by recognising that it is about equality of opportunity not equality of outcome.

In my federal electorate of Tangney there are five state electorates. In every one of those electorates Liberal members were returned with powerful new majorities. I wish to highlight three members whose campaigns epitomised the campaign in WA. There can be no tougher ground-out win than that enjoyed by Mike Nahan in Riverton. Mike won the seat by 64 votes in 2008 and was up against the darling of the Labor Party, Hannah Beazley. The combined union-Labor spend was 10 times that of the Liberals. Yet in spite of the national media hoping for the continuation of a political dynasty and in spite of the union money and paid volunteers, Mike overcame. Incredibly, he has taken the most marginal seat of 2008 and made
it unthinkably safe by mere hard work and dedication. That is what the Riverton campaign and Liberal campaigns are all about, because that is what Liberals believe in in every fibre of our being. Peter Abetz, through hard work on the ground as a grassroots member, took his seat from being highly marginal to one where he is on over 63 per cent primary. This is testament to hard work and working for and with his community.

What is wrong with Labor? They do not have the people. They do not have them intellectually, spiritually or even physically, as we saw on Saturday. Their members were very few and far between. Unions today are indolent and irrelevant to WA and the Australian economy. I am afraid that in the final analysis of the WA state election, one can conclude that for Labor a very personal problem remains: the voters of Tangney and WA want fair dinkum politics. They want their representatives to play the game hard, but play the ball and not the man.

The campaign in my electorate that most displayed this was the Dean Nalder campaign in Alfred Cove. Dean, the grandson of a deputy premier of my state, knows the value of saying, 'Yes, we can'. He knows the challenge of a positive agenda for real change, and because of that he gave the people what they had been asking for. He received an epic mandate, a heroic 75 per cent two-party preferred vote—this was against the Independent incumbent and the Labor Party.

The lesson for federal colleagues is clear: Mike Nahan, Peter Abetz and Dean Nalder are champions of their communities, and they won through their hard and honest work. They offered a positive vision for real results; that is how the coalition will win in September. The things that federal Labor are not good at are now very clear: they are not very good at protecting our borders and they are not good at securing jobs or competitiveness. The one thing this government is good at, and I will concede this, is spending money—our money. When the Treasurer picks your pocket to pay Chinese bondholders, he is crushing our future with a mountain of iron-clad debt. Treasurer, rip up the credit card, get off the debt bench and start living within our means again.

Liberals know how to do it—we have done it before—and with Liberal leaders at every level, our team is talented and ready. Tried and trusted versus tired and troubled. Open opportunity versus despair and waiting. Vigour, vitality and big ideas; that is what is on offer from a coalition government. Let not the darkest hours behind us block our sight of the brightest days ahead. Working with Dean Nalder, Peter Abetz, Mike Nahan and Colin Barnett—and also working with Tony Abbott—we will return hope, reward and opportunity to all Australians.

Fraser Electorate: Youth

Dr LEIGH (Fraser) (12:41): I rise to speak about three examples of inspiring youth activism. This morning it was my pleasure to meet some of the Oaktree Roadtrip youth ambassadors. These are a group of young Australians who are travelling the country aiming to gather 100,000 names of Australians who support the movement to end poverty, a movement that will show public support for increased foreign aid—as this government has been delivering. I particularly enjoyed spending time with the Canberra Roadtrippers, having farewelled them from Canberra only on Saturday at the Australian National University. Since then, they have travelled to Western Sydney, to Eden and to Cooma and they are back hitting
the road again tomorrow. They will be part of a great movement to bring an end to extreme poverty.

I particularly want to mention the Canberra Roadtrippers: Abbi Ho, Adriana Clarke, Alice Zhu, Allayne Horton, Caitlin Thomas, Ben Duggan, Grace Ephraums, Heather Quienell, Jackie Grinsell-Jones, Jess Niven, Jono Pyke, Karen St George, Kate Anderson, Keyta Slattery, Leigh Moran, Matthew Montieson, Miranda McMahon, Natasha Chabbra, Naihm Nicol, Penny Slater, Pramilaa Shivakkumar, Rashmi Bangalore, Sarah James, Sami Shearman, Siobhan Linehan, Tara Crafter, Tess Cole-Adams, Tooba Faridi and Virginia De Courcy.

Last night it was my pleasure to attend an event put on by the Foundation for Young Australians. The Foundation for Young Australians is a national, independent, non-profit organisation dedicated solely to young people. Its hallmark is, as put in its mission statement, being ‘relentlessly optimistic about all young people and their ability to be enterprising’. Among the initiatives run by the Foundation for Young Australians are: Change It Up, which is aiming to inspire the potential of bright young people in regional and rural Australia; High Resolves, which is aiming to ensure that Australians finish school and are inspired to be global leaders; the Impact (Youth Indigenous Leadership Program); Young People Without Borders; and Young Social Pioneers. We heard speeches by Jan Owen, Indigenous leader Benson Saulo and social entrepreneur Nicole Gibson. I am particularly impressed by the work being done by the Foundation for Young Australians and by its great enthusiasm.

Staying on the theme of enthusiasm, it was my pleasure this week to meet the End of Polio campaigner Michael Sheldrick. He is a frequent visitor to this building who has spoken with many members and senators about the campaign to end polio, and his campaign has been acknowledged in private member's motions in this House. With him was Akram Azimi, who is the Young Australian of the Year. Mr Azimi has an extraordinary story. He arrived in Australia 13 years ago from Afghanistan as a refugee. He told me the story of being chosen as a refugee to come to Australia and he thinks that it was perhaps just a chance comment he made about Charles Dickens in the asylum seeker interview which separated him from the many children who did not get to come here. Since arriving, he has topped the tertiary entrance exam scores among his classmates and he is setting up programs to help disadvantaged remote Indigenous communities and to mentor young Indigenous people in the Kimberley region. It is his enthusiasm and optimism that, to me, symbolises the great refugee story and the story of how refugees make Australia so much stronger.

I also acknowledge work being done to support youth Indigenous enterprises by the Snow Foundation here in the ACT which supports, among others, One Disease at a Time, run by Sam Prince; No Sweat Fashions; Volunteering ACT's SPICE Program in which Rikki Blacka is instrumental; and the ACT Social Enterprise Hub. On 4 April, I will be convening the second social entrepreneurs' breakfast in my electorate office—an opportunity for young social entrepreneurs in Canberra to get together, exchange ideas, and talk about some of the challenges they are facing and how together we can work to boost social entrepreneurship and volunteering in the ACT. These groups of young people are just some of the many inspiring Canberrans working together to change the world for the better.
Page Electorate: One Billion Rising

Ms SAFFIN (Page—Government Whip) (12:46): On Valentine's Day, my home town of Lismore joined in the global campaign called One Billion Rising. Its aim was to get one billion women standing up across the world and dancing in rising events. They also invited men to join in the campaign. I was due to speak on the day in this place, but the adjournment debate was cancelled so I could not. I promised the local women and the women's organisations that I would still do so—hence my contribution today, a few weeks after Valentine's Day. It also comes, appropriately, after a week of activities to celebrate and mark International Women's Day, concluding with a wonderful breakfast here yesterday morning, hosted by UN Women with guest speakers Minister Bob Carr and shadow minister Julie Bishop, who both gave great speeches demonstrating a global commitment to women in development and to stopping violence against women everywhere, including Australia. It was very good to hear.

Locally, there were many events in my area but three that I was invited to. There were two I could not get to. One in Yamba involved the View Club—it went over most of the day and it was well attended. They included a whole range of different cultures in their celebration. That was principally organised by Anne Dinam and Joy Lauder of View Club. Ballina Chamber of Commerce and the Ballina Shire Council always have a mega-event on International Women's Day—over 250 women attend. They always say that they have inspirational speakers—they never tell you who they are so you get a surprise on the day. I could not go to that one, but two of my staff went—Carmel and Lee. I got to one function in Casino that night. It was a wishing well art exhibition hosted by the Lismore and District Women's Health Centre celebrating the lives of a group of courageous women from local Northern Rivers communities and it was, in a sense, therapy through art. They had the artwork and I launched the art exhibition. It was wonderful for women who have mental ill-health and obesity, and it was working with the Lismore and District Women's Health Centre and using art. It was a really wonderful event.

Back to One Billion Rising, the Lismore and District Women's Health Centre, managed by Sandra Hendley, who is really active and creative in her management, in partnership with the Lismore City Council, led by our wonderful mayor, Councillor Jenny Dowell, hosted the event. Sandra said it was an event that they could not not do given the focus of their work and the large number of women subjected to violence.

Reading a little bit out of our local Northern Star newspaper that gave it coverage—it was a young local journalist, Marnie Johnston—and quoted here is Sandra saying:

"It is something that we see in our work every day—the affect of violence and women who are affected by violence—and we thought this was a positive way to bring this issue to life."

Miss Handley said the event was not just for women. "There are great men who stand up against violence so we really encourage men to come down and rise up and join us. We need men and women to stop violence against women."

The event was dancing in the street on the corner of Molesworth and Magellan streets. My office is in Molesworth Street. I said if I had been there—I was still in this place—I would have danced with them.
It was followed with an event that a lot of people attended; it was another public event. It was a well-known international play at the Star Court Theatre in Lismore, and it was to draw attention to violence against women. The play was called *The Vagina Monologues* by supporter and issues writer, Eve Ensler. It was performed at the Star Court Theatre and a lot of women attended that. One of my other staff members, Lee, attended. The staff in my office were very active around these events.

At the same time a group of men and women in the community lined up against abuse. They encouraged everybody to get involved, and the state member for Lismore, Thomas George, joined in. They lined up: there was Rob Garbutt, Stewart Hannah, Sonny Hannah, Monty, Thomas George, Andy Parks—from one of the local newspapers, the *Northern Rivers Echo*—Nigel Hayes, Morgan Montague-Elliot and Soenke Biermann. They encouraged—(Time expired)

Question agreed to.

Federation Chamber adjourned at 12:52