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**SITTING DAYS—2015**

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—FIFTH PERIOD

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

Senate Office holders
President—Senator Hon. Stephen Parry
Deputy President and Chair of Committees—Senator Gavin Mark Marshall
Leader of the Government in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Government in the Senate—Senator Hon. George Henry Brandis QC
Leader of the Opposition in the Senate—Senator the Hon. Stephen Conroy
Manager of Government Business in the Senate—Senator Hon. Mitchell Peter Fifield
Manager of Opposition Business in the Senate—Senator Claire Moore

Senate Party Leaders and Whips
Leader of the Liberal Party in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Liberal Party in the Senate—Senator Hon. George Henry Brandis QC
Leader of The Nationals in the Senate—Senator Hon. Nigel Scullion
Deputy Leader of The Nationals in the Senate—Senator Hon. Fiona Nash
Leader of the Opposition in the Senate—Senator the Hon. Penny Wong
Deputy Leader of the Opposition in the Senate—Senator the Hon. Stephen Conroy
Leader of the Australian Greens—Senator Christine Anne Milne
Chief Government Whip—Senator David Christopher Bushby
Deputy Government Whips—Senators David Julian Fawcett and Anne Sowerby Ruston
The Nationals Whip—Senator Barry James O’Sullivan
Chief Opposition Whip—Senator Anne McEwen
Deputy Opposition Whips—Senators Catryna Louise Bilyk and Anne Elizabeth Urquhart
Australian Greens Whip—Senator Rachel Siewert
Palmer United Party Whip—Senator Zhenya Wang

Printed by authority of the Senate
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<th>Party</th>
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**Casual vacancy**

Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives

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<td>ALP</td>
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**Casual vacancy to be filled (vice J Faulkner, resigned 6.2.15), pursuant to section 15 of the Constitution.**

PARTY ABBREVIATIONS


Heads of Parliamentary Departments

Clerk of the Senate—R Laing
Clerk of the House of Representatives—D Elder
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
# ABBOTT MINISTRY

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<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon. Tony Abbott MP</td>
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<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon. Nigel Scullion</td>
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<tr>
<td>Minister Assisting the Prime Minister for the Public Service</td>
<td>Senator the Hon. Michaelia Cash</td>
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<tr>
<td>Minister Assisting the Prime Minister for Women</td>
<td>The Hon. Charles Porter MP</td>
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<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Alan Tudge MP</td>
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<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong></td>
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<tr>
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<tr>
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<td>The Hon. Steven Ciobo MP</td>
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<tr>
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<tr>
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<td><strong>Minister for the Arts</strong></td>
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<tr>
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<td><strong>Treasurer</strong></td>
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<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon. Joe Hockey MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>The Hon. Bruce Billson MP</td>
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<td>The Hon. Joshua Frydenberg MP</td>
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<tr>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans' Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
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The PRESIDENT (Senator the Hon. Stephen Parry) took the chair at 12:30, read prayers and made an acknowledgement of country.

STATEMENT BY THE PRESIDENT
Photography of the Senate

The PRESIDENT (12:31): Honourable senators, I seek concurrence, as I did last year, in relation to a request from the press gallery. The press gallery has requested that photographs may be taken not in agreement with the current practices concerning the division for the Higher Education and Research Reform Bill 2014, which will be debated shortly. I would seek concurrence on the same terms that I granted the press gallery last time with the concurrence of the Senate, and those were that photographs be broad shots of the chamber only; that individual senators or groups of senators not be the focus of any particular shot; and that media rules be otherwise complied with at all times. Unless I have any objection, do I have the concurrence of the Senate for that to take place for the higher education bill? There being no objection, it is so ordered.

DOCUMENTS
Tabling

The Clerk: I table documents pursuant to statute and returns to order in accordance with the lists circulated in the chamber.

Details of the documents appear at the end of today's Hansard.

COMMITTEES

Environment and Communications Legislation Committee
Legal and Constitutional Affairs References Committee
Rural and Regional Affairs and Transport References Committee

Meeting

The Clerk: Proposals have been lodged for committees to meet as follows: the Environment and Communications Legislation Committee for a private meeting today, from 5 pm; the Environment and Communications Legislation Committee for a public hearing on 23 March, from 11.30 am; the Legal and Constitutional Affairs References Committee for a private meeting today, from 3 pm; and the Rural and Regional Affairs and Transport References Committee for public meeting on Monday, 23 March 2015, from 5.30 pm.

The PRESIDENT (12:32): Does any senator wish for any of those motions to be put? There being none, we will proceed to business.

BILLS

Higher Education and Research Reform Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.
Senator KIM CARR (Victoria) (12:33): I rise to speak on the Higher Education and Research Reform Bill 2014. For 10 months the Abbott government has pursued an unfair, unnecessary and ideologically driven agenda to restructure higher education in this country. The agenda is unfair, because allowing universities to charge whatever fees they want will drive up the cost of degrees. It will impose crippling debt on students and deny to many of them the opportunity in life that a university education can offer.

The agenda is unnecessary, because the so-called funding crisis that has been used to justify fee deregulation does not exist. The only crisis was the one that the government contrived by its threatened 20 per cent cut to the funding of student places. The minister announced yesterday that the cut will be the subject of separate legislation, by which he means in effect that there will have to be an amendment to the current legislation. The minister announced yesterday, that is to say, that the government was going to pursue this, and pursue it if this matter were defeated in the Senate, having said previously that the matter would be put to rest by the end of March. The government has contrived the funding crisis, but now the minister has moved away from that proposition because he thought it was suddenly, to use his word, a 'distraction'. Yet the government still insists that fee deregulation is necessary

This is because the government's real agenda is an ideological one, as has been apparent from the very beginning. This bill and its failed predecessor were never intended to build world-class universities in Australia, as the Minister for Education and Training continues to pretend. Australia already has world-class universities, as anyone familiar with the global university ranking systems will know, and Australia's university system—and I want to emphasise the word 'system'—is routinely ranked amongst the very best. As the vice-chancellor of the University of Canberra, Professor Stephen Parker, has said:

More Australian universities appear in world rankings than a decade ago, courtesy of the current funding system … there is … nothing in the world-rankings of Australian universities to suggest a problem, let alone a crisis.

The Government's real motive is the withdrawal of public provision in higher education. The Pyne plan, if it becomes law, would usher in the creeping privatisation of the system. The minister wants an Americanised system, with very few already wealthy universities charging high fees for an elite education while the rest become less and less able to compete on equal terms. It would be a world of $100,000 degrees and of constant degradation of the system, and a world in which debt on student loans and fee inflation become major social and economic problems. In the United States, fee levels have been rising at twice the inflation rate for the past decade, and student debt is spiralling out of control. Total debt on student loans exceeds credit card debts.

The Abbott government has failed to deceive the Australian people about its intentions. Australians know we already have a strong and competitive university system. They know what an Americanised system would mean. From the beginning, they have seen the Pyne plan for what it is. They know that it is an attack on the Australian dream—an attack on the fair go that every generation of Australians rightly deserves. They know that opportunity and access to education go hand in hand. They know the doubling and tripling of the cost of degrees can only mean that there will be fewer and fewer opportunities for those who do not have private wealth.
The Australian people are not fools and have consistently and overwhelmingly rejected the perfidious Pyne plan. Even the attempt to spend $15 million of taxpayers' money on a slick but misleading ad campaign did absolutely nothing to help Minister Pyne win public support for his trashing of the Australian fair go. Unable to con the voters, the minister has increasingly resorted to desperate measures to try to bully the Senate into passing this bill. He tried to link continued funding of the National Collaborative Research Infrastructure Strategy to passing the bill. NCRIS was never part of this bill, but the minister, who could not win the argument over deregulation, decided to make Australia's research facilities hostage to the bill's success. He put at risk the jobs of 1,700 scientists and technicians in 27 facilities, 35,000 research projects and Australia's future as a nation committed to the advancement of knowledge through pure and applied research. As the Nobel laureate Professor Brian Schmidt said, it was not the way a grown-up country behaves. And he should know; this is a man who came to Australia from the US because our facilities and universities offered the opportunity to do excellent research.

Even those who would normally be regarded as the allies of the coalition were absolutely appalled by the minister's linkage of this bill to funding for NCRIS. The chair of the Business Council of Australia, Catherine Livingstone, said:

How have we come to a point where a Government feels that it can use assets publicly funded to the tune of over $2 billion over the past decade ... as a hostage in a political process?

The minister lost support all round because of his NCRIS threat—including, reportedly, from some members of his own party.

The government has lost all credibility on its higher education plans. It has lost credibility with the wider public and has done so on the very basic principle that they have defied the essential ingredient of equity in higher education. It has also lost credibility with the experts because its proposals threaten the system's financial sustainability.

Unregulated fees would drive up inflation as has happened in the US. The cost of living would increase for every Australian. The budget papers already show that total HELP debt is expected to increase from $25 billion today to $52 billion by 2017-18. And this estimate does not take into account the blow-out in debt if universities are given a blank cheque to set their own fees.

NATSEM modelling, using the government's own data and very conservative assumptions about fee increases, shows that doubtful debt could easily rise from 17 per cent to 30 per cent off a larger debt base. It is clear what that would mean. The taxpayer would carry the can for these inequitable policies. Universities would be funded through debt write-downs and interest subsidies rather than through manageable direct grants, and until yesterday all this was supposed to have been done in the name of resolving a make-believe funding crisis.

As the debate about the government's short-sighted policies has gone on, the minister has been well and truly hoisted on his own petard. He has attained dizzying heights of absurdity as his fiscal rationale has unraveled. It would be absolutely farcical if its consequences were not so dire.

Senators will be left in no doubt about the apprehensions within the sector over fee deregulation if they read the submissions to the Senate inquiry into the principles of the bill. Professor Louise Watson, an education policy analyst at the University of Canberra and a
member of the 2011 base funding review, said this about the minister's proposals for relinquishing control of higher education fees while at the same time retaining responsibility for paying them through HECS:

University Vice-Chancellors would henceforth decide how much public money they wanted to receive. Whatever graduates cannot repay due to price increases and declining graduate earnings, will be sheeted home to the federal budget. As the ballooning HECS debt in the VET sector has demonstrated, fee deregulation would simply make Australian higher education less predictable, less affordable and less sustainable in the future.

Professor Watson illustrated the point in this way: 'It is unprecedented in public policy to invite a recipient of public money to dictate how much they want to receive. I do not give pocket money to my children on the basis of how much they want to receive; I give it to them on the basis of how much I think they need and how much I can afford. I think that those principles generally govern government financing and they should be applied in the case of higher education.'

The architect of HECS, Professor Bruce Chapman, agreed that the ability of students to defer payment of fees through income-contingent loans would increase pressure on the federal budget. Professor Chapman made a point that Labor has also argued many times since the government unveiled its higher education proposals in the budget last year. Under a deregulated system there would be no real price competition between institutions, because of the deferred payment scheme and the peculiar nature of the education market.

Anyone who is aware of the experience of deregulation overseas knows this to be true. There is no example of fees falling after deregulation, because in the so-called education market fees are perceived to be an indicator of quality. The implications of this for smaller and regional universities are obvious: they would be in a bind. If they do not raise fees, they risk losing students who are wealthy enough to pay higher fees—or who are beneficiaries of the misleadingly named 'Commonwealth scholarships'—to the lures of sandstone universities in the capital cities. But if regional and suburban universities do raise fees, they will impose a heavy burden on the disadvantaged or mature-age students who form a disproportionately high share of their enrolments. As the vice-chancellor of the University of South Australia, Professor David Lloyd, has said:

I don't want unfettered deregulation. In many regards deregulation becomes a group of universities saying 'Trust us, we won't overcharge you.' But to be honest, the public deserves certainty about what the structure of fees would look like.

Research-intensive regional universities—universities like Newcastle, Deakin and Wollongong, which have been steadily moving up global rankings on the basis of their excellent research—would be particularly hard hit by such a regime. Compared with the Group of Eight universities, their capacity to attract the best research students and to fund new projects would go backwards.

That is how Christopher Pyne's Americanised system would take shape. But the minister has not acknowledged the looming budgetary disaster in the system he is attempting to impose upon this country. Indeed, he has failed to release any modelling on the impacts of his radical agenda—no modelling of fees, of HECS debts, or anything. He is happy to pander lies about various perceptions of Labor's models to any newspaper journalist that will take them. He has, however, implicitly conceded that deregulation would lead to massive fee hikes.
In a flurry of negotiations with crossbench senators over the last few weeks, he has floated a proposal for a great big new tax on universities and their students. The suggestion was that universities that raise fees too steeply would be forced to pay what the Minister Pyne prefers to call a fine or levy into consolidated revenue. This is not a new idea. It was also briefly considered by the Tory government in the United Kingdom, when fees were deregulated there. That government—the Minister's ideological cousins—rejected the idea because a tax or fine or levy would cause fees to spiral up; they would not go down. Universities would cover their costs by passing them on to students who would have to pay this great big new tax.

That is the reality of a deregulated system. Fees will rise, pushing the dream of a university education further and further out of reach for increasing numbers of people. And rising fees will create an unsustainable burden for the Commonwealth budget. Under the Abbott government's short-sighted and irresponsible plan, Australia would end up—like Britain—having a system that, to quote the UK Higher Education Commission, 'represents the worst of both worlds, where all parties feel that they are getting a bad deal and under which government is effectively funding universities 'by writing off student debt rather than investing directly in teaching grants.'

That is the disaster passing this bill would unleash on the Australian higher education system. The government continues stumbling blithely towards that disaster, regardless of what the Australian people have clearly indicated they do not want. Labor knows that people expect governments to fund universities properly—to meet their obligations and pay their bills. The oft-heard claim that there is no political will for increased public provision in the funding of higher education is simply not true. The Australian people have consistently indicated otherwise, and that is the ground on which Labor will continue to contest the government's plans for a deregulated, increasingly privatised and increasingly Americanised university system.

Regardless of what happens to this bill in the Senate, we will be taking this fight to the next election. If we can assume the minister is telling the truth for once, we know the Liberals will, too—so we will have a hell of a contest for the forthcoming election on this incredibly important issue. We shall force the government to do what it did not do with the current proposals—submit its plans for higher education to the verdict of the people. That is a contest we will relish. These proposals constitute just one of the Abbott government's many broken election promises. Before the last election, the man who is now Prime Minister promised that there would be no cuts to education and no changes to the existing funding arrangements for universities. In fact, he went down to Universities Australia and said that his policy was 'masterly inactivity'. And what do we have? The most radical changes, the most dramatic changes, being proposed since John Dawkins's day—and they are being done as secret budget measures. There has been no white paper, certainly no green paper, no proper discussion—just an ambush on budget night.

The government has broken faith with the Australian people on its promises. In doing so, they have taken universities and the Australian people for granted. If they have their way, universities will be able to charge whatever they want—and the losers in that equation are the Australian people. Social justice will be impeded, prosperity will be impeded, and universities will suffer dramatically as we develop a two-tiered system based on a perfidy of a proposition.
that you can always get what you want if you have the capacity to pay. It would give aid and comfort to the coalition's fundamental belief that this is a rich man's country yet. We shall not let that proposition be forgotten, and we will fight this issue right through to the next election and beyond.

Senator RHIANNON (New South Wales) (12:55): The Greens oppose the Higher Education and Research Reform Bill 2014. What a saga Minister Pyne has inflicted on the people of Australia! For months, students, prospective students and their families have been living with uncertainty about their university prospects. Will they be able to afford to go? What is going to happen with the way our universities are managed?

Minister Pyne has done nothing but create uncertainty for these people. He has done this not only through the destructive aspects of the bill itself but also through the way he has conducted the debate. Let us remember: a bill very similar to the one we are now debating was decisively defeated in December last year. Immediately the minister—not learning the lessons, not recognising it was time to have real consultation—put a similar bill back into the House of Representatives. The minister, by calling himself 'Mr Fixer' and telling us that he is out there creating solutions, is deceiving nobody but himself and maybe a few others in the Abbott bunker. So many of the tactics we have seen in recent weeks—particularly what he came up with yesterday—have been about trying to quarantine the Abbott government from another embarrassing defeat.

There will be a number of speakers in this debate who will clearly set out how damaging this bill is. I congratulate the many concerned people—education unions, students, staff members—who are committed to building a higher education system of the highest standard. Yesterday, while Minister Pyne was doing his backflips, many students were out there taking action and being very vocal about it. I particularly wanted to congratulate Kyol Blakeney, the SRC president at the University of Sydney. With his colleagues, he was protesting, through civil disobedience, at the university. Those sorts of actions are needed because Minister Pyne and the Abbott government have gone too far with what they are trying to do in higher education.

The defeat of the previous bill last year was a significant win for the education unions and for tens of thousands of staff and students, as well as for all those looking forward to a university education—which is their right. It was an important step because, for the moment anyway, we had safeguarded our universities from the neoliberal policies of this government. These are policies which, at the end of the day, are about heaping the cost burden of higher education onto students and their families. That is the real intent of this bill. We need to remember where the original bill came from: it was a budget measure. Purely and simply, it was about saving the government $5 billion. That is what it was about; it was about ripping $5 billion out of our public universities and shifting the cost burden to students.

The bill before us now is nothing new. It is just back to the old ways of the Liberal and National parties—another free market plan. I think it relevant to compare the old bill and the new bill. The old bill, as I said, projected savings of about $5 billion. The new bill before us has estimated savings of about $640 million. Some of the key provisions of the original bill remain. It is important to note that because it underlines the very poor tactics of the minister. He is not fooling anybody when he just brings back basically the same measures in a new bill,
this time hoping he can get his way by trying to embarrass crossbenchers, by using a bit of intimidation or through a bit of blackmail. We have seen all those tactics rolled out.

Some of the key provisions that remain in this bill—

Senator O’Sullivan: On a point of order, Mr President: this is a repeat of yesterday—references to blackmail and intimidation. Those references are directed at the minister. The senator had to withdraw those references yesterday and I recommend that you ask her to withdraw them today.

The PRESIDENT: Senator Rhiannon, I ask you to exercise some caution in your contribution to the debate.

Senator RHIANNON: I was identifying those provisions in this bill that the Senate has already debated in great detail—and rejected. This is very relevant. Those provisions include 20 per cent cuts to Commonwealth supported places. That is still in this legislation. I will come to the comments the minister has made on this issue. Other provisions which are still in this bill include the deregulation of course fees so that universities can charge students whatever fees they want; the lowering of the Higher Education Loan Program, or HELP, repayment threshold; the increase in the proportion of the loan burden carried by students; and the extension of Commonwealth supported places to sub-bachelor and bachelor courses offered by private universities and non-university higher education providers, as well as to sub-bachelor courses offered by public providers. In addition, there are real cuts to this country's research funding in this bill. As we know, the minister was highly deceptive about the $150 million that was allocated for those 1,700 scientific workers. We know that is not in the bill, but there were research cuts in the former bill and there are again in this bill. Those cuts represent a 10 per cent reduction in the Research Training Scheme.

Also included in both bills are the misnamed Commonwealth scholarships, which are funded from increased fee income—the requirement that $1 in every $5 be put aside by universities for these scholarships. I call them 'misnamed' because they are another example of the deception that has become the trademark of this minister. Many members here would have benefited from the old Commonwealth scholarships. These were scholarships where the government provided money to assist people to go to university. With the current form of Commonwealth scholarships being proposed by Minister Pyne, no government money will go into them. The scheme is purely based on getting money from the students who are paying fees and putting it into these so-called Commonwealth scholarships. Those are the similarities between the old bill and the new bill.

In the couple of months since the first bill was introduced, we have seen support for the government's position fall away. This is where we need to consider one of those main blocks that the minister has relied on to make out that he has sector support. How many times have we heard the minister talk about how all of the vice-chancellors support him bar one? Many of us in here have heard privately from vice-chancellors who hold great disquiet about how the minister is conducting the debate and about what is in this legislation. Some of them are on the record. Peter Dawkins, the vice-chancellor of Victoria University, has said that the government should acknowledge that its deregulation plan will not pass the Senate. He has actually talked about a third way. We may not agree with that, but he is certainly not solidly there with the minister as he makes out. The University of Technology, Sydney, Vice-Chancellor Attila Brungs and Swinburne University of Technology Vice-Chancellor Linda
Kristjanson have also questioned how these tactics are playing out. So it is not the solid bloc that the minister makes out.

Those vice-chancellors are representative of the senior management within their universities. They are not representative of the majority of staff and the majority of students. I do need to put on the record at this point that it has been disappointing the way many of those vice-chancellors have not represented the whole university sector that they surely lead and should be a representative voice for. I think that has done their own universities a disservice, as well as the wider sector.

Then we come to what we heard yesterday from the minister, with his latest plan to split the bill so that we deal with deregulation on the one hand and the 20 per cent cut on the other hand. What we need to note right at the beginning is that the 20 per cent cut—the $5 billion that the government was trying to save in the first place, and then a reduced amount in the bill before us now—is only a deferral. It is only a tactic for the minister to try to make out that he has listened and has changed the legislation. There is no significant change in this at all. It is another deception. It is really a tactic to save the skin of the minister and those in the Abbott bunker. I say that most definitely because the government looks set to lose one of the major pieces of the 2014 budget that still has not been passed. Five billion dollars is not a small amount. They have already watered it down but they are trying to deal with the whole issue of university funding within their neoliberal philosophy, which is based on putting the costs onto ordinary people and not ensuring that the revenue streams are there to pay for this most important part of how our society is organised.

To repeat again, Minister Pyne is not abandoning his 20 per cent cut to university funding. His proposal is nothing more than to split it off from the deregulation bill for just a six-month deferral. Fee deregulation, let's remember, will result in significant fee increases. That is what is deeply alarming. There is a wider understanding within the community now that that could mean even higher than the $100,000 price tag that has been linked with a number of degrees in some courses. That is really troubling many people. That is what is bringing the uncertainty to so many students and families. It has been such a very ugly part of the way the minister has conducted this debate.

Often, when we talk about the quantity in these fees, because the Greens have done a lot of work in this area, I acknowledge that sometimes criticism comes about our modelling. But our modelling is out there. No flaws have been identified and put on the table. But when you look at the government, they have not released their modelling. To this day, they refuse to release their modelling. If Minister Pyne's comments could be believed, the modelling would help give greater insight into how his promises and his commitments would really play out.

I repeat, this is a very important part with what we are dealing with here, because the landscape appeared to changed yesterday when the minister spoke. This 20 per cent cut for Commonwealth-supported places would have an extraordinary impact on the budget if the government was sincere. This is where their credibility, again, comes into question. If the 20 per cent cut to CSP funding did not go ahead, the minister's higher education policies, which were meant to contribute to budget repair, would now cost the budget about $1.4 billion. So we have gone from the first bill saving $5 billion to the second bill saving about $680 million. Then, if the minister was successful in carrying forward his plan, it would appear that, if you follow through the logic the minister was putting out there—not that I am saying the minister
was very logical about it—you come to the conclusion that there would be a $1.4 billion cost burden on the budget. I think it would be wise for the minister to come in on this aspect of the debate in his reply to the debate on this bill and comment on that very fact. Surely, the government need to come clean with what their plans are. Otherwise, if they do not—like they would not release their modelling—you are left with the clear understanding that all those manoeuvres yesterday were nothing more than a tactic to try to muddy the waters and to present that something had changed to try to get through the bill at the eleventh hour when, clearly, the degree to which they are being discredited is just increasing.

We have also heard from the minister a great deal about how our universities rank on the international stage. Often he is quite critical in saying how he wants more universities in the top rankings. Yes, the university system at the moment could be improved; yes, it needs more funding. But it is not this massive failure that this minister makes out. And, similarly, our standing internationally is not the disaster or so poor as the minister makes out. The data shows that Australia does not have just a few world-class universities; in fact, we have a world-class system. In addition to the eight universities which make the world's top 200, there are a further 12 universities which make the 200 to 400 group.

So, again, our universities have not failed. We can be proud of them. Yes, we need to get this debate about the future of higher education onto a proper consultative basis with the wider university sector and the community. We need to debate how higher education can be funded in a secure way—not the haphazard and destructive way the minister has conducted himself.

Just staying with these international comparisons, I also want to deal with the issue of the OECD figures, that provide very useful information on the level of tertiary funding. Public funding of tertiary education in 2011 in Australia is 0.7 per cent of GDP. This is below the OECD average, which is at 1.1 per cent. So, again, this is where we are in a very poor position. We have been below the OECD average for a long time. And that goes to failures under both the previous, Labor government and this coalition government, where public investment in higher education has not been given the priority that is needed. It is already too low in Australia and we need to remember that it is the responsibility of the government and not the students to fix this.

Throughout this debate in the wider community, as the government has attempted to bring in legislation—the first round and this second round—there have been many groups that have come to this place to lobby us and to raise their concerns. The National Union of Students and the National Tertiary Education Union are two of those who have provided very useful information.

The National Union of Students have submitted that the inclusion of $100 million over three years for the structural adjustment fund is simply an offset of the government's decision not to extend eligibility for Youth Allowance and Austudy. I want to touch on this issue of a structural adjustment fund, because that was something else that the government decided to introduce. And I would argue that it really is an admission of failure, and highlights a fundamental inequity that is at the heart of this bill. The government came up with this. It is another one of Mr Pyne's attempts to win support for this legislation. He talks about pausing indexation for primary carers of children under the age of five. Clearly, that group of people often suffer considerable discrimination but, again, all we have ended up with here—it is up
there in lights—is that this whole way of managing our higher education system is highly discriminatory.

The National Tertiary Education Union have also taken up this issue. They have identified that the SAF was introduced in recognition that deregulation is likely to have a severely adverse impact on regional and rural universities and those serving students that are highly sensitive to the cost of attending university. The change is intended to provide funding to assist providers in a transition to a post-deregulation environment. That, again, sets out very clearly the problems in so many aspects of this legislation that we have before us.

This is legislation that should not be before this House. By far the bulk of it has already been considered and has already been voted down. It is, again, a very poor attempt by the minister to get his way. This legislation is destructive, both in terms of the impact that it would have on individual students, who would be carrying the huge debt burden for much of their lives—many would never be able to pay it off—and also destructive of the very fabric of our society. It is no way to run a higher education system, to build an educated, innovative nation by penalising students and their families and pushing the cost burden onto those people rather than the government accepting its responsibility. If you are in government a key part of your job is to pay for the higher education system. This bill should be defeated.

Senator REYNOLDS (Western Australia) (13:12): I rise today to speak on the Higher Education and Research Reform Amendment Bill 2014. Those opposite talk about free education a lot, but education has never been free. It is expensive. And it is subsidised by hard-working Australian taxpayers. The issue for us in this place today is to find a fair and reasonable balance to ensure that our higher education system is sustainable into the future. But it is also about ensuring our graduates are able to compete with the best and the brightest in the industries of the future, and not in the industries of the past.

I want to bring the debate back to where it always should have been focused—that is, on the future. Despite what those opposite would have the public believe, these reforms are all about students, which is why the higher education sector overwhelmingly supports these reforms—because they know that a problem delayed is a problem denied. In fact, 40 out of 41 vice-chancellors in Australia support these reforms.

It was in 1974 that the Whitlam government assumed full funding for universities and abolished student fees. It was successful in increasing higher education student numbers. But in 1989 the Hawke Labor government realised it was reasonable and necessary to ensure that those who benefited from higher education make a small contribution to the cost of their education when they were in a position to repay the loan.

In 2015 we need to look at reforming the system to adapt to the challenges of our time—the 21st century. Those opposite continue to promulgate the old, outdated class warfare rhetoric—which again we have heard from the first two speakers—harking back to the good old days of 1974, when higher education became a cost borne exclusively by the Australian taxpayer.

The world today looks very different from the way it looked 40 years ago. Perhaps fittingly, in 1974 the most popular song was Barbara Streisand’s smash hit *The Way We Were*; and the *Time Warp* had just become a musical hit. In 1974, in my home town of Perth, the median house price was just over $18,000 and today it stands at over half a million dollars. In...
1974, the science fiction writer Arthur C Clarke made a very bold claim: that one day a computer would be sitting on every desk. That year also saw the first use of the word internet. How times have changed in 40 years. In 1974, China's gross domestic product stood at around US$158 per capita. It is now nearly US$7,000 per capita.

The simple fact of the matter is that the world today is not the same as it was in 1974. Times change and we must change with them. Today higher education is one of Australia's most successful newer export industries. Education is now Australia's fourth largest export earner and higher education comprises two-thirds of all those exports. But, without change to the funding model, Australia will start falling behind. The value of our higher education commodity will decrease, and an important part of our economy will decline, instead of increasing and booming into the future as it should. Today our students are competing with graduates from all over the world for the jobs of the future, in industries we now need to transition to. We need, and our higher education system needs, to adapt if we are to keep up with the times and the changes.

At the heart of the reforms the government is proposing is the idea that universities should be free to set their own fees and to compete for students. That is the part of the equation on which those opposite wilfully mislead the public. It is not only about increasing fees; it is about competition between the universities. Competition will enhance quality and make higher education providers more responsive to the needs of students and of the labor market more widely. The fact is that, when universities and colleges compete, students are certainly the winners. The question we should ask ourselves is: what lies ahead for our students and institutions, and in fact for the future of our nation, if these reforms are defeated? What are the consequences for our children and our grandchildren who will find it increasingly difficult to compete with international graduates as the quality of Australia's higher education sector declines and becomes less and less internationally relevant?

The scare campaign currently being run by the opposition and the Greens is, I believe, an irresponsible attempt to shift the focus and derail the reforms. It is, pretty much, a very cheap political tactic. Currently our universities face a herculean, or mammoth, challenge, competing with the best universities in Europe and North America—and now also with the fast-developing and extraordinarily hungry universities across Asia. They, unlike our universities, are not shackled to the past. They are free to compete and to innovate and to make sure they meet the needs of the industries of the 21st century. Last week, the Times Higher Education World Reputation Rankings listed only five—that is: five—Australian universities in the top 100 in the world. That should set alarm bells ringing throughout not only this chamber but all of Australia. Only five of the top international universities are now Australian. In 2013 there were six—and the decline continues.

I am sure every politician, every teacher, every student and in fact every Australian would like to see more Australian universities ranked among the finest in the world. The question is how to make this a reality. As they say, hope is not a method. Doing nothing, or hoping things will improve for the sector, will simply continue to send us backwards. As Universities Australia have themselves warned us: if this bill does not pass, Australian higher education will certainly decline inevitably into mediocrity and will be overtaken by increasingly intense international competition. Without changes to the current funding model Australian universities will bleed financially. They will be forced to make cuts which will narrow the
study options available for students. This will see student-to-staff ratios gradually decrease and reduce the overall quality of higher education in Australia. I do not for a second believe that the status quo is an option, and it is certainly not an option in the best interest of all Australians.

The unfortunate truth for those opposite is that Australian universities will continue to struggle to compete with the best in the world if they continue to be constrained by an outdated funding model. Those opposite, sadly, would rather see Australia stand still while the rest of the world is adapting, and adapting very rapidly, to changing circumstances. Their intransigence has consequences—and I think very dire consequences—for us all.

What alternative have those opposite put forward? Surprisingly, given all their rhetoric on this issue, Labor has yet to propose a single credible alternative to our higher education reforms. Instead, in fact, between 2011 and 2013, Labor announced cuts of over $6.5 billion to higher education and research. The facts are quite different to the rhetoric we continue to hear from the Labor Party today. On the reforms this government has proposed, Labor has rejected the advice of prominent people within its own party—in fact, advice from a conga line of eminent members of their own party including, most recently, Peter Beattie, who has quite clearly and unequivocally warned that we risk becoming a dumb country if these reforms are not passed. It is not us saying this; it is Peter Beattie saying that we risk becoming a dumb country if these reforms are not implemented. And it is not just Peter Beattie. There are many more on the Labor side who have been giving the Labor Party and the Greens advice that these reforms are necessary. They include Gareth Evans, John Dawkins and Maxine McKew, who have publicly pleaded with the Labor Party to support these reforms or, at the very least, engage in constructive discussions—pleas which have all fallen on deaf ears with those opposite.

Probably in the most extraordinary turn of events, last week Labor rejected the proposals of Professor Bruce Chapman—the father of HECS, an eminent education economist and a former Labor adviser. Labor rejected his proposals a mere 24 hours after his proposals were announced. I would have thought that any proposal put forward by Professor Chapman would be worthy of more than 24 hours consideration, particularly as we have just heard Senator Carr 30 minutes ago discussing Professor Chapman's credentials and his credibility—a mere 24 hours, not remotely credible.

The old adage, 'Don't bring me problems; bring me solutions' is very applicable here. Labor's decision to block constructive ideas and proposals without offering credible alternatives is shameful and irresponsible. Quite frankly, I think it is playing politics at the expense of the next generation. Although Labor have refused to come to the discussion table at all on this important policy area, the government have demonstrated it is very willing to work with the crossbenches to achieve outcomes that are both fair and reasonable. What has happened with respect to those discussions?

Proposals from Senator Day, Senator Madigan and Senator Muir have been included in the new higher education reform bill. For example, HECS indexation will be capped at CPI rather than at the bond rate; there will be a freeze on HECS indexation for primary caregivers of children under the age of five; and additional scholarships will be offered through the higher education participation program—all as a result of the government working successfully with the crossbench to get the best possible outcome for Australian students. Just imagine if the
Labor Party or the Greens had come to the negotiation table at any point in this discussion what we could have achieved together for Australian students.

If this bill does not pass, an estimated 80,000 students will miss out on Commonwealth support each year by 2018—utterly shameful. Many of these students, often from the most disadvantaged families, will need to pay full fees to complete their studies and others will simply miss out on higher education altogether. Those who are forced to abandon their studies will be severely disadvantaged in their working lives and that is an extraordinarily shameful legacy for those opposite and a burden for them to carry.

The Commonwealth scholarship scheme proposed under this legislation is in fact the biggest scholarship scheme in Australia’s history and, despite what those opposite have claimed, it is aimed squarely at helping disadvantaged students and is one of the most important and valuable elements of this reform package. Under the scheme, institutions will be able to provide tailored, individualised support to help disadvantaged students to meet their own personal needs, including costs of attending, participating in or succeeding in higher education. Without the passage of the bill, thousands more potential recipients will miss out on this vital support.

In politics it is often the case that a scare campaign beats good policy debate and I think this is a classic example of that with what we are seeing here today. However, the future of our higher education institutions, our students and our economy is far more deserving than what we are currently getting from those opposite. Labor and the Greens continue to make wildly exaggerated and quite frankly untrue claims, and again today in this chamber, of the cost of tuition if these reforms are passed. Really, $100,000 degrees! They know and we know that that is simply not true. There is no shred of evidence to demonstrate that that is true. It demonstrates that they have no concept of what competition can bring. Competition in this case is good. It brings out better reforms. There is no suggestion of $100,000 degrees anywhere. That is simply untrue.

Another myth, one of the many perpetuated by those opposite, is that disadvantaged students will be negatively impacted by these reforms. That could not be further from the truth and, again, those opposite know that. In fact, on deregulated fees, the shadow Assistant Treasurer Andrew Leigh has said, ‘There is no reason to think that it will adversely affect poor students.’ That is not us saying it; that is their own shadow Assistant Treasurer Andrew Leigh saying that, and their shadow Assistant Treasurer is absolutely correct.

Let us take a minute to have a look at the United Kingdom. In 2005, the Blair government lifted the cap on university fees. In 2011, the coalition government led by David Cameron almost tripled the cap. Due to the additional bursaries and scholarships that were then available, university participants from lower socioeconomic groups were not adversely affected and in fact increased significantly. The data shows that 18-year-olds from the most disadvantaged areas in England were 12 per cent more likely to enter university in 2013 than they were before the reforms.

Another myth, again perpetuated by those opposite today, is that students will have to pay up-front. The reality has been since the introduction of HECS that no student pays a cent up-front and that no graduate will have to pay anything until they are earning over $50,000 a year. Again, here is another complete untruth put out by those opposite to scare students and parents alike.
The reforms tabled in this place today will require all universities and other higher education providers to spend one dollar in every five of additional revenue on scholarships and for disadvantaged students. In fact, recent announcements from some of Australia's top universities have indicated that there will be more support for disadvantaged students than ever before. For example, the University of Sydney alone has pledged to extend financial support to one-third of its 27,000 undergraduates. The University of Western Australia has also made a similar announcement.

I would like to finish by speaking about the positive impacts these reforms will have on students in regional areas. In my home state of Western Australia, higher education participation rates among 15- to 24-year-olds sit at 5.3 per cent, much lower than metropolitan participation rates, which are at nearly 12 per cent. Over 30 per cent of regional students relocate to study, with over 75 percent of this group relocating to Perth. Given the sheer size of Western Australia, this can result in regional students having to pay up to $20,000 a year to live in Perth away from home and away from family support in their home towns.

Under this legislation, regional education providers will have the opportunity to offer more courses and will be able to compete to attract more students in their home locations. In practice this means that a student living in the Pilbara may not have to uproot their life 1,500 kilometres away to Perth to study. Regional education providers, such as the Pilbara Institute, will be able to expand the number of courses they offer, giving regional Australians more choice in higher education where they live. Additionally, universities operating regional campuses in Western Australia—such as UWA, the University of Notre Dame, Curtin University and Edith Cowan University—will receive a regional loading in recognition of the higher cost of operating regional campuses. The government will be investing $274 million for this purpose. That is an overwhelmingly good thing for those students and families who live in regional Western Australia and other parts of regional Australia.

Let's make no mistake here: these changes are vital to Australia's higher education sector, to our students and to the future of our economy. There are simply no viable alternatives to these reforms. Certainly we have heard not a single one from those opposite. Without reform, our higher education sector will stall in an increasingly competitive international market. That is a fact. Universities may not close their doors but, as the university vice-chancellors themselves have said, the quality of higher education in Australia will decrease significantly. They will become less competitive, leaving our students to bear the consequences of not being prepared for future industries and the competitive international environment. In the end, the casualties of this bill being defeated will be our students and that is in no way acceptable and is a complete abrogation of our responsibility in this place. As I said, a problem delayed is a problem denied. In this case, it would have devastating consequences. I commend this bill to the Senate. (Time expired)

Senator LINES (Western Australia) (13:32): As we would expect, we have heard nothing but myths and great legends from those opposite. Let me put on the record where Labor's reforms are. Labor's reforms are currently being well received in the higher ed sector. The reforms that we implemented in government are working. They have been well received. There is no evidence at all before the Senate or, indeed, anywhere in Australia that those reforms which Labor implemented are not working.
Let's have a look at all these thought bubbles we saw from the Abbott government just last week. Was it a tax? Was it a fine? What was it? It was a tax. There was a thought bubble put to the government that it entertain taxing universities that charge fees above a certain limit. They would be taxed at 20 per cent and then 60 per cent and then 80 per cent, depending on how high the fees went. So badly thought out was that thought bubble that in a speech in this place last week I pointed out that the University of Western Australia in my state of Western Australia would actually be paying more to the government in taxes than it would be receiving in subsidies. What a ridiculous notion. Of course, Labor and a number of scholars and academics were very quick to point out to the government that the tax was just an absolute nonsense.

The other thing is that, if this is such a wonderful package, if it is going to so advance the lives of students and make sure that disadvantaged students get to university—I have to say that under Labor's reforms that are currently in place we had record numbers of students from disadvantaged backgrounds attending universities, but of course you will never hear that from the Abbott government—students would be welcoming it. But in all of the evidence I have heard—and I have sat on all of the Senate inquiries, unlike most of those opposite—I have not heard any student organisation say that this is a good package and that somehow it is going to be an advantage for them. Not one single student organisation—not the National Union of Students, not the postgraduate students and not the medical students—have said that this is a package that is going to be of advantage to them.

Let's not forget for one minute where this whole package started from. Just a little over 18 months ago, we started with a Prime Minister who said there would be no cuts to education. That was the basis for this most radical reform that we are now seeing in our higher education sector. It is based on the premise of the Prime Minister, who said days before the September election there would be no cuts to education. All of Australia knows now that that was not true. This promise of no cuts to education just goes on a very long list of broken promises from this chaotic Abbott government.

Nothing illustrates the chaos of the Abbott government more than these higher education bills. We have had so many that it is a bit hard to keep up with what is happening. The reform in higher ed is the most radical in the history of our universities. What serious analysis was there in the construction of these bills? It seems just any thought bubbles which escape from Minister Pyne's office or, in fact, the last best idea from a conversation he has seems to emerge as another higher education bill. Quite frankly, you cannot build quality reform in a six-month time frame. You cannot build quality reform post the budget. You certainly cannot build quality reform when you do not speak to anyone about your intentions.

We started with that cast-iron guarantee that there would be no cuts to education from now on, but it would seem that the Prime Minister has not thought that out—certainly it is questionable whether there was any debate. It appears there was no consultation with the sector, economists, or academics. It is very clear from our questions at Senate estimates that, prior to the budget, there was no consultation with universities. Post the budget there has been consultation. That is because there has been such an outcry about these radical proposals. The government somehow thought that the community would embrace them. This is radical reform. Let us not kid ourselves: this is the most radical reform we have seen in the higher
education sector; yet, it would seem there was no input from anyone before the idea was announced.

Absent from this bill is any notion of independent advice, and there is no evidence of a considered process involving consultation, evaluation and analysis. Indeed, fee deregulation has been presented as the one and only quick-fix solution to a sustainable higher education sector in Australia. What nonsense! Like most of the rhetoric from the Abbott government, their rhetoric is that, somehow, universities are at some kind of tipping point and for Australian universities to remain high quality this radical reform is needed. But where is the proof? Where is the considered analysis? When you start from the premise of just 18 months ago of 'no cuts to education', it surely means that there wasn't considered consultation before the budget. There has been no green paper and there has been no white paper. In evidence, the universities told us that they were not given much of an opportunity to have input. That is typical of this government. We know that in most areas where the government are pursuing conservative Tea Party ideologies that have failed in other countries there is no evidence of consultation with the sectors involved.

Labor has asked over and over: 'Give us some indication of the consultation.' The very best we got from the Department of Education and Training in evidence is that it had consulted post budget. I think that was a matter of damage control because there was such an outcry. Once the government's radical reform was out, and there were huge protests and a massive outcry, that is when they consulted. We have seen that over and over again—for example, the thought bubble on the GP tax, which was put out there: 'Yep, we're going to do this. Suck it up. Too bad. It is happening.' Suddenly, there was an outcry and a huge backlash from the medical profession. Now, the Abbott government are trying to hoodwink Australians that it is out there consulting. That is their modus operandi. That is how they operate. They threw it out there and see how it lands. If there is a hue and cry they will go out and pretend to do a consultation. It is not as if the GP tax is off the table. It is just put away until they can work out a time to get it through. It is the same with this higher education reform. I heard Minister Pyne on the radio this morning trying to get a medal for presenting the bill over and over. How many times do you have to present the higher ed bill before you give up? How many times do you have to be told by the Australian public 'We don't like your reforms' before you give up? Mr Pyne does not deserve a medal. He should take his reforms off the table and think about where to go next. He should talk to people and consult. But, no, he thinks he deserves a medal for keeping on keeping on. What a ridiculous notion that is. Again, like the GP tax, there has been no consultation, and that will resurface again too.

There is no evidence of any consultation on the development of their $100,000 university degrees or their 20 per cent cuts, which are off the table. But Minister Pyne has told us that they are coming back, just like the GP tax, at some later date. Labor argues that the Abbott government, with its combined budget cuts and the provision of this higher education package, are creating their own tipping point. The tipping point is the threat of this higher education package. The package threatens participation, attainment and the quality of our own successful system. In the words of Professor Stephen Parker, Vice-Chancellor of the University of Canberra:

... we should not be taking risks with this. In the absence of evidence, modelling and time for consultation, we should be taking this carefully. The stakes are very high.
This Abbott government package was completely unexpected. It was lobbed on the Australian higher education sector off the back of the promise of 'no cuts to education'. As the Australia Institute, in its submission to the Senate inquiry, asserted, there has been no properly, well-informed debate and there are no clearly articulated goals of how this radical reform will serve the public interest. Moreover, it is imperative that all Australians have a clear understanding of arguments for and against any proposed changes to the higher education system and the mechanisms by which such changes will be achieved.

Then of course there was the false and misleading advertising, a significant waste of taxpayers' dollars from a government supposedly so concerned about taxpayers' dollars. On 7 December 2014, the Abbott government launched a taxpayer funded advertising campaign designed to address supposed misunderstandings about higher education funding and the changes contained in the HERR bill at that time, which has now been defeated. The $14.6 million campaign spanned television, radio, newspapers, digital media, social media and bus shelters. The purpose-built campaign website featured video, infographics and a true-or-false quiz. If we applied a true-or-false quiz to the Abbott government false would come up most of the time.

The short-term interim guidelines on information and advertising campaigns by Australian government departments and agencies, which were in effect when the Secretary of the Department of Education and Training certified the campaign as compliant, stipulate that all campaign materials should be presented in an objective, fair and accessible manner. The guidelines specifically state:

Where information is presented as a fact, it should be accurate and verifiable. When making a factual comparison, the material should not attempt to mislead the recipient about the situation with which the comparison is made and it should state explicitly the basis for the comparison.

The government's advertising campaign presents misleading, unverifiable figures as fact and offers no information about the basis of its calculations. Policy experts have questioned the accuracy of the government's claims, with Andrew Norton noting that, regardless of their veracity, the figures used are 'not particularly meaningful in the first place'. It is so typical of the Abbott government: it seems to think that, if it says it over and over really loudly and it insults everyone else, somehow it makes the campaign believable. Well, it does not. Truth and facts are what the Australian people want.

The guidelines require that advertising campaigns be instigated on the basis of a demonstrated need. While there has been some attempt to use unverifiable anecdotes and third-party market research to justify the campaign, there is no demonstrated need for a wide-scale, multimillion dollar advertising campaign, using taxpayers' dollars, to promote a bill that has not yet passed the parliament. On Minister Pyne's own reflections on the radio interview I heard this morning, the legislation is unlikely to pass this place once again.

The campaign does not address the bill's core policy objectives, instead offering misleading and meaningless assurances to prospective students and the broader public. It is clear the campaign has been developed not to address demonstrated need but rather in response to the negative reaction to the government's proposed changes from students, education providers and the Australian public. Let us be clear: it is students who will carry the $100,000 debt. And not one student organisation has yet to tick off and sign up to the government's reforms. The reforms are universally rejected by students right across this country.
The campaign's clear political purpose breaches the guidelines, which require that 'Campaign materials must not try to foster a positive impression of a particular political party or promote party political interests.' The current system works. The Senate inquiry received overwhelming evidence that the current higher education system is sustainable and high quality. For example, Mr Ben Phillips and Professor Parker argued:

… at the moment student contributions are already quite high in Australia from an OECD perspective. The Australian university system appears to be working very well: we have 19 universities in the top 500 and on a per capita basis we are ranked fourth in the world. We are very attractive for international students, and the international market is very healthy here in Australia. I guess we are not quite sure what the problem is. That is something that needs to be explained.

When we heard evidence on the first bill, all of the universities that gave evidence—and many of them, or their representative umbrella groups, did—said that international students are a very lucrative market for Australia's higher education sector. They all want to continue to be able to encourage international students to come to Australia to study. The Council of Australian Postgraduate Associations also said that the current system is workable and would ultimately produce better future outcomes for the Australian higher education sector. 

Australia Needs a Brighter Future agreed with the notion that the current arrangements for the funding of the higher education sector are preferable to those proposed in the reform package.

Labor believes that fee deregulation is unnecessary. Education policy analyst Professor Louise Watson argued that evidence obtained in the Higher Education Base Funding Review, chaired by Jane Lomax-Smith, which reported in October 2011, led to the conclusion that Australian universities were doing very well. In discussing the fee deregulation proposal, Professor Watson argued that it was a further impost on the Commonwealth budget and that it would be more unpredictable than the removal of caps on funded places, stating:

I have always been puzzled as to why fee deregulation was necessary or deemed necessary. I have never understood the problem it was meant to fix. From where I stand, it seems like fee deregulation will simply compound the problems currently facing the government in terms of university financing, not solve them.

This is what happens when we put Minister Pyne's thought bubble into a higher education reform package. If there had been some consultation, and if indeed the Australian public had been put on notice that there were going to be cuts and changes to education, we would have been able to have a for-and-against debate. We would have been able to have experts providing input. But no: the Abbott government, in its usual way of pushing through, denied everyone that opportunity. Expert after expert is saying that this is not the way to go. What is it that we are trying to fix? Nobody quite understands that.

The National Union of Students contended that fee deregulation would result in decreased opportunities, accessibility and equity for students and provided evidence before the committee that deregulation, as proposed, will be unpredictable and unsustainable. All of the student organisations reject fee deregulation out of hand. The National Tertiary Education Union noted that 'nobody, including the government, seems clear as to the rationale or underlying principles of the proposed policy framework'.

Those are the reasons that Labor will not be supporting the Higher Education and Research Reform Bill. We do not see the need for it. There is no clear evidence being put forward. Therefore, we will continue our opposition to it.
Senator SESELJA (Australian Capital Territory) (13:52): I am really pleased to follow Senator Lines and to respond to the absurd arguments that have been put by Senator Lines and others. It is a telling reflection of the quality of debate in this place at times when we hear an argument like the one we have just heard from Senator Lines. It was absurd and ridiculous. I want to go to some of the most ridiculous parts of it, because it encapsulates what is going on here. We have Senator Lines saying, 'There is no-one supporting this reform.' Her evidence is to trot out the views of the National Union of Students. The NUS is against it and therefore it must be a bad idea.

Let's go through some of the supporters of this reform, who, I think, have a fair degree more credibility than the National Union of Students—on which the Labor Party is basing their opposition. On the one hand, on the 'no' side, we have the National Union of Students and on the 'yes' side we have Universities Australia, the Innovative Research Universities, the Regional Universities Network, the Australian Technology Network, the Group of Eight, the TAFE Directors Association, the Council of Private Higher Education, various university leaders and 40 out of 41 vice chancellors.

Senator Cameron: The students still come out on top!

Senator SESELJA: You say the students, Senator Cameron, but the National Union of Students—the far left union organisation—does not represent most students. I do not know when you last went to university, but when I was at the ANU—

Senator Cameron: I was too busy to go to university.

The PRESIDENT: Order on my left!

Senator SESELJA: its left-wing student union refused for years to join the NUS because it was so far left. You can rely on the National Union of Students, but we will listen to expert after expert who is saying—

Senator Rhiannon interjecting—

Senator SESELJA: Senator Rhiannon, who takes her advice from the National Union of Students and the Green Left Weekly, is shouting across the chamber and saying that there are some other voices. I have not heard the views of the Green Left Weekly. I suspect the Green Left Weekly is against the reform. I do not know, Senator Payne, whether you are aware of the Green Left Weekly's views, but Senator Milne is speaking next and so we can look forward to hearing them.

The Business Council, ACCI, the list goes on and on. There is a good reason that you have the NUS on the one side and all these experts on the other and that is: all these experts have considered the issue. What is even more concerning about the contribution of Senator Lines in this debate is that she was saying: 'There really isn't any problem. We don't have to fix anything, because we have a perfect system and we don't need to reform it.' That is absolute rubbish, and Senator Lines knows that it is rubbish; the Labor Party knows that it is rubbish; 40 out of 41 vice chancellors know that it is rubbish; every peak body knows that it is rubbish. There is a simple reason that it is absolute rubbish. We have seen a deregulation of student numbers, so the numbers are no longer capped and we are going to see a significant growth in student numbers. That is something we can celebrate; we are going to see more people have access to higher education. Yet the former government, as well as this government,
recognised that there is no blank cheque; there is not an unlimited amount of public money that can go in, as those student numbers rise.

Unless you acknowledge and unless you are going to take the Kim Carr approach and look to cap student numbers, you need to acknowledge that there will be a significant rise in people accessing our universities and that there is a limit to the amount that taxpayers can subsidise those students, and then you have to reform. You have to ask for a greater private contribution, and that is at the heart of this reform. If you deny it, as Senator Lines just did, you are putting your head in the sand and pretending that there is not a problem, when blind Freddie could see that there is. To go further than that, the likes of Senator Lines and the Labor Party are effectively calling all of these people liars. When they talk about the $100,000 degrees, they are calling the university vice chancellors liars. They are saying that the whole sector cannot be trusted, even when they announce what their fee structure is going to be. Some universities have already put out their fee structures, which makes a lie of the Labor Party's scare campaign, yet those opposite pretend either that they did not hear or that the whole sector is simply telling lies. This is a serious debate, and it deserves better contributions than what we have heard to date.—

**Senator Kim Carr:** You will have to sit down, then!

**Senator SESELJA:** It does not deserve contributions from the likes of Senator Carr who now wants to cap student numbers. That is the Senator Carr policy—the new Labor Party policy is to put a cap on student numbers—

**Senator Kim Carr:** We will put a cap on you. Put your D cap on!

**The PRESIDENT:** On my left!

**Senator SESELJA:** If you are not going put a cap on student numbers, Senator Carr, then you are not going to be able to afford it. What we will see is an ever-declining university sector. The modern Labor Party, with its head in the sand and ignoring all of the experts, is now saying that they stand for a cap on student numbers or a decline in the quality of higher education in this country. We happen to take a different view, and that is why this legislation is important—

**Senator Cameron:** Why did the Liberals lie before the election? Just answer the question.

**Senator SESELJA:** Senator Cameron, NUS might be very important to you, but we believe that 40 out 41 vice chancellors, all the peak bodies that represent higher education, the Business Council of Australia, the Regional Universities Network—all of these groups we take more seriously than the National Union of Students. Senator Lines informed the chamber today that there is nothing to see here—there is no problem to fix in our university sector. We can all walk away; not worry about it; leave it as it is; she'll be right. Well, Mr President, we happen to have a very different view. The facts happen to support a very different case. We certainly will not be taking the advice that Senator Lines and the Labor Party do from the National Union of Students.

Debate interrupted.
QUESTIONs WITHOUT NOTICE

Higher Education

Senator KIM CARR (Victoria) (14:00): My question is to Senator Abetz, the minister representing the Prime Minister. I refer to the threats made by the Minister for Education, Christopher 'the fixer' Pyne, on Sunday's Insiders program, when he said:

… there are consequences … for not voting for this reform … The consequences are that potentially 1,700 researchers will lose their jobs …

Was this threat authorised by the Prime Minister?

The PRESIDENT: Before I call Senator Abetz: Senator Carr and all senators, please refer to members of the other place by their correct titles.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:00): Let us get one thing very clear: no threat was made. But what I would remind the honourable senator opposite of is his record and the Labor government's record. Indeed, Nobel laureate Professor Brian Schmidt said on ABC radio:

I think this is an incredibly important reform. The current university funding model is … broken.

He then went on to say:

This has been a bit of a train wreck for the last five years. In 2011, on the day I won the Nobel Prize, I brought this up as a challenge for the then Labor government that this was being done on a year-by-year basis, it was being done very poorly … So that of which Senator Carr speaks is a Labor legacy. When we got into government, we found that there was no money left for research and science, or NCRIS, I should say. The money ran out as of 30 June 2015. And, as my good friend the Minister for Finance assisted me with yesterday, on page 88, if I recall, of budget paper—

The PRESIDENT: Pause the clock.

Senator Kim Carr: Mr President, my point of order relates to direct relevance. I asked: did the Prime Minister authorise Minister Pyne's threats to the 1,700 researchers—

Senator Wong: It was a lapsing program.

Senator Kim Carr: namely, that they would lose their jobs?

The PRESIDENT: Senator Carr, there was an implication in your question about a threat. The minister, first up, said there was no threat, 'Let me be clear.' The minister has 37 seconds left to answer the question. Minister.

Senator Wong interjecting—

Senator Cormann: So it was a lapsing program, was it?

Senator ABETZ: This was a lapsing program, using the words of Senator Wong herself just then. Just then, in a very ill-disciplined interjection, the leader of the Labor opposition in this place acknowledged it was a lapsing program. Which was the government that provided the money to ensure that it was no longer lapsing? It was the coalition, it was us, that restored the funding. So, please, Senator Carr, you who cut science and research in this country by hundreds of millions of dollars have no credibility in this area. (Time expired)
Senator KIM CARR (Victoria) (14:03): Mr President, I ask a supplementary question. Did the cabinet authorise the education minister's humiliating backdown on higher education and research funding, or was this yet another 'captain's call'?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:04): There was no humiliating backdown, so once again we can dismiss the Labor Party rhetoric. The only backdown that has occurred is in fact that the Labor Party that stopped funding for this program as of June 2015 now, all of a sudden, want to be the champions of it, after we restored the funding on page 88 of Budget Paper No. 2 in the last budget. We restored the funding. We provided the funding for a program that, out of the mouth of the leader of the opposition in this place today, we have heard, was a lapsing program—a program that the Labor Party thought was so unnecessary it could simply lapse. And today they come in here pretending to be the champions of NCRIS! Labor's actions in government speak so much louder than their words in opposition. (Time expired)

Senator KIM CARR (Victoria) (14:05): Mr President, I ask a further supplementary question. I refer to Professor Bruce Chapman's statement in The Australian today, on the government's latest deregulation plan:

... I still expect that prices, at least for the Group of Eight strong demand courses, will be at least two and a half times higher ...

Can the minister confirm that this would result in $100,000 degrees for four-year courses in law, accounting, veterinary science and business administration—or has Mr Pyne fixed that too?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:05): That is an assertion with which we as a government of course disagree, as does—and I will get his name right today—Professor Ian Young. Not Ian Chubb but Professor Ian Young from the ANU has dismissed that completely. But, in relation to university reform, can I refer to the Nobel laureate Professor Brian Schmidt, who said:

I think this is an incredibly important reform. The current university funding model is, in my opinion, not very good. I would say it's close to being broken.

The PRESIDENT: Pause the clock.

Senator Moore: Mr President, I raise a point of order on direct relevance to the question. The question referred specifically to Professor Bruce Chapman's comments.

The PRESIDENT: Thank you, Senator Moore. The minister has 22 seconds in which to answer the question. I call the minister.

Senator ABETZ: If Labor do not want to hear from a Nobel laureate, so be it. How about former Labor Premier Peter Beattie, who said:

Make no mistake—

The PRESIDENT: Pause the clock.

Senator Wong: Mr President, I rise on a point of order as to direct relevance. The only question that the minister was asked was to confirm that the increase would result in $100,000 degrees for four types of courses.
Senator ABETZ: I have rejected that.

The PRESIDENT: Order, Senator Abetz!

Senator Wong: That is all he was asked. With respect, Mr President, it is a mockery of question time to allow ministers simply to answer any question by reference to a range of unrelated quotes.

Senator ABETZ: Mr President, on the point of order: the question was clearly about the false assertion about $100,000 degrees and then whether I agreed with somebody else's quote. So, in response to that, I am providing other quotes absolutely rejecting the assertion of Senator Carr. Clearly, that is in order.

The PRESIDENT: In relation to the point of order, the minister did answer up-front that he rejected the assertion of the question. The minister—as all ministers have and continue to do—can elaborate on the answer. Minister, you have the call.

Senator ABETZ: If they do not like Labor has-beens, how about a current Labor fellow like Andrew Leigh, the member for Fraser:

… universities should be free to set student fees according to the market value of their degrees.

(Time expired)

Australia: Demographics

Pensions and Benefits

Senator EDWARDS (South Australia) (14:08): Mr President, my question is to the Minister for Finance and the Minister representing the Treasurer, Senator Cormann. Will the minister advise the Senate of the appropriate government policy responses to Australians living healthier and longer lives?

Senator CORMANN (Western Australia—Minister for Finance) (14:09): I thank Senator Edwards for that question. There was some very good news in the Intergenerational report—very good news for all of us, indeed. What the Intergenerational report shows is that all of us can expect to live longer than those who came before us. Of course, that is much better than the alternative, but it does have implications for our economic and fiscal policy settings. What it also shows is that the number of Australians in the traditional working age—the number of Australians aged 15 to 64—is declining in proportion to the number of Australians at the retirement age, 65 and older. In 1970, we had about 7.5 Australians of traditional working age for every Australian 65 and over. Today, there are 4.5 Australians, and that is expected to decline further.

What that means is that there is more and more pressure on taxpayers at a time when the related expenditure for an ageing population in social services, pensions, welfare generally, healthcare services and the like is expected to go up and up. So it is very important for our future, it is very important for our living standards into the future and it is very important for the living standards of older Australians in the future—which all of us will become over time, hopefully—that we get the policy settings right and that we get government spending in relation to those services on a fiscally sustainable foundation. The more older Australians that we have for every working taxpayer, the less revenue we have going around to fund a growing number of services. So we really need to address this by convincing people to work...
longer and also by making sure that government spending is on a more sustainable foundation for the future across all of these important social and health services areas.

Senator EDWARDS (South Australia) (14:11): Mr President, I ask a supplementary question. Can the minister explain to the Senate why participation in the workforce is beneficial for a strong society and a strong economy?

Senator CORMANN (Western Australia—Minister for Finance) (14:11): I thank Senator Edwards for that supplementary question. Workforce participation rates are very important for our economic growth into the future. Falling workforce participation rates mean lower productivity, which means less economic growth. We want to strengthen economic growth, which is why we have to convince more Australians to join the workforce and which is why we have to convince more older Australians to stay in the workforce longer. That is of course why, from opposition, we supported Labor’s initiative in government to increase the pension age to 67 by 1 July 2023. And that is why, in government, we propose to extend that same trajectory which Labor started, with our support, to increase the pension age to 70 years of age—not by tomorrow, not by next week but by 1 July 2035—as part of an orderly transition into a future where people can expect to live in excess of 90 years of age.

Senator EDWARDS (South Australia) (14:12): Mr President, I ask a further supplementary question. Will the minister inform the Senate what we need to do in order to protect our living standards and create more jobs for a growing population?

Senator CORMANN (Western Australia—Minister for Finance) (14:12): What we need to do is continue to implement our plan for a stronger economy and more jobs. We need to continue to pursue our plan to get our expenditure as a government on a more sustainable foundation for the future. When we came into government we inherited a weakening economy, rising unemployment and a budget position that was deteriorating rapidly. Today, economic growth is strengthening, jobs growth is stronger than it was in the last year of the Labor government and the budget position is getting under control.

I see the sceptical look of Senator Cameron, but these are the facts. These are the facts: economic growth in 2014 was 2.5 per cent compared to 1.9 per cent in the last year of Labor. In 2014, about 600 jobs were created every day—three times more than in the last year of Labor government. The good news does not end there. In 2014, export volumes in Australia have risen by 7.2 per cent. (Time expired)

Higher Education

Senator POLLEY (Tasmania) (14:13): Mr President, my question is to the Minister representing the Treasurer, Senator Cormann. Can the minister advise the Senate exactly how much the latest iteration of the government’s university deregulation plan will cost the federal budget?

Senator CORMANN (Western Australia—Minister for Finance) (14:14): There is absolutely no fiscal impact, because we remain committed to the savings. We remain committed to the savings, as the Leader of the Government in the Senate, Senator Abetz, has rightly pointed out. I refer Senator Polley to page 88 of Budget Paper No. 2: the $150 million for the National Collaborative Research Infrastructure Strategy continuation, which Labor defunded. According to Senator Wong this was a lapsing program under Labor. We actually put $150 million into the budget for it. I read on page 88:
The Government will provide $150.0 million in 2015-16 to continue the National Collaborative Research Infrastructure Strategy, which funds the operation and maintenance of critical national research infrastructure. This funding will allow the most critical existing research facilities to continue to deliver maximum benefits to the research community.

The PRESIDENT: Pause the clock. Do you have a point of order, Senator Wong?

Senator Wong: Yes, Mr President. The question was, 'Can the minister advise the Senate exactly how much the latest iteration of the government's university deregulation plan will cost the federal budget?' The answer was 'nothing'. If that really is true then I invite the crossbenchers to consider the government's position.

The PRESIDENT: Senator Wong, that was not a point of order. Minister, you have the call.

Senator CORMANN: Thank you, Mr President. I will just ignore that outburst from the Leader of the Opposition in the Senate. Clearly, she still does not understand how budget papers work. No wonder that she was the worst finance minister in the history of the Commonwealth! Guess what? If she would have looked closely at what was announced yesterday she would have actually understood that splitting the bills has absolutely no impact on the budget position. She knows exactly that the government remains committed to the savings that are reflected in the budget, and that as far as the National Collaborative Research Infrastructure Strategy is concerned the money is already in the budget.

I do not know which part of that Senator Wong does not understand but, given that she does not understand it, it is no wonder that she created such a mess of our public finances in her period in government.

Senator Kim Carr: The money was there all the time!

Senator Back: You can't own up—

Senator Kim Carr: So what was the blackmail all about?

The PRESIDENT: Senator Back and Senator Carr! Order!

Senator POLLEY (Tasmania) (14:16): Mr President, I ask a supplementary question. Yesterday, the minister for education—otherwise known as 'The Fixer'—said in relation to university funding, 'They're not going to have any cut now, assuming that this Commonwealth Grants Scheme bill doesn't pass.' Will the budget estimates reflect the minister's assumption, or is the government still committed to cutting university funding by 20 per cent?

Senator CORMANN (Western Australia—Minister for Finance) (14:17): My very good friend and valued colleague, Minister Pyne, was very clear yesterday when he made his announcement, and that is that it remains government policy to pursue the savings in the budget and that those savings will be reflected in a separate bill.

Now, obviously it is a matter for the Senate to decide what the Senate ultimately does with that piece of government legislation. But it is the same as was the case when Labor was in government. Over two or three years they were not able to get their attack on private health insurance rebates through the parliament. They kept the budget treatments in place all the way through. We are absolutely acting in a way that is entirely consistent with governments in the past when it comes to the way our budgets are put together.
Senator POLLEY (Tasmania) (14:18): Mr President, I ask a further supplementary question. When speaking on Sky News about where he would find the savings to pay for his latest backflip, 'The Fixer' said, 'I want to make it a surprise—

The PRESIDENT: No, Senator Polley—I did indicate earlier that you must refer to members of the other place by their correct names. I would appreciate it if you would do that.

Senator Cameron: Minister Fixer!

Senator POLLEY: Okay, yes—the Minister Fixer, Mr Pyne—

Honourable senators interjecting—

The PRESIDENT: Order on both sides! Just a minute, Senator Polley. Order!

Senator POLLEY: The minister, 'The Fixer', said, 'I want to make it a surprise.' In light of the Prime Minister's election promise to lead a 'no surprises' government, can the minister now advise the Senate who exactly will pay for the latest backflip?

Senator CORMANN (Western Australia—Minister for Finance) (14:19): I am always happy to be surprised by my ministerial colleagues when they come up with more savings proposals! Let me also say that I am very surprised about Labor's confected outrage here, given their disastrous track record when it comes to funding higher education.

In the few budgets that Senator Wong was the finance minister for—from 2011-12 onwards—there were $6.6 billion in cuts out of higher education under Labor. So do not come in here with your crocodile tears and try—

The PRESIDENT: Pause the clock. You have a point of order, Senator Moore?

Senator Moore: Yes, Mr President. My point of order is on direct relevance to the question that was asked. It was advice about who exactly will pay for this latest backflip, not a history lesson on past practice.

The PRESIDENT: I remind the minister of the question. He has 30 seconds in which to answer it.

Senator CORMANN: Somebody once said that if you do not learn the lessons of history you are forced and condemned to repeat them. I think the Senate needs to have a history lesson about the disastrous record of Labor in government when it came to higher education. In order to make sure that you have a detailed list of all of the cuts to higher education under Labor when Senator Wong was the finance minister, I table the list of cuts that were made to higher education by Senator Wong.

Senator Kim Carr: Will the minister table the ABC Fact Check that found them to be completely—

The PRESIDENT: Thank you, Senator Carr. I will not take that as a point of order, I will take that as a comment, albeit not in conformity with the standing orders.

Honourable senators interjecting—

The PRESIDENT: Order on both sides!

Community Pharmacy Agreement

Senator DI NATALE (Victoria) (14:21): My question is to the minister representing the Minister for Health. I refer to the damning report by the Australian National Audit Office into
the Fifth Community Pharmacy Agreement. The Minister for Health has said, to her credit, that answers are needed into:

… serious questions about a lack of transparency, as well as maladministration, relating to the $15 billion Fifth Community Pharmacy Agreement …

Given the alarming finding that the Department of Health did not keep records of negotiations with the guild, even though $15 billion of taxpayer funds were at stake, and that there is no mechanism to measure the effectiveness of services delivered under the agreement, will the government now commit to holding a full public inquiry into the Fifth Community Pharmacy Agreement?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:22): The last part of that very long question would be a matter for the senior minister. But what I can indicate to the chamber is that the report the senator refers to has a number of recommendations on how the future administration and negotiation of the agreement could be improved. My understanding is that the department has accepted all the recommendations and my understanding is also that the department has already: implemented a new recording framework to capture key decisions throughout the anticipated negotiations; put in place risk and probity plans that will address concerns raised in the report; reviewed and modified the financial forecasting systems so that cost impacts to government and patients can be separately reported; and commenced planning for new performance and financial reporting to improve the transparency of future agreements such as future reporting on the major cost components of pharmacy remuneration.

The senator would well understand that currently those negotiations for the sixth pharmacy agreement are underway and the minister is ensuring that she is consulting widely to ensure that we indeed get the best outcome for all concerned.

Senator DI NATALE (Victoria) (14:23): Mr President, I ask a supplementary question. Given that the department cannot account for the many flaws, failings and administrative mismanagement in the $15 billion community pharmacy agreement, will the government agree to pause the signing of the sixth community pharmacy agreement until the mismanagement of the current agreement is independently investigated?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:24): That would be a matter for the minister to consider, but I do understand that she has asked the department to take into account the findings of the ANAO as well as the findings of evaluation processes undertaken as part of the fifth CPA in these consultation processes and in the subsequent policy and program development. I think it is very obvious that the minister has taken into account the findings from the ANAO. Indeed, I outlined in my earlier answer the things that have been already undertaken by the department. And the minister will continue to progress the negotiations for the sixth CPA.

Senator DI NATALE (Victoria) (14:24): Mr President, I ask a further supplementary question. Minister, given that the Department of Health reallocated funds without prior ministerial approval, and given their inability to account for money given as grants to the Pharmacy Guild, including the unexplained transfer of $277 million to the guild, how can the public have any confidence in the existing community pharmacy agreement, or in any future agreements, until this agreement is formally investigated?
Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:25): Those out in the community can certainly have confidence in what the government is doing in relation to these negotiations—

Opposition senators interjecting—

Senator NASH: While there are some interjections from the other side, I can say that those out in the community have far more confidence in this government than they did in the previous government when it comes to health outcomes. Certainly they can take confidence in the wide-ranging consultations that the minister is undertaking with a number of stakeholders to ensure that the outcome is balanced and responsible and that we do ensure we get those best outcomes right across the sector. Indeed, as I indicated in my previous answers, the minister has taken into account the ANAO report very well. As I have said, I have outlined the undertakings already being done by the department, and clearly the minister is considering this issue very carefully.

Indigenous Affairs

Senator SESELJA (Australian Capital Territory) (14:26): My question is to the Minister for Indigenous Affairs, Senator Scullion. Will the minister advise the Senate of additional action the government is taking to increase Indigenous employment and enable Indigenous Australians to fulfil their potential?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:26): I thank the senator for the question. Getting people into work is one of the Australian government’s priorities in Indigenous affairs, and this government wants to lead by example. Indigenous businesses currently secure only a very small amount of government businesses—less than one per cent, or just over $6 million—despite having existing exemption policies in place which make it an awful lot easier for public sector agencies to purchase from Indigenous businesses.

We have set a target that three per cent of Commonwealth contracts will be with Indigenous businesses by 2020. This equates to about 1,500 contracts each year by 2020. In dollar terms this will be around $135 million each year based on an average contract value of $90,000. That is a massive increase in the current Commonwealth procurement spend. There are many Indigenous companies very capable of supplying services to the Commonwealth and winning a much greater share of the Commonwealth work.

Indigenous businesses are also more likely to be employers of Aboriginal and Torres Strait Islander people—I think it is by a factor of 100—so it is obvious that, if more Commonwealth procurement is won by Indigenous businesses, then more employment opportunities will be created for Indigenous people. To support this procurement push, the government will work with Supply Nation to expand and strengthen its register of Indigenous businesses and make that publicly available by 1 July 2015. This will make it easier for government departments to identify procurement and partner opportunities with Indigenous businesses. The process for Indigenous businesses to become certified will also be faster and less resource intensive.

Each minister and each agency head will be held accountable for achieving the target and performance which will also be published annually for the whole of Commonwealth and by portfolio. The new Indigenous procurement policy will also apply to Commonwealth
contracts; and that means that, if we have a contract to build a road in Queensland, the Queensland government will be held to account in the same way as us. (Time expired)

Senator SESELJ (Australian Capital Territory) (14:28): Mr President, I ask a supplementary question. Is the minister able to inform the Senate of any international experience that supports the government's push to drive Indigenous economic development and employment through government procurement?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:28): Both as employers and as major purchasers of goods and services, governments can create demand for the employment of First Australians and for their businesses.

As Mr Forrest's report pointed out, other countries, such as Canada and the USA, have successfully used procurement to drive economic development for minority and first nations peoples. In Canada aboriginal businesses are growing at five times the rate of other businesses thanks to government procurement policies. In the USA, NANA Corporation, for example, is owned by aboriginal people in Alaska and has grown from very small beginning to now turning over $1 billion annually. The company is very competitive without any government subsidy. Its success is based on changes to the government procurement alone and through the US government's aboriginal exemption policies.

Senator SESELJ (Australian Capital Territory) (14:29): Mr President, I ask a further supplementary question. Will the minister advise the Senate of any other initiatives the government is considering to further drive employment for Indigenous people?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:29): From 1 July 2015 there will be clear and accountable targets to significantly increase Indigenous employees in the Australian government public sector to three per cent by 2018. This equates to around 7,500 Indigenous employees across the Commonwealth public sector. A strong whole-of-Commonwealth recruitment and retention strategy is being developed, with strong reporting measurements, with each entity being held to come up to its target. These significant reforms are in part in response to the Forrest review, Creating parity, and, along with changes to the Remote Jobs and Communities Program, from 1 July 2015, will over the longer term lead to significant growth in Indigenous employment. Increasing Indigenous employment is a joint responsibility of governments and the private sector, and I will have more to say about how the private sector can further contribute.

Automotive Transformation Scheme

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:30): My question is to the Minister for Finance, Senator Cormann. Did the Minister for Finance and the Minister for Industry exchange letters quantifying the net budget impact of the government's reversal of its position on the Automotive Transformation Scheme?

Senator CORMANN (Western Australia—Minister for Finance) (14:31): No, we did not exchange letters. The Minister for Industry and I wrote a letter to the Prime Minister proposing a particular course of action. Essentially, that course of action went like this: the legislation in relation to the Automotive Transformation Scheme is stuck in the Senate and has no prospect of getting through the Senate. But because of decisions taken independently
by car manufacturers like Holden, Toyota and Ford to cease operations in Australia and given the declining production volumes, most of the savings will be realised without legislation. As such, we made a decision and made a recommendation to the Prime Minister not to press ahead with the legislation, and the Prime Minister agreed with our recommendation.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:32): Mr President, I ask a supplementary question. Is the net budget impact of the government's reversal of its position on the Automotive Transformation Scheme $105 million?

Senator CORMANN (Western Australia—Minister for Finance) (14:32): The ultimate net budget impact will depend on what the production volumes will be. Obviously, we worked on the basis of projected estimates in terms of what production volumes are likely to be. The numbers of this equation are that the total potential saving was about $900 million and, as a result of an estimates variation, it is expected that about $795 million of that $900 million will be achieved as a result of decisions taken by car manufacturers independently of the government, and as a result of the declining production volumes. Those are the numbers.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:33): Mr President, I ask a further supplementary question. I refer to the front page of Adelaide's The Advertiser last week that announced: '$900 million tune-up for South Australia'. In light of the minister's indication to the Senate today, for which I thank him, that the budget impact via estimates variation is $105 million, can he please explain why the government has misled South Australians about its commitments to the auto industry under the ATS?

Senator CORMANN (Western Australia—Minister for Finance) (14:33): It is beyond my capacity to explain front pages of newspapers, or headlines. At times I wish I could explain where certain headlines come from, but I have to say that so far I have failed in that endeavour. All I can do is refer Senator Wong to the media release put out by the Minister for Industry when announcing additional support by the government for the car industry in South Australia. In that statement it was very clear that, as a result of the decisions made independently by car manufacturers like Holden, Toyota and Ford that the government expected to realise most of the savings without legislation. Minister Macfarlane has been entirely transparent. You have asked me questions about the specific numbers and, in an effort to be as helpful and transparent as possible, I have been entirely transparent with you as well.

Australian Building and Construction Commission

Senator McKENZIE (Victoria) (14:34): My question is to the Minister for Employment, Senator Abetz. I refer the minister to reports of continued thuggery by unions purporting to represent workers on construction sites. Can the minister update the Senate of the current state of the construction industry in light of this and other reports?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:35): I thank the distinguished chair of the Senate's employment committee for that question. Today's Financial Review shows yet again just how far officials of the CFMEU are willing to go to bully and intimidate anyone who stands up to their thuggery. According to the report, when the employer rightly contacted the Fair Work Building and Construction industry watchdog, inspectors who arrived at the site were actively abused and threatened. This behaviour included one CFMEU official spitting at a female FWBC staff member. This is the same
female staff member who was last year subjected to misogynous and sexist abuse by CFMEU official Luke Collier, who used many four-letter expletives. Labor frontbencher Senator Cameron knows what was said, yet spent over 30 minutes and 61 questions at Senate estimates trying to defend not the female public officer, but the misogynistic, offensive union bully.

What was the response of the CFMEU to such behaviour by its officials? Last year, following Mr Collier's abuse of a female inspector, CFMEU boss Dave Noonan issued a press release defending the behaviour and saying: 'Swearing on building sites is nothing new.' And Mr Shorten sends in his frontbencher to defend the thugs at Senate estimates! The case for a tough cop on the beat in the form of the Australian Building and Construction Commission is well and truly made out, and the government urges the Senate to reintroduce this important mechanism to reinstate the rule of law.

**Senator McKENZIE** (Victoria) (14:37): Mr President, I ask a supplementary question. Can the minister inform the Senate of any other examples of thuggish behaviour by union officials, particularly towards female public officials?

**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:37): Just yesterday, in Senator Cameron's home state, in Sydney, one union bully went well out of his way to single out a female inspector and spit at her. In another example, CFMEU official Shaun Reardon was recently stripped of his role as a White Ribbon ambassador following evidence that he had made a late-night threatening phone call to a female staff member of the ABCC. Yet another CFMEU comrade called a female ABCC staff member late at night at home and threatened her with gang rape, saying that he and his seven mates were coming around to do it. And, in the face of all this ugliness, we have, of all people, the President of the ACTU writing to senators, championing the CFMEU, with no mention of the OH&S issues for these female workers who were sexually harassed. I ask: what about their rights at work? *(Time expired)*

**Senator McKENZIE** (Victoria) (14:38): Mr President, I ask a further supplementary question. Will the minister inform the Senate of the actual impact of this thuggish behaviour on building workers?

**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:38): These thugs act in wilful defiance of their own members and other workers on site. During the Grocon dispute in Melbourne, CFMEU staff members wanted to work but were blockaded from their own workplace by CFMEU officials who were not even working at the site. The blocked workers even took out an advertisement in the newspaper calling on their own union to back off and let them go to work in peace. Just yesterday, Sydney workers who had voted against the union's demands were again forced off their own work site as their ostensible representatives in the CFMEU padlocked the entry gate to their work site. The thuggish behaviour of the CFMEU hurts workers and trashes the reputation of honest trade unionists. It is time for Labor and the Greens to come on board and restore the reputation of unions. *(Time expired)*
Telecommunications Data Retention

Senator MUIR (Victoria) (14:39): My question is to the Attorney-General, Senator Brandis. Attorney, given that the NBN Co will become the largest wholesale provider of internet based services, including voice-over-IP telephone services, and that most of the internet traffic in Australia will be routed via this provider, and given that the NBN Co is a wholly owned Commonwealth company, a government business enterprise, and is represented by shareholder ministers, the Minister for Communications and the Minister for Finance, what is to prevent the NBN Co or any other internet service provider retaining customer data beyond the scope of the definition of 'metadata' in the metadata retention bill?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:40): Thank you, Senator Muir, for your advance notice of this question. I appreciate your customary courtesy, and I have some information for you. I need to make it clear, Senator, that the bill to which you refer does not propose to limit the retention of metadata by telecommunication service providers. What it proposes to do is to mandate it. The creation of metadata is a natural by-product of communications being made on networks, and service providers have technical reasons why they need to retain metadata, but they also have regulatory obligations.

Let me give you an example, because this is essentially about business records. Under the tax act, companies are obliged to retain their business records for tax purposes for five years, so telecommunications providers have, until now, had the practice of retaining their data for an unspecified period, and this bill will mandate an obligation, akin to that in the tax act, that they retain it for two years. The purpose of the bill is to establish that two-year period as a common minimum standard, but it is not a maximum standard. They may elect to retain the data for longer. The bill only applies to a closely defined subset of metadata which is set out in the bill: the metadata that is of most utility to agencies who protect the safety and human rights of the Australian community.

The recent bipartisan report of the Parliamentary Joint Committee on Intelligence and Security concluded that a two-year retention period was necessary and appropriate. I might say that this issue has been looked at in two consecutive parliaments by that committee, and on both occasions it arrived on a bipartisan basis at that conclusion.

The Privacy Act will continue to require the personal information that is no longer—

The PRESIDENT: Pause the clock. Order, Attorney.

Senator Leyonhjelm: Mr President, I raise a point of order. The senator's question was: what is to prevent NBN Co from retaining more data than is required by legislation in the light of its directors and ownership? The minister has not addressed that question so far.

The PRESIDENT: Thank you, Senator Leyonhjelm. I do believe the minister is addressing the question in the context in which it was asked. Attorney-General, have you concluded your answer? I call Senator Muir.

Senator MUIR (Victoria) (14:43): Mr President, I have a supplementary question. Given that the NBN Co is permitted to retain data as defined under the data retention bill, what will prevent the owner of the NBN Co, the Australian government, from accessing this data for purposes unrelated to the intent of this bill?
Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:43): Senator Muir, as I tried to explain in answer to your primary question, it is not this bill that gives NBN Co a capacity to retain data. This bill requires companies like NBN Co to retain data in circumstances where perhaps they otherwise would not have done. Nevertheless, there are a range of protections that will prevent access of the kind you describe.

It is a criminal offence for employees of a carrier, including NBN Co, to use or disclose metadata without a lawful purpose. The bill, with the government amendments I will move in response to the PJCIS inquiry, further tightens the lawful access arrangements. Finally, I should point out that law enforcement agencies have lawfully accessed metadata for more than 20 years, including from Telecom as it then was, which was also a wholly owned government business enterprise.

Senator MUIR (Victoria) (14:44): Mr President, I ask a further supplementary question. This question may have partially been touched on now, but could the Attorney-General please outline the offences and penalties for unauthorised use of any retained data?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:44): I did begin to address those, but I might also point out that, under the Telecommunications Act, it is an offence with a maximum penalty of two years imprisonment for employees of carriers and carriage service providers to unlawfully disclose customers’ metadata. It is also an offence with a maximum penalty of two years imprisonment for officers of government agencies to unlawfully use or disclose metadata their agency has obtained in the course of an investigation. And there are other protections too, Senator Muir, but let me take the opportunity to point out to you that, under the current law, there is nothing to prevent as many as 80 government agencies and entities that are not actually government agencies—even, in some states, the RSPCA—from accessing metadata. Under this legislation, the number of agencies is reduced to 20.

Minister for Foreign Affairs

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:45): My question is to the Minister representing the Prime Minister, Senator Abetz. Can the minister confirm the foreign minister delivered a scathing assessment of the Abbott government's first budget at last night's full ministry meeting which was then leaked to the parliamentary press gallery?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:46): No.

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:46): Mr President, I ask a supplementary question. I refer to the confirmation by the foreign minister, who is also the Deputy Leader of the Liberal Party and a standing member of the National Security Committee, that the Prime Minister never discussed with her the government's sham competitive evaluation process for our new submarine fleet before it was announced by Senator Edwards. Is this correct?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:46): I
understand that that which Senator Conroy asserts is not correct. But can I say: talk about sham competitive processes! NBN springs to mind. The Australia Network springs to mind. Senator Conroy would have to be the champion of sham competitive processes. He is shaking his head. I do not think he even pretended it was competitive. It was simply a sham. Of course, that is why Senator Conroy is interested in this matter.

Can I simply indicate that I do not agree with the assertion made by the senator in his question.

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:47): Mr President, I ask a further supplementary question. Given that the foreign minister has confirmed that she was cut out of a vital national security decision and her budget assessments to her ministry colleagues are now being leaked, can I ask: how is good government going for you?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:47): Good government is going exceptionally well for the Australian people. We have got rid of the carbon tax. We have got rid of the mining tax. We have got three free trade agreements. Employment is growing at three times the rate that it was under the Labor government. Retail sales are up. Construction rates are up. There are green shoots all over the Australian economy. After six years of job reduction in the agriculture fishery and forestry sector, so ably represented by Senator Colbeck in this place, we have actually seen jobs growth. In my home state of Tasmania just recently, we had the wonderful announcement of the enhancement of the Freight Equalisation Scheme, a wonderful good news story for my home state of Tasmania.

Senator Conroy interjecting—

Senator ABETZ: Mr President, Senator Conroy has asked for an extension of time, and if he were to move it I would oblige him.

Disability Services

Senator McGRATH (Queensland) (14:49): My question is to the Assistant Minister for Social Services, Senator Fifield. Can the minister outline to the Senate what the government is doing to help organisations that provide services to people with disability and their carers to transition to the new funding model of the National Disability Insurance Scheme?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:49): Thank you, Senator McGrath, for your question. I am very pleased to be able to advise the Senate that the Abbott government last week delivered certainty for thousands of Australians with disability and carers by extending funding for a range of programs transitioning to the NDIS. The funding extension will provide $47 million to service providers across the country to ensure that there is continuity of service to people with disability and carers as the NDIS begins to roll out. I should point out for Senator McGrath that this includes $8 million in the senator's home state of Queensland. The government has moved to ensure that there will be no interruptions as programs migrate to the NDIS. Programs that have had their funding extended include the Helping Children With Autism program, the Better Start for Children with Disability program, the Young Carers Respite and Information Services, the Outside School Hours Care
for Teenagers with Disability program, and also the Respite Support for Carers of Young People with Severe or Profound Disability program. Service providers within these programs will have their funding extended to 30 June, allowing them to continue their important work with certainty. This funding extension is all about certainty and continuity for organisations and people with disability. The government has been determined to ensure that in transition to the NDIS, which obviously does involve change for service providers and individuals, we are in a position to provide as much continuity and certainty as possible.

Senator McGrath (Queensland) (14:51): Mr President, I ask a supplementary question. Can the minister update the Senate on funding for advocacy services for people with disability, which will be an important part of helping people access the NDIS?

Senator Fifield (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:51): I am also pleased to be able to confirm for the Senate that last week the government also announced funding assurance to current providers under the National Disability Advocacy Program, with a 12-month extension to all agreements. The NDAP, as it is known, provides people with disability with access to advocacy services to protect their rights and promote their interests. More than 11,000 people received support through NDAP in 2013-14, and this extension allows advocacy groups to continue to support people with disability while planning takes place for how NDAP will operate alongside the NDIS. As the NDIS rolls out across Australia, NDAP providers will continue to assist people with disability to participate in decisions that impact their lives, including to help them access both the NDIS and also mainstream services.

Senator McGrath (Queensland) (14:52): Mr President, I ask a further supplementary question. Can the minister update the Senate on the rollout of the National Disability Insurance Scheme?

Senator Fifield (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:52): I think that, as colleagues would be aware, there are currently seven NDIS trial sites in operation around the country. Over the next few months I will be negotiating with the states and territories a series of bilateral agreements which will outline how the NDIS will be rolled out statewide, territorywide and nationwide beyond the existing NDIS trial sites.

Scaling up from the current 10,000 NDIS participants in the seven trial sites to 460,000 participants nationwide is a complex task. It is an important task, and I want to make it absolutely clear to all colleagues that the Abbott government is absolutely 100 per cent committed to delivering the NDIS in full. It is one of the reasons why budget repair is so important—to make sure we can and will fully fund the NDIS.

Legal Aid

Senator Jacinta Collins (Victoria) (14:53): My question is to the Attorney-General, Senator Brandis. I refer to a joint letter from state and territory attorneys-general, including those from New South Wales, Western Australia, Tasmania and the Northern Territory. Can the Attorney-General confirm that all of his state and territory counterparts believe the government’s proposed cuts to legal aid, legal service commissions and Aboriginal legal centres will affect the most vulnerable members in our community, including, foremost,
women and children who are victims or at risk of family violence, as well as Indigenous Australians? Are they correct?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:54): I am familiar with the letter to which you refer; but, as does not much surprise me, you have misrepresented what the letter says.

Senator Jacinta Collins: I quoted it.

Senator BRANDIS: You quoted it, but you also asserted that the government has proposed cuts. There are no proposed cuts, because the matter of legal assistance funding is currently under discussion between the Commonwealth and the states and territories. The Abbott government is committed to protecting the most vulnerable members of the committee, including the provision of access to justice—a point I made as recently as last Saturday morning when I met with the directors of the Law Council of Australia at their annual meeting in Sydney.

Senator Collins, I am sure you are not aware of this, but over the next four years the Abbott government will provide $1.3 billion—

Senator Cormann interjecting—

Senator BRANDIS: Yes, Senator Cormann, $1.3 billion in Commonwealth legal assistance funding. It is the case that I have made the decision to reprioritise the allocation of that funding so that it focuses upon those most in need, and therefore one of the very first decisions I made as Attorney-General was to instruct that every dollar of Commonwealth legal assistance funding goes to front-line services and to casework so that every dollar of the Commonwealth's money—the $1.3 billion that we will be spending over the next four years—is spent on actual clients with actual needs, which is precisely where that money should be spent.

Senator JACINTA COLLINS (Victoria) (14:56): Mr President, I ask a supplementary question. Can I take it, then, Attorney-General, that you agree with your state and territory counterparts, who say that cutting further funding from legal aid, community legal centres and Aboriginal legal services is 'short-sighted and ill-conceived' and that such a move will further set us back decades?

Senator BRANDIS: I am glad you have admitted the false premise of your primary question. There is no proposal. No decision has been made to proceed in the direction that you suggest. And wouldn't it be a good thing if there were more money in the legal assistance sector? Wouldn't it be a good thing if when the Abbott government had been elected we did not inherit public debt—

Opposition senators interjecting—

Senator BRANDIS: Senator Collins, the fact that you laugh at the notion of public debt as you sit behind the worst finance minister in Australian history, Senator Penny Wong, who also laughs off the notion of public debt—you left this sector as you left every other area of Commonwealth expenditure: impoverished by debt projected to peak at $667 billion. (Time expired)
Senator JACINTA COLLINS (Victoria) (14:57): Mr President, I ask a further supplementary question. What is the Attorney-General's response to his state and territory counterparts, including New South Wales Attorney-General Mr Brad Hazzard, who have asked him to guarantee no further funding cuts to legal aid commissions, community legal centres and the Aboriginal Legal Service? Can you make that guarantee?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:58): You asked me what my response is. I will tell you what my response was when I responded to those colleagues. The Australian government is committed to protecting the most vulnerable members of our community, including by providing access to justice. The legal assistance reform proposal seeks to ensure that current resources are directed to assist the most disadvantaged people in Australia with the greatest legal need to resolve their legal problems. The reform proposal also focuses on developing an integrated, sustainable legal assistance sector by encouraging greater coordination and streamlined service delivery. It is an opportune time to implement reform. Australian government funding arrangements for legal assistance providers expire on 30 June 2015. I went on over four pages to expand upon what the government proposes to do. This is a public document; I am happy to share it with you. That is my response to those colleagues.

Illicit Drugs

Senator WILLIAMS (New South Wales) (14:59): My question is to Senator Nash, the Assistant Minister for Health. Will the minister inform the Senate what the Australian government is doing to fight the scourge of drugs? Can the minister also detail any recent initiatives in this area relevant to my home state of New South Wales?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:59): I thank Senator Williams for his question and his very real interest in what is an important matter for the nation. No matter where I go across the country families and communities are incredibly concerned about the impact of drugs in their communities and, indeed, right across the nation. This government is of course against all forms of illegal drugs and has a tough on drugs policy, and that is how it should be. We are continuing to work with both health and law enforcement organisations across all states and territories, and I note that on Sunday the New South Wales government announced a very comprehensive package to combat ice out in the community, including new laws to make more ice dealers face life in prison. That is really important and I think it shows the very real commitment that the New South Wales coalition government has to what is an issue concerning so many across the country. The Premier, Mike Baird, and Deputy Premier, Troy Grant, announced that new measures would include increased roadside drug testing by police, mandatory state-wide online reporting of pseudoephedrine sales in pharmacies and more funding for treatment and rehabilitation services, which I understand has been very well received a right across the state.

Federally, this year we have committed around $200 million to front-line treatment services, for drug and alcohol treatment and for research and education across a range of areas. In particular, at the end of last year I reshaped the Australian National Advisory Council on Alcohol and Drugs so it could more effectively report to government. It has membership from a very wide range of areas—health, justice, Indigenous, mental health,
research and policy areas—and I have tasked them, as their first priority, to look at the issue of ice, of methamphetamines, and report back to government on what is a very important issue.

Senator WILLIAMS (New South Wales) (15:01): Mr President, I ask a supplementary question. Will the minister inform the Senate of the results of her attendance last week at the 58th session of the United Nations Commission on Narcotic Drugs in Vienna?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (15:01): The issue of methamphetamines, particularly ice, is one I am deeply concerned about, and I know that people right across our community are very concerned about it as well. My colleagues from right across the spectrum have raised this issue with me and I particularly want to note the work Senator Bridget McKenzie has done in Victoria. I took the opportunity at the UN to raise this issue of methamphetamines, and Australia proposed a resolution calling on the UN member states to cooperate and share research, data, experiences and treatments relating to the international fight against ice. It is very interesting to note that the motion was co-sponsored by the UK, Japan, Germany, Turkey, Israel and Columbia, and that indicates that this drug is emerging not only in Australia as a serious issue but globally, and we will have to fight this drug not just domestically but internationally as well.

Senator WILLIAMS (New South Wales) (15:02): Mr President, I ask a further supplementary question. Will the minister advise the Senate of feedback she has received from regional and rural areas about the devastating impact of ice on local communities? It is even being used in shearing sheds. This is really concerning.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (15:03): I can report to the Senate that this drug is having a devastating impact across rural and regional communities everywhere. As Senator Williams has indicated, it is shearing sheds, it is football clubs, it is communities and it is families on the ground. There are no restrictions on when and where this drug is hitting—it is young people, middle-aged people, old people; people that you would least expect are having their lives touched by this devastating drug. Over the last three years, the proportion of methamphetamine users using ice has increased from 22 per cent to 50 per cent. That is an exponential increase and that is why this government is so focused on making sure that we have a strategy that is going to deal with this and put this drug where it needs to be—out of reach. Particularly for young people we need to ensure there is an education campaign. We want our young people to never, ever be involved with this drug.

Senator Abetz: Mr President, I ask that further questions be placed on the Notice Paper.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Higher Education

Senator CAMERON (New South Wales) (15:04): I move:

That the Senate take note of the answers given by the Minister for Employment (Senator Abetz) and the Minister for Finance (Senator Cormann) to questions without notice asked by Senators Carr and Polley today relating to higher education reforms.

This is a government in terminal decline; a government that is rotting from the head down; a government that has a Prime Minister that 40 per cent of the back bench do not want to be
Prime Minister of this country. The budget was the worst budget ever presented to parliament in this country—a budget that is not accepted by parliament, is not accepted by the public and is not accepted by at least 40 per cent of coalition members. They know it is a dirty, rotten budget. They know it is a budget that cuts at education, that cuts at health and that cuts pensioners' payments—this is a budget that has no capacity to look after those most in need.

If Minister Pyne was not around, you would have to invent him. He is now a figure of fun; a figure of ridicule. It is said that he is the fixer. It is like some parliamentary equivalent of the Joker, where you get made up and you go out and do things to people. The things Minister Pyne is doing include forcing an Americanised system of education onto this country—$100,000 fees, and people will be in debt for evermore. They will never be able to pay their debt from going to university. This government does not care about education. Prior to the election this government said there would be no cuts to the education budget. Minister Pyne said in a media release on 26 August:

While we welcome debate over the quality and standards in our universities, we have no plans to increase fees or cap places.

This is another Liberal lie. The Liberal Party put out a booklet, Our plan—real solutions for all Australians, which purported to be setting out what the Liberals were going to do in government. It said:

We will ensure the continuation of the current arrangements of university funding.

Yet another Liberal lie! Then Prime Minister Abbott, on Insiders on 1 September 2013—before the election—said:

I want to give people this absolute assurance: no cuts to education.

How many lies can you put out there? How many statements can you put out to try to convince the public that education will not be cut—and then go ahead and cut it?

Today Minister Pyne said that he would never give up on getting his cuts to the university system—because, he says, 'I am very committed to these higher education reforms, as is the government.' I am always interested to hear the coalition use the word 'reform'. I went to the dictionary to look up what the word meant. 'Reform' means 'to make things better'. That is certainly not what this rotting government are doing. They do not care about pensioners, about the health system or about the education system. They cut and cut because their ideology is all about cutting back on support to the most needy. Access to education is critically important in helping people from low-socioeconomic backgrounds fight their way out of their situation, but $100,000 fees will mean that education will be put beyond the reach of many of them. This is dishonesty in government.

Coalition members are not even prepared to stand up for their own communities. The South Australian senators were not prepared to stand up against the budget cuts to submarines, education or health. They are an absolute disgrace. (Time expired)

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (15:10): Our higher education reforms are to the advantage of Australia's education sector. Not only do they help the tertiary education sector, the universities, but they also provide opportunities for students to get FEE-HELP in other areas—particularly trade areas and vocational education—where it is not currently available. In contrast to Labor's claims, our reforms mean that there
will be more pathway courses available to low-SES and first generation university students, enabling them to break into university training.

Labor are talking about $100,000 degrees, but I refer senators to an article written by Geoff Sharrock, program director of the LH Martin Institute at the University of Melbourne. He says that Labor's $100,000 degree projections are misleading. He runs through, in some detail, how courses will be priced in a deregulated environment. He demonstrates that, with the three tiers of funding available for courses ranging from arts, nursing and education through to commerce, law and medicine, the cost of degrees comes nowhere near $100,000—while still providing significant funding increases for universities.

The claims by the Labor Party that the coalition is bad for education are hollow, especially when seen in the context of what they did while in government. Here is a coalition government providing pathways for people from low-SES backgrounds; providing FEE-HELP and VET FEE-HELP loans for people not currently entitled to them; and, importantly, providing funding for things like the National Collaborative Research Infrastructure Strategy, which employees some 1,500 Australians. We heard Senator Carr decry the government's management of NCRIS, but this rings hollow when, as Senator Wong, the Leader of the Opposition in the Senate, admitted today, NCRIS funding under Labor was a lapsing program. As of June this year, all the funding for that program which Senator Carr was getting so hysterical about was going to lapse—because his government, under his watch, set it up that way. What did he do when he was the minister, when Labor were in government, to prevent the program from lapsing? The lapsing of the program would have meant there would have been no funding for the National Collaborative Research Infrastructure Strategy. This government, as the Minister for Finance highlighted today, made it very clear in Budget Paper No.2—page 88, I believe it was—that money had been allocated to provide certainty to this program going forward.

Let us compare the words—the hollow rhetoric—of the ALP today with their actions when in government. In the 2011-12 budget, they reduced the HECS-HELP discount for voluntary repayments, a saving of nearly $608 million to the government. They reinstated band 2 student contributions for mathematics, statistics and science students—over $1 billion ripped out of the system. This was in an environment where are looking to encourage young men and women to take up maths and science, the very things we need to grow the engineering capacity of this nation, to develop a sustainable, innovative and smart future for Australian and our young people. The Labor government ripped a billion dollars out of higher education from the very areas that are critical to achieving that future. All up, the previous government took some $6½ billion out of higher education. This government is looking to put in place reform measures that will make higher education more affordable, sustainable and, importantly, accessible to people who need it, but the best the ALP can do is come here and criticise it—while completely ignoring the fact that, when they were in government, they disadvantaged the very people they now claim to support and represent. The government stands by these measures. (Time expired)

Senator POLLEY (Tasmania) (15:15): I would like to make a contribution this afternoon. From what I can see and what the public is hearing in relation to higher education, there is nothing that is fundamentally more wrong for the nation and for students than this piece of legislation. This whole debate has gone one step further, because the federal member for
Bass, in Tasmania, has yet again come out swinging in relation to this particular bill. What he is now doing—and we know this because I have spoken about it before—is attacking a professor at the University of Tasmania for daring to question the government's agenda. But he has gone one step further. He is now engaged with none other than a veteran of journalism, Paul Bongiorno, today questioning his right to comment with Mr Nikolic.

The DEPUTY PRESIDENT: Order!

Senator POLLEY: Paul has gone that one step further because he has said, 'Meaningless? Really, Andrew? And don't lobby my employer.' That is what this debate has come down to. Now, I have been advised—

Government senators interjecting—

The DEPUTY PRESIDENT: Order! There are too many Tasmanians in the room, I think—

Senator POLLEY: that not only is Mr Nikolic attacking a professor at the university but he is now threatening to sue Jenna Price from The Canberra Times, because they published an article that outlined the need for freedom of speech and for the university and staff to be able to participate in the debate around issues of great importance to the community. So Andrew Nikolic attacks not only people like myself and Michael Powell, but anyone who dares to criticise this government. If this policy was such good policy he would not have to threaten people. He would not have to write letters emailed to the University of Tasmania at a very critical time, I may add, when negotiations are going on with the university through this government—

Government senators interjecting—

The DEPUTY PRESIDENT: Senator Polley, just resume your seat for a moment. I will call the Senate to order. There are too many interjections.

Senator POLLEY: If those on the other side want to cast aspersions, at least put it on the record. I would never ring up and threaten somebody's employment. And in saying, 'I am not trying to stifle a debate,' why else would he email the vice-chancellor of the university? But nothing surprises me. This is a desperate government that has no vision and no policies for the future. What they are trying to do is have a system where only those who can afford to go to university will be able to go to university.

Senator Bushby interjecting—

Senator POLLEY: You might take everything out of The Examiner, Senator Bushby, but I do not. At least learn the facts before you make those sorts of assertions. But I—

Government senators interjecting—

The DEPUTY PRESIDENT: Senator Polley, just resume your seat for a moment. I would ask senators to cease interjecting. And I would remind you, Senator Polley, to address your remarks through the chair. But I want to make it clear: I have called the Senate to order on a number of occasions now. I would ask senators to remain silent for the rest of this contribution.

Senator POLLEY: We, as elected members of either this place or the other place, should be encouraging debate around very important policy issues like higher education. So why
would the government and a government member try to stifle that debate? Simply because they do not agree with this government's views, or that individual members' articulation of the government's policy. What we need in this country is debate about the issue of higher education going forward to ensure that all Australians, not just those whose families credit card is large enough to pay for them, can go to university. Once again, what we have seen from this government is another backflip—yet another one. They are in chaos; they really are in chaos. They are out there trying to govern to protect the Prime Minister's job. That is what they are doing. Anyone who does not support the likes of the 'enforcer' of the government, who has been referred to in this article as Mr Nikolic—

Senator Conroy: We have the 'fixer'—

Senator POLLEY: Yes, the 'fixer' and the 'enforcer' in the government's caucus. That is what we have. So who next? I suggest to those opposite to at least engage with the community. If you are engaging with your constituency, you will see that the Australian people do not buy your policy. They do not want an American-style education system in this country because they know the failings of what happens in the US. We should be ensuring that every Australian, based on their ability, has the opportunity to go to university. Threats to people's employment to stop them debating the issue will not cloud the judgement of the Australia community.

Senator BERNARDI (South Australia) (15:20): It is extraordinary how Senator Polley and Senator Cameron open their remarks about the poor policy and how it is affecting universities and, yet, they do not then go on to address the substance of what the government is proposing. Instead, the troglodytes on the other side attack and launch into some sort of class warfare as if the university sector in this country is perfect as it is and just needs a bit more central planning before it can be perfected. The second thing I will point out is that Senator Polley, rather than play the issue, goes in and pursues and continues this sort of obsession—it really is not decent—with the member for Bass, who is a great man. I think he is an excellent member and representative—

Senator Abetz: He served his country in Afghanistan, unlike you.

Senator BERNARDI: He served his country with distinction and is now serving the nation through the national parliament. And, yet, Senator Polley just harangues and harasses him for daring to stick up for what he believes in. I am disappointed with that. Senator Polley has the audacity to claim that he is somehow bullying someone because he writes to another adult saying, 'I disagree with what you're doing and I think it's wrong.'

We know that those on the other side do not take kindly to being told they are wrong but in this case I am pointing out that the troglodytes are wrong. The university sector in this country needs reform. The university sector in this country needs the opportunity to advance the interests of Australian students while also providing additional opportunities for those students who want to get to universities.

To those on the other side who say, 'We don't want to Americanise the university system in this country,' I say that no-one wants to see a broader range of opportunities for Australians to pursue their academic scholarship in this country than I. But I also want to see Australian universities reach the pinnacle of achievement. I want to see more Australian universities in
the top 50 globally. The fact is that we often see American universities there. We will pursue and reach into that limit.

We will also see many Australian students choose to attend some of these finer schools anywhere in the world. I want those international students to choose to come to Australia to get outstanding degrees. The thing that holds those on the other side back is that they are not interested in ensuring that there is reform in order to modernise our university system. There is a whole range of things, quite frankly, that could be tapped into it. One of those things is fee reform, which would see fees lowered in some instances and go up in other instances. We would see more private colleges perhaps emerge out of this to provide opportunities. Universities would be able to choose to specialise to provide, perhaps, a tighter curriculum opportunity for students who come in and say, 'I want to go to the pre-eminent university for languages'—or for science, medicine, veterinary studies or for anything else. This would be good for Australia.

I want to address the other reforms that I think the university sector needs to consider. We have to consider some of the bureaucracy within the university movement. We have to consider other services being provided to students as being important. I would like to see reform of the student amenities levy, which is compulsory. It is basically a student union fee that they have to pay, even though some do not benefit from it. We have to ask ourselves: is it important that we provide as many facilities on campus as making the campus education available—either through distance learning or through tele-learning—to those who cannot attend on campus? Should we be looking at a more rigorous tutorial model? There are a whole range of things that could happen within university sectors. But in order for them to have that flexibility the primary thing they need to do is to be able to set and establish their own priorities for their students. The market will assist in that.

I have researched the American university system with respect to the $100,000 degrees. In the United States you will find that an overwhelming number of people graduate with student debts that are less than $30,000 or $40,000. In fact, only about 10 per cent of students have student debts in excess of $40,000. So that bells the cat that we are going to have everyone graduating with these massive debts. It is not necessarily the case. It is about how it is managed. We need to get the troglodytes into the 21st century.

**Senator McEWEN** (South Australia—Opposition Whip in the Senate) (15:25): Recently we have seen this government execute some pretty impressive backflips. We saw the Prime Minister's paid parental leave disappear. We saw the backflip on the GP tax. We saw the backflip, last week, on the automotive transformation scheme. All of these backflips are designed to keep the Prime Minister in his job.

But this week the award for the most impressive backflip goes to the education minister the member for Sturt, Mr Christopher Pyne. His backflip yesterday would have impressed even the most agile of gymnasts. After claiming on Sunday that the jobs of 1,700 scientists and researchers were inextricably linked to the passage of the higher education legislation, the minister then went and executed a perfect 10 when he made a humiliating retreat from that claim yesterday afternoon. Suddenly, what was inextricably linked to his higher education reforms was now no longer on the table. But no matter how many backflips, hoops or hurdles the minister tries to tackle in his attempt to pass the bill, the fact is that deregulation of
Australian universities and the cutting of funding to Australian universities is a very, very bad plan. It is bad for students, it is bad for taxpayers and it is bad for the future of Australia.

The education minister this morning said that he will never ever give up. He will never give up on his plans to introduce $100,000 fees for university degrees for students. When will the members of the coalition opposite realise that these education reforms are not accepted by the people of Australia? And when will they realise that the Australian people are absolutely sick and tired of all the backflips by this government and all the game-playing with such an important piece of Australian policy as our higher education policy.

Minister Pyne's humiliating back down on his threat to take $150 million from the National Collaborative Research Infrastructure Strategy unless this place passed their higher education deregulation legislation was, for a minister of education, incredibly juvenile and incredibly irresponsible. It was indicative of a minister who is completely out of his depth. And it did not work. The crossbenchers who he was trying to appeal to saw right through it, as did the Australian people.

Then there were the nervous nellies in his own coalition party room, who knew that if he persisted with this ridiculous threat that their jobs would also be at threat at the next election. Presumably, they or the Prime Minister told Mr Pyne to back down. Mr Pyne then went on SkyNews in one of the most embarrassing but, I have to say, entertaining interviews I have every seen. There he was wearing his best Stepford-wife smile and trying to explain the government's backflip on national television. But he quickly became, of course, the laughing stock of the nation. He claimed he was a fixer and that, in dividing the legislation, he had dealt with the issue. But of course what would not divulge in that interview, and has still not divulged, is how. How will the minister fund NCRIS? Where is the $150 million going to come from? Where will the funding for Australia's 27 research facilities come from? According to Mr Pyne, the Minister for Education, in this interview: it is a surprise. It is a surprise, and we will just have to wait and see.

Australia does not need surprises. The university sector does not need surprises. What they need is certainty and a higher education system that is well funded. What the people of Australia need is a higher education system that guarantees affordable, accessible and quality education for all those Australians—particularly our young people who want to go to university and who we need to go to university—who do not need to exit the university system with degrees that have left them with a debt of $100,000 or more.

The answers given in question time today to the questions asked by the opposition gave us no guarantees at all that—(Time expired)

Question agreed to.

**Community Pharmacy Agreement**

**Senator Di Natale** (Victoria) (15:31): I move:

That the Senate take note of the answer given by the Assistant Minister for Health (Senator Nash) to a question without notice asked by Senator Di Natale today relating to the Fifth Community Pharmacy Agreement.

I rise to talk about the response by the minister to a question on the Auditor-General's report into the Fifth Community Pharmacy Agreement. It is almost unheard of for an officer of the Australian parliament to issue a report as damning and as critical as the report handed
down by the Auditor-General into the administration of the Fifth Community Pharmacy Agreement. This is an agreement between the Minister for Health and the Pharmacy Guild. The guild effectively represents the majority of owners of retail pharmacies. The agreement runs for about five years and sets a whole lot of parameters. It talks about how to reimburse a pharmacist for providing and dispensing medications, for professional programs and for a range of other services.

In July this year the government signed the Fifth Community Pharmacy Agreement. It was worth $15.4 billion. I will say that again: it was worth $15.4 billion. The administration of those funds was effectively done between two agencies—that is, the Pharmacy Guild and the Department of Health. The Audit Office made a number of findings. They said that there was no straightforward way for the parliament to know what the expected or actual costs of any of the key components would be; we have no way of knowing whether the key components that were listed in this agreement were, in fact, delivered on. They said that the department was not well positioned to assess whether the Commonwealth was receiving value for money from the agreement. The Audit Office went on to say that a billion dollars in savings was promised over the term of the agreement but $400 million was delivered—$600 million in savings was gone. Why? Because we think we did not get the calculations right in the first place. They talked about the fact that, within the agreement, there was $2.2 billion that the government was delivering on which was effectively co-payments from patients—it was contributions from patients. It was not a cost to government at all, and yet somehow it was included as part of the agreement.

What really astounded me was that in the negotiation of this agreement—that is, a $15 billion agreement—the department failed to keep a record of their meetings with the guild. They did not take any minutes of the meetings. They did not prepare agreed notes of what was discussed. This was all done, apparently, as a handshake deal in a back room between the guild and the department. The Auditor-General’s office said this was not consistent with sound practice. I say it was much worse than that: this is evidence of gross maladministration. There was no probity plan, no risk management plan, no consultation with probity advisers and no conflict-of-interest declarations. We are talking about the guild and the department and what we are finding is there was no signing of conflict-of-interest declarations between members of the negotiating team.

We saw the reallocation of funds within the agreement. We had millions of dollars of funds that were being shuffled around within this agreement that were undocumented and completely unexplained—tens of millions of dollars. There was a transfer of $277 million, which was supposed to go towards professional programs; it went as a grant to the Pharmacy Guild. We do not know how that money was spent. That was $277 million of taxpayers’ money that was supposed to go to professional programs but has disappeared as a grant to the guild. We have a situation where there has been a complete failure of proper process—of record keeping and accountability—around a $15 billion agreement.

There are two things that need to happen as a matter of urgency. There must be a full public inquiry into the Fifth Community Pharmacy Agreement. We simply cannot accept that we have $15 billion being negotiated between two parties with no record of how we have arrived at that figure and, worse still, we do not know how those funds are being spent. What we are seeing within that agreement is tens of millions of dollars being shuffled around with
no record of how that money has been spent. There is $277 million that was supposed to go to professional programs now being dispensed as a grant.

We are now in the middle of negotiating the Sixth Community Pharmacy Agreement. It looks like the government is set to do that. The government must immediately halt any negotiations on the Sixth Community Pharmacy Agreement until we have a full public inquiry into the current agreement to ensure these mistakes do not happen again.

Question agreed to.

NOTICES

Presentation

Senators O'Sullivan and Back to move:
That the Senate recognises:
(a) recent comments to the media by Australian Cattle Veterinarians Association president, Dr Enoch Bergman, in support of Australia’s live export trade;
(b) that Dr Bergman told Australian Broadcasting Corporation Rural on 11 February 2015 that Australia’s participation in the live trade enabled it to influence animal welfare outcomes among destination nations: ‘if Australia were to be removed from that conversation those cattle would be sourced elsewhere. Our role would be supplanted, and I think we’re well engaged to actually influence welfare outcomes where those animals land’; and
(c) that the Australian Cattle Veterinarians Association is a sub-section of the Australian Veterinary Association and reports on the welfare of sheep and cattle.

Senator Siewert to move:
That the Senate—
(a) notes:
   (i) the negative impacts of coal and coal seam gas mining on Australia’s environment, including prime agricultural land and water, and the wellbeing of regional communities, and
   (ii) the concerning relationship between these mining activities and political corruption, particularly in New South Wales, as evidenced by the findings of the Independent Commission Against Corruption; and
(b) calls on all parties contesting the New South Wales state election to commit to a ban on coal and coal seam gas mining.

Senators Day, Leyonhjelm and Lambie to move:
That the Senate—
(a) condemns the deliberate restriction of land for new housing and subsequent price gouging by state and territory land management agencies; and
(b) highlights the constraints on land supply which are the principal causes of worsening housing affordability.

Senator Milne to move:
That the Senate—
(a) notes:
   (i) the tragic loss of life and devastating impacts of Tropical Cyclone Pam on schools, hospitals, homes, water supplies, crops, fertile lands and critical infrastructure in Vanuatu,
(ii) the initial $5 million pledged by the Government and encourages ongoing increased support and assistance as it is requested by our Pacific neighbours, and

(iii) that the President of Vanuatu, Mr Baldwin Lonsdale, has attributed the intensity of the damage wreaked by Cyclone Pam to global warming; and

(b) calls on the Government to:

(i) heed and act on the Intergovernmental Panel on Climate Change 6th assessment report on extreme weather events as they are intensified by global warming, and

(ii) prepare updated disaster mitigation and response plans as the impacts of global warming worsen.

Senator Wright to move:

That the Senate—

(a) notes the effects of Commonwealth funding uncertainty on the mental health sector, including staff loss, a reduction in services to clients and declining staff morale;

(b) understands that 40 per cent of mental health organisations have already experienced loss of staff due to funding uncertainty, as outlined in a survey by Mental Health Australia;

(c) notes that skilled mental health practitioners have commenced leaving rural communities to find work in urban areas due to employment uncertainty;

(d) recognises that mental health organisations will soon be required under law to give notice to staff whose jobs are no longer secure as a result of Commonwealth funding uncertainty;

(e) acknowledges the financial and mental health impacts of job insecurity for those working in the mental health sector; and

(f) calls on the Federal Government to urgently end the funding uncertainty plaguing the mental health sector and give organisations the confidence they need to plan ahead and continue to provide vital mental health services for Australians.

Senator Rhiannon to move:

That there be laid on the table by the Minister representing the Minister for Infrastructure and Regional Development, no later than 4 pm on Wednesday, 25 March 2015, the following documents held in relation to the WestConnex road project in New South Wales not previously provided to the Senate, including but not limited to:

(a) any agreements or Memorandum of Understanding detailing the milestones and requirements that New South Wales must meet, tied to the Commonwealth funding commitment;

(b) traffic modelling forecasts, including alternative public transport options available, and the resultant effects on inner Sydney congestion and transport connections;

(c) routes under consideration, or previously under consideration, including tunnel exit and entry points;

(d) exhaust stack chimney locations and air pollution forecasts;

(e) modelling of proposed tolls and predicted costs per trip;

(f) construction cost estimates; and

(g) any document which records or refers to the production of documents as a result of this order of this chamber.

Senators O'Neill, Di Natale, Xenophon and Seselja to move:

That the Senate notes that:

(a) 12,500 Australians are diagnosed with melanoma each year, and 1,650 of those are diagnosed with advanced melanoma;

(b) advanced melanoma kills more than 1,500 Australians each year—or one death every 6 hours;
(c) melanoma is the most common cancer in young Australians aged 15 to 39, and those diagnosed with advanced melanoma have a median survival of only 8 to 9 months;
(d) melanoma is estimated to be the third most commonly diagnosed cancer in 2014 in Australian:
   (i) males, after prostate and colorectal cancer, with 7 440 cases, and
   (ii) females, after breast and colorectal cancer, with 5 210 cases;
(e) advanced melanoma costs hundreds of millions of dollars each year, and has a devastating personal cost to individuals and families; and
(f) in March, Australians around the country will participate in the Melanoma March community walks to raise awareness of melanoma.

Senator Rhiannon to move:
That the Senate—
(a) notes that:
   (i) a New South Wales parliamentary inquiry into the Environment Protection Authority found that the decision to build a $57 million cruise ship terminal at White Bay in Balmain, instead of at Barangaroo was a 'serious error', and acknowledged the significant impact of fumes and the corresponding issues with noise and vibrations have had on the quality of life of the surrounding community,
   (ii) the relocation of the cruise ship terminal to White Bay was opposed by the cruise ship industry, local councils and community groups alike, and
   (iii) since the White Bay facility opened in 2013 it has received many complaints from local residents concerned about the health impacts of the air and noise pollution associated with cruise ships;
and
(b) calls on the Federal Government to work with state governments to:
   (i) implement mandatory requirements that all new cruise ship terminals have ship to shore power,
   (ii) implement the New South Wales parliamentary recommendations to install shore-to-shore power for ships when they are moored at White Bay, and for cruise ship operators to develop noise mitigation strategies, and
   (iii) ensure that the maximum allowable sulphur content for all cruise ship fuels is reduced to 0.1 per cent in line with United States of America and European Union regulations.

Senators McKenzie and Williams to move:
That the following matter be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 12 August 2015:
The effect of market consolidation on the red meat processing sector, and in undertaking the inquiry, the committee consider:
(a) the potential for misuse of market power through buyer collusion and the resultant impact on producer returns;
(b) the impact of the red-meat processor consolidation on market competition, creation of regional monopolies and returns to farm gate;
(c) the existing selling structures and processes at saleyards, particularly pre- and post-sale weighing, as well as direct sales and online auctions, and whether they remain relevant;
(d) the regulatory environment covering livestock, livestock agents, buyers and meat processors; and
(e) any related matter.
**Senator Wang** to move (contingent on the President presenting a report of the Auditor-General on any day or notifying the Senate that such a report had been presented under standing order 166):

That so much of the standing orders be suspended as would prevent the senator moving a motion to take note of the report and any senator speaking to it for not more than 10 minutes, with the total time for the debate not to exceed 60 minutes.

**Senator Wang** to move (contingent on the Senate on any day concluding its consideration of any item of business and prior to the Senate proceeding to the consideration of another item of business):

That so much of the standing orders be suspended as would prevent the senator moving a motion relating to the conduct of the business of the Senate or to provide for the consideration of any matter.

**Senator Wang** to move (contingent on the Senate proceeding to the consideration of government documents):

That so much of the standing orders relating to the consideration of government documents be suspended as would prevent the senator moving a motion relating to the order in which the documents are called on by the President.

**Senator Wang** to move (contingent on a minister moving a motion that a bill be considered an urgent bill)—

That so much of standing order 142 be suspended as would prevent debate taking place on the motion.

**Senator Wang** to move (contingent on a minister moving a motion to specify time to be allotted to the consideration of a bill, or any stage of a bill)—

That so much of standing order 142 be suspended as would prevent the motion being debated without limitation of time and each senator speaking for the time allotted by standing orders.

**Senator Wang** to move (contingent on the chair declaring that the time allotted for the consideration of a bill, or any stage of a bill, has expired)—

That so much of standing order 142 be suspended as would prevent further consideration of the bill, or the stage of the bill, without limitation of time or for a specified period.

**Senator Wang** to move (contingent on the moving of a motion to debate a matter of urgency under standing order 75)—

That so much of the standing orders be suspended as would prevent a senator moving an amendment to the motion.

**Senator Wang** to move (contingent on the President proceeding to the placing of business on any day)—

That so much of the standing orders be suspended as would prevent the senator moving a motion relating to the order of business on the Notice Paper.

**Senator Wang** to move (contingent on a minister at question time on any day asking that further questions be placed on notice)—

That so much of the standing orders be suspended as would prevent the senator moving a motion that, at question time on any day, questions may be put to ministers until 28 questions, including supplementary questions, have been asked and answered.

**Senator Wang** to move (contingent on any senator being refused leave to make a statement to the Senate)—
That so much of the standing orders be suspended as would prevent that senator making that statement.

Senator Wang to move (contingent on any senator being refused leave to table a document in the Senate)—

That so much of the standing orders be suspended as would prevent the senator moving that the document be tabled.

Senator Lazarus to move (contingent on the President presenting a report of the Auditor-General on any day or notifying the Senate that such a report had been presented under standing order 166):

That so much of the standing orders be suspended as would prevent the senator moving a motion to take note of the report and any senator speaking to it for not more than 10 minutes, with the total time for the debate not to exceed 60 minutes.

Senator Lazarus to move (contingent on the Senate on any day concluding its consideration of any item of business and prior to the Senate proceeding to the consideration of another item of business):

That so much of the standing orders be suspended as would prevent the senator moving a motion relating to the conduct of the business of the Senate or to provide for the consideration of any matter.

Senator Lazarus to move (contingent on the Senate proceeding to the consideration of government documents):

That so much of the standing orders relating to the consideration of government documents be suspended as would prevent the senator moving a motion relating to the order in which the documents are called on by the President.

Senator Lazarus to move (contingent on a minister moving a motion that a bill be considered an urgent bill):

That so much of standing order 142 be suspended as would prevent debate taking place on the motion.

Senator Lazarus to move (contingent on a minister moving a motion to specify time to be allotted to the consideration of a bill, or any stage of a bill):

That so much of standing order 142 be suspended as would prevent the motion being debated without limitation of time and each senator speaking for the time allotted by standing orders.

Senator Lazarus to move (contingent on the chair declaring that the time allotted for the consideration of a bill, or any stage of a bill, has expired):

That so much of standing order 142 be suspended as would prevent further consideration of the bill, or the stage of the bill, without limitation of time or for a specified period.

Senator Lazarus to move (contingent on the moving of a motion to debate a matter of urgency under standing order 75):

That so much of the standing orders be suspended as would prevent a senator moving an amendment to the motion.

Senator Lazarus to move (contingent on the President proceeding to the placing of business on any day):

That so much of the standing orders be suspended as would prevent the senator moving a motion relating to the order of business on the Notice Paper.
Senator Lazarus to move (contingent on a minister at question time on any day asking that further questions be placed on notice):

That so much of the standing orders be suspended as would prevent the senator moving a motion that, at question time on any day, questions may be put to ministers until 28 questions, including supplementary questions, have been asked and answered.

Senator Lazarus to move (contingent on any senator being refused leave to make a statement to the Senate):

That so much of the standing orders be suspended as would prevent that senator making that statement.

Senator Lazarus to move (contingent on any senator being refused leave to table a document in the Senate):

That so much of the standing orders be suspended as would prevent the senator moving that the document be tabled.

Postponement

The following items of business were postponed:

Business of the Senate notice of motion no. 1 standing in the name of Senator Xenophon for today, proposing a reference to the Rural and Regional Affairs and Transport References Committee, postponed till 24 March 2015.

Business of the Senate notice of motion no. 2 standing in the name of Senator Xenophon for today, proposing a reference to the Economics Legislation Committee, postponed till 18 March 2015.

General business notice of motion No. 645 standing in the name of Senator Day for today, relating to the South Australian Nuclear Fuel Cycle Royal Commission, postponed till 18 March 2015.

COMMITTEES

Legal and Constitutional Affairs Legislation Committee

Reporting Date

The Clerk: Notifications of extensions of time for committees to report have been lodged in respect of the following:


The PRESIDENT (15:37): Does any senator wish to have that question put? There being none, we will declare that is happening.

BUSINESS

Leave of Absence

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (15:37): by leave—I move:

That leave of absence be granted to Senator Smith for 16 March and 17 March 2015, for personal reasons.

Question agreed to.

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (15:37): I move:
That—
(a) the Business Services Wage Assessment Tool Payment Scheme Bill 2014 and the Business Services Wage Assessment Tool Payment Scheme (Consequential Amendments) Bill 2014 be recommitted, and that consideration of the bills in committee of the whole be made an order of the day; and
(b) the committee of the whole resume consideration of the bills in the form in which they stood immediately prior to their being negatived in committee on 24 November 2014.

The PRESIDENT: The question is that government business notice of motion No. 1 motion moved by the Manager of Government Business be agreed to.

The Senate divided. [15:42]

(The President—Senator Parry)

Ayes ................. 41
Noes ................. 10
Majority ............. 31

AYES

Back, CJ
Bushby, DC (teller)
Canavan, M.J.
Collins, JMA
Day, R.J.
Fawcett, DJ
Gallacher, AM
Lazarus, GP
Lines, S
Macdonald, ID
Marshall, GM
McEwen, A
McKenzie, B
Moore, CM
O’Neill, DM
Peris, N
Reynolds, L
Seselja, Z
Sinodinos, A
Wang, Z
Xenophon, N

Bullock, J.W.
Cameron, DN
Carr, KJ
Conroy, SM
Edwards, S
Fifield, MP
Ketter, CR
Leyonhjelm, DE
Lundy, KA
Madigan, JJ
Mason, B
McGrath, J
McLucas, J
Muir, R
Parry, S
Polley, H
Ruston, A
Singh, LM
Sterle, G
Williams, JR

NOES

Di Natale, R
Ludlam, S
Rhiannon, L
Siewert, R (teller)
Whish-Wilson, PS

Hanson-Young, SC
Milne, C
Rice, J
Waters, LJ
Wright, PL

Question agreed to.
MOTIONS

Uranium Mining

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (15:45): At the request of Senator O'Sullivan, I move:

That the Senate recognises:

(a) the supportive role Australia's uranium export industry provides in global efforts to address climate change by avoiding the further production of significant quantities of greenhouse gas emissions;

(b) that, according to the Australian Academy of Sciences, 10,000 tonnes of Australian uranium exports replaces the generation of 400 million tonnes of CO2 from conventional power sources;

(c) that Australia has the largest share of uranium resources globally, with 33 per cent of the world's reasonably assured resources;

(d) the World Nuclear Association has stated in its recent report, The world nuclear supply chain: outlook 2030, there could be as many as 266 new reactors around the globe by 2030; and

(e) that, given our large resources and reputation as a secure long term supplier, Australia is well placed to capitalise on any expansion of the global nuclear power industry.

Question agreed to.

Senator Siewert: Mr President, I ask that the objection of the Greens be noted, please?

The PRESIDENT: It is now noted, thank you.

Indigenous Communities

Senator SIEWERT (Western Australia—Australian Greens Whip) (15:46): I move:

That the Senate—

(a) notes:

(i) the insensitive remarks of the Prime Minister (Mr Abbott) in which he called remote Aboriginal communities a 'lifestyle choice',

(ii) the anguish that the proposed closure of remote communities is causing Aboriginal people in Western Australia, and

(iii) the importance of remote communities for cultural, social and emotional wellbeing, and the role these communities play in land management; and

(b) calls on:

(i) the Prime Minister to apologise for his remarks,

(ii) the Federal Government to reinstate the Municipal and Essential Services funding to Western Australia, and

(iii) the Barnett Government to abandon its plan to close Aboriginal communities and to instead work with those communities to deliver essential services and support.

Question agreed to.

Iraq

Senator MILNE (Tasmania—Leader of the Australian Greens) (15:46): I move:

That the Senate—

(a) notes that:

(i) the Government has committed a further 300 troops to the war in Iraq, in addition to the special forces and air force personnel already deployed,
(ii) this increase in troop numbers was announced by the Prime Minister of New Zealand (Mr Key), rather than our own Prime Minister (Mr Abbott),

(iii) neither the Australian Parliament, nor the Australian people, were consulted about the major increase in Australian soldiers in Iraq, and

(iv) the latest polling from Essential Research shows that the majority of Australians disapprove of sending more Australian soldiers to Iraq; and

(b) calls on the Australian Government to:

(i) support legislation that enables the Parliament to decide when Australian troops are deployed overseas, and

(ii) outline the support framework it has in place to support both the mental and physical health needs of returning service men and women.


The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: Australia’s building partner capacity contingent will include around 300 ADF personnel. This is the total number of ground forces that will be deployed to Iraq, not a number in addition to existing forces there as has been stated incorrectly.

The safety and security of these personnel is of the utmost importance to this government and that is why a significant part of the Australian force will be dedicated to force protection, along with the training, command and support elements. ADF personnel will be operating behind the wire and will not be involved in direct combat operations, consistent with the existing deployment of Australian special forces in Iraq.

No government takes the decision to deploy Australian forces lightly, and the safety and security of our troops are paramount. Australia must continue to play a leadership role to promote international security and to protect civilians wherever possible.

The PRESIDENT: The question is that the motion moved by Senator Milne be agreed to.

The Senate divided. [15:49]

(The President—Senator Parry)

Ayes .................... 12
Noes ..................... 35
Majority ............... 23

AYES
Di Natale, R
Lazarus, GP
Milne, C
Rice, J
Waters, LJ
Wright, PL

Hanson-Young, SC
Ludlam, S
Rhiannon, L
Stewart, R (teller)
Whish-Wilson, PS
Xenophon, N

NOES
Back, CJ
Bushby, DC
Bullock, J.W.
Cameron, DN

CHAMBER
I, and also on behalf of Senators Lazarus, Muir, Rhiannon, Xenophon, Madigan, Lambie and Wang, move:

That the Senate calls on the Government to commit to the allocation and release of $150 million in funding for the National Collaborative Research Infrastructure Strategy in 2015-16 that was included in the 2014-15 Budget.


The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: Thank you. This motion is redundant, because Minister Pyne announced yesterday that the National Collaborative Research Infrastructure Strategy will be guaranteed funding in 2015-16. The previous government left no money for the NCRIS past 30 June 2015. The government has met this funding cliff, something the previous government was not willing to do.

The government has a strong commitment to research which is why the government spends $9 billion a year on research, which is why the government has introduced a comprehensive reform to Australia's higher education and research sector.

If the opposition did care about research funding, they would work with the government to pass the Higher Education and Research Reform Bill 2014, as it makes Future Fellowships an ongoing program and places Australia's university on a sound financial footing.

Question agreed to.

DOCUMENTS
Telecommunications Data Retention
Order for the Production of Documents

Senator LUDLAM (Western Australia) (15:53): I move:
That—
(a) the Senate notes that:

(i) the Telecommunications (Interception and Access) Act requires that the overseeing Minister (currently the Attorney-General), as soon as practicable after 30 June each year, cause to be prepared a written report on the operation of the Act that relates to the year ending on that 30 June,

(ii) the report contains critical information on law enforcement access to Australians' telecommunications data which is directly pertinent to the Parliament's consideration of the Telecommunications (Interception and Access) Amendment (Data Retention) Bill,

(iii) for the past 3 years, this report has been tabled in November or December each year, and

(iv) the Government has not yet tabled the report for the year ended 30 June 2014; and

(b) there be laid on the table by the Attorney-General, no later than noon on Thursday, 19 March 2015, the report on the operation of the Telecommunications (Interception and Access) Act for the year ended 30 June 2014.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (15:52): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: Thank you. The government does not support this motion. Section 164 of the Telecommunications (Interception and Access) Act 1979 requires the annual report to be tabled up to 15 sitting days after the Attorney-General has received it. The government has yet to receive the report. The preparation of the annual report involves the compilation of information from over 100 Commonwealth, state and territory agencies. The time at which tabling occurs has varied from year to year under successive governments and has previously occurred any time from December through to late March. As much as Senator Ludlam would wish this to be some sort of government conspiracy, I regret to advise him that that is not the case.

Senator LUDLAM (Western Australia) (15:54): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator LUDLAM: Thank you. Senator Fifield—through you, Mr President—the problem with conspiracy theories is that some of them are more than just theories. I move this motion—and I hope to get opposition and crossbench support for it—because it has been past practice for the last three years for government reports on warrantless metadata collection and the warranted surveillance of Australians to be tabled in November or December. I would have thought the government would want this parliament to be in possession of the full facts of warrantless and warranted surveillance of Australians, rather than withholding the production of this report. It is one of the most important pieces of evidence that this country has as to the annual, steady, year-on-year increase of warrantless surveillance of Australians whether; warranted surveillance has stayed roughly consistent. So I would urge the government, if it does not want to be accused of withholding essential information, to find out why the Attorney-General's Department has not passed that material on to the minister, and to table it immediately.

Question agreed to.
MOTIONS
Solar Energy eXchange Initiative

Senator RHIANNON (New South Wales) (15:56): I move:

That the Senate—

(a) notes that:
   (i) a group of western New South Wales councils, accounting for two thirds of the state’s area, are working together on a solar initiative, known as the Solar Energy eXchange Initiative (the Initiative), that if adopted would result in each local government area installing about half a megawatt of photovoltaic panels at various sites in their locality,
   (ii) the Initiative involves a number of distinct projects involving different combinations of solar and storage technologies to help assess what would most effectively meet the energy needs of western New South Wales,
   (iii) some of the plants would be large enough to meet the electricity demand of a typical country town of 2,000 to 5,000 people, and
   (iv) the number of councils supporting the Initiative has been steadily growing with 24 councils and shires now signed onto the Initiative; and
(b) urges all levels of government to acquaint themselves with the Initiative and consider how they can support this project.

Question agreed to.

BILLS
Charter of Budget Honesty Amendment (Intergenerational Report) Bill 2015

First Reading

Senator MILNE (Tasmania—Leader of the Australian Greens) (15:56): I move:

That the following bill be introduced: A Bill for an Act to provide for the intergenerational report to be prepared by the Parliamentary Budget Office, and for related purposes.

Question agreed to.

Senator MILNE: I present the bill and move:

That this bill may proceed without formalities and be now read a first time.

Question agreed to.

Bill read a first time.

Second Reading

Senator MILNE (Tasmania—Leader of the Australian Greens) (15:57): I move:

That this bill be now read a second time.

I seek leave to table an explanatory memorandum relating to the bill and to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

The purpose of the Charter of Budget Honesty Amendment (Intergenerational Report) Bill 2015 (the Bill), is to require that the intergenerational reports are prepared by the independent Parliamentary Budget Office (PBO), as part of its statutory obligation, instead of Treasury, every five years.
The Bill will also enable the Parliamentary Budget Office to request a Commonwealth body (who must then comply) to provide information that is relevant to the preparation of the intergenerational report, such as access to information regarding the contingency reserve fund, which they currently do not have access to.

As an independent, fiscal research and analysis institution based within the Parliament, the PBO is an extremely positive development for Australia's democracy. It reinforces the often overlooked constitutional principle that the Parliament, not the executive is responsible for the provision of finance for public purposes.

Their periodic and independent reports on the state of the nation's finances and the public work they do for committees of the Parliament has allowed another respected public institution to sit alongside the Departments of Treasury and Finance in offering views that may deviate from, or even contradict the views of these Departments or the Government of the day.

The establishment of the PBO has strengthened the transparency of our democracy, and provided greater integrity to the policy development process, which is why tasking them with drafting the intergenerational report every five years ensures that political interference with the content of the report does not happen again.

The 2015 Intergenerational Report, handed down by the Treasurer on the 5th of March proves just how partisan this important document has become. Credible and rigorous intergenerational reporting would examine, for example, inequality of wealth and incomes, and global warming and pollution from fossil fuels as global trends. It must be rewritten by the independent Parliamentary Budget Office in order to restore credibility to the Intergenerational Report process.

While the report acknowledged the huge pressures that will be placed on our younger generations as they support a burgeoning population entering retirement, there was no effort in the government's report to propose how these challenges might be met. For example, Australia's superannuation system is no longer achieving what it was intended to do as the next two years will see the concessions for super flowing overwhelmingly to the wealthiest are beginning to cost the government more than the aged pension. Significant reform is required.

Silence on these challenges is counterproductive, because it compounds the repair required for future governments.

Nowhere is this more paramount than for global warming. The more we delay action and ignore it, the greater the overhaul of our economy must be. Ironically enough, this means that those resisting these necessary changes in order to keep things the same are actually the ones doing the most to undermine the stability of our economy, and opportunities for future generations.

It is impossible to plan for the future without preparing for a warming planet and extreme weather events which will affect everything from public health and well-being, agricultural profitability, infrastructure degradation, housing, aged-care, immigration from our low-lying island neighbours, insurance costs, labour productivity and our mix of exports.

Governments cannot ignore our greatest threat. That is why the intergenerational report must become the responsibility of the independent Parliamentary Budget Office and not subject to political priorities divorced from reality.

I commend this Bill to the Senate.

*Senator MILNE:* I table the explanatory memorandum and I seek leave to continue my remarks later.

Leave granted; debate adjourned.
DOCUMENTS
Automotive Transformation Scheme
Order for the Production of Documents

Senator XENOPHON (South Australia) (15:57): I, and also on behalf of Senators Carr, Madigan, Muir and Wright, move:
That there be laid on the table, no later than 4 pm on Monday, 23rd March 2015:
(a) by the Minister representing the Minister for Industry and Science, any correspondence since 1 July 2014 between the Minister for Industry and Science and the Prime Minister regarding the Automotive Transformation Scheme (ATS); and
(b) by the Minister for Finance, any correspondence since 1 July 2014 between the Minister and the Prime Minister regarding the ATS.
Question agreed to.

MOTIONS
Great Barrier Reef

Senator WATERS (Queensland) (15:58): I move:
That the Senate—
(a) notes that:
(i) the Great Barrier Reef Marine Park Authority has repeatedly stated that the most serious threat to the reef is climate change,
(ii) the Abbot Point coal port expansion would facilitate the export of up to 180 million tonnes of coal per year,
(iii) nine global banks, including HSBC, Royal Bank of Scotland, Barclays, Societe Generale, Deutsche Bank, Goldman Sachs, Citi, JP Morgan Chase and Morgan Stanley have refused to finance the Abbot Point coal port expansion, and
(iv) the Australian Youth Climate Coalition's 'Dump Your Bank' campaign is helping customers make sure their savings are not used to fund the destruction of the Great Barrier Reef and the climate; and
(b) congratulates former customers of the big four Australian banks who have divested because the big four Australian banks have not ruled out investing in the Abbot Point coal port expansion which would accelerate the destruction of the Great Barrier Reef.

Senator WATERS: I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator WATERS: Thank you. Today this motion celebrates the power of ordinary Australians to secure a safe climate future. Both the federal and Queensland governments are in lock-step with Australian and Indian mining billionaires as they try to build one of the world's biggest coal ports right in the heart of the reef at Abbot Point. Already, nine international banks have ruled out financing the Abbot Point coal port and Australians are waiting for the big four Australian banks to start listening and join them. The Australian Youth Climate Coalition's 'Dump Your Bank' campaign helps ordinary customers break up with their bank by moving their money. They are making sure that savings are not used to fund the destruction of the Great Barrier Reef and our climate. Where our government has failed to act, ordinary Australians are stepping up and taking control of their own future. They are telling the big four banks it is not a good investment if it is wrecking the planet and in this
age of climate change Australia cannot afford to open up the coal megamines in the Galilee Basin. I commend this motion to the Senate.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (16:00): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government opposes this motion. The Australian government is banning, through law, capital dredge disposal in the Great Barrier Reef Marine Park now and for ever. This is delivering on the commitment made in November to end this century-old practice. The ban demonstrates our commitment to the Great Barrier Reef and the significant progress we are making to reduce cumulative pressures on this precious ecosystem. Climate change is a challenge for all reefs around the world—that is why we are focusing on addressing water quality to make the reef more resilient; that is why we have a $2.55 billion domestic climate change policy, with the Emissions Reduction Fund, and it is why we are looking to a good international agreement in Paris at the end of this year.

The PRESIDENT: The question is that the motion moved by Senator Waters be agreed to.

The Senate divided. [16:05]

(The President—Senator Parry)

Ayes ...............12
Noes ...............38
Majority ...........26

AYES
Di Natale, R
Lazarus, GP
Milne, C
Rice, J
Wang, Z
Whish-Wilson, PS

NOES
Back, CJ
Bullock, J.W.
Cameron, DN
Carr, KJ
Day, R.J.
Fawcett, DJ
Gallacher, AM
Leyonhjelm, DE
Lundy, KA
Mason, B
McGrath, J
McLucas, J
O’Neill, DM
Parry, S
Polley, H
Ronaldson, M

Hanson-Young, SC
Ludlam, S
Rhiannon, L
Siewert, R (teller)
Waters, LJ
Wright, PL
Brown, CL
Bushby, DC
Canavan, M.J.
Conroy, SM
Edwards, S
Fifield, MP
Ketter, CR
Lines, S
Macdonald, ID
McEwen, A (teller)
McKenzie, B
Moore, CM
O’Sullivan, B
Peris, N
Reynolds, L
Ruston, A
Question negatived.

BUSINESS

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (16:08): I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the following bills, allowing them to be considered during this period of sittings:

- Appropriation (Parliamentary Departments) Bill (No. 2) 2014-2015
- Appropriation Bill (No. 3) 2014-2015
- Appropriation Bill (No. 4) 2014-2015.

Question agreed to.

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (16:08): I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the following bills, allowing them to be considered during this period of sittings:

- Customs Amendment (Anti-dumping Measures) Bill (No. 1) 2015
- Customs Tariff (Anti-Dumping) Amendment Bill 2015.

Question agreed to.

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (16:08): I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Defence Trade Controls Amendment Bill 2015, allowing it to be considered during this period of sittings.

Question agreed to.

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (16:08): I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the following bills, allowing them to be considered during this period of sittings:

- Australian River Co. Limited Bill 2015
- Offshore Petroleum and Greenhouse Gas Storage Amendment (Miscellaneous Matters) Bill 2015
- Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment (Miscellaneous Matters) Bill 2015
- Succession to the Crown Bill 2015.
Question agreed to.

**MATTERS OF PUBLIC IMPORTANCE**

**Indigenous Affairs**

The **PRESIDENT** (16:09): I now inform the Senate that, at 8.30 am today, Senators Moore and Siewert each submitted a letter in accordance with standing order 75, proposing a matter of public importance. The question of which proposal would be submitted to the Senate was determined by lot, and as a result I inform the Senate that the following letter has been received from Senator Moore:

Pursuant to standing order 75, I propose that the following matter of public importance be submitted to the Senate for discussion:

"The impact of the Abbott Government's decision to cut half a billion dollars from indigenous programs in its first Budget."

Is the proposal supported?

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

The **PRESIDENT**: The proposal is supported. I understand that informal arrangements have been made to allocate specific times to each of the speakers in today's debate. With the concurrence of the Senate, I shall ask the clerks to set the clock accordingly.

**Senator McLUCAS** (Queensland) (16:09): I am indeed happy to stand to speak in support of this matter of public importance today:

The impact of the Abbott Government's decision to cut half a billion dollars from indigenous programs in its first Budget.

This has been the most appalling doublespeak, in my view, of the Abbott government, the government which said that Indigenous people would be at the heart of a government. That was from the now Prime Minister, prior to the election. He said that he would be the minister for Aboriginal and Torres Strait Islander Australians. But, in the first opportunity, the very first chance, to show that those words were ringing true, what did they do? They cut half a billion dollars out of the budget that provides services to Aboriginal and Torres Strait Islander peoples right across this country. This is a hollow promise. We said that then, but it is now becoming absolutely clear that that is the fact right across the country.

Let us go to some of the detail. This government ripped $534.4 million from Indigenous programs. That is half a billion dollars. One hundred and sixty-five million dollars was cut from Indigenous health programs, including a really important program, the Tackling Smoking and Promoting Healthy Lifestyles program. Given that Aboriginal and Torres Strait Islander people are smoking at much, much higher rates than other Australians, this was an important program to improve health outcomes. Three point six million dollars was cut from the family violence prevention legal service, which helps Aboriginal and Torres Strait Islander women and their children escape family violence. And then there was a raft of cuts to community legal services, including $15.6 million from community legal centres, $13.4 million from Aboriginal and Torres Strait Islander legal services and $21 million from legal aid, and there is no funding certainty for legal centres past 30 June this year.
Nine and a half million dollars was cut from the Indigenous Languages Support program, and they axed the Indigenous tutorial assistance program. That was the cut in education.

And, in health, the government did not renew the National Partnership Agreement on Indigenous Early Childhood Development, which has left 38 children-and-family centres, built by the Labor government, facing the real risk of closure. They did not renew the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes. That leaves the Closing the Gap health targets without a nationally coordinated approach to achieve them. Labor had committed $777 million to renew that national partnership agreement.

They have forced all Indigenous organisations across the country, in a shambolic debacle, to apply for funding in an open—so-called—competitive tender. It has been chaos out there. Every Aboriginal organisation that I have spoken to over the last six months has only spoken of chaos. The expectations that particularly Minister Scullion raised in the community about how wonderful these programs were going to be and how everyone was going to get great services have come to nothing. We know that 41 per cent of organisations that applied for funding were successful. More than 1,300 organisations applied for funding and have missed out on that funding.

But the thing that really sticks in the craw of Aboriginal organisations and the people who are talking to me in Far North Queensland is the way it was promulgated. In the north, press releases were put out by all coalition members of parliament and a coalition senator, and they talked about the boost in funding for Indigenous health services. That is frankly offensive. There is no boost in funding for Aboriginal and Torres Strait Islander services in the north, particularly in the Aboriginal community controlled health services. This is 'business as usual' funding. This is no boost; this is in fact a cut.

We know and we can expect that, as a result of these cuts, we will see diminished outcomes for Aboriginal and Torres Strait Islander people. You have to fund health services if you are going to get health outcomes. You have to support Indigenous children in schools to improve their educational outcomes. But to call these vicious cuts to Indigenous health services a 'boost' really got the goat of people who have been coming through my office to tell me about the cuts that have happened. The Torres Strait Regional Authority has lost $3½ million in funding by 2017-18, and we have heard nothing from the local member. These cuts will have ramifications. There will be an impact that flows from cutting half a billion dollars out of Aboriginal services and programs into the future, and that will be measurable. We also know that the Closing the gap report that came down last fortnight was not good news for anyone in Australia. But I am fearful that, the next time we see a Closing the gap report, we will see more.

There are many good Indigenous-run organisations that have worked hard to improve the lives of their people. There are many Indigenous organisations who spent hours and hours putting in applications for the Indigenous advancement program, simply to receive a letter last Friday to say that they were unsuccessful. Programs which range from tackling youth suicide and addressing drug and alcohol abuse to those that support community night patrols and early childcare programs will cease to exist in communities that need them the most.

Sadly, it seems to stand true that Mr Abbott sees Indigenous disadvantage as a lifestyle choice. If this is Mr Abbott's commitment to closing the gap, it is an utter disgrace.
Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (16:16): I rise to generally correct the record. I have to say it is pretty nauseating to be lectured by those on the other side about the achievements in Indigenous affairs. I know that my colleague Senator Peris was not here during that time, so perhaps you can just deflect any remarks, because you were not here, Senator Peris. The facts of the matter are that there was not half a billion dollars slashed off Indigenous affairs; in fact, nothing could be further from the truth. It is simply disingenuous to say to our first people that $500 million was slashed, because it is simply incorrect. If I can just refer you—

Senator McLucas: Five hundred and thirty-four million.

Senator SCULLION: I listened in respectful silence, Senator. I would like you do the same. Budget Paper No. 2 says that over five years there was a total of $534.4 million. If that had been spread across, as in a normal budget paper, it would have been easy to understand. Of this amount, $121.8 million is in the Health portfolio, and I will speak about that in a moment. If you use your calculator there, Senator, that leaves you with $412 million. The $412 million includes a saving from TSRA of $3.5 million, which leaves $409 million. The $409 million includes $355.2 million in administrative funding and $60 million which was departmental funding. The $355.2 million is the total save, which we are choosing to reinvest—of course, this is the question that this is just terrible—into new priorities.

Senator McLucas: But where is that money?

Senator SCULLION: Well, I can just tell you if you will do me the courtesy there, Senator McLucas. We already operate at what I think is the real cutting edge. We have had a real go at fixing the school attendance: we have invested $46.5 million over two years. We invested $54.1 million for a permanent police presence in communities—that is right, safe communities—and $2.5 million for community engagement police officers, because that was actually what was needed in the communities. There is $3.8 million for a child abuse task force, $13.4 million for Indigenous education through the Sporting Chance Program, and $10.6 million for outback power—that was the old remote renewable energy repair and maintenance program. So overall the funding levels for Indigenous health are going to continue to grow over the next four years.

It is amazing they did not talk about this to our First Australians. They did not share the complete story, which shows just how completely disingenuous the story from that side is. From 2014-15 to 2017-18, we will invest $3.1 billion in Indigenous-specific health programs and activity, an increase of over $500 million compared with the figure from 2009-10 to 2012-13. This does not include funding provided through Medicare and the PBS, as one would expect. So, as part of this budget, we expanded our programs that demonstrated their effectiveness in improving health outcomes. That is right: we backed what was working, and we stopped backing what was not working.

We will invest $94 million through 2015-16 to expand efforts to improve child and maternal health through Better Start to Life. That includes $54 million to expand New Directions: Mothers and Babies—I thought we all supported that, a little like motherhood—and $40 million to expand the Australian Nurse-Family Partnership Program. It is funny you did not mention all of those figures. What about the $36.2 million from 2015-16 to expand the Healthy for Life program into a further 32 Aboriginal community controlled health organisations? It goes on and on.
Since the budget, two very significant measures—I know they are well known—were announced in December as part of MYEFO. We are providing an additional $94.9 million and redirecting existing funding of $1.5 billion over four years from 2014-15 to reform the Remote Jobs and Communities Program, implementing Work for the Dole in remote communities. You are not going to do that cheaply, because it has to be decent jobs and proper engagement, and it is going to cost that money. The measure will assist in providing real work-like activities. We have also provided $46.3 million in transitional funding in 2014-15 to allow the Commonwealth to support the delivery of municipal services in remote communities whilst we are negotiating the transition of responsibility to the state government.

Those are the facts of the matter. To say to Australians that we have cut without saying what we have reinvested in, which is far greater, is completely disingenuous. I was three years in opposition in this portfolio. Let me tell you: for whoever is standing here, there are plenty of real things to knock us about without making it up. There is a reason we are here. Do you think there needed to be any cuts at all? Do you think we needed to put four per cent back? Do you think we needed to have the fights with Joe Hockey? Right at the moment, this nation is paying $1,000 million dollars a month plus every month. Imagine what we could do with that, Senator Peris. Imagine what we could do with the investment. I know where you would invest it. You would invest it wisely, as I would.

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson): Senator Scullion, I remind you to direct your comments through the chair please.

Senator SCULLION: Sorry, Mr Acting Deputy President. I will put my remarks through you.

But this is why we are in this particular parlous situation. It just beggars belief. We have had Senator McLucas come up and say, 'I've only had people coming into my office and complaining.' I guess that is the nature of those people who missed out, but let me tell you I commend the people who missed out for having a go. But, unlike Senator McLucas, I am not giving money out depending on how many hours you spent with the preparation. It will all be new money and new ideas, and I have those in a repository. There are some fantastic ideas but, because we do not have the funds to fund them all, we have to prioritise. So we have prioritised it, but we are still keeping many of those ideas aside. Perhaps when we do have the funds, when you, hopefully, have the funds in government or when whoever does, we can invest in those ideas.

But through this ground that she knocks she did not say that 964 organisations are going to deliver nearly 1,300 programs. Most importantly, instead of just saying we are helping Aboriginal organisations or non-Aboriginal organisations, whilst I care deeply about them all, the people I actually care about are the people on the ground receiving services. That should be the focus of parliament. That should be your focus.

Part of the challenge in this particular portfolio is we cannot close the gap if we have services that are being delivered substandard with low expectations. The same people have been doing it year after year after year. That is going to change on 30 June because those who are doing the services are going to be in a contract that basically focuses on outcomes. They will be paid to provide an outcome. It is quite a reasonable thing to do. In the past that has not been the case. For those Indigenous organisations that say are they doing it or aren't they doing it I have said, 'We want to work with you the first year; we want to intensively work
with you to ensure that the services to our shared constituency are delivered in the very best possible way.

So, as I have said, it is completely disingenuous to stand up in this place as a matter of public importance and suggest that somehow we have slashed $500 million off the budget, end of story, leaving people with the perception, of course, that that is what happened. That is not what happened; and, if you care about this portfolio, you will start thinking about stopping the politicisation of it. If you are fair dinkum about closing the gap and you are all fair dinkum about engaging with our first Australians properly, you will start taking your hat off. I in this place try day after day to depoliticise this, and those who know me on the other side will acknowledge that, so I do not think it is helpful. I know this was jointly sponsored by Senator Siewert, and I have a great deal of time for the joint sponsors. I do not think this is helpful, because this sends a signal to Indigenous Australians. It might be mischievous and it might be politically the right thing to do in this place, but I really wish you would start to switch on. If we can work together on this, it is going to be far better than the normal adversarial rubbish that we carry on with in this place. That is why I am a bit nauseated for those on the other side to lecture me.

Perhaps I should touch on a couple of things in the record of those on the other side. We are going to get kids into school, we are going to get people employed and we are going to provide for safer communities. During your period of office, 87 per cent of people did not get an education. I have arrived and am trying to fix that in a way that really makes a difference. Unemployment during your watch increased by 4.3 per cent, more than five times what is happening in mainstream Australia. Intoxication rates went from 5.7 to 12.1 times the mainstream level. This all happened on your watch. I am not saying there is any mischief or any particular incompetence; it is a tough area.

So, once again, this is a matter of public importance, and the importance of this matter is to come into this place and tell the whole truth. Don't just pick up what you like and say, 'Isn't this going to impress people on the front page,' because I can tell you they are not impressed. Our first Australians of this parliament—not this government, this parliament—deserve the whole truth about exactly what is going on, and this so-called matter of public importance serves no justice whatsoever.

Senator SIEWERT (Western Australia—Australian Greens Whip) (16:27): I rise to contribute to this debate. If you listened to Senator Scullion, you would think everything is okay in Aboriginal and Torres Strait Islander affairs and that he has the answers to everything. He has not. If he did, perhaps you would get some more agreement across this chamber to the policies that he is proposing. When a government goes to a billionaire and lets them write the policy on how we should address Aboriginal unemployment and Aboriginal issues, you know they are lacking in policy outcomes. This is the government that is currently preparing to do Australia over once again with the health and welfare card because the billionaire had a thought bubble that it might be a good way to address Aboriginal and Torres Strait Islander disadvantage. While they are doing policies like that, they will not be getting cross-party support for those policies.

Let's look at the funding that has been cut from services in Central Australia, which points to the chaotic nature of what has just gone down with the Indigenous Advancement Strategy. We know that many groups have missed out on funding, because they are ringing us. As yet
we do not have an overall picture, because that information is not available. We are at the moment having unfortunately to operate on anecdotal evidence. There is some list circulating around Australia for the Northern Territory and Western Australia. They do not tell us what projects have not been funded. They do tell us the projects that have been funded—and by electorate, by the way—but they do not tell us how much they are funding. They do not tell us which organisations have replaced other organisations. So we cannot get a picture about how the so-called brilliant strategy for Indigenous advancement has in fact been funded.

What the overall strategy is seems to have been a bit of a collection of what people feel should be funded, but they actually do not have an idea of what has been funded. That is clear from the picture from Central Australia, where the youth services for both MacDonnell Shire and Barkly Shire have not been funded. The sport and rec program in Barkly Shire which I am told employs about 30 Aboriginal people has not been funded. For the MacDonnell Shire past funding programs funded youth services for important areas that have been affected by both petrol sniffing and other substance abuse. The Barkly Shire has apparently been offered eight per cent more in funding to fund a whole lot more areas—in other words, things that the MacDonnell Shire will not be able to do, with just an eight per cent increase in funding.

We do not know what has or has not been funded under the Indigenous Advancement Strategy. We do know that some organisations did not put in funding bids because they did not think they would be able to meet the guidelines in time. We also know that some organisations, because of the rapidity with which they had to put in applications, were not able to complete their applications to a satisfactory standard and they seem to have been assisted in improving those applications. Again, it makes a farce of the process. In estimates a couple of cycles ago the minister and the department admitted that the funding cut had not been made as a result of a strategic approach—it was an efficiency drive. There have been funding cuts to this program, and instead of the minister addressing the issues around the Indigenous Advancement Strategy, he goes to the same boring views and trite remarks about debt. Whenever a government minister does not want to answer a question in this place they make that point—and that is what he has just done. I expected him to be better than that and to address the issues. I understand that the department probably did not want to make a mistake about not funding those youth services that are absolutely critical in Central Australia in addressing substance abuse, but that is what happened—those applications were put in and they have fallen through the gap in terms of being addressed by government. Again, it makes a mockery of their claims that they have been through a strategic approach with this Indigenous Advancement Strategy. They have not. I resent the minister coming in here and lecturing us about what we should be doing and asking us to support them blindly.

Senator PERIS (Northern Territory) (16:32): I am going to make a few initial observations about the current context of this MPI before turning to the direct effects of the government cutting $500 million from the Indigenous affairs budget. Recently, following an inexcusably bad set of decisions, Prime Minister Tony Abbott faced extreme criticism from his backbench and a spill motion was moved in the party room. After what he called a near-death experience, the Prime Minister pressed the reset button and promised to become more consultative. He asked for clear air and a chance to begin his government again. ‘Good government starts today’, he hailed on 8 February this year. He was given another go by his colleagues and a chance to make amends—he said he recognised he had made mistakes. The
question I now pose is: should Aboriginal Australians now attempt to appeal to this side of the Prime Minister, to his willingness to reconsider past transgressions? I feel if we cannot push the reset button; his effort to become the Prime Minister for Indigenous Australians and to achieve constitutional recognition will fail miserably. He will have failed Aboriginal and Torres Strait Islander Australians. He will have failed all Australians.

In the Northern Territory, my back yard, the Prime Minister is referred to as 'the gammon man'. In the Territory you are gammon if you say one thing but do the exact opposite. If you say you will not cut health and education spending and then you announce that you will cut spending, you are gammon. Once again, the Abbott government deceived Aboriginal and Torres Strait Islander people when they said they would not cut frontline services. This is exactly what he has said, and we have heard about that here from Senator Siewert and Senator McLucas. It is right throughout the chamber. The Prime Minister is gammon and he has done this in his very first budget as Prime Minister. It is a national disgrace.

The Abbott government cut half a billion dollars from Aboriginal expenditure in the 2013-14 budget, then rushed the process under its flawed new grants system, the Indigenous Advancement Strategy, which Senator Siewert described earlier. It is not working. They have slashed funding to Aboriginal and Torres Strait Islander organisations right across the country—I know, because I speak to people every single day—to such an extent that many services will be forced to close. This government talks about closing the gap on Aboriginal and Torres Strait Islander disadvantage on the one hand but withdraws crucial funding to frontline services with the other. The Indigenous Advancement Strategy is neither an advancement nor strategic. That is the truth of this. It is ridiculous. It is confusing and it is mean-spirited. I will tell you what the mob across the country are calling the IAS—they are calling it the Indigenous annihilation strategy! That is the truth of the matter.

On top of all of this, the Prime Minister chooses to create more confusion and anxiety by supporting the WA government's proposal to forcibly move Aboriginal people living in the remote and regional areas in that state because he considers their living there to be a 'lifestyle choice'. There are important questions that need to be answered by Senator Scullion and the Prime Minister, who agree that Aboriginal people will be forced off their land, displaced and forced to live—where exactly? Where are these people going to be moved to? How will people be forced off their country? Will the Army be used again? What communities will be shut down? What services will you provide for these displaced human citizens of this country? What accountability have you asked for from the WA government in subsidising this latest land grab, as we call it—because it is. It is about land.

The Minister for Indigenous Affairs, Senator Scullion, and the Prime Minister are directly responsible for the disastrous Indigenous annihilation strategy. Under the IAS, only 964 of the 2,345 organisations that applied for funding have been successful. The Liberals have announced just $860 million in grant funding for Indigenous programs and frontline services, having received more than $14 billion in applications. Many organisations have received just a fraction of their current budget to deliver vital frontline services in their communities. Is the minister seriously saying that Aboriginal people across the country losing jobs is going to help close the gap or help Aboriginal people to participate fully in this nation's economy? Across my electorate these disastrous cuts have caused extremely high levels of anxiety, anger and confusion—arising out of the uncertainty.
I have already mentioned the Katherine Women's Legal Service, which provides vital front-line services to victims of family violence. Fifty per cent of their funding has been cut. The YMCA in Katherine will struggle to deliver youth programs that are widely acknowledged for keeping kids off the streets at night, because their funding has been cut. The Prime Minister's foray into Indigenous affairs included the proposal that the MacDonnell Regional Council should expand its youth development services from nine to 12 remote communities, but that it should do so at a cost of only eight per cent of its current budget. If the PM wants to help Aboriginal people, why has he just cut 51 jobs in the MacDonnell shire?

Senator Siewert spoke about the Barkly shire, so I will not go into that again, but 30 jobs have been cut and there are no youth programs delivered there anymore. The small town of Elliott on the Stuart Highway—halfway between Darwin and Alice Springs—will lose two part-time childcare positions. So much for supporting parents and helping them to get their kids engaged in education! Jobs will be lost from the closure of the drug and alcohol program run by Amity Community Services in Darwin. These are all front-line services. In Alice Springs, the Institute for Aboriginal Development is one of Central Australia's oldest Aboriginal community controlled organisations. It is facing closure because of cuts to its funding. The IAD runs literacy, numeracy and job-ready programs.

Let me talk now about understanding Aboriginal people living on country and their traditional homelands. The homelands movement has a history going back decades. Aboriginal people started returning to their traditional country so they could continue their cultural practices and so they could live in peace—away from the fringe camps of the regional service delivery towns where their lives were characterised by marginalisation, overcrowding, conflict, continued social and cultural breakdown, deep personal distress, and alcohol and substance abuse.

Ms Laurie Baymarrwangga, otherwise known as 'Big Boss', passed away in August 2014 at 98 years of age—an Aboriginal woman! She gave approval before her passing for her name to be used in helping to carry on all her hard work. Over her 98 years, Big Boss witnessed the arrival of the first missionaries and the World War II bombing of Milingimbi. She established an island homeland, a school, a ranger program and a turtle sanctuary—and she saved her language. She created language nests and still did not give up. In 2012, Big Boss was the Senior Australian of the Year.

The Crocodile Islands Ranger Program, formally launched in 2010, won the Minister's Award for Outstanding Team Achievement in the 2012 NT Ranger Awards. The rangers now protect more than 10,000 square kilometres of sea country, with 250 square kilometres of registered sacred sites, and have created a turtle sanctuary of 1,000 square kilometres. These programs are set to manage, conserve and enhance natural marine resources and the traditional ecological knowledge that lives in the local languages. This conservation effort has national significance. Big Boss said:

Homelands are at the heart of our country.

Knowing country depends upon understanding the complex cultural relationships linked to living on homelands. This protects a vital part of Australia's biodiversity and its cultural and environmental heritage. Homelands are where people transfer the world's oldest living traditions, deep cultural knowledge and globally rare Indigenous languages. All of these are under threat.
It is deeply concerning that the Prime Minister supports the eviction of hundreds of Aboriginal people from their traditional lands. This is a Prime Minister who clearly does not understand the value or the importance of Aboriginal peoples' connection to land—completely disregarding more than 200 years of Indigenous dispossession. We all know that the Prime Minister, as I referred to before, is commonly known in the Territory as 'the gammon man' when it comes to Indigenous Affairs. The self-appointed Prime Minister for Indigenous affairs is just trying to save his own job. He does not care about the people and his comments threaten to undo the this country's progress towards reconciliation and closing the gap in Indigenous disadvantage.

I will repeat what my uncle, senior Yawuru man Pat Dodson, said earlier this week:
Does Australia want to have a relationship with Aboriginal people, or does it not? Or does it simply want to improve the management and control systems over the lives of Aboriginal people? That is the seminal issue.

This Thursday is National Close the Gap Day. I pose this question to the minister and to the Prime Minister: which gap will you be closing?

**Senator REYNOLDS** (Western Australia) (16:42): I am somewhat saddened in rising to speak on this MPI. Listening to Senator Peris highlighted for me exactly why we have to work so much harder to close the gap. It particularly saddens me that this MPI reads:
The impact of the Abbott Government's decision to cut half a billion dollars from Indigenous programs in its first Budget.

It saddens me because this is the second time today I have risen to speak about the blatant untruths being told in policy areas of such social importance. The first time was on the higher education system and the blatant untruths that were being told to scare students and those on the crossbenches.

This time it is in relation to the problems and the issues that Senator Peris has just so eloquently discussed.

*Senator Lines interjecting—*

**The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson):** Order!

**Senator REYNOLDS:** I ask those opposite to afford me the same respect I showed them in listening to their contributions on this serious issue. The reason I am saddened about speaking in this debate is that Labor is clearly using our most vulnerable people—people for whom we really do need to close the gap—for yet another cheap political scare campaign. It saddens not only me but, I know, a great many other people on this side.

Senator Siewert, in her contribution, said that this country's debt was irrelevant to this debate. I almost did a double-take—how, possibly, can our nation's enormous debt be irrelevant to this debate? Labor's mismanagement of the country's finances and the legacy of debt and deficit they have left us mean that all programs have to be reviewed. The budget savings made in the Indigenous Affairs portfolio have been explained many times—and they were explained again very eloquently just then by the minister. They do not, as Labor keeps wrongly claiming, impact on the delivery of services. As the minister said, the savings made in this area amount to $60 million a year. That is against a total spend of $4.9 billion a year. That is less than five per cent. The minister has said time and time again very clearly and has provided the evidence that these savings go into efficiencies and behind-the-scene
administration. They are not $500 million and they do not go against the delivery of the services that were being discussed by those opposite. So not $1 of these savings—which are far less than those opposite are claiming—impacts on the delivery of services to Indigenous services. However, the government did, as part of its pre-election promise to cut the burden of red tape, remove what can only be described as a bewildering array of bureaucratic processes in the Indigenous Advancements Strategy. This is now allowing public servants to spend their time where it is most needed in the regional networks working with Indigenous groups at the local level.

We are in the process of transforming Indigenous affairs to a very different and far more streamlined model to make more effective use of the resources available. As we have just heard from Senator Peris, what we have done in the past, over many governments and over many decades, is clearly not working. Just mindlessly continuing to fund resources and services that are not closing the gap enough is not good enough. Labor's budget blow-out and economic mismanagement at the Indigenous portfolio level has resulted in more unsafe neighbourhoods and the number of adults and children in education and the workplace actually declining. Again, that is not good enough. More of the same is simply not an option for this government.

We intend to turn it around and we intend to do it much better. This government, in fact, has signed off on over $860 million worth of investments in the Indigenous Advancements Strategy funding round to ensure that the government continues to deliver our key priorities: to get children to school and adults to work, and to make communities safer. This funding will assist 964 Indigenous organisations to deliver nearly 1,300 projects to Indigenous communities right across Australia. That is far from the story peddled by those opposite in this MPI. What they do not tell the Australian people is that not only is the amount of the cuts and where it is coming from not true but under competitive funding processes not everybody will be happy. They were not happy under your government when you had to make choices about funding arrangements, and they will not be happy under new competitive funding arrangements. Tough decisions have always to be made, and we need to ensure these decisions are followed through. But I will remind this place that over $860 million worth of new investments are being made by this government and funding will assist 964 organisations to deliver nearly 1,300 projects right across this country—a very different story from what we are hearing from those opposite.

This government truly does believe that Indigenous Australians deserve a much better future and that we have to do everything we can to close the gap. But more job opportunities are required. We need to empower individuals and communities. We need to promote and encourage, so as to result in higher standards of living. The initiatives we are taking in this area are a genuine attempt to ensure that we move closer to making these goals a reality. I believe that, rather than moving motions such as this MPI today, which is clearly designed for a political purpose and is untrue, it would be far more productive if those in this place worked together genuinely to close the gap—not for cheap political stunts of the day but to work together to get better outcomes for all Indigenous Australians. They need outcomes. They need a better life. We need to close the gap, and they do not need political stunts.

Senator LAZARUS (Queensland) (16:49): The Abbott government promised to take care of our First Australians but, unfortunately, like so many other promises made they have
broken this one, as well. Today, I am specifically speaking in relation to Aboriginal legal services. The Abbott government is cutting funding to Aboriginal legal services across the country by $13.4 million over two years, effective from 1 July this year. Aboriginal legal services play a vital role in providing First Australians with relevant and meaningful legal support. Services are based across the country and provide criminal, civil and family law services to Aboriginal and Torres Strait Islander people and their families, among other educational preventative and support services. These services are already provided under the restricted funding arrangements, and service providers have managed to deliver significant value far beyond their budgetary means.

Given the nature of Aboriginal legal services, 80 per cent of operating costs are expended in staff salary costs. The majority of services are legal services provided by practitioners who spend time working one-on-one with First Australians and travelling around the countryside to undertake their role. This means the only way Aboriginal legal services across the country can work within the funding cuts from 1 July is to cut front-line staff, close offices and reduce services. Forty-five per cent of staff across Aboriginal legal services are First Australians. The service is an important employer of First Australians and provides a key role in supporting professional development, career advancement and financial security among the First Australian community.

The Abbott government is not only cutting services to First Australians but it is also taking jobs away from First Australians. It will be First Australians who suffer in every way as a result of these harsh and unnecessary cuts. I have consulted with the community, and the overwhelming feedback is that the cuts to Aboriginal legal services will be severe and will have far reaching and negative consequences. Already, staff around the country employed by Aboriginal legal services are scared and worried about losing their jobs. Staff with experience and understanding of the sector are leaving in search of other employment, morale is low and people have no idea whether they will have a job come 1 July this year. Staff are worried sick about how they are going to pay their mortgages, feed their kids and pay their bills.

Cuts to legal services will involve direct cuts to front-line services, including legal officers who travel to remote communities. This will affect the most disadvantaged in our country. My home state of Queensland covers a large area, including many remote areas. First Australians located in remote areas will be hurt the most as the Aboriginal legal services are the only form of legal support they are able to access. As a result, First Australians in remote communities will be left with no legal support.

First Australians already suffer high incarceration rates. Cutting front-line services means First Australians will no longer be able to access legal help. Courts will clog up and grind to a halt. People will be left to wait in jail cells longer until their cases are heard due to a lack of legal representation. Incarceration rates will skyrocket. Incredibly, at present, Aboriginal legal services across the country still have no idea what their budgets are going to be for the next financial year. While cuts have been announced by the Abbott government, state offices have not yet been formally advised of their forward budgets. Managers are unable to plan or make commitments to staff.

I call on the Abbott government to reverse budget cuts to Aboriginal legal services. Our First Australians deserve better. Living in a remote community is not a lifestyle choice, it is life for Indigenous communities. The Abbott government should respect this and show greater
empathy and cooperation towards First Australians and immediately reinstate funding to Australia's Aboriginal legal services.

Senator LINES (Western Australia) (16:53): I rise to speak on the matter of public importance—the impact of the Abbott government's decision to cut half a billion dollars from Indigenous programs in its first budget. I have to say that on the Labor side we were absolutely insulted to hear government members claim that this is some cheap political trick. The truth speaks for itself.

I want to start first with that insulting comment made by the Prime Minister last week in Kalgoorlie, Western Australia, where disadvantage should have been visible on every street corner for the Prime Minister to see. When he claimed it was a lifestyle choice he was simply repeating that time-worn assertion that Aboriginal people represent little else but a drain on the public purse. And that is what we are hearing today in this place from government senators opposite.

I want to move now to some comments that Senator Nash made the other day when she was extolling the virtues of NACCHO. She was saying how she had met with them, how she had regular dialogue with them and what a wonderful organisation they were. I cannot believe that NACCHO would not have raised their concerns about the cuts to frontline services brought on by the Abbott government's harsh and cruel budget. I just cannot believe that, but obviously Senator Nash is either deaf to that or chooses not to mention it.

I want to quote Matthew Cooke, who is the chair of NACCHO. Speaking about the lack of information around funding and the cuts to organisations, he said that 'the result has caused confusion' among his members. He said:

Their concerns are being raised with me every hour of the day since the announcement was made by Minister Scullion.

I cannot believe that, if Senator Nash has this wonderfully close, respectful relationship with NACCHO that they have not raised the cuts with her. Perhaps we need to explore that some more at question time. The chair of NACCHO is saying, well and truly, that there have been cuts to frontline services. So it is not Labor senators saying it; one of the well-respected umbrella groups in Aboriginal health in this country is saying that every hour of the day they are hearing about the cuts.

This decision by the Abbott government to cut half a billion dollars from Aboriginal programs in the government's very first budget is disgraceful. Labor is not raising this here as a political trick or for some political advantage. I want to look at some of the comments that the Prime Minister made when in opposition. He said on 15 March 2013, at one of his favourite institutes, the Sydney Institute:

In any event, "Canberra knows best" will not be an incoming Coalition government's approach.

I think Aboriginal Australians would say, 'Actually, that is all we have heard. All we have heard is that Canberra knows best.' Again, in that speech at the Sydney Institute on 15 March 2013, Mr Abbott said:

Should the Coalition win the election, Aboriginal people will be at the heart of a new government, in word and in deed.

To cut half a billion dollars from programs is not putting Aboriginal people at the heart of any government. To make the insulting—at one deep level—and ridiculous comment he made
about lifestyle choices is not putting Aboriginal people at the heart of government; it is just
repeating that time-worn statement that Aboriginal people are somehow a drain on the purse
of the nation.

And it does not stop there. Senator Scullion said in the Northern Territory that only those
providers who are ‘completely hopeless’—his words, not mine—at delivering services would
miss out on funding. Because we have had Senate estimates we know what has happened.
There were 2,472 applications for the Indigenous Advancement Strategy funding. There were
4,948 projects and there were 2,345 organisations of which 1,233 were deemed non-
compliant. That could simply mean that they were not incorporated; we do not have the detail
of that. That left just 964 successful organisations—40 per cent of those that applied got the
funding.

I invite Senator Reynolds to visit some of the organisations in Western Australia that have
been defunded. Last week I was in Geraldton. I get angry even thinking about it. The federal
government, through its budget cuts—whether it is to the council, the local legal service or
the education support services—have cut millions of dollars out of that town. That will have
repercussions right up to the Pilbara. That is what the Abbott government has done. There is
service after service that has simply lost money; $534 million has been ripped from programs
and front-line services. I witnessed that firsthand in Geraldton. I did not even have to go very
far. I would challenge Senator Reynolds to get out of Perth and go and visit some of those
front-line services that have lost funding.

I do not know what Minister Scullion proposes to do with the rest of the money that is
apparently in his $2 billion kitty—there is a lot of it left. But, in the meantime, perhaps he
could fund some of the services that have been lost. Fancy taking funding from smoking
programs! Why would you do that when we have very poor health outcomes and the measure
for that is closing the gap? We have very poor health outcomes—but $165 million has been
taken from healthy lifestyle programs and tackling smoking.

We have heard a lot in this Senate recently—and, indeed, in this parliament—about family
violence and partner violence. Yet what we have seen is $3.6 million cut from family violence
prevention and legal services. Again, the West Australian service is a fine service that has
been around for a very long time; they are not sure what is going to happen in their future. We
have had child-care services in the north-west of Western Australia lose their funding and we
have had cuts to community legal services. I witnessed that firsthand, again, in Geraldton last
week. They have taken $15.6 million from community legal services.

It does not matter how you put it, they have been cut. Not only that—they have also been
gagged. Part of their new contract says that they cannot come out and criticise the
government. Even if the government chooses to gag those services, Labor will continue to
criticise the government for gagging those services and cutting their funding. We will not see
improvements in Closing the Gap targets if we have to continue to witness this disgraceful
attack on front-line services which is cutting their budgets, cutting their voices and leaving
them without any funding at all.

**Senator O’SULLIVAN** (Queensland—Nationals Whip in the Senate) (17:02): I have
listened to this debate carefully during the course of the afternoon. I want to attach myself to
one of the remarks made by the minister in his contribution: this issue is simply far too
important to be politicised by the Senate, when having regard to the facts. If you had listened
to the contributions made by the Greens and those opposite you would wonder where their research has taken them. Statements made by them cannot be supported by the empirical evidence that is available in relation to this important subject.

I have been in this chamber for months now, listening to any number of answers provided, not just by the Minister for Indigenous Affairs, but by other ministers who have exposure in this portfolio area; and, clearly, those who have made a contribution today from the other side have not listened once to the explanations provided over that time. The minister articulated quite clearly today the adjustments with respect to the funding; and the previous speaker, on two occasions, made comments about funding cuts of one billion dollars, only to correct that in the last part of her presentation. I ask: how can you get that figure so wrong?

We know that the impact of the reduction in funding, spread over a period of time, is less than 0.01 per cent of the money that this government is spending in the area of Indigenous affairs. Mind you, when it comes to a contribution from the Greens, I expect nothing less. They have devoted 90 per cent of their time to talking about kangaroos, possums, coral and closing down the resource sector; there are hours and hours of contributions about the merits of the introduction of wind turbines. The only time—and I spend a lot of time in this chamber in the whip's position, a lot more than anybody else—

Senator Bilyk: Oh, I do not know about that!

Senator O'SULLIVAN: I will defer only to you, Senator. I have never heard them raise these subjects or these concerns before. But we do not expect them to support anything the government does. In the 387 divisions that have occurred in this Senate during the term of this government, the Greens have voted with the government on 13 occasions. Let me say that one more time: out of almost 400 divisions, they have voted with the government on 13 occasions. I was present on one of those occasions, when it was accidental—they simply were not quick enough to get up and get across the chamber. So when their contribution attacks the government it is expected, because everything—every contribution they make to every single debate in this place—is antigovernment. They should go home and crawl into bed with Senator Lambie because, between them, they are determined never to support an initiative of the government. They do not allow any of the facts—facts on the public record—to intimidate them with respect to their presentations. It is a shame—an absolute shame.

When we come to those opposite, who have been critical of some of the outcomes in this space, it is a matter of public record that when they are referring to Closing the Gap outcomes that have been published, they refer to those from their term of government. They refer back to their own failures. This government is determined, and this has been expressed many, many times, to produce outcomes in the areas of getting people to work in our Indigenous communities; producing a safer environment, where acts of violence are not multiples of 10 times more likely to occur, particularly to women and children in those communities, than they are in mainstream Australia; providing access to education; and providing a safe environment where people have access to meaningful work.

*Senator Wright interjecting*—

Senator O'SULLIVAN: You may disagree with it, Senator, but you should—

The ACTING DEPUTY PRESIDENT (Senator Williams): Order!

Senator O'SULLIVAN: Through you, Mr Acting Deputy President Williams—
The ACTING DEPUTY PRESIDENT: That is better.

Senator O'SULLIVAN: the good senator should sit and listen until I finish the statement before she starts to resist it. It is through providing people the opportunity to have meaningful work, providing them with access to education—where 87 per cent of them did not have proper access to education under a government that you supported—and producing safer environments and safer communities. It is through that pathway that we will get the success in Indigenous affairs that it deserves.

I have to tell you your weakness. Your weakness in your attack is Senator Nigel Scullion. That is where your weakness is to the core. For the first time in generations, we have a minister in this space—

Opposition senators interjecting—

Senator O'SULLIVAN: I know it is inconvenient. For the first time in generations, we have a minister in this space who not only understands the task; this man did not stand in a conga line waiting to get whatever the next portfolio was. He was handpicked by a Prime Minister who is determined to close the gap and provide the very best circumstances for Indigenous Australia. Governments of all persuasions have failed, decade after decade.

The weakness in your argument is the man. The man who is determined to provide these outcomes is not going to stand by and allow impractical programs to go ahead. He will see that every dollar of this Commonwealth is invested in a way that will produce outcomes and he will do something you did not do: he will measure them. I tell you what: you taught the minister a lesson.

Senator Siewert: Mr Acting Deputy President, I rise on a point of order. Senator O'Sullivan made a statement about the Greens earlier that we have never raised this issue. He is either deliberately misleading the chamber or he is mistaken. Either way, could he please use his last 30 seconds to correct the record. I have been in here for nearly 10 years repeatedly raising these issues, so he should apologise.

The ACTING DEPUTY PRESIDENT: Do you have a point of order, Senator Siewert? This is a debating point of order.

Senator O'SULLIVAN: I will take the interjection. What I said was that in the time that I have been in the chamber, I heard you talk about possums, kangaroos, coral reefs and all sorts of other things but never on these important matters of Indigenous affairs. Through you, Mr Acting Deputy President—

Senator Siewert: Mr Acting Deputy President, a further point of order. He has repeated his mistake or he is deliberately misleading this chamber. He should withdraw and correct the record.

The ACTING DEPUTY PRESIDENT: Senator Siewert, this is a debating point not a point of order.

Senator O'SULLIVAN: Let me close by saying that I invite those opposite, particularly the Greens, to not politicise what is a significantly important issue to this nation.

The ACTING DEPUTY PRESIDENT: Order! The time for the discussion has expired.

DOCUMENTS

The documents tabled earlier today were called on but no motion was moved.
COMMITTEES

Public Works Committee
Report


Education and Employment References Committee
Report

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (17:11): At the request of the Chair of the Education and Employment References Committee, Senator Lines, I present the committee's report on higher education together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator BILYK: I move:
That the Senate take note of the report.
I seek leave to continue my remarks.
Leave granted; debate adjourned.

Foreign Affairs, Defence and Trade Joint Committee
Government Response to Report

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (17:12): I present the government's response to the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade on its inquiry into Australia's trade and investment relationship with Japan and the Republic of Korea, and seek leave to have the document incorporated in Hansard.

Leave granted.

The document read as follows—

Australian Government response to the Joint Standing Committee on Foreign Affairs, Defence and Trade report:
Australia's trade and investment relationship with Japan and the Republic of Korea
[February 2015]

Government response to the Joint Standing Committee on Foreign Affairs, Defence and Trade's inquiry into Australia's trade and investment relationship with Japan and the Republic of Korea

The Australian Government welcomes the Report of the Joint Standing Committee on Foreign Affairs, Defence and Trade's inquiry into Australia's Trade and Investment Relationship with Japan and the Republic of Korea, tabled on 3 June 2013. The Report underscores the importance of these respective relationships to Australia's economic prosperity as well as identifying the challenges and opportunities to deepen and broaden these relationships.

The Prime Minister, the Minister for Foreign Affairs and the Minister for Trade and Investment have all made productive early visits to both Japan and the Republic of Korea to reaffirm the importance of the respective trade and investment relationships and enhance economic cooperation with both these close partners in the region. In 2014 trade agreements were signed with both Korea and Japan. The Korea-
Australia Free Trade Agreement (KAFTA) entered into force on 12 December 2014 and the Japan-Australia Economic Partnership Agreement (JAEPA) entered into force on 15 January 2015. These agreements open up opportunities for Australian exporters and investors to expand their businesses into these two key overseas markets.

The Department of Foreign Affairs and Trade will be leading a whole of government economic diplomacy agenda that brings together Australia’s foreign, trade, development and other international economic activities, to deliver greater prosperity for Australia, our region and the world. Economic Diplomacy Country Strategies have been developed for both Japan and the Republic of Korea with specific goals that advance the four objectives of economic diplomacy (Trade, Growth, Investment and Business) in the short (1 year) and medium (3 years) term.

**Japan**

**Recommendation 1**

The Committee recommends that the Australian Government continue to prioritise negotiation and conclusion of a comprehensive free trade agreement with Japan that addresses the numerous barriers, particularly in the agricultural sector, to trade and investment between Australia and Japan.

**Response: Supported.**

Australia and Japan signed the Japan-Australia Economic Partnership Agreement (JAEPA) in Canberra on 8 July 2014 during Prime Minister Abe’s visit to Australia. Negotiations had previously been concluded in Tokyo on 7 April 2014 during the visits of the Prime Minister and the Minister for Trade and Investment. The Australian Government prioritised the conclusion of the agreement with Japan, Australia’s second-largest trading partner, but a market where agricultural exports face significant barriers. Improved agricultural market access was a key priority in the negotiations and the EPA will deliver outcomes across a range of sectors, including on Australian beef, Australia’s largest agricultural export to Japan. JAEPA entered into force on 15 January 2015. DFAT’s economic diplomacy strategy is focused on ensuring that JAEPA acts as a catalyst to further develop the already close economic ties between Australia and Japan.

**Recommendation 2**

The Committee recommends that the Australian Government investigate establishment of a complementary program to the Japan Exchange and Teaching Programme (JET) to facilitate improved cross-cultural links between Australia and Japan.

**Response: Noted.**

In 2011, the Australian Government commissioned a feasibility study into a reverse Japan Exchange Teaching program (JET) in Australian schools. The final report was delivered to the former Department of Education, Employment and Workplace Relations in April 2012.

The Australian Government is committed to supporting languages education in Australian schools and recognises the importance of young people learning a language, including Asian languages. State, territory and non-government education authorities have the primary responsibility in following this pathway as they have responsibility for the registration and employment of teachers in their jurisdictions. The Australian Government has committed to a series of measures to revive the teaching of languages in Australia, including Japanese, and increasing the numbers of language teachers. This includes working with Teach for Australia to actively recruit specialist language teachers. In addition, the Government’s Teacher Education Ministerial Advisory Group recommended that higher education providers equip all primary pre-service teachers with at least one subject specialisation, prioritising languages other than English, mathematics and science. Additionally, the Australian Government’s New Colombo Plan will utilise education to facilitate improved cross-cultural links between Australia and Japan. It aims to lift knowledge of the Asia Pacific in Australia and strengthen our people-to-people and institutional relationships, through study and internships undertaken by Australian undergraduate
students in the region. Japan was one of four locations to participate in a pilot programme of the New Colombo Plan in 2014.

**Recommendation 3**

The Committee recommends that the Australian Government showcase the benefits of a coordinated approach to marketing, such as that used by Meat and Livestock Australia, in its export facilitation activities.

**Response: Supported.**

Australia is "open for business" has been the overriding message from the Government since September 2013 and was a key theme of Australia’s unprecedented trade mission led by the Prime Minister in April 2014 to China, Japan and the Republic of Korea.

Austrade's Building Brand Australia Program was established to enable government and industry to communicate a contemporary, consistent and confident image of Australia. The program developed a sound understanding of international perceptions of Australia and an overarching visual identity and theme—Australia Unlimited—to promote Australia's intellectual, commercial and creative credentials.

Use of Australia Unlimited acted as a catalyst for a strategic, whole of government approach. Examples include Oz Fest India, the Australian Embassy to Germany's 60 years of diplomatic and trade relations program, and the Major Sporting Event Capability program that has extended beyond the London Olympics.

Country research for Japan and Korea is available to government agencies involved in marketing activity in these countries. Austrade encourages the use of Australia Unlimited as an overarching nation brand which can bring together participating industry associations, states and territories in a Team Australia approach.

**Australia Unlimited in Japan**

Australia Day in Spring (ADIS) is the annual event hosted by the Australian Ambassador to Japan at the Embassy's garden during the cherry blossom season in Tokyo. Over one thousand guests made up of key investors, importers, politicians and media representatives typically attend ADIS each year. The Australia Unlimited branding will again be used at ADIS in 2015.

Future Unlimited is a sub-brand of Australia Unlimited. In Japan various education seminars were held under the Future Unlimited brand such as regular education agent seminars and Global Human Capital seminars in Osaka and Tokyo. In 2014 Austrade presented to more than 10,000 students with some seminars attracting more than 400 people. Austrade's Japan Education team takes every opportunity to promote through the Future Unlimited brand, displaying banners and providing marketing materials.

In addition to current promotional activities, in the lead up to and since the entry into force of JAEPA, Austrade has focused on promoting the benefits and opportunities for Australian companies.

**Tourism**

The tourism industry provides an excellent showcase of the benefits of a coordinated approach to marketing Australian tourism in Japan. Japan is a priority market for Tourism Australia, likely to be worth up to $3.3 billion in overnight expenditure by 2020. There were 329,100 visitors from Japan for the year ending September 2014, an increase of 0.8 per cent compared to 2013.

Each year Tourism Australia engages the support of industry partners and airlines in international cooperative marketing programs to ensure maximum leveraged state and territory government and private sector investment. In particular, partnerships with international airlines help to convert consumers’ desire to travel to Australia into travel bookings through a combination of destination messaging in price-point marketing under the marketing banner, ‘There's Nothing like Australia’.

Recent campaign activity includes an Asian Cup 2015 campaign in print, digital and out-of-home channels. Highlights include three full colour insertions in the Asahi newspaper, a dedicated webpage
dedicated to the Asian Cup on Ashai.com, and promotional activity at the ‘Kirin Challenge Cup’; a friendly match between Australia and Japan. Additionally, in response to the growing demand globally for food and wine as part of the travel experience Tourism Australia has evolved its ‘There's nothing like Australia’ campaign to put the spotlight on Australia’s finest array of produce served in the most stunning locations in the world with its Restaurant Australia campaign. Tourism Australia is currently running an extensive Restaurant Australia/There's Nothing Like Australia brand campaign across digital, print, out-of-home and social channels. In 2014/15, Tourism Australia is investing $3.8 million in the Japan market.

More broadly for industry, a coordinated approach to marketing would highlight the potential benefit to Australia’s SMEs in better exploiting overseas opportunities through such an approach. That said there would potentially be difficulties in applying the marketing approach of Meat and Livestock Australia to other, less defined sectors, such as professional services.

Food and agriculture
Work is currently underway on an Agricultural Competitiveness White Paper. The development of a national food brand is being considered as part of a broader debate about agricultural productivity and profitability.

Research conducted as part of a national food brand project undertaken by Austrade, with funding from the Department of Agriculture, provided a comprehensive snapshot of the current positioning of Australian food in several key export markets, including Japan, and will help inform the forthcoming White Paper. This research also examined the opportunities to maximise Australia's market presence through a coordinated approach to international promotion and an evidence-based food brand positioning, building on our 'clean, green and safe' image and well-differentiated nation brand.

In addition, the benefits of coordination across governments and industries are being pursued through a 'Team Australia' approach to market access and trade development. Developing and implementing this approach is supported by the Primary Industries Technical Market Access and Trade Development task group, chaired by the Department of Agriculture and involving the CEOs of state and territory agriculture and trade departments, as well as DFAT and Austrade. The task group is supporting a more collaborative and team approach between governments, and ultimately industries, to enhance the effectiveness of market access and trade development efforts on behalf of Australia's agricultural sector. The Department of Agriculture has also held a number of roundtable meetings with industries, rural research and development corporations (RDCs) and the states and territories over the past year to progress the 'Team Australia' objective.

Ten of the 15 RDCs conduct marketing activities on behalf of primary industry sectors where the industry has voted to establish a marketing levy. Overseas marketing efforts by the RDCs are focused on coordinated promotion of an Australian product. In late 2013, the government successfully introduced legislative changes which will allow the remaining five RDCs to conduct marketing activities where this is requested and paid for by related industries.

Republic of Korea
Recommendation 4
The Committee recommends that the Australian Government seek to conclude negotiations on a comprehensive and liberalising free trade agreement with the Republic of Korea as a matter of urgency.

Response: Noted
The Government has concluded negotiations with the Republic of Korea on the Korea-Australia Free Trade Agreement (KAFTA) in December 2013 and signed the agreement on 8 April 2014 in Seoul. The Agreement entered into force on 12 December 2014. Rounds of tariff cuts under the agreement took place on entry into force in December and on 1 January 2015.
Recommendation 5
The Committee recommends that the Australian Government recognise the significance of Australia’s current and potential relationship with the Republic of Korea by designating Korean as a priority language in school education.

Response: Noted
In October 2013, the Australian Government added Korean to the Nationally Strategic Languages list for the purposes of Commonwealth Grant Scheme funding agreements with universities. With Korea agreeing to be involved in the New Colombo Plan from 2015, Australian undergraduate students will be able to deepen their cultural appreciation of the country and in some cases learn its language, through a diverse range of study and internship experiences in Korea.

The Government supports Korean language education in Australia, including supporting professional development of Korean language teachers through the Endeavour Language Teacher Fellowship Programme and by providing alternative pathways to learn Korean through Community Languages Australia. The Australia-Korea Foundation has sponsored Australian university students to study in Korea to develop a good understanding of Korean language, culture, society, politics, economy and the bilateral relationship (10 students in 2012-13, 15 in 2013-14 and 11 in 2014-15). A Korean language school curriculum for language learners without a background in Korean is under development by the Australian Curriculum, Assessment and Reporting Authority. This element of the national languages curriculum will support the delivery of Korean language education in schools.

Recommendation 6
The Committee recommends that the Australian Government prioritise and promote Australia’s relationship with the Republic of Korea, with the objective of broadening and deepening the relationship between the two countries.

Response: Noted
Our relationship with the Republic of Korea is one of Australia’s five principal relationships in Asia. The Government has demonstrated its firm commitment to strengthening the growing relationship, through regular high-level contacts with their Korean counterparts by Australian Government ministers including the Prime Minister, the Foreign Minister and the Trade and Investment Minister. In addition to the signature of the Korea-Australia Free Trade Agreement during the Prime Minister’s April 2014 visit, a new security focused vision statement was adopted. This vision statement reflects our growing security links, and Australia’s status as the only country apart from the US with which the Republic of Korea has regular joint meetings of defence and foreign ministers.

The Australia-Korea Foundation (AKF) of the Department of Foreign Affairs and Trade, led by an independent board, seeks to deepen bilateral engagement, beyond the strong and complementary trade relationship, through supporting a wide range of people-to-people initiatives. This includes cultural, sporting and academic pursuits, along with business and community exchanges. This soft power engagement complements Australia’s diplomatic and economic engagement and strengthens Australia’s ability to positively influence other countries. Supporting our most attractive assets - our people and their passion and dedication to culture, education and sports - builds trust at personal levels and enhances Australia’s reputation. The AKF’s 2014-15 priority areas were Korean language and literacy, science innovation, and sports diplomacy. Grants supported recently include: the Australia-Korea Internship Program; the Korea Research Institute (to convene Korean language teaching expertise); media internships; journalist exchanges; Korea Day at Parramatta Stadium in the lead up to the AFC Asian Cup; theatrical and dance performances; and an Australian exhibition at Korea’s Dong Gang Museum of Photography.

In 2013-14, the Department of Foreign Affairs and Trade worked with all levels of government, business, institutions and community groups to develop a comprehensive country strategy to broaden
and deepen engagement with the Republic of Korea. This work has better identified whole-of-Australia objectives and priorities for the relationship.

**Recommendation 7**

The Committee recommends that the Australian Government prioritise its support for Australian businesses seeking to enter the Korean market, with a focus on improving understanding of the market and maximising opportunities to conduct business in the Republic of Korea.

**Response: Noted**

Austrade will prioritise promoting the benefits and opportunities for Australian companies flowing from the Korea-Australia Free Trade Agreement.

Austrade Korea will also continue implementing a number of targeted initiatives to help Australian exporters take advantage of commercial opportunities, in collaboration with other Australian, State and Territory Government agencies, and relevant business councils and industry associations.

Austrade's team of 17 staff in Korea deliver trade and investment opportunities to Australian businesses, produce quality English language data, insights and analysis, maintain strong corporate networks, and assist with the identification of potential partners.

Sectors of focus and emerging opportunities include: premium food and beverage products; financial services; creative industries (such as visual and performing arts); cultural infrastructure (including sporting facilities and opportunities around the 2018 Winter Olympics and other upcoming major sports events in Korea); professional services (e.g. legal services); international education (at the school, university and vocational levels), digital content, and biotech, health and aged care. Austrade will also continue to support established Australian export sectors in Korea, particularly food, beverages, agribusiness and energy (including clean energy).

The Department of Industry and Science administered the Enterprise Connect Program which worked to build the capability and competitiveness of Australia's SME cohort, supporting them to better capitalise on potential export opportunities in Asia afforded through relevant trade agreements. Enterprise Connect worked closely with Austrade to ensure SMEs could access services, such as the Tailored Advisory Service, that assisted in the development of international business opportunities. The Program closed at the end of 2014.

Enterprise Connect was replaced with the Entrepreneurs' Infrastructure Programme as the Australian Government's flagship initiative for business competitiveness and productivity at the firm level. It forms part of the new industry policy outlined in the Industry Innovation and Competitiveness Agenda. With a national network of more than 100 experienced private sector advisers, the Programme offers support to businesses for business management, research collaboration and accelerating commercialisation. The primary focus is on providing access to the best advice and networks to solve their problems rather than focusing on financial assistance.

Austrade awarded a Business Engagement Plan grant to the Australian Chamber of Commerce in Korea (AustCham) in June 2013. AustCham plans to strengthen Australian small and medium business connections with government and industry in Korea via an internship program.

In October 2014, the Department of Foreign Affairs and Trade and the Republic of Korea’s Ministry of Strategy and Finance held the inaugural Services Sector Promotion Forum (SSPF) in Seoul. The SSPF is a high-level business-led bilateral dialogue that enables sectoral peak-bodies - initially in the legal, financial and creative services (smart cities and audio-visual) - to discuss challenges and opportunities offered under KAFTA. Over 40 top representatives from the Australian and Republic of Korea services sectors attended the inaugural meeting. This was arranged in conjunction with the Federation of Korean Industries, the Australia-Korea Business Council, AustCham in the ROK and a number of senior Australian business representatives from major Australian industry groups and firms. The Australian Securities and Investments Commission also participated and provided a regulatory focus. At the
closing session, business participants reported that the SSPF was a valuable initiative and should be undertaken again in future years.

**Recommendation 8**
The Committee recommends that the Australian Government prioritise implementation of the recommendations of the Joint Standing Committee on Foreign Affairs, Defence and Trade report *Australia's Overseas Representation: Punching below our weight?*

**Response: Noted**
The Government has responded to the JSCFADT report *Australia's Overseas Representation: Punching below our weight?* The Government's response can be viewed at:

**Senator Bilyk:** I move:

That the Senate take note of the document.

I seek leave to continue my remarks.

Leave granted; debate adjourned.

**Consideration**

Order of the day No. 1 relating to committee reports and government responses was called on but no motion was moved.

**DOCUMENTS**

**Automotive Transformation Scheme**

**Order for the Production of Documents**

**Senator SCULLION** (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (17:13): I table a document relating to the order for the production of documents concerning the Automotive Transformation Scheme.

**COMMITTEES**

**Membership**

**The ACTING DEPUTY PRESIDENT** (Senator Williams) (17:14): Order! The President has received a letter from a party leader seeking a variation to the membership of committees.

**Senator SCULLION** (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (17:14): by leave—I move:

That senators be discharged from and appointed to committees as follows:

**Environment and Communications Legislation Committee**—

Appointed—

Substitute member: Senator Dastyari to replace Senator Singh on Thursday, 19 March 2015

Participating member: Senator Singh

**Legal and Constitutional Affairs Legislation Committee**—

Appointed—

Substitute member: Senator Lines to replace Senator Collins for the committee's inquiries into the provisions of the Migration Amendment (Maintaining the Good Order of Immigration Detention
Facilities) Bill 2015 and the provisions of the Migration Amendment (Strengthening Biometrics Integrity) Bill 2015

Participating member: Senator Collins.

Question agreed to.

BILLS

Appropriation (Parliamentary Departments) Bill (No. 1) 2014-2015
Appropriation Bill (No. 3) 2014-2015
Appropriation Bill (No. 4) 2014-2015

First Reading

Bills received from the House of Representatives.

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (17:14): I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (17:15): I move:

That these bills be now read a second time.

I seek leave to have the second reading speeches incorporated in Hansard.

Leave granted.

The speeches read as follows—

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (NO. 2) 2013-2014

The purpose of Appropriation (Parliamentary Departments) Bill (No. 2) 2013-2014 is to provide additional funding for the operations of the Department of Parliamentary Services. It is the third and final of the additional estimates appropriation bills being introduced today.

This bill, if passed, would provide the Department of Parliamentary Services with additional funding of $5.4 million to assist in meeting operating expenditure and to maintain the provision of core services to support the operation of parliament. The department's operating expenditure includes responses to recent reviews of its operations, including in relation to the management of capital works and the provision of information, communications and technology services.

Details of the proposed expenditure are set out in the schedule to the bill and the portfolio additional estimates statements for the Department of Parliamentary Services.

APPROPRIATION BILL (NO. 3) 2013-2014

Today, the government introduces the additional estimates appropriations bills. These bills are:

- Appropriation Bill (No. 3) 2013-2014;
- Appropriation Bill (No. 4) 2013-2014; and
- Appropriation (Parliamentary Departments) Bill (No. 2) 2013-2014.
These bills underpin the government's expenditure decisions, including pre-election commitments, and decisions made in the Mid-Year Economic and Fiscal Outlook.

Appropriation Bill (No. 3) 2013-2014 seeks approval for additional appropriations from the Consolidated Revenue Fund of just under $11.6 billion.

I now outline four major items sought in the bill.

First, the bill includes funding to enable the Department of the Treasury to make an $8.8 billion one-off grant to the Reserve Bank of Australia. The grant will strengthen the Reserve Bank's financial position to the level considered appropriate by the board of the Reserve Bank. This will ensure that the Reserve Bank is adequately resourced to conduct its monetary policy and foreign exchange operations in an environment of financial market volatility.

Second, this bill would provide the Department of Immigration and Border Protection almost $750 million. This includes over $400 million for offshore processing of illegal maritime arrivals, and $220 million to address the backlog of illegal maritime arrivals.

Third, this bill would provide the Department of Defence with just over $660 million reflecting four matters. Those are the increased funding for Defence's overseas operations, supplementation for foreign exchange movements, expenditure brought forward into 2013-2014 from the forward estimates, and the re-appropriation between appropriation acts of amounts to better align with Defence's current work programs.

Fourth, the Department of Foreign Affairs and Trade would receive almost $335 million. The majority of this amount is to administer official development assistance programs from the former AusAID, the functions of which were moved to the department on 1 November 2013.

On more general matters, this bill reflects the current names of government departments, consistent with the Administrative Arrangements Order of 18 September 2013. For example, the bill proposes appropriations for the Department of Industry, instead of the former Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education.

Details of the proposed expenditure are set out in the schedule to the bill and the portfolio additional estimates statements tabled in the parliament.

APPROPRIATION BILL (NO. 4) 2013-2014

Appropriation Bill (No. 4) 2013-2014, along with Appropriation Bill (No. 3) 2013-2014 which I introduced earlier, and Appropriation (Parliamentary Departments Bill (No. 2) 2013 2014, are the additional estimates appropriation bills for this financial year.

This bill seeks further approval for appropriations from the Consolidated Revenue Fund of just over $3.2 billion.

I now outline the major items provided for in this bill.

First, the Department of Foreign Affairs and Trade would receive just under $2.2 billion once this bill commences as an act. This is primarily to administer official development assistance programmes which moved to the department from AusAID, which was abolished on 1 November 2013.

Second, the Department of Immigration and Border Protection would be provided with almost $400 million for offshore asylum seeker management, including $180 million in capital funding announced in the Mid-Year Economic and Fiscal Outlook. This implements the government's policy commitment to process illegal maritime arrivals offshore.

Third, this bill would provide the Department of Defence with just over $235 million, reflecting three matters. Those are the supplementation for foreign exchange movements, expenditure brought forward into 2013 2014 from the forward estimates, and the re appropriation of amounts between appropriation acts to better align with Defence's current work programmes.
Fourth, the bill provides just over $3.3 million for payments to local government for the Liveable Cities program that is administered by the Department of Infrastructure and Regional Development. Whilst this programme has been terminated, these payments represent the final amounts due. As outlined in Schedule 1 of the bill, the Minister for Infrastructure and Regional Development is responsible for determining the relevant conditions and payments.

Details of the proposed expenditure are set out in the schedules to the bill and the portfolio additional estimates statements tabled in the parliament.

Debate adjourned.

COMMITTEES

Legislation Committees

Reports

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (17:16): Pursuant to order and at the request of the chairs of the respective committees, I present reports from committees in respect of the examination of annual reports tabled by 31 October 2014.

Ordered that the reports be printed.

Rural and Regional Affairs and Transport Legislation Committee

Report

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (17:16): On behalf of the Chair of the Rural and Regional Affairs and Transport Legislation Committee, Senator Heffernan, I present the report of the committee on the Biosecurity Bill 2014 and related bills, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Legislation Committees

Reports

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (17:17): Pursuant to order and at the request of the chairs of the respective committees, I present reports from legislation committees in respect of the 2014-15 additional estimates, together with the Hansard record of proceedings and documents presented to the committees.

Ordered that the reports be printed.

BILLS

Higher Education and Research Reform Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator MADIGAN (Victoria) (17:17): I rise to speak today on the Higher Education and Research Reform Bill 2014 for the second time.

Due to the complexities of this bill, I have seen two main responses. One is highly-uninformed debate within the community about the current situation and the government’s proposals. And the second is a lack of courage by senators of all political persuasions to engage with the government to evolve the higher education model to something more
sustainable. I am more than happy to excuse the first point. The Australian community always has good reason to have a heightened level of cynicism when announcements are made by any Australian government. However, the second point is a little more disturbing.

We, as senators, are paid to do a job. Because of the makeup of the current Senate, we on the crossbench are expected to be more responsible and accountable than the opposition. Australians expect the opposition of the day to be obstructionist, but they expect minor party and Independent senators to be impartial. The Australian people have charged the crossbench with a great privilege and a great responsibility.

This bill is before us today because the government believes it is a priority. The government was elected to pursue matters which they believe are priorities. Now, the Senate by no means should act as a rubber stamp, and the Senate should provide scrutiny. But voting down a bill at the second reading before senators have even had a chance to amend a serious bill such as this is absolutely abdicating one's responsibility. Nearly every party involved in this debate agrees that the current system is unsustainable and that change is going to come. It is not a matter of 'if' but 'when'.

Today we, as the crossbench, are in the unique position to review, amend and improve this legislation. We owe it to the Australian people to do just that. In five years’ time there may not be a crossbench to scrutinise potential reforms. It is on this day, in this chamber, that we have the opportunity to make positive change. If this bill is taken to an election, like some in this place have called for, then we will lose our ability to have a positive influence. The major parties will have it all their own way. No matter which party wins the next election with their policy, the Australian people and our tertiary education system will lose. I urge my fellow senators to put aside political interest and populism and to do the jobs they were elected to do.

I understand that there is little political benefit in the crossbench working with the government, but this should not be about votes. This should be about doing what is right by our students and our country. Again, I am not asking senators ultimately to support a bill they may disagree with. I am simply calling on them to give this bill a chance to be amended and improved. If, at the end of the day, my fellow crossbench senators still oppose the amended bill then I absolutely respect their right to vote it down. But at least we can say that we have tried to work with the government rather than simply being obstructionist for the sake of it. I believe that, if the Senate put politics and opportunism aside for a minute, we might actually create a fair sustainable and equitable system which would benefit all Australians, but most importantly our students.

We have an opportunity here today to make universities more equitable with the right amendments. This is particularly the case for students from low socioeconomic backgrounds and those from rural and regional Australia. With the right amendments the Senate can leave a positive mark on Australia's higher education landscape. With the right amendments the Senate could create a scholarship system worth hundreds of millions of dollars. This money could be used to pay for accommodation and living expenses, or it could be used to pay for books for disadvantaged university students.

This bill may have the potential to make more seats available in university libraries right across the country at exam time. It may have the potential to fund universities to such an extent that they can purchase sufficient copies of books that are considered recommended reading for students. With the right amendments this bill might have the potential to create a
better university system for all of our students. The fact of the matter is we are suffocating universities. We have spent such an enormous portion of this debate thinking about the glory days that we have not taken notice of the impact of budget cuts of successive governments, of all persuasions, to the sector.

In summary, I would like to finish off where I began. Senators have been charged with a great privilege, but with it comes great responsibility. I have serious concerns with the bill in its current form, but I also fear the consequences of doing nothing. Thank you.

Senator MILNE (Tasmania—Leader of the Australian Greens) (17:24): I rise today to oppose the government's legislation to deregulate higher education.

A great public purpose requires adequate public funding. That is the matter at hand here today. I reject the remarks from Senator Madigan that people 'do not have the courage of their convictions' in here and that people are 'not doing the right thing' by the university sector. Let me tell you: the Greens have consistently opposed cuts to university funding and cuts to research funding. We have done so always. We have also put forward propositions to raise the revenue in order to fund public education, public universities and research and development.

As recently as a week ago, I put forward a proposal that we stop the flat rate of 15 per cent tax on contributions to superannuation and that we do it in a progressive way, similar to income tax. That would raise $10 billion over the forward estimates. The vice-chancellors a few years ago ran a very strong campaign trying to argue to the Australian community that we needed to raise more revenue to spend on universities. I agree. The Greens were out there supporting the campaign to raise revenue to put more public money into universities.

But I have to say to you that Senator Madigan was correct in saying that over recent years—over decades actually—the level of funding to universities has been cut back. When the former Labor government in their MYEFO statement in 2012-13 announced cuts to research, we objected to that. When Labor announced, in April 2013 going into the election, cuts to university funding, we opposed it. And we went into the election opposing it. We said that after the election Labor in opposition would change its mind. It did, and I am very pleased about that, because the fundamental principle here is: if you want to change from a 'dig it up, cut it down, ship it away' economy to a 21st century economy where imagination is the key resource—not coal, not iron ore, not cutting down native forests, but actually investing in the brains base of this nation—then you have to fund public education and universities.

Where the last government went wrong was the announcement that they would cut the funding to universities in order to spend it on the Gonski reforms. I totally support the Gonski reforms—they should have gone ahead and we should be funding that—but you do not take money out of universities to fund public schools; you need to fund education at every level, from early childhood right through the school system through to universities and TAFEs. That is the way of the future in Australia.

I am one of those people who was at university before Gough Whitlam brought in free education in Australia. I come from a relatively poor farming family in the north-west of Tasmania. My parents were dairy farmers. My mother was a teacher. In order for me to get through school I got scholarships, and I had to get scholarships to get to university. I had the
choice between a Commonwealth scholarship and a teacher studentship, and I took the teacher studentship because it paid more than a Commonwealth scholarship at that time.

So I can tell you that I know what it is like to be fronting the fact that you may not be able to go to university because you cannot afford it. That is precisely the case for so many people and that is why deregulation is so wrong. It is wrong to say to young people: 'The parliament of Australia refuses to raise the revenue to put into schools and public education.' The result is that we are going to cut public funding to universities and we are going to tell the universities they have to raise fees in order to cover the gap. And raising those fees of course means hurting a lot of people and making people think twice about the course they go into. They will not have the same choices that they otherwise would.

In a speech he made on this very issue, Professor Glyn Davies said:

Australia spends proportionally less public money on universities than most OECD countries, yet few outside the sector argue for international standards of investment.

He said that he was one of the people who supported more public funding to universities so that we would not be in this bind of raising fees to make up the difference.

The real issue here is: how are we going to fund our universities? Do we agree, first and foremost, that education is the most important investment we can make in the country in order not only to survive in the face of global warming but to reduce to gap between the rich and the poor—that inequality in wealth that we have in this country? I would argue that it is the most important thing we can do. That is why we should be raising the money from those who can afford to pay it and investing it in 21st century national infrastructure—and by infrastructure I mean brains, in the human capacity base of this country. Of course, we also need to invest in other infrastructure, but that is where we need to be fundamentally going.

I am concerned that, with this deregulation proposal, a teacher would graduate with a HECS debt of around $90,000, and it would take them decades—up to 40 years and more—to pay it off. Women are going to be disadvantaged in this context, because they are the ones who often end up taking time out in part-time work or no work, ultimately resuming full-time work once the children go to school. They would then spend years paying this debt back.

The University of Tasmania is in a unique position because we have only one university for the whole state. That does not apply anywhere else. The University of Tasmania is the key to improving educational opportunities for all Tasmanians. The university has a campus in Launceston and opened a campus on the north-west coast. The north-west coast is an area of Tasmania with one of the poorest retention rates to senior secondary education, let alone university. The provision of the north-west campus has enabled people who left school at an early age to go back and finish their education. It has been a great contribution to Tasmania, but with the cuts that were being proposed we could have seen the University of Tasmania lose out by $113 million. Not only that, but we could have seen many students not being given the opportunity to go on to further education. Since we have only one university, fee competition would not work in Tasmania. You would be saying to students: 'You can go to the mainland to try to get cheaper fees,' but the reality is that you have to pay to get there, you have to pay the rents when you get there, and you have to pay the costs of accommodation and living expenses. It just would not work out to be any cheaper. So the reality is that you are condemning Tasmanians to no competition in the scheme of things, and to having to pay whatever the fees actually result in.
We need to have a situation where we have full-time, permanent teaching staff and research staff in universities. I do not want to go down the path of seeing some universities declared universities but having no research capacity. A public university has to have teaching and research, it has to have permanent staff, it has to have opportunities for young people to achieve to their highest potential. And it has to assist this country to get where it needs to be in a world that is moving rapidly to a low carbon economy and in having to be part of developing a service sector and a global economy that is not based on the consumption of the natural resources of the planet. This week we had the International Energy Agency saying that for the first time we have global emissions flatlining from the energy sector, we have economic growth globally at three per cent and no economic downturn. That demonstrates that decoupling global greenhouse gas emissions from growth is possible, but it means that in Australia we have to have a rapid shift in the way we live, in the way that we earn, and in the way society operates. That means massive opportunity, but only if you invest in that opportunity.

I wanted to make a remark about the cutback that was proposed—the blackmail, effectively. In order for the government to try to get deregulation over the line, there was the proposal to cut research funding. That would have had a mega-negative impact on the Integrated Marine Observing System, in Tasmania, which was going to run out of funding by June. It is essential to a whole range of research not only in Tasmania but right around the world. It would have been a disaster if the government had pursued that, and for Minister Pyne to try to blackmail the parliament by saying: 'Either you pass my deregulation—'

Senator O'Sullivan: I rise on a point of order. The reference suggesting that Minister Pyne has committed the act of blackmail has been raised here three times. Three chairs have made the people withdraw those references and I ask that you ask the senator to withdraw this assertion.

The ACTING DEPUTY PRESIDENT (Senator Williams): I will ask you, Senator Milne, to reflect on what you have said and, if you think it is appropriate, you can withdraw.

Senator MILNE: Thank you, Mr Acting Deputy President. I will rephrase what I have said and say that Minister Pyne made it very clear that unless the Senate passed his deregulation he would de-fund research institutions. I think it is pretty clear to the community what sort of standover tactic that was for the Senate, and people—absolutely correctly—have rejected it. But it demonstrates no real understanding of just how important it is that research be funded, and just how important it is that universities be funded.

I think we have got to the point in Australia—and this is where I do agree with Senator Madigan's remarks—where this parliament has to decide whether it is prepared to raise the money to fund universities. I can understand why vice-chancellors are worried about this. How are they going to cope? How are they going to run a university, have permanent staff, have the variety of courses they want to offer and be able to afford it with funding cutbacks?

That is why the Greens stand here to say we want more public funding for education from early childhood, through schools and right through universities and TAFE, and we are prepared to raise the money to pay for it by securing that money from those who can afford to pay. We could remove, for example, the fossil fuel subsidy to the big miners, $2 billion a year—$2 billion, just like that. If the government decided not to give Gina Rinehart et al that $2 billion, we would have it there to put into universities. We could do the progressive
taxation on contributions to superannuation. We could restore the carbon price. What about that? That would be $13 billion over the forward estimates to bring down pollution and drive the change we need in Australia. It would bring down emissions at the same time. There are so many ways of raising money.

Yet this parliament sat here last sitting week, and Labor and the Liberals got together and gave $200 million to another subsidy to the mining industry for small miners for exploration—$200 million, just like that. 'Yes,' they said to the small mining industry, 'just go off and do that.' They removed the penalty for people who supposedly inadvertently breach the cap of superannuation contributions, yet, if those people were at Centrelink, they would be down into the criminal justice system as quick as you could say Jack Robinson. I think there are many ways of raising money, but you have to get serious about raising it from the big end of town, raising it from the tax avoiders, raising it from people who are taking their money offshore to tax havens, and actually getting stuck into the trusts in Australia that hide the level of income they get.

Let us actually fund our public universities. Wouldn't that be a great contribution to the future of this country? Let us actually make sure that those people who benefited from a free education are the people who deliver to the next generation a publicly funded education. I can tell you that, whenever I go out, people say to me how annoyed they are that the very people who benefited from Gough Whitlam's free education are the ones who have gone and cut back on that free education and have insisted on the cuts, and it is wrong. That is why the Greens will be absolutely opposing this government's legislation.

**Senator LAMBIE** (Tasmania) (17:39): For the second time since I have been elected to this place, I rise to speak to the Liberal and National parties' Higher Education and Research Reform Bill 2014. Even with the government's latest policy backflip, for the second time I inform this Senate that I will strongly oppose this legislation. The Abbott government have deliberately and slyly ambushed the Australian people with their proposed changes to university funding and proposed increases to university fees. It is a cowardly and callous pattern of political behaviour that has been repeated in other policy areas, including cuts to health funding which are designed to burn down Medicare; cuts to pensions by linking pension increases to the CPI; increasing the pension age to 70 from 2035; effective cuts to ADF members' pay entitlements; effective cuts to the Australian war veterans' pensions; and effective cuts to their entitlements.

Following Education Minister Pyne's recent announcement that he would not slash funding to our universities by 20 per cent—just yet—and he would not destroy the jobs of 1,700 researchers—any time in the next month or two—the Group of Eight universities chief executive Vicki Thomson is reported by the media to have said it would be 'unthinkable' for the government's reforms to fail. Ms Thomson is also reported to have said:

The present funding model is broken. University funding is an investment in Australia's future. The Go8 implores the Senate to this week make the right decision for every student and for Australia.

My reply to Ms Thomson and her supporters is: yes, the present funding model is broken because Labor and in particular this Liberal government have chosen to deliberately break the higher education funding model.

Labor broke the public funding model because they forgot who they were. They forgot their values and who they represented. The Liberals broke the higher education public funding
model because they want us to become more like America. They want to create a society in Australia where the rich become richer and the poor know their position in life. The Liberals want a divided Australia, one run by a new blue blood, a blue-tie aristocracy where title, position, privilege and bank balance mean more than ability, hard work and perseverance. Yes, university funding is an investment in Australia's future. And, yes, both Labor and the Liberal government are guilty of failing to invest in Australia's future and Australia's young people.

How do we fix our broken model of funding for higher education? The solution is very easy. Firstly, we honestly acknowledge that successive Australian federal governments have deliberately chosen to cut back funding to our universities, while other countries' governments—a lot of the Nordic countries—chose to make higher education a priority. Generations of Australian leaders from both Labor and the Liberal Party chose not to make university funding a priority, while Finland and Norway chose to deliver the best higher education system in the world, and free of charge, to their young people.

Parliamentary Library research I commissioned says:
The Labor Government's 2013-14 Budget higher education savings measures amounted to $2.3 billion. Labor never implemented these savings. The Coalition Government adopted Labor's proposals but the legislation to implement these savings failed to pass.
The Coalition Government's 2014-15 Budget higher education savings measures amounted to $5.0 billion. The Coalition Government's first Bill to implement $3.9 billion of these savings failed to pass. The Coalition has now introduced a new Bill to implement its higher education reforms. The Coalition Government has therefore not yet implemented any of its proposed 'cuts' to higher education.

Other Parliamentary Library research I commissioned shows that, as a percentage of GDP, our university funding has decreased over the last 10 years from 0.9 per cent to 0.6 per cent. The worst years for university funding were between 2000 and 2007, where it was stuck at 0.5 per cent of the GDP. University funding dipped again in 2010-11 from 0.6 per cent to 0.5 per cent of GDP.

The Nordic countries are now absolutely reaping the social and economic benefits of the investment in higher education which they sowed, while here in Australia in 2015 we have a manufacturing industry going down the drain and workers are struggling to keep jobs and this Senate is engaged in this dumb, stupid, ridiculous debate about university funding. Should Australia invest one per cent of our GDP in higher education? Yes, you be it should. Who in their right mind could argue against the principle of one per cent of our GDP being invested in the higher education system? Australia is a First World country. We should be able to almost double our spend on higher education from around $9 billion to $18 billion. The money is there. It is just a matter of priorities. In a time of austerity, should we spend $25 billion in foreign aid over the forward estimates or should invest in Australia's poor? In a time of austerity, should we spend $5 billion in order to try to bribe our states to sell off publicly owned assets or should we help our young people further their education?

I now turn to higher education delivery in Tasmania. If this legislation passes this Senate, the so-called Liberal reforms contained in this government bill will significantly harm the best interests of Tasmania, Tasmania's current and future higher education students, and the staff in the institution of the University of Tasmania. Unlike any other state in Australia, Tasmania has only one higher education provider. We are proud of that. That is the University of
Tasmania. So the danger this legislation poses is greater in my home state than in any other state.

This legislation is proof that the Liberals hate the fact that Tasmania has only one higher education provider. I do not think that it is a bad thing. This legislation will undermine the University of Tasmania's delivery of higher education and allow competition into the market. The Liberals will tell you that competition will produce better economic, academic and social outcomes, but that is another Liberal lie. That is not how it works in the real world when you provide First World essential services to places with small populations. Everyone knows that the Liberal's deregulation contained in this legislation will harm the University of Tasmania and Tasmania's reputation as a quality higher education provider.

The real reason the Liberals want to open up the higher education market is that it will allow their big business mates to make lots of money. I have met these big business people, these friends of the Liberals, their mates. They have come to my office and tried to influence me to vote for legislation that will help make them lots of money. These people boast about their power and have a hard time not licking their lips as they talk about the profits they stand to make from the taxpayers once this legislation is passed. Put simply, this legislation will allow the Liberals' mates to move in and cash in on my state's reputation as a quality higher education provider.

This Liberal legislation will allow the Liberals' mates to shamelessly cherry-pick courses and undercut the University of Tasmania because, unlike the University of Tasmania, the new providers who give the Liberal Party lots of money in political donations will not have any legislated obligations to give back to the community by investing in research. A new higher education provider, under the Liberals' rules, will be able to come into my community and set up a shop front and, without research obligations, provide a degree or associate degree with 30 per cent to 40 per cent less operating overheads than the University of Tasmania. That is not a fair system.

The owners of the new higher education providers will not have the same love for Tasmania that the current owners, the people of Tasmania, have. The new higher education owners and managers that the Liberals want to set up shop in Tasmania, unlike Professor Peter Rathjen and his team at the University of Tasmania, will not love, care for and sit at the heart of the social, intellectual and cultural life in Tasmania. The new higher education owners will be ruthless business people, motivated by performance bonuses and with one focus—profit. That will not work in Tasmania. These profits will be taken from students who will, for the first time in Australia's higher education history, receive a government subsidy that will flow to private providers who will have no real connection to the community they service.

A higher education monopoly for Tasmania has been a wonderful thing. It has provided protection while the University of Tasmania has grown and gained a critical mass and produced exceptional academic results. It has produced world-acclaimed results for the people of a state which has a total population of only a little over half a million people, less than a suburb of the capital of China. As the Vice Chancellor of the University of Tasmania Professor Peter Rathjen says in the 2014 impact study: The University of Tasmania's 10-year strategic plan, Open to Talent, is unequivocal about the fact that we … must continue to "sit at the heart of social, intellectual and cultural life in Tasmania". 

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CHAMBER
If these sneaky, deceitful, harmful Liberal changes to Australia's higher education system are allowed to pass through this Senate then the Liberals will take the political gun that they have shamefully and slyly held to the head of the University of Tasmania and every other Australian university during the lead-up to this bill's consideration and place it on the chest of every Tasmanian and pull the damn trigger.

I will not allow that to happen because if you hurt the University of Tasmania you hurt every Tasmanian. Firstly, the University of Tasmania's contribution to Tasmania's economy is $1.7 billion. Secondly, one in four Tasmanians have a direct connection to the University of Tasmania. Thirdly, 5,900 people are employed by our university. Fourthly, more than 30,000 students are enrolled at the University of Tasmania. We are very proud of that. Fifthly, the University of Tasmania is ranked in the top two per cent of universities worldwide according to the Academic Ranking of World Universities 2013. I can tell you that we are very bloody proud of that. Sixthly, with a budget of $96 million, the University of Tasmania is in the nation's top 10 for research income. Seventhly, as indicated in the 2014 impact statement, the University of Tasmania is a key economic driver as well as a place of knowledge and learning, with campuses and facilities in Burnie, Launceston, Bisdee Tier in the Midlands and Hobart.

The Liberals have deliberately and carefully created a sense of panic and desperation in the minds of the people who run our universities and in the minds of our community leaders. Christopher Pyne and the PM have achieved their goals by using tactics a third-world tyrant would be proud of. Firstly, the Liberals have threatened to slash university funding by 20 per cent. secondly, they have threatened the jobs of 1,700 researchers. Thirdly, in Tasmania, they have dangled the carrot, which I am absolutely disgusted by, of $400 million worth of new university buildings. They have never put pen to paper and guaranteed funds for this much-needed and essential investment in a capital upgrade yet we have $50 billion sitting in infrastructure funding. Fourthly, the Liberals, along with the previous federal Labor government, have also deliberately cut the number of associate degrees that the University of Tasmania can teach and deliver to students. So much for Joe Hockey's 'earn or learn'. I tell you, you are not looking pretty.

The fact that both sides of parliament have cut the number of associate degrees is a significant point which has not received due consideration and has caused the University of Tasmania great harm. Associate degrees, or subdegrees, of approximately two years in length are the higher education product now in great demand, especially in Tasmania. Associate degrees have been described to me as a practical learning experience where you will gain knowledge, qualifications and a job. The University of Tasmania has identified a great demand for associate degrees and is planning on providing 10,000 associate degrees in the future to students in Tasmania. I sincerely hope they do and I support them in their plans. The only thing stopping them from going ahead with their plans is this government, which has placed an artificial and arbitrary cap on the number of associate degrees granted to our universities.

It should not come as a shock for the Senate to learn that successive governments have dramatically cut back on the availability of associate degrees. The Liberals in particular, as part of Pynes's nasty political softening up process in order—
The ACTING DEPUTY PRESIDENT (Senator Williams): Senator Lambie, excuse me. Please just pause for a minute. When you refer to those in the other place, you must refer to them by their correct title. It is either Mr Pyne or Minister Pyne, not just Pyne.

Senator LAMBIE: The Liberals, in particular, as part of Mr Pyne’s nasty political softening up process in order to blackmail the University of Tasmania into accepting the Liberal’s outrageous changes have dramatically reduced the number of associate degrees.

During a recent briefing my staff undertook with Minister Pyne’s senior education officials, it was admitted that this year the University of Tasmania while asking the government for 360 associate degrees was granted only 60 associate degrees. Once again, here we go, ‘earn or learn.’ Parliamentary Library research I subsequently commissioned shows that in 2009 the University of Tasmanian was granted 1,095 associate degrees; in 2010, that number was reduced to 1,023 associate degrees; in 2011, that number was reduced again to 850 associate degrees; in 2012, that number was slashed to 630; and the latest figure for 2015, which has been confirmed by Mr Pyne, is that it has been ripped down to 60. Sixty! In the space of six years, an in-demand higher education course which provides a lifeline for the state of Tasmania though UTAS has been cut from 1,095 to 60 associate degrees. That is a cut of 1,800 per cent. My question to this Liberal government and to the previous Labor government is: was this a deliberate attempt to undermine our state’s economy and drive a stake through the heart of the social, intellectual and cultural life of Tasmania, or was the restriction of the availability of associate degrees just sheer incompetence?

While Tasmania has been granted only 60 associate degrees for 2015, Parliamentary Library research shows that in 2013 New South Wales had 1,091 and Victoria had 1,859. I tell you what, they are not in the same economic and social situation we are in. I am calling on the federal government to come clean on the number of associate degrees they issue and explain how they decide to issue those degrees. The Liberals must explain why they refuse to support the University of Tasmania’s plan to expand this worthy program. And from the Labor party I want a guarantee that in government they will reverse the cutback in investment in our universities and set up a national goal to take our investment in university funding to one per cent of GDP. I am looking for that undertaking from the Labor Party. Answer this simple question honestly and do not ignore it: if the Nordic countries can deliver the best higher education system in the world to their young people for free, why can’t we? I also want a guarantee that Labor in government will invest and allow the University of Tasmania to implement its plans to expand by delivering up to 10,000 associate degrees on the Burnie and Launceston campuses while continuing their magnificent research in Hobart.

I believe that Australia has the means and resources to deliver free higher education to our young people. However, this debate has shown that we do not have the politicians with the vision and courage to deliver free higher education to our young people. So, today, I am putting out a call to those people who want to create a better, smarter Tasmania and Australia to contact my office. I will support candidates at the next election who are prepared to work for a future where Australia has the best higher education system in the world and our government will deliver our children’s first degree for free. A free first university degree for all Australian children who want and earn the opportunity will only become a wild, unachievable goal if the Senate and the parliament are populated by people who think it is a wild, unachievable goal.
For Australia to prosper and thrive, we must look to the lessons of Finland and Denmark. We must not look to America, as the Liberals want us to with their legislation. The American higher education system, according to the Economist magazine, is contributing to America’s new aristocracy, a hereditary meritocracy. An Economist article examining America’s higher education system states:

"MY BIG fear," says Paul Ryan, an influential Republican congressman from Wisconsin, is that America is losing sight of the notion that "the condition of your birth does not determine the outcome of your life."

We do not want that future for Tasmanian or Australia.

In closing: if Minister Pyne and Prime Minister Tony Abbott have so much faith in the higher education reforms contained in this bill, why did they not tell the people of Tasmania and of the other states about their reforms before the last election? If the Liberal’s higher education policies were any good there would not be a need for a cover-up followed by a disgraceful political ambush and now these desperate threats. I oppose this legislation with every fibre of my being. I will always do so.

Senator XENOPHON (South Australia) (17:59): I compliment Senator Lambie for a very well-researched speech outlining her concerns. The reference to The Economist magazine in relation to the US system reminds me of the documentary film Ivory Tower by filmmaker Andrew Rossi. That documentary, which I think is a couple of years old, makes the point that skyrocketing tuition prices, private and public; rapidly evolving social attitudes towards the value of a college degree; and the inevitable changes wrought by technological growth and economic disaster have had a huge impact on that sector. I am referring there to a review of the film in Variety magazine. Ivory Tower relates directly to the matters raised in The Economist magazine. Republican congressman Paul Ryan also spoke about this issue. The Variety film review states:

One of the documentary’s key points is that most colleges are no longer selling an education but an experience, happily spending millions of dollars on plush housing complexes and state-of-the-art recreational facilities in a bid to entice as many applicants as possible. It’s the students who pay for these campus expansions, and not just financially: Too many schools, in the film’s somewhat over-generalized estimation, have allowed academic rigor to fall by the wayside, a problem that can be attributed in part to an excess of administrators and a dearth of dedicated teaching faculty. One particularly alarming statistic — that 68% of students at public universities fail to graduate in four years — is introduced by way of a visit to Arizona State U., whose party-school rep is reinforced here by footage of a massive swimming-pool bacchanal that resembles an outtake from "Spring Breakers."

Clearly we do not want to go down that path.

Senator Lambie made reference to Scandinavian countries. There is a book that I am hoping to plough through soon called Northern Lights: The Positive Policy Example of Sweden, Finland, Denmark and Norway by Andrew Scott, an Australian academic. I think we need to look at it. I think the temperament of Australians is closer to that of the Scandinavians than to that of the Americans. But, even so, it seems that what the government is proposing in this deregulated model is more radical than anything that has been tried in any OECD nation, apart from New Zealand, which went down this path of total deregulation a few years ago but then had to retreat from it because it did not work. It was a public policy mess.
At the outset I believe it is incredibly important to acknowledge that the current system of funding to universities is unsustainable. Having a demand-driven, uncapped system means that something has to change. We either go down the path that Senator Lambie has indicated, where we have to find a lot more public money for our public education, or we need to take a different approach. This requires a nuanced and sophisticated approach in terms of looking at alternatives.

I do not believe that anyone in this debate disputes the fact that our current system of funding is unsustainable. However, I do not believe that deregulation is necessarily the best option for solving this problem. The government seems to be shifting on its proposed measures. If nothing else, I think that Minister Pyne is incredibly flexible—more flexible than a yoga instructor sometimes. There has been a lack of preparation and consultation before such a quantum leap in higher education policy. The government went to the election with a promise of 'masterful inaction'. That is what the Prime Minister, as opposition leader, said two years ago in respect of higher education. This is not masterful inaction; this is the biggest, most radical shake-up this country has ever seen in higher education. The government have not gone about this in a proper way in their approach to policy formulation. I am a bit old-fashioned: I think the old days of having white papers and green papers in order to have a proper process of policy formulation has much to commend itself. That is what the Hawke-Keating government did and that is what the Howard-Costello government did, and they did it very well, by and large, in getting it right in dealing with these issues.

What happened on the weekend is that Minister Pyne threatened to shut down NCRIS, the National Collaborative Research Infrastructure Strategy, the very backbone of research in this country involving the 1,700 scientists funded by it—some of our best and brightest minds—and providing a backbone for research infrastructure not just for universities but for businesses, for absolutely groundbreaking innovation that can make a difference, whether in the wine industry in my home state, whether in medicine, whether in a whole range of telecommunications. That is all about the clever country. What the minister said on Sunday was extraordinarily foolish on his part. I bear some responsibility. The minister was a student of mine some 27 years ago at what is now the University of South Australia, so I guess I have taught him everything that he does not know. I think the minister's interview with David Speers yesterday, if not already a cult classic, will become a cult classic. The last 24 to 48 hours have been a very unfortunate exercise. I give the minister full marks for being indefatigable in relation to this issue, but I cannot accept what the government is doing. I cannot support it.

In the budget last year—it seems so long ago, but in some respects it only seems like yesterday—the government wanted to bring about these reforms with significant savings, with cuts to the sector that would have saved billions of dollars over the forward estimates. We now have a situation where the government is looking at spending another $1 billion to $1½ billion a year. Perhaps Senator Carr can help me out on that. It seems there has been a complete reversal of fortune in terms of what the government is proposing. It is now going to cost a lot more money.

Deregulation is not something that can be easily undone. Once you have the deregulation genie out of the bottle, you cannot put it back in. We have to be very careful about this. We need to have a full understanding of the implications, particularly those in the longer term,
before we make such significant changes. My argument has always been that this is not an ordinary market that we are dealing with. This is not an ordinary case of supply and demand.

Ross Gittins, the economics editor for The Sydney Morning Herald, in his opinion piece entitled 'Why "competition" means university fees will rise', published on 31 May 2014, makes a very good point. Even according to one of the authors of the Kempt-Norton report, Andrew Norton, ‘the initial increase will be no more than $6000 a year' in fees. But that is still an increase—a very appreciable increase. Mr Gittins makes the point that:

The simple model of how markets work taught in introductory economics courses leaves many people with excessive faith in the ability of market competition to foster increased efficiency, constrain price increases and ensure customers get high quality.

This is not an ordinary market it does not work like that. This is different by virtue of HECS: the HECS Support fee allows students get support to fund their higher education. Gittins makes the point:

There's no profit motive. And, as any academic will tell you, unis are highly inefficient, bureaucratic organisations dominated by administrators. The safest prediction is that giving unis greater revenue-raising ability will lead to them employing more administrators.

How can uni fees be regarded as a "price" in the textbook sense when people are lent the money to pay the price under a concessional loan they won’t have to repay for years?

In effect, universities have a government-regulated monopoly over a product that gives young people access to the country's highly paid jobs. What will they do when the price jumps - abandon all ambition? Demand seems highly "price inelastic" - unresponsive to price changes.

The one point that Gittins makes that, I think, proves that is: back in 2004, as I understand it, the Howard government, through Brendan Nelson as education minister, allowed universities to increase their fees by a maximum of 25 per cent. Invariably, all universities increased their fees by 25 per cent, bar one. That university thought that there was a competitive advantage: ‘We’ll charge a little bit less and more students will come flocking to us.’ Guess what? That university saw a collapse in its enrolments and had to increase its fees up by the full 25 per cent the following year.

This is not an ordinary market; this is why deregulation needs to be treated very carefully in the context of this debate. I want to consider the issue of how to cut the Gordian knot of university funding in a way that is equitable, fair and will work in the long term so that we do not end up with a US situation, as described in the documentary, Ivory Tower. I wrote to Minister Pyne on 20 January 2015—it seems much longer ago—and I am very happy to provide my colleagues with a copy of this letter, which was sent publicly to the media, unions and university administrators, which, as a courtesy, I let the minister know that. I suggested to the minister, respectfully, that there ought to be a useful way forward to establish an independent panel to undertake a root-and-branch review of Australia's higher education sector. A review that took into account the role the sector plays in Australian society, both in economic and social terms. It should be a review that looks at where we want to go and how best to get there, both in a local and global context. I suggested it could take up to 18 months, but it could take much less than that, if it were done with some alacrity, if it were done properly and if there were a panel of experts and terms of reference with cross party support—government, opposition and crossbenchers in this place and in the other place. There needs to be consensus on the terms of reference and on the panel of experts, where
there can be a robust debate and robust analysis about where sector is going. I suggested that, as an interim measure, universities should be allowed to increase their fees to a cap to allow them to recoup any government cuts. Well, those are now off the table. I understand the funding pressures of universities and there ought to be—as unpalatable as it may be for some—some modest increase in university fees, if such a funding crisis emerges in the higher education sector. That is something that would give us some breathing space, so we may try to get the policy settings right once and for all.

The findings of the panel would presumably be a template for government reforms and, hopefully, have cross party support. The government should implement any measures necessary to allow universities to increase their fees in accordance with the funding. I think the terms of reference should look at the current role of the higher education sector in Australia, the higher education experience of students studying in Australia and how Australia measures up in terms of the world's best practice. We need to avoid the pitfalls of other countries which have gone down difficult paths that have not worked in terms of student outcomes and have cost the budget's bottom line and cost students themselves. I suggested that this review could be comprehensive in much the same way as the Murray report, which in 1957 provided a detailed study of universities in post-war Australia for Prime Minister Menzies. I hasten to add that the Murray report was not written by David Murray—it has not been around that long. The 1957 review was written by another Mr Murray, but it is a very useful report and it is worth reading to see the sorts of challenges which they faced then and which are echoed in some of the problems we face now.

The minister has not taken up my suggestion, and more is the pity. Maybe he needs to look at that; maybe we need to have some bipartisan, cross party way of dealing with this very serious issues in the sector. If the government will not do that, then the government needs to look at the usual green-and-white-paper process to ensure that a proposal has been appropriately and thoroughly discussed, debated and modelled. This may seem cumbersome to the government, but so far the policy formulation in this area has not worked, despite the best endeavours of the minister's office and there are some very capable people in his office.

We have recently seen proposals by Professor Bruce Chapman that would implement a progressive taxation on universities to reduce the Commonwealth subsidies by a certain amount if their fees rose above a certain level. There are various gradations and variations that. Unfortunately, I was not able to meet Prof Chapman today, but I hope to be able to speak to him in the next day or so. The concern is: what effect will it have for the so-called sandstone universities—the Group of Eight universities—when compared to other universities? Will we see a significant inflationary effect in respect of that? We need to have some modelling. I understand that perhaps the department has done that modelling, but that needs to be out in the open. I have not seen the modelling. We need some transparency in this process.

An article in *The Sydney Morning Herald* on 17 February by the enigmatic Matthew Knott, under the headline 'Fee deregulation will drive up deficit', says that NATSEM, the National Centre for Social and Economic Modelling, the same people that the coalition used when in opposition for the modelling of their policy formulations—so I reject any suggestion that they are anything other than a pretty robust organisation in terms of their modelling—have suggested:
The Abbott government’s plan to deregulate university fees would likely drive up inflation and drain billions of dollars from the budget over the long term rather than saving taxpayers money as originally intended …

In other words, this would be not a zero-sum game but a negative game in the sense that it would actually cost taxpayers more money because it would also have an inflationary effect.

I also think that the debate has lacked a nuanced approach in terms of some of the other issues that need to be tackled, and the best way of summarising that is in a new book that was dropped off to my office yesterday—and I should disclose I will make sure I pay for it, Mr Deputy President!—called *Universities and Innovation Economies: The Creative Wasteland of Post-Industrial Society*, by Professor Peter Murphy of James Cook University. I am trying to get in touch with Professor Murphy and I am looking forward to discussing this with him. But even just a summary of the book resonates with me in terms of some of the issues we face in this sector. This is what it says:

Students drop out of universities in large numbers, many graduate to jobs that do not require a degree and a large number learn little at university, whilst graduate salaries have shrunk over time and student loan debt and default have grown. University research achievements have declined while university administration has expanded massively. The contemporary university is mired in auditing, regulation, waste and aimlessness and its contribution to serious social innovation has deteriorated markedly. The miserable state of the universities reflects a larger social reality, as bureaucratic capitalism has replaced creative capitalism.

I am not necessarily endorsing what Professor Murphy is saying. What I am saying is that this debate has not looked at the issue of university dropout rates, which are very significant in terms of what they cost taxpayers but, more importantly, what they cost students in the months and sometimes years of their lives spent doing a course that they drop out of, where maybe a bit of counselling and guidance could have made a difference.

My concern is that allowing universities to set their own fees means that, in theory, they would no longer need to rely on government funding. That may be a very attractive proposition to future governments, which may start to see Commonwealth contributions as a place to make easy savings. The minister made the point to me yesterday that it would still need to get through the parliament; but who knows what may happen in years to come? There may even be bipartisan consensus on that—dare I say, not while Senator Carr is in this parliament!

Senator Kim Carr: Absolutely!

Senator XENOPHON: But who knows what might happen if you set up a framework in years to come, when Senator Carr is not here—in 2045; or maybe he will be here in 2045! It may be problematic.

It is also important to consider the impact of HECS, which was alluded to by Ross Gittins. I do not want to criticise this scheme—far from it. It is a terrific scheme. It is an outstanding measure that sets our higher education system apart. But that has to be taken into account in the context of deregulation and issues of market failure.

I think that what we need to do now is pause. We need to actually reflect on what needs to be done. Reform is needed in this sector. We want to have the best university and higher education sector in the world.
We also need to acknowledge, in the brief time I have available in this debate, the issue put forward by the Council of Private Higher Education. I spoke today to Reverend Dr Don Owers AM, who runs Tabor, a college in Adelaide. I have enormous regard for him. He is concerned that these reforms proposed by the government could have been fairer if they had removed some of the equity barriers facing private higher education providers. I think that needs to be on the agenda as well.

But what we have right now is a mess. We need to step back from this and look at some comprehensive reform to get this right, because what has happened to date is less than satisfactory. We need to get this right. We owe it to the students of Australia and we owe it to the taxpayers of Australia to get this right. I cannot support the second reading of this bill but I hazard a guess that this will not be the end of it. We still have much work to do to do the right thing by this sector.

**Senator BIRMINGHAM** (South Australia—Assistant Minister for Education and Training) (18:19): In closing the second reading debate on the Higher Education and Research Reform Bill 2014, I thank all senators for their contributions to this debate, much as I may not agree with all that has been said. In closing this debate, I also seek to argue the case for greater autonomy and greater freedom for Australian universities to give Australian universities to lift themselves, to lift the outcomes for students and to lift the economic contribution they make to Australia to the types of heights and levels that we know they are capable of doing, have done for years and can do again in the future—if we give them the capacity and the freedom and the autonomy to do so.

... it is ... clear that government alone cannot provide all the additional funding necessary for our universities to become top notch.

... we propose that Australian universities be free to set student fees according to the market value of their degrees. A deregulated or market-based HECS will make the student contribution system fairer, because the fees students pay will more closely approximate the value they receive through future earnings. Market-based HECS will also help to improve our higher education system by making universities even more responsive to student needs and educational outcomes.

They are not my words; they are the words of Andrew Leigh, the shadow Assistant Treasurer, a member of the Labor Party's shadow executive today.

It is time to change our one-size-fits-all funding system and let diversity develop.

Again, they are not my words. They are the words of Gareth Evans, former Labor Party foreign minister of long standing.

I want Labor to be a positive player, not just a blocker.

They are not my words but the words of former federal Labor MP Maxine McKew, speaking about higher education reform.

... the ALP ought to engage with the government to negotiate the further reform of higher education ...


It's a great pity that Labor is sitting on its hands this time.

Again, they are not my words but the words of John Dawkins, former Labor Party Treasurer in the Keating government, education minister in the Hawke government and architect of the modern HECS. Peter Beattie commented:
Make no mistake, without funding reform, Australia's universities will inevitably slip towards mediocrity and the quality of Australian graduates will decline in relation to our international competitors, both in business and education.

Once again, these are not my words. They are the words of Peter Beattie, a former long-serving Queensland Labor Party premier.

Through much of the debate, we have heard from those opposite that this is some type of great partisan divide. But, with Peter Beattie, Gareth Evans, John Dawkins, Maxine McKew and Andrew Leigh all having argued the case for reform, it is crystal clear that it is not a partisan divide in terms of good, sound policy; it is simply the case that those opposite want to play politics and run a scare campaign, when what they should be doing is embracing reform that is good and worthwhile for Australia's future.

They need not, though, listen to Labor members past and present—those who have led their party through great reform. They could instead heed the advice of, and listen to, the education sector, who have equally argued passionately and strongly for the adoption—if not of this exact model that is before the chamber—at least for reform of the type and nature of reform that is before the chamber. And they have argued for that reform to be made as quickly as possible.

Universities Australia have embraced the need for reform and called for reform, and 40 of the nation's 41 vice-chancellors have stood behind Universities Australia in their call. The Innovative Research Universities have embraced the call for action. The Regional Universities Network have done so. In their most recent statement, they say:

> It is essential for regional universities and their students to retain the demand driven student system for bachelor places and to expand this to sub-bachelor degrees to provide more pathways for less well prepared students. The higher education system must be adequately funded to ensure quality and sustainability, and the deregulation of fees provides the most realistic way to do this.

RUN urges the Senate to end the uncertainty for students and universities and to pass the package.

The Group of Eight universities have been equally—if not even more—emphatic in their support. The Australian Council for Private Education and Training have supported the reforms. TAFE Directors Australia have supported these reforms. This reform package has brought together a level of support across Australia's education sector in ways, frankly, never seen before for a major reform package. To have all elements, essentially, of the education sector backing this reform is a demonstration that the government has listened and acted and developed a policy that should be supported by those opposite. The sector supports this, because they recognise that current funding arrangements based on the uncapped demand driven system for university places is unsustainable. They recognise that the current arrangement is hurting quality. The current arrangement reduces the incentive for innovation by Australia's universities. It reduces the incentive for excellence in Australia's universities. It reduces the incentive for specialisation among Australia's universities.

The package that we have brought to this parliament will provide the capacity for universities to be set free to be able to choose how they will differentiate themselves from each other; how they can specialise; in what fields to develop excellence; and, yes, to differentiate that, in part, by cost. This is also a proposal that dramatically increases access for Australians. I singled out the Regional Universities Network to quote before, because, of
course they are representing the universities who most frequently are providing opportunities for students from lower socioeconomic backgrounds, for students who may not historically or traditionally have made it into university. The Regional Universities Network is passionately supporting the passage of this legislation, just as is the rest of the sector.

Before I get to some of the specifics in the bill, I will address some of the contributions that have been made. I listened to Senator Lamble's contribution and I acknowledge the passion in her contribution and the passionate defence that she made for the University of Tasmania. But I note that the Vice-Chancellor of the University of Tasmania is one of the 40 of the 41 vice-chancellors from Universities Australia who are supporting this reform.

Senator Lamble made an equally passionate call for more diplomas and more associate degree places to be available in Tasmania through the University of Tasmania. That is exactly what this package, if passed, would do. It would remove the cap and enable the University of Tasmania—indeed, all of the Regional Universities Network and all of the universities of Australia—to offer Commonwealth subsidised places for diplomas and associate degrees without that cap in place. It would uncap those sub-bachelor levels and allow them to provide greater pathways to students who may not have the skills, capacity or ATAR score to get into a degree level course.

I also noted that Senator Lamble, and I think Senator Xenophon did similarly, argued the case for—and highlighted international examples of—so-called free education. Again, I will quote Andrew Leigh, the shadow Assistant Treasurer: ‘If university fees were abolished, as dewy-eyed Whitlamites often demand, this would effectively redistribute scarce government funds from those who do not go to university to those who do. Given that those who attend university tend to be richer than those who do not and are likely to be richer as a result of their education, this would simply widen the already large income gap between the tertiary educated and the non-tertiary educated. Australia should be in the business of reducing not increasing inequality. For these reasons, it is appropriate for students themselves to meet some of the costs of their education.’ The argument against that notion of free education is a real one because, if you say that education will be funded by all taxpayers, of course you are putting a greater and more disproportionate load on the taxpayers who never go to university. What our reforms are doing and what governments since the introduction of HECS have done is seek to create a system whereby those who benefit from the university education make a fair contribution to it.

But equally appreciate that under our model every bachelor degree course, every sub-bachelor degree course and every diploma course offered through this model would still be attracting Commonwealth subsidies. Students would not be paying the full fees. There is a Commonwealth subsidy attached, and beyond that there is, of course, the opportunity to access HECS, meaning nobody need pay a single cent up-front.

Senator Xenophon, in his contribution, spoke about consultation. Well, Senator Xenophon, there has been a world of consultation. There has, of course, been the Kemp-Norton review, which was the latest of 33 reviews into Australia's higher education system since 1950—not counting, of course, the countless Senate inquiries or parliamentary inquiries that could be added on top of that. The issue of deregulation has been discussed and looked at by many. Of course, the consultation has been such that we have built the body of support across the nation's educational institutions that I outlined before. He argued—and we have heard it from
Senator Carr as well at times—that this would create a US-style system. Again I emphasise, though, that we have HECS. It means nobody need pay a single cent up-front. That is not a US-style system; it is far, far from it. He did acknowledge—and I know a number on the crossbenches have acknowledged—that there is a level of unsustainability and a pressure in the Australian university system at present that cannot be sustained. Senator Xenophon said he may be willing to support some fee increase at present—a lifting of the cap. But I equally note that he acknowledged that, when that was last done, all we saw was that everybody moved up to the new cap and that you did not effectively get any sense of competition in the sector or any sense of specialisation or innovation.

Senator Carr argues that this is a contrived funding crisis. That does not seem to be the view held by the universities, and of course we know that the reality is that the Labor Party announced cuts to higher education and research of $6.6 billion from 2011 to 2013. Every six months, in every budget and every MYEFO, there were cuts from the Labor party. He too argues that we wish to create an Americanised system. I made the point before that HECS makes this a vastly different system, and HECS remains fundamental to it, so that nobody need pay one cent up-front.

They argue that university will only be for the wealthy. All of this has been part of a terrible, vicious scare campaign to suggest somehow that people will be shut out of universities. Thankfully, the students are smarter than that. Of course, that has been the trend ever since HECS was introduced. University enrolments have continued to increase since the Hawke government introduced HECS. They went up and have gone up at every increase in fees that has occurred under HECS. The access to university has continued to grow, because students and their families see the opportunity of university education and realise the equity in the fact that nobody in Australia need pay up-front, because of HECS, but know that there is sufficient private gain and personal benefit for them to take on that student debt and that it will be worthwhile to pay it off through their career, through the generous arrangements that successive Australian governments have supported, because they will gain a higher income and greater opportunity as a result of it. This year, we have continued to see increased enrolments despite the Labor Party’s fear campaign and their attempts to drive people out.

Of course, that fear campaign has not just been about arguing that there would be up-front fees somehow; it has also involved the Labor Party throwing around this notion of the $100,000 degree. I am indebted to the Group of Eight universities for highlighting that the $100,000 degree is simply impossible under the reforms being proposed, because the reforms being proposed require that fees be no higher than what is currently charged for international students, minus the level of Commonwealth subsidy being paid. In no circumstance does that get you to over $100,000. It is, as has been the case time and time again through this debate, another instance of Senator Carr, Mr Shorten and the Labor Party misleading.

This legislation creates great new opportunities—new opportunities to expand access to education for Australians, and new opportunities for Australia’s universities to position themselves to excel on the world stage and deliver greater benefits to our economy into the future. It will allow our universities to specialise and provide the best possible education for their students. We are guaranteeing that domestic undergraduate fees will always be lower than international fees. It will create a major new Commonwealth scholarship program to help students with living and other expenses. It will spread opportunity for students who need
pathways to qualify for university or sub-degree qualifications to prepare them for their jobs. It will create an incentive for universities to invest more in those pathway and sub-bachelor degree courses, rather than the model at present, which creates maximum incentive for universities to stuff as many bachelor degree students into the lecture room as they possibly can. It will create a fairer spread of HECS to students who choose to study with non-university higher education providers, such as private colleges or TAFEs. And it will eliminate the differential in loan fees that those students outside the university system face. It, of course, maintains the CPI as the determinant for increase in HECS over time but adds a new interest rate pause for new parents, as proposed by Senator Madigan and others on the crossbench. It is estimated to create opportunities for an extra 80,000 people to access higher education as a result of the package proposed here.

The alternative is, of course, to look at what the Labor Party is proposing, which would tear up the reforms of the Gillard government in uncapping university places and would put at risk 120,000 places at university in the future. It is a stark contrast between those opposite, who would seek to asphyxiate innovation in the university sector, and those on this side, who seek to provide a chance for universities to chart their own destiny and provide real opportunities for the future.

We have listened through this debate—through the successive debates—around higher education. When this matter was considered last year we adopted a number of amendments to the package from those on the crossbench. We have listened this time around and sought to unclutter the debate and ensure we can simply have a positive debate about the merits of providing freedom and autonomy to Australia’s universities rather than regulating them ultimately to a poorer future. I urge those in the chamber—those on the crossbenches—to engage in this debate sufficiently that we can proceed beyond the second reading, to give consideration to the amendments the government has circulated in our attempt to facilitate a focused debate around the future of universities and how they fund themselves.

I particularly urge those opposite as we move beyond this debate, noting that it is likely to be unsuccessful today, to take a long, hard look at themselves and their position in relation to the history of higher education and where they stand today, because they are turning their back on their legacy of creating HECS. They are turning their back on Julia Gillard’s legacy of uncapping places. We want to create that autonomy and that freedom and unshackle Australia’s universities, and that is exactly what this bill does.

The PRESIDENT: The question is that the bill be now read a second time.

The Senate divided. [18:43]

(The President—Senator Parry)

Ayes .................30
Noes .................34
Majority .............4

AYES

Abetz, E               Back, CJ
Bernardi, C           Birmingham, SJ
Bushby, DC            Canavan, M.J.
Colbeck, R            Day, R.J.
Edwards, S            Fawcett, DJ

CHAMBER
AYES

Fierravanti-Wells, C
Heffernan, W
Leyonhjelm, DE
Madigan, J
McGrath, J
Nash, F
Parry, S
Reynolds, L
Scullion, NG
Sinodinos, A
Fifield, MP
Johnston, D
Macdonald, ID
Mason, B
McKenzie, B
O’Sullivan, B
Payne, MA
Ruston, A (teller)
Seselja, Z
Williams, JR

NOES

Bilyk, CL
Brown, CL
Bullock, J.W.
Carr, KJ
Di Natale, R
Gallacher, AM
Hanson-Young, SC
Ketter, CR
Lambie, J
Lazarus, GP
Lines, S
Ludlam, S
Ludwig, JW
Marshall, GM
McEwen, A (teller)
McLucas, J
Moore, CM
Mur, R
O’Neill, DM
Polley, H
Rhiannon, L
Rice, J
Siewert, R
Singh, LM
Sterle, G
Urquhart, AE
Wang, Z
Waters, LJ
Whish-Wilson, PS
Wong, P
Wright, PL

PAIRS

Brandis, GH
Bilby, CL
Brown, CL
Cormann, M
Carr, KJ
Cameron, DN
Carr, KJ
Di Natale, R
Gallacher, AM
Hanson-Young, SC
Ketter, CR
Lambie, J
Lazarus, GP
Lines, S
Ludlam, S
Ludwig, JW
Marshall, GM
McEwen, A (teller)
McLucas, J
Moore, CM
Mur, R
O’Neill, DM
Polley, H
Rhiannon, L
Rice, J
Siewert, R
Singh, LM
Sterle, G
Urquhart, AE
Wang, Z
Waters, LJ
Whish-Wilson, PS
Wong, P
Wright, PL
Brandis, GH
Peris, N
Cormann, M
Corroy, SM
Cormann, M
Corroy, SM
Riordan, M
Dastyari, S
Ryan, SM
Dastyari, S
Smith, D
Lundy, KA

Senator Cash did not vote, to compensate for the vacancy caused by the resignation of Senator Faulkner.

Question negatived.

BUSINESS

Rearrangement

Senator BIRMINGHAM (South Australia—Assistant Minister for Education and Training) (18:44): I move:

That intervening business be postponed till after consideration of the government business order of the day relating to the Appropriation (Parliamentary Departments) Bill (No. 2) 2014-2015 and related bills.
Question agreed to.

BILLS

Appropriation (Parliamentary Departments) Bill (No. 2) 2014-2015
Appropriation Bill (No. 3) 2014-2015
Appropriation Bill (No. 4) 2014-2015

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (18:46): I rise to speak on the three appropriation bills forming the additional estimates for 2014-15—appropriation bills Nos 3 and 4 and of course the parliamentary departments bill. In total, these bills seek to appropriate additional funds in the order of $1.7 billion for the 2014-15 year. They reflect changes in expenditure as a result of the 2014-15 MYEFO decisions as well as as a result of the machinery of government changes that were announced as part of the ministry reshuffle prior to Christmas of last year. Some of the measures that are the subject of the appropriations in the three bills include additional funding for defence overseas operations, additional funding for a number of agencies in the Attorney-General's portfolio and the immigration portfolio, funding for DPS and the AFP, funding for the Department of Employment in relation to job seeker compliance framework measures, funding for the Department of Health in relation to various upgrades and one matter which I did note, which is funding for the Department of Finance in relation to the Kenbi land claim on the Cox Peninsula. That caught my attention as I recently visited there with Senator Nova Peris.

The appropriation bills do give me an opportunity to speak a bit about the economic circumstances the nation faces and the damage that this government is doing to Australia's economy. Since the election we have seen a government that, by its actions and its words, is continuing to risk economic growth and economic prosperity and that is continuing by its actions and its words to damage economic confidence. This government has since its election done little but talk down the Australian economy. It is as if ministers on the other side have failed to make the transition from opposition to government and recognise that what they say as ministers in government carries much more weight than the irresponsible rhetoric they engaged in in opposition. We had an example of that in the Senate chamber during a Dorothy dixer in question time one day when the Leader of the Government in the Senate said that the country was bankrupt. This was completely untrue, completely false, but that is what was said by the Leader of the Government in the Senate. There are plenty of examples of this rhetoric, of the Treasurer suggesting that the country was on its knees to the bankers of the world, of Senator Joyce suggesting that we were like Greece. None of these statements were based on facts, all of them were nothing more than fearmongering, but, worse, it was completely irresponsible from ministers of the Crown.

On top of this, what has the government done? It has brought down a budget which has slashed benefits for low- and middle-income families and slashed investment in education and health. It has slashed many of those investments which are important for the future of the nation. The reality is that these budget cuts are hurting people, they are damaging confidence
and they are hurting the economy. We know that growth remains weak, and outside the 
resources sector the economy is contracting. According to many economists, we are officially 
in an income recession.

Let us look at some of the figures since the budget was handed down in May last year. 
Economic growth has slowed. The annual growth rate has declined from three per cent in the 
year to March 2014 to 2.5 per cent in the year to December 2014. GDP grew one per cent in 
the March quarter 2014, half a per cent in the June quarter, 0.3 per cent in the September 
quarter and 0.5 per cent in the December quarter. This is what has happened to economic 
growth under this government—economic growth has slowed. Business confidence is down. 
We remember the Treasurer spouting forth about how there could be a jolt in confidence, an 
adrenaline surge in confidence. Since he has been Treasurer, since those opposite have 
occupied the treasury bench, business confidence has gone down. The NAB monthly survey 
shows that business confidence has collapsed from positive eight points at the time of the 
budget to zero in February 2015—well below the long-run average for business confidence. 
Consumer confidence has taken a battering. Unemployment is up, from 5.7 per cent to 6.3 per 
cent, hovering at its highest level for more than a decade; youth unemployment has risen to 
just under 20 per cent—19.9 per cent—and is hovering at its highest level in 16 years. Nearly 
50,000 more people are unemployed, and there are now over 750,000 people unemployed— 
777,000, the highest number in 16 years. Of course the Reserve Bank has had to cut interest 
rates to support the economy.

We hear all the rhetoric from Minister Cormann and others on the other side about what 
great economic managers they are, yet they are presiding over slowing growth, a decline in 
business confidence, consumer confidence taking a battering, an increase in unemployment, 
an increase in youth employment and more people in the unemployment queues. What a 
fantastic record to date. The reality is that Mr Hockey and Mr Abbott have mismanaged the 
budget and have mismanaged the economy. Slower growth means we are not creating enough 
new jobs to keep up with the number of people entering the labour force—hence the rise in 
unemployment. Let us recall that those on this side of the chamber kept the economy growing 
through the largest global financial crisis the world has seen since the Great Depression and 
that we created over 900,000 new jobs during our time in government.

Let us turn now to the budget. A lot of chest beating goes on over the other side about how 
well they are managing the budget. The truth is the opposite. Not only are they presiding over 
higher unemployment and lower growth; they are presiding over an increase in the budget 
deficit and an increase in debt. The budget deficit has blown out under the Abbott 
government. Under them, we have seen a deterioration in the projected deficit over the four 
years to 2016-17—that is compared with what they inherited, as set out in Treasury's Pre-
Election Economic and Fiscal Outlook, from the Labor government. In the seven months 
between Mr Hockey's first budget and his midyear update, the projected deficit for the four 
years to 2017-18 deteriorated by $44 billion—a blow-out of more than $200 million for every 
day between Joe Hockey's first budget and his midyear update in December 2014.

Senator Cormann, who, I am sure, will turn up at some point in this debate, often tells me 
what a great finance minister he is. Let us compare how things were prior to him becoming 
finance minister—when we were in government and I was finance minister—with how things 
are now. Whilst I held the portfolio, we had lower federal government spending as a share of
GDP than under the Abbott government, we had lower taxes as a share of GDP than under the Abbott government, and we left Australia with one of the lowest levels of government debt of any advanced economy. Since Senator Cormann has become finance minister, he is now budgeting over the next four years to increase spending by $70 billion, increase taxes by $80 billion and increase net debt. That is quite an achievement!

Over the four years to 2013-14, federal government spending averaged 24.75 per cent of GDP. Under the government's budget, spending will average 25.5 per cent of GDP over the four years to 2017-18. Tax receipts under the Labor government averaged 21.1 per cent of GDP over the four years to 2013-14; the Abbott government is budgeting for tax receipts averaging 22.6 per cent of GDP over the four years to 2017-18. So under this government we see higher spending as a share of GDP and higher taxes as a share of GDP—at the same time as they are presiding over lower growth and higher unemployment. Australia's net government debt stood at just under 13 per cent of GDP in 2013-14. According to the IMF Fiscal Monitor in 2014, that was the sixth lowest of the 26 advanced economies. Under the Abbott government, net debt is projected to rise by over $100 billion by 2017-18 and gross debt is also projected to increase to $484 billion by 2017-18. This is again an increase of in excess of $100 billion—some $165 billion.

So, for all the rhetoric, let us remember what this government is presiding over: higher unemployment, lower growth, lower business confidence, higher debt, higher deficits, higher spending and higher taxes. That is the record of this finance minister and this Treasurer thus far.

I now want to make a few comments about measures which are reflected, but not necessarily given effect, in the appropriation bills. This budget has been roundly condemned by the Australian community, by this parliament and, frankly, privately—and sometimes publicly—by members of the Liberal Party and even members of their own cabinet. We have seen a budget predicated on broken promises, on a breach of faith with the Australian people, and measures which are fundamentally unfair. This government seems to think that people who oppose them do so because we somehow do not understand the issues, because we are blinkered and ideological or because we are irresponsible—or whatever other insult they can throw at people who are opposed to their propositions. The reality is: this government's budget is unfair and has been roundly condemned because it targets those who can least afford it and because it is predicated on broken promises.

The reason this government cannot gain support for so many of its key budget measures—and let us remember that a number have been passed; I will come to that shortly—either from the community or in this parliament is that they have lost the argument. They have lost the numbers because they have lost the argument. They cannot sustain an argument that says, 'We told you there would be no cuts to health and education', whilst putting forward a GP tax which is nothing less than an imposition on families and other Australians going to the doctor. They cannot sustain a proposition that supports increasing university fees and cutting Commonwealth funding per place at university by 20 per cent after going to the election promising no change to the way universities would be funded. They cannot sustain a proposition that says indexation of the pension should be changed such that the real value of the pension declines over time—condemning more Australian pensioners to poverty—after going to the election saying 'There will be no changes to the pension.' I could go on.
The proposed changes to pension indexation have been estimated by ACOSS to be an $80 per week cut to pensions—a cut that is allowed for in the budget papers. We also know that the impact over the decade will be even more significant. The budget also included cuts to various family payments—for example, the restriction of access to family tax benefit part B to families with children under six, the reduction in the supplements and the freezing of the payment rates for two years. Those changes led to NATSEM estimates that $6,000 per year was being cut from a typical Australian family’s budget.

Perhaps one of the most shameful measures in the budget is the government's proposal to leave young job seekers with nothing to live on for six months—a measure we were told recently was, in fact, one of the Prime Minister's so-called captain's picks. Despite the 'no new taxes' rhetoric that taxes would always be lower under this government—another lie—we have also seen an increase in the petrol tax, which was implemented through regulation, thus getting around the parliament, despite there being legislation on the increase in the excise sitting in the Senate. We have also seen cuts to the ABC and SBS, despite the Prime Minister saying 'no cuts to the ABC or SBS'. And, despite Ms Julie Bishop opposing it, we have seen continued cuts to foreign aid—some $11.3 billion over the 2014-15 MYEFO and the 2014-15 budget.

For all of these reasons, we condemn many of the measures in the government budget. I would make the point that Labor has in fact supported a number of savings—some $20 billion worth of savings in this budget—and we have also proposed a range of alternative savings, which include ensuring multinational companies pay their fair share of tax and a reduction in the superannuation tax concessions for high-income earners. We have also proposed—and we are pleased that the Prime Minister recognised this—scrapping his paid parental leave scheme, which was costed at over $5 billion a year.

With a number of the measures I have outlined, whilst reflected in the budget figures that ground these appropriation bills, obviously Labor will continue to oppose legislation giving effect to them. However, Labor is a party of government. We have made it clear that we would not be so irresponsible as to block supply. So we intend to support the passage of the appropriation bills through the parliament.

Senator LEYONHJELM (New South Wales) (19:02): I believe that all political parties seeking votes in an upper house election, like elections for the Senate at the Commonwealth level and for the legislative councils in various states, should let potential voters know of their approach to appropriations bills and the blocking of supply. Today, I rise to set out the approach of the Liberal Democrats. I also speak for the Outdoor Recreation Party—our sister party in the New South Wales election. We reserve the right to block supply. This announcement is of little consequence right now. After all, I have only one vote. But voters should know that if they want members or senators who will always wave through government spending, regardless of its size or composition, they should not vote for us.

Appropriation bills come in various forms. The central appropriation bills are those that appropriate money for the ordinary annual services of the government. These bills effectively authorise spending on the continuing and settled operations of government. While the Liberal Democrats and the Outdoor Recreation Party oppose many of the continuing and settled operations of governments, it would be rare for us to attempt to block such bills. Even if we had the numbers in the upper house, we accept that government is formed in the lower house.
We would seek to block these central appropriation bills only if they were used to significantly increase the size of government, contrary to any mandate or if a government was so dangerously bad that forcing an early election was the responsible thing to do. Accordingly, I will support the central appropriation bill before us today—the No. 3 bill.

However, our approach is different for other, more peripheral, appropriation bills. The Liberal Democrats and, obviously, the Outdoor Recreation Party will freely oppose or amend these peripheral appropriation bills. These are bills that usher in new policies that are not already authorised by special legislation. These are bills that authorise capital spending. And these are bills that authorise grants to the states.

The Liberal Democrats and the Outdoor Recreation Party are small-government parties. We want the government out of your hair, off your back and out of your pocket. As such, we will represent our constituents by opposing the incessant proliferation of new policies that seem to meddle in every imaginable aspect of our lives. The Liberal Democrats and the Outdoor Recreation Party believe that government is not good at running businesses and that a lot of infrastructure can be built and maintained by the private sector. For instance, the Outdoor Recreation Party provides a unique option for voters in the New South Wales election because, while we support the rights of shooters and fishers, we also think it is eminently sensible to privatise government-owned electricity assets. Given this support for the role of the private sector, we reserve the right to oppose appropriations for capital spending by government.

The Liberal Democrats and the Outdoor Recreation Party also think that centralising power in Canberra is a terrible idea and that governments that spend money should raise the required taxes themselves. As such, we will represent our constituents by opposing Commonwealth government transfers to state and local governments, particularly those grants that come with strings attached. Given this, I will be moving an amendment to Appropriation Bill (No. 4) 2014-2015 before us today, and I will seek to remove the authorisation for $250,000 of tied grants to state, territory and local governments in that bill. The stated purpose of these grants is to strengthen:

... the sustainability, capacity and diversity of regional economies including through facilitating local partnerships between all levels of government and local communities.

This is otherwise known as pork-barrelling. Blocking $250,000-worth of grants will not balance the budget, but it is better than nothing. It should be supported and there should be more like it.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (19:07): Firstly, I would like to thank those senators who have contributed to this debate. These additional estimates appropriation bills seek authority from the parliament for the additional expenditure of money from the Consolidated Revenue Fund.

I would like to highlight five areas relating to the delivery of the government's commitments that are supported by these bills. First, these bills would provide the Department of Defence with just under $558 million reflecting, in the main, additional funding for Defence's overseas operations, the reappropriation of amounts between appropriation acts to better align funding with Defence's work programs, and supplementation for foreign exchange movements.
Second, the Department of Employment would receive just over $115 million, primarily for increased payments to providers following an increase in the number of successful job placements and to implement the new employment services 2015 contracts. Third, the Department of Agriculture would receive $90 million for concessional loans under the Drought Recovery Concessional Loans Scheme. These funds will be used to provide support to eligible primary production businesses in Queensland and New South Wales who are experiencing financial difficulties resulting from the impacts of severe and prolonged drought conditions, or as a result of the combined effects of drought and the mid-2011 disruption to live cattle exports to Indonesia.

Fourth, the Australian Customs and Border Protection Service would be provided with just under $35 million for additional counterterrorism activities and to repurpose the Australian Defence Vessel Ocean Shield, for transition of its ownership from the Department of Defence to the Australian Customs and Border Protection Service. Finally, the Department of Parliamentary Services would receive additional appropriations to enable it to enhance the security of the Australian Parliament House, including the enhancement and upgrade of closed-circuit television equipment and access systems. It will also cover additional parliamentary protective service staff.

In responding to the amendment to be put by Senator Leyonhjelm, the government is not in the practice of accepting amendments to appropriation bills, known as supply bills. Entertaining such amendments will put us in the terrain where supply could be put at risk. We will not entertain line item amendments. The total of the appropriations being sought through these three appropriation bills is just over $1.7 billion, and I commend this bill to the Senate.

Question agreed to.

In Committee

APPROPRIATION BILL (No. 4) 2014-2015

Bill—by leave—taken as a whole.

Senator LEYONHJELM (New South Wales) (19:10): by leave—I move amendments (3) to (6) on sheet 7684.

(3) Schedule 2, page 11 (table), omit the table, substitute:

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(4) Schedule 2, page 13 (table), omit the table, substitute:

#### Summary

Summary of Appropriations (bold figures)—2014-2015

**Budget and Supplementary Appropriation (italic figures)—2014-2015**

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<th>New Administered Outcomes $000</th>
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**CHAMBER**
Payments to States, ACT, NT and local government $\,000
New Administered Outcomes $\,000
Non-operating $\,000
Total $\,000

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I oppose clause 14 and schedule 1 in the following terms:

1. Clause 14, page 8 (line 8) to page 9 (line 7), to be opposed.
2. Schedule 1, page 10, to be opposed.

The purpose of these amendments is to implement what I talked about before—the tied grants. I am philosophically opposed to tied grants. They are bad practice. They amount to pork-barrelling. These amendments are the removal of those costs. It is $250,000. It is a symbolic amount, as I said, but the principle on which it is based is wrong. I commend the amendments.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (19:11): The government is not in the terrain where we entertain line item amendments. I refer the senator to my previous comments in my summing-up speech. We will not be supporting the amendments.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (19:12): I indicate to Senator Leyonhjelm that the opposition will not be supporting the amendments.

The TEMPORARY CHAIRMAN (Senator Dastyari): The question is that amendments (3) to (6) as circulated be adopted.

Question negatived.

The TEMPORARY CHAIRMAN: The question is that clause 14 and schedule 1 stand as printed.

Question agreed to.

Bill agreed to.

Bill reported without amendments; report adopted.

Third Reading

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (19:13): I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.
Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (19:14): I move:

That the Senate do now adjourn.

Baylis, Mr John

Senator PERIS (Northern Territory) (19:14): It is with great sadness that I acknowledge the passing of Mr John Baylis, who passed away on 5 March in Darwin after a long battle with motor neurone disease. He was 83 years old.

John Baylis loved his life. He had 10 kids from two marriages. Originally from Manchester in the United Kingdom, he became a merchant seaman while in a boys' home and, when he qualified, he got on a boat and sailed the seas—eventually landing in Sydney when he was about 20 years old. He jumped ship and effectively became an illegal alien or noncitizen.

He took a job with Qantas which eventually landed him in Darwin and he fell in love with the Top End lifestyle. In Darwin, he had many jobs before he finally settled in as a tug master for 30 years before he succumbed to motor neurone disease, commonly known as MND, which pushed him into retirement. Mr Baylis's job included being a union delegate for the Northern Territory Maritime Union, which became affiliated with the Queensland federation under his watch. He was a salvage diver after World War II, recovering ships from the bottom of Darwin Harbour and sending them back to Japan. He loved cleaning Darwin Harbour; he loved walking on the ocean bottom in the old-fashioned, hard-helmet pearl diver's suit. He was also a land surveyor for the Department of Works. He played footy for the local Darwin Buffaloes team and he helped resurrect the Roma soccer club. Mr Baylis was a well-known and very well-respected Territorian. As a young girl growing up in Darwin, I knew him as Uncle John.

Motor neurone disease attacks the central nervous system slowly. It takes away your ability to talk, walk, swallow and breathe while leaving your mind intact. Uncle John referred to his MND as 'the monster inside' and for 15 years it progressively robbed him of his life. Sadly, there is no cure for MND. As the years went by, his disease took hold; he fought it as long as he could, until he could fight no more. Mr Baylis had a healthy and very clear mind, full of fond memories, but he used to say it was like being trapped in a useless body. He said it was like being buried alive in palliative care, and that it was barbaric torture. Eventually, he could not talk; he could not swallow, which made fluid intake difficult. MND slowly starved him. For about three months, he pointed to an alphabet chart to communicate, until he could no longer lift his arms or move his fingers.

Mr Baylis became an avid supporter of the dying with dignity legislation, and he became known as a 'euthanasia warrior' after initially being opposed to it, early in his life; he did not know that one day he would be looking for it. Uncle John was hopeful that it would again become law in the Northern Territory and across the nation so that he and others suffering could die with dignity but, sadly, this was not to be.

He supported the former Northern Territory Chief Minister Marshall Perron's euthanasia law, which passed the Northern Territory Legislative Assembly in 1995 before it was overturned by the Australian parliament, led by Mr Kevin Andrews. I know Uncle John would give his wholehearted consent for me to say how much he cursed Mr Kevin Andrews
for overturning the Northern Territory’s law. He once said, ‘I would like to thank all of the hundreds of supporters that have lightened my load. I am past hating Kevin Andrews, but I would like him to spend time in my shoes.’ His greatest pain was losing his dignity while losing his quality of life too.

Uncle John should have had the right to choose a peaceful and pain-free death. It was his wish. In our catch-ups, he urged me to continue to push for the right to die with dignity. I gave him that undertaking. He said to me, ‘Just carry on fighting for the ‘peaceful pill’, Nova, for those that don’t know they will need it later in life.’

I send my love and condolences to his family and to his wife Jan, who cared for and loved him throughout his illness. Vale, John Baylis. May you now rest in peace.

Queensland: Cyclone Marcia

Senator KETTER (Queensland) (19:19): Tonight I rise to pay tribute to the resilience of Queenslanders, particularly those affected by Tropical Cyclone Marcia. On 20 February this year, Tropical Cyclone Marcia hit the central Queensland coast. Residents in the Fitzroy district local government areas of Banana, Central Highlands, Gladstone, Livingstone, Rockhampton and Woorabinda, and in the Wide Bay-Burnett district local government areas of Bundaberg, Cherbourg, Fraser Coast, Gympie, North Burnett and South Burnett were adversely affected by Tropical Cyclone Marcia.

Hundreds of homes were completely destroyed and 48,000 homes were left without power. On 8 March this year I took the opportunity to visit Rockhampton and Yeppoon as I was keen to speak with locals—to meet with them, hear their stories and offer my support following the devastation of Cyclone Marcia. Of course, Rockhampton and Yeppoon were among the most adversely affected by the cyclone.

First and foremost, I would like to praise the efforts of the emergency service personnel, local government authorities, recovery teams and community volunteers who have all done an amazing job in very difficult circumstances. I would like to sincerely thank them for their efforts and their tireless work. The police and emergency services did an excellent job in evacuating hundreds of people from low-lying parts of the coastline. I would also like to thank the Australian Defence Force for their assistance, as well as those who came from around the state to assist in the relief effort. I commend the Queensland government and Premier Annastacia Palaszczuk on their swift response to the crisis.

Particular thanks go to new Keppel member of parliament Brittany Lauga, whose electorate covers some of the worst-hit areas including Yeppoon and North Rockhampton, for attending the community morning tea that we conducted in Yeppoon and the Community Pizza in the Park in Rockhampton earlier this month to listen to those affected by Marcia and its aftermath. Brittany has been instrumental in assisting the community in her area in the recovery after the cyclone.

I would also like to thank the Mayor of Livingston, Mr Bill Ludwig, and the Mayor of Rockhampton, Margaret Strelow, for coming out with me to chat with locals and for giving up their time on a Sunday to meet with people. It is extremely important that we take that opportunity to get people together. I was informed on the day that the morning tea and the lunch that we conducted were probably the first occasions that many of the people had to come together to share their experiences and talk about what they had been through with
tropical cyclone Marcia. I would certainly like to take the opportunity to thank the local authorities for the fantastic job that they did in clearing up the debris.

Whilst visiting Rockhampton, I was struck by the stories of prolonged power loss, food loss, infrastructure damage and the destruction of 14 heritage listed trees from Bunya Pine Avenue at the entrance to the Rockhampton Botanic Gardens. I note that locals I spoke to expressed a desire for the repairs to be completed by local builders. I was overwhelmed by the community spirit that was in evidence in Rockhampton and Yeppoon. I particularly mention Mr Bevan Slattery, who donated 40 generators to the community and 128 phone-charging stations. People can well imagine how important it is to have your mobile phone charged at those important times. The generators were used by the elderly and those with severe health issues that rely on electricity.

The courage of Queenslanders never ceases to amaze me. I saw the resilience of the people and the community at this very difficult time. In closing, I think that the media has a great responsibility to get the message out that all the towns affected are open for business and people should come and see them, particularly the worst affected areas of Yeppoon and Rockhampton.

Arthritis Awareness Week

Senator CAROL BROWN (Tasmania) (19:24): I rise to speak about Arthritis Awareness Week, which started on Sunday. The theme of arthritis week is 'Kids get arthritis too'. Most people think that arthritis is a condition that only affects older people, but kids arthritis is as common as childhood diabetes. Juvenile idiopathic arthritis, JIA, is a painful autoimmune form of arthritis that affects around 6,000 Australian children. These often children face long delays in diagnosis and there is a serious shortage of treatment and support services available to them. Often the pains these children suffer are dismissed as growing pains.

Yesterday, I was privileged to listen to a panel led by the 2013 Australian of the Year and emeritus director of Arthritis Australia Ita Buttrose AO, OBE, at a special Parliamentary Friends of Arthritis function, where children and families living with juvenile arthritis shared their stories. Their stories of constant pain and suffering was a real eye-opener.

Ben Hogan was diagnosed at two years of age—that was 42 years ago. When he was four years old, doctors told his mother he would not live past 10. Despite spending many years in a wheelchair, Ben has proven the doctor is wrong—he is married, he has two children and a job in the health sector that he loves. He gave a wonderfully insightful and determined story on his journey.

Twenty-one-year-old Annie Grynwood was diagnosed when she was eight years old. In her own words, she went from being a happy, active and normal child to a very sick little girl, spending weeks in hospital and three years in a wheelchair. Annie says she missed 70 per cent of school and found it hard making friends and adolescence was tough. She dealt with depression from the chronic pain and loss of mobility.

Bright-eyed six-year-old Ronan Milne was diagnosed with juvenile arthritis when he was two years old. His father Scott said his son had been unwell and in pain since he was born. He would wake up screaming six times a night and had fevers and a rash. When Ronan's parents took him to the doctor they were told he had a virus. But they persevered and after many, many months, they were told it was JIA and his immune system was attacking his joints.
Ronan takes pain medication every day, a chemotherapy drug once a week and has injections every four days. His mother Belinda says the medications can make him tired and irritable, and having juvenile arthritis has already had an impact on his schoolwork and also his participation in sport.

Arthritis Australia says these stories are all too common. The national policy manager of Arthritis Australia Franca Marine said: 'We know that the sooner JIA is diagnosed and treated the better. But our research has shown that many children with JIA have their symptoms a long time before they are diagnosed and during that time the joints can be seriously damaged.' To raise awareness of this painful and disabling condition, Arthritis Australia have released a five-point plan to address what they believe needs to be done about childhood arthritis. Arthritis Australia is seeking funding for paediatric rheumatology training in Australia, public paediatric rheumatology services to be expanded, JIA information and educational materials for healthcare professionals to be developed, comprehensive JIA consumer resources to be developed and funding for research into a cure.

One of Australia's very small band of paediatric rheumatologists Associate Professor Davinder Singh-Grewal of the University of Sydney has welcomed the five-point plan. If it is implemented, it will make a big difference in treating kids with arthritis. Professor Singh-Grewal says JIA can look quite different from child to child and it can be hard for GPs to detect it early, and even when it is detected it can be hard to get in to see a specialist to start treatment. He says that most states only have one or two paediatric rheumatologists and in some states there are none, such as in my home state of Tasmania and also the Northern Territory. The professor says it is a tragedy that children wait so long to be seen by a specialist because that there are effective treatments for JIA and the sooner the treatment is started the more likely it is that the condition can be controlled and severe joint damage can be avoided. Research is vitally important to help develop better treatments and hopefully one day to find a cure for juvenile arthritis, which has also been described as an invisible condition. While it may seem an invisible condition, it is all too visible for kids with arthritis and their families. We must do all we can to ease their burden.

**Coal Seam Gas**

**Senator LAZARUS** (Queensland) (19:28): I would like to take the opportunity to thank the people of Australia for their support. I have created a petition on www.change.org to secure the help of the people of Australia to call on the Abbott government to establish a royal commission into the human impact of coal seam gas mining. The people of Australia are answering my call. The petition is growing every day. Already some 15,000 people have signed the petition.

As I have stated in the Senate previously, I am deeply concerned about the human impact of CSG mining and the desperation being felt by Australians affected by CSG mining. They feel that no-one is listening and no-one cares. I care, and I am determined to give the people of Australia a voice on this issue and to ensure that all levels of government, CSG mining companies and associated businesses are held to account for the damage which has and is being caused by CSG mining.

It has to stop. I am not prepared to sit on my hands and turn a blind eye to this issue, like so many people in positions of power and authority appear to be doing. Something needs to be done and I am determined to see that this happens.
I am not alone in my quest. Others around the country are also taking up the fight. A young man by the name of Dayne Pratzky is also emerging as a coal seam gas crusader. You may know him as the 'Frackman'. If you have not seen the film, I strongly suggest that you do. It tracks Dayne's personal journey as a property owner living a few hours west of Brisbane who has been affected by coal seam gas mining.

I have visited rural and regional areas affected by CSG mining to see firsthand what type of effect it is having on our people and on the water, land and communities. What I saw upset me. CSG mining is one of the most contentious and environmentally and socially destructive forms of gas extraction known to the developed world. A massive 437 million hectares of Australia are now covered by CSG licences or applications. That is roughly twice the size of the state of Victoria.

CSG mining involves drilling holes deep down into the earth to tap into methane gas trapped in coal seams by natural water pressure. While I support the resource sector and the value its role has in our society, we cannot and must not allow the health of our people to be compromised.

Therefore, I am determined to support the people of Australia by calling on the government to establish a royal commission into the human impact of mining and, in particular, of CSG mining; to cease the approval of any further CSG mining projects until it is deemed safe; and to establish a resources ombudsman. An independent resources ombudsman will provide the people of Australia with a point of contact to resolve mining and CSG mining issues. The ombudsman will be an advocate for the people. It is about time the people of Australia had someone on their side.

In my home state of Queensland, all levels of government have let the people of Queensland down. I cannot believe that this type of thing is happening in Australia, but it is. All Australians should be very concerned. Thankfully, the efforts of people power are starting to make a difference.

I will continue to promote my petition and I strongly urge all Australians to take part. Once it is complete I will deliver it to the Abbott government and also present it to the Senate.

Tasmania: Hear Our Voices Gathering 2015

Senator SINGH (Tasmania) (19:33): I rise this evening to speak about the Hear Our Voices Gathering 2015 'Stepping Out' women's gathering, which I attended last Friday in Glenorchy in Tasmania.

This was the second annual multicultural women's gathering hosted by the Migrant Resource Centre and the Glenorchy City Council. Given the success of last year's event, I am pleased that they, along with the Red Cross, the Hobart Women's Shelter, bi-cultural workers and a range of community organisations, supported a second gathering this year.

The Hear Our Voices gathering provides an opportunity for migrant and refugee women of all ages and backgrounds to share ideas, make new friends and discuss the issues that are important to them. The gathering also provided an opportunity for women to hear from a number of guest speakers, including Maha Abdo, Executive Officer of United Muslim Women's Association, and Regina Quiazon, Senior Research and Policy Advocate at the Multicultural Centre for Women's Health.
The Hear Our Voices gathering held small group discussions focusing on the good things about being women of their own cultures, the challenges that they face and what it is like now living here, settling in Australia. Over 100 women attended this event, along with some female students from the nearby secondary colleges. It included women from the Afghan and Hazara, Karen Burmese, Bhutanese and Iranian communities, as well as some women of the Sudanese, Ethiopian, Congolese, Iraqi and other cultures. As well, there was a volunteer from the Migrant Resource Centre who had recently arrived from Madagascar.

Migrant women make a significant contribution to Australian society, yet some can find it very hard to have their voices heard. They can face many challenges, including language barriers, health issues, racism and family violence. Having left their home countries, many do not have support networks here in Australia. Many migrant women feel the frustration of language barriers as they seek to find paid work and make social connections. Being unable to communicate proficiently in English can contribute to great stress, depression and social isolation.

These were some of the views that I heard from women who shared their stories last Friday. While there is government assistance available—to a certain degree—for English classes, one of the participants commented, 'We do need more help with our English. The hours are not enough and it feels like my children know more than me.'

Some women have chronic health issues, which may be due to conflict in their home countries. Of course, prioritising their own health and wellbeing can be challenging, particularly when women face providing care for their own family members and any ongoing health issues that they may face.

Migrant women shared that they are also still facing racial abuse. I was saddened to hear one woman say, 'People throw things at us on the street. We've had our scarves pulled off. Why? Australia is a democratic country and we've escaped the Taliban. So why are they treating us this way?' This is a disgrace, and clearly not acceptable in a modern and multicultural Australia. All Australians have the right to safety, regardless of their race or religion. I was very disappointed to hear that events such as these continue to occur in my home state. Migrant women, together with non-migrant women, also continue to be victims of family violence. Violence against all women violates and impairs their human rights and fundamental freedoms. As a community, we need to do much more to stop it.

We lack a clear understanding of the extent of family violence and its impacts for some of these migrant women, especially if women are not speaking out or if they do not feel safe to speak out about it. Research projects like ASPIRE, which is a collaboration of the University of Melbourne, the Multicultural Centre for Women's Health and the University of Tasmania, are important for gathering information about migrant women's concerns and experiences with family violence.

The Hear Our Voices, 'Stepping Out' forum gives women an opportunity to discuss issues in a safe environment, and receive support. Women can gather in small groups and share their stories. This includes good stories too, and the positive aspects of now living in Australia. One of the women said:

Back home when you marry, you don't go to school. Here, anytime, you can go to school. School gives us new chances and opportunities.
Non-government organisations such as the Migrant Resource Centre of Southern Tasmania are doing a fantastic job in supporting migrant women.

The Migrant Resource Centre is a not-for-profit organisation which has been helping migrants and refugees to settle in Tasmania since 1979. It has a dedicated team working hard to provide individual help for new migrants and refugees settling in Tasmania. They also provide: help and support for older migrants; counselling and support for migrants who have experienced torture and trauma; and the team seeks to build cultural awareness of migrant issues. We need to recognise and thank groups such as these, which are working to build a just, diverse and inclusive society.

There are many staff that make up the Migrant Resource Centre, and many volunteers. Firstly, I would like to thank the volunteers, because without their support, I do not think that the Migrant Resource Centre and the contribution it makes to the broader migrant and refugee population in Tasmania would be as successful as it is. I want to thank my dad, who is one of those volunteers.

But I particularly want to thank tonight the Manager of the Migrant Resource Centre, Cedric Manen, who has really been a leader in the Tasmanian community for CALD communities over the last eight years. I understand that Cedric is stepping down from this role after some eight years of contribution, and I wish him well on his future endeavours. I thank him wholeheartedly for his contribution as manager, but also as chair of the Settlement Council of Australia.

I also want to thank Yabbo Thompson, the project coordinator of Hear Our Voices, who has worked tirelessly for decades for migrant and refugee women in Tasmania. It was her impetus and her drive that made sure that the second year of Hear Our Voices ran. I also recognise all the other NGOs and people that work with them, such as Multicultural Council of Tasmania and the Multicultural Centre for Women's Health.

Much work went into organising the Hear Our Voices gathering. It was a success, and some comments about that success came from participants, and included:

- It isn't easy to stand up and tell my story. But I did it because I want you all to know that here you can talk about your experiences honestly and openly.
- I want more gatherings like this, so we can get together. It doesn't happen enough.

Given its success, I hope that the Hear Our Voices gathering continues to be held into the future—perhaps more often than annually. I understand that takes funding, though; and I know the complications that perhaps can come with that when dealing with governments of the current persuasion.

In addition to supporting forums such as these, we can all do more to promote inclusiveness, respect and a sense of belonging for people in our communities. Today, for example, I was pleased to join my Labor colleagues at a morning tea for Harmony Day—a few days ahead of the day itself which falls on Saturday, 21 March.

Harmony Day provides an opportunity for all Australians to participate and show their support for our multicultural society. I know there are a number of activities that will take place over the next few days in the lead-up to Saturday and on Saturday for Harmony Day, at places like schools and community houses. There will be a number of events, and we can all participate and show our support for a harmonious and inclusive Australia, one that is
accepting of people of diverse backgrounds and one that supports multiculturalism. Thank you.

**International Day of Forests**

Senator RICE (Victoria) (19:43): Just on the outskirts of my home town of Melbourne, you can find the tallest flowering plants in the world, the majestic mountain ash of the central highlands. These spectacular forests form the catchments that provide clean drinking water to over three million Victorians. They supply our city with fresh air and are home to some of Australia's iconic animals, including Victoria's animal emblem, Leadbeater's possum. This same story is repeated throughout Australia. In the west, Tourism Western Australia proudly proclaims that its 100 native forests make up one of the world's biodiversity hotspots, with over 12,000 species of wildflowers. But right now, all that is under threat. Hectare by hectare, our forests are being destroyed by logging. And it is all completely unnecessary. There is no strong case to continue logging and woodchipping our native forests—economically, socially or scientifically.

This Saturday is United Nations' International Day of Forests. It is a day to recognise the value of forests, which are home to more than 80 per cent of land animals, plants and insects, and provide shelter, jobs and security for around 1.6 billion people. It is the perfect moment to learn about the benefits we all rely upon from our native forests, to acknowledge that the way that we have been managing them has failed both local industries and local communities and to re-evaluate our practices, based on the most up-to-date scientific evidence.

The big business agenda we have come to expect from Tony Abbott and coalition governments around the country is killing—

The ACTING DEPUTY PRESIDENT (Senator Bernardi): Order! Senator Rice, I would ask you to refer to the Prime Minister by his appropriate title.

Senator RICE: Yes. The big business agenda we have come to expect from Prime Minister Tony Abbott and other coalition governments around the country is killing our native forests. Science tells us that forests are crucial to our way of life. For instance, logging can cut an area's water yield in half. In Melbourne this is having a devastating impact, with 40 per cent of the city's supply of water coming from the Central Highlands catchments that are open to clear-fell logging. Young regrowth trees need more water to grow, and it can take 150 years for water yields to regain their original levels.

Just 25 kilometres from Margaret River in Western Australia is the beautiful Mown Forest. Proposed logging of the forest's jarrah and marri trees will affect threatened animals like the forest red-tailed black cockatoo, Baudin's cockatoo, the brush-tailed phascogale, the orange-bellied frog and the quokka. Logging will also increase the forest's risk of salinity, threatening the Blackwood River and other parts of this delicate ecosystem.

This destruction makes no economic sense, either. According to the Western Australian Forest Alliance, none of the logged trees will be milled or processed in the Augusta-Margaret River community, and the logging is destroying the value of the forest for tourism, which is the basis of the local economy. In New South Wales logging in state forests has cost taxpayers more than $43 million over the past three years. That money would be much better spent supporting revegetation, land care, tackling pest plants and animals and promoting tourism in these regions. Yet the logging continues. In communities like the scenic town of
Toolangi in Victoria, residents report log truck after log truck driving by on their way to the mill, each groaning with just-logged trees that have taken up to a century to grow. It is not uncommon to see 200 trees go by each day. Residents of Toolangi are regularly told to expect planned burns. To most people a planned burn means reducing the fuel for bushfires, but then we are told that most of them are not for fuel reduction, but for the burning of logging coupes—completing the destruction of industrial-scale logging.

Many of the small communities that are set within these native forest regions are in trouble. They suffer from high unemployment and sub-standard public services. Massive corporations, with the blessing of Prime Minister Abbott and his coalition mates, split communities by telling them that the answer to their problems is more logging. The reality is the reverse. Regional forest agreements signed between the federal governments and the states in the early nineties were meant to be the solution. They were meant to protect the forest and the forest industries. But on both counts they have failed. Regional forest agreements have systematically facilitated the destruction of our largest assets to store carbon, something that is essential for reducing the impacts of climate change. They have allowed a dramatic increase in weeds and pests within our native forests and they are driving the precious animals that live in these forests towards extinction. And they have done this via an unsustainable business model that costs taxpayers for every tree that is felled. Take Victoria as a prime example, where the state's five regional forest agreements are managed by the state-owned logging business, VicForests. In the past 10 years VicForests has received taxpayer subsidies of around $2 million every year to destroy native forests.

But perhaps the clearest reason regional forest agreements have failed is that they are based on science that is two decades old. There is no reference to climate change or carbon stores, and negligible mention of water health. They have failed to take account of recent science such as that which shows that threatened animals like Leadbeater's possums are now on the brink of being reclassified as critically endangered. The scientific and economic realities are that there is absolutely no need for this destruction of environment and community. The time for native forest logging has ended. We must acknowledge the wealth of new science and evidence that highlights the challenges we face from climate change and the massive benefits we get from native forests. We can choose to manage the wind-down of the tail end of the native forest logging industry, or we can let the resources run out and watch the decimation. We have the opportunity to work towards a solution that benefits local communities, the plants and animals of our native forests and everyone who lives in our towns and cities. This must be done in consultation with local communities, recreational users of forests and tourism operators—not just those industries that continue to log. I know these communities well. They are dedicated and innovative. We can protect these communities by giving them the opportunities they need. No-one will be left out, because this forest belongs to all of us.

The vast majority of the timber industry now relies on plantations, so the industry can cope without native forest logging. An economic study of Melbourne's largest water catchment, the Thomson Dam, compared the value of water versus that of native forest logging. It found that getting out of logging would have a financial benefit—a benefit—of $147 million to the Victorian community. Other research shows that keeping old growth forests reduces bushfire risk to forest communities because young regrowth forest is much more prone to fire.
Today I met with some of the leading forest conservation advocates and researchers from around Australia. These dedicated people were from the Knitting Nannas of Toolangi, the Wilderness Society, the Western Australian Forest Alliance, Environment Tasmania, Save the Tarkine, North East Forest Alliance and the Australian Conservation Foundation, amongst others. We met to discuss the future of Australian native forests. We talked about the urgent need to protect threatened species, about climate change and the increased ferocity of fires and bushfires in our forests, about the economic sustainability of regional and rural communities, of opening up our native forests to tourism and recreation. We talked about regional forest agreements, ending logging in our native forests and the crucial importance of our forests in ensuring that we have clean water to drink and fresh air to breathe. But what is very, very clear from all of our discussions is that we must act now. For the benefit of all, we must put an end to the destruction of our native forests.

When throwing his support behind the Great Forest National Park in Victoria, Sir David Attenborough said:

The maintenance of an intact ecological system is the only way to ensure the continued existence of biodiversity, safeguard water supplies and provide spiritual nourishment for ourselves and future generations …

I look forward to the day when we can truly celebrate the International Day of Forests, the day when we as a nation have ceased to mindlessly log our native forests—they have done it in New Zealand; we can do it here—the day when we can truly say that we have preserved the natural beauty and diverse ecosystems of Australia's forests for future generations. (Time expired)

**Asian Infrastructure Investment Bank**

**Senator DASTYARI** (New South Wales) (19:53): I rise tonight noting the rumours, reported by Paul Kelly in yesterday's *The Australian* newspaper and also in an excellent piece by Linda Jakobson in today’s *The Australian*, that the Abbott government may finally decide to join the Asian Infrastructure Investment Bank, the AIIB, as a founding member. I welcome this news. As China takes an increasing role in the development of the region, Australia remains uniquely poised to benefit. The Abbott government's recent indecision, however, on whether or not to participate in the establishment of the AIIB is not in Australia's long-term interest.

The AIIB is a big deal: a new proposal for a development bank for the Asia-Pacific, with $50 billion in founding capitalisation and a commitment to funding regional infrastructure projects such as roads, railways, power plants and telecommunications networks. But, despite making early noises that we as a nation would be joining and an offer from China to have a senior role in the running of the bank, the Abbott government have previously said they would not participate. To be frank, they did not just drop the ball on this one; they threw it on the ground after having had it handed to them. What stopped Australia from joining? The stated reason was concerns over 'strategy fears', but this has been undermined by rumours of open divisions in the Abbott cabinet between the economic policy ministers, who are supportive, and the foreign policy ministers, who are opposed.

The AIIB already has widespread support in the region, with more than two dozen other Asia-Pacific nations joining as founding members and also a number of non-Asian nations including Saudi Arabia and Tajikistan. Embarrassingly for both Australia and the Abbott
government, New Zealand, under Prime Minister John Key, joined the AIIB as a ‘prospective founding member’ in January this year. And we have just learnt that in the United Kingdom the Chancellor of the Exchequer, George Osborne, announced on 12 March that his government would also become a prospective founding member. Unfortunately for both New Zealand and Australia, the announcement stated:

… the UK is the first major Western country to seek to join the AIIB.

That could have been us. Further, Mr Osborne’s statement gets to the very heart of the matter:

… the UK will join discussions later this month with other founding members to agree the Bank’s prospective Articles of Agreement, setting out the governance and accountability arrangements that— will— underpin the AIIB’s operating practices.

In my view, Australia should not have been so hesitant to be part of the development of this new regional lender, and, importantly, we should—indeed, we are right to offer to—play a strong part in the governance and administration. Being involved from the beginning as this institution grows will ensure that it is created to the standards that meet our expectations. We would be better served inside the tent than we would be served by being out of it.

Many of you in this place will be well aware, however, that there are already two international financial institutions lending in this space. Firstly, there is the Asian Development Bank, the ADB. Headquartered in Manila, it has been headed by a Japanese national since its inception in 1966. The other is the World Bank, in Washington DC, which has been headed by an American since its inception in 1946 as part of the Bretton Woods agreement, except for the period from 1995 to 2005, when it was run by one of our own: a Sydney born former RAAF officer, now Sir James Wolfensohn, who became a naturalised American citizen in 1980.

It is no secret that the AIIB reflects both China’s desire to drive investment in the region and also its frustration with the existing international financial institutions. Governance reforms that were flagged five years ago to address the imbalances in voting power remain unimplemented. The Chinese view is that, despite their vast financial resources and their extensive experience building and financing infrastructure in emerging economies, they do not have a say.

In a 2010 working paper, the ADB estimated that Asia’s developed economies would require more than $8 trillion of investment from 2010 to 2020 just to meet anticipated domestic infrastructure requirements. This is a number that is much more than the combined GDP of most of Asia. Australian economist Dr Andrew Elek, the inaugural chair, in 1989, of APEC Senior Officials, said:

This new development bank can … fill the vast unmet demand for productive economic infrastructure, especially in the emerging economies of Asia. … … …

… governments should welcome the initiative to set up the AIIB and the opportunity to participate in it. He is right. This is a huge opportunity for Australia. We already have strong competitive advantages in infrastructure, as well as legal and financial service sectors, and as the region develops it is going to be difficult to meet the demand for our resources. But refusing an
invitation to join the AIIB will not make it any easier for Australian firms to develop business opportunities in this region.

I want to pay Linda Jakobson tribute for her article today, and I want to do so by reiterating a few of the points that she made in her article. First, it is in Australia's national interest to participate in a major new development bank in its region. Second, Australia consistently has called on China to take on more responsibility in our region; let's give Australia an opportunity to prove it. Third, she notes that there is growing perception in the region that Australia is doing the bidding of its friend the United States. To quote her, 'Why should the US have a say on this issue?' This is an 'opportunity for Washington to allow its allies to make independent decisions without American pressure.' She says, 'Australia should distance itself from this counterproductive policy.' Fourth, as I have already noted, we cannot promote accountability and transparency inside the bank if we remain outside it. Fifth, if we do remain outside, we will have less influence should Beijing try to use the bank to coerce governments in need of infrastructure funding to support China's policies in the region. And sixth—and this is an interesting and controversial point from Jakobson—the threat of leaving the bank is a stronger deterrent if, and I stress 'if', such a deterrent should ever need to be considered. Yes, the threat of leaving the bank is a stronger deterrent than the option of Australia joining the bank at some time in the future.

The 31st of March is the deadline for prospective founding members to join the Asian Infrastructure Investment Bank. Pakistan, India and Singapore were there from the start. Our friends from New Zealand have joined. Our British friends have now joined as well. The Financial Times is reporting that France, Germany, and Italy have agreed, it appears, to follow Britain's lead. Xinhua News Agency say South Korea, Switzerland and Luxembourg are also considering joining. We still have time. We should be signing up to this institution.

New South Wales: Environment

Senator RHIANNON (New South Wales) (20:02): The New South Wales Liberal and National parties line up with the Abbott government as environmental vandals. Premier Mike Baird and the coalition government are creating a legacy of environmental destruction and climate change inaction. New South Wales suffered under the previous state Labor government when it came to prioritising developers over local communities, which was one of their favourite activities. The coalition, however, are no better and in some areas worse.

The rate of national park establishment in New South Wales has collapsed. The state has the second lowest percentage of land protected in the national reserve system, at just nine per cent. It just beats Queensland, at 7.5 per cent. We can see a failure to protect the natural environment from the Leard State Forest near the Liverpool Plains to the Gardens of Stone in the iconic Blue Mountains.

And who are the beneficiaries of this failure on the environment? Of course, mining interests and developers. While it was Prime Minister Tony Abbott who declared that coal was 'good for humanity', we can see the same attitude reflected in the actions of the Baird government. Since last September, just six months ago, the Baird government has approved 1.3 billion tonnes in coalmining. At a time when our state, our nation and, indeed, our world face the destructive threat of climate change, we cannot afford governments like those of Mr Tony Abbott and Mr Mike Baird. We should be transitioning out of the coal industry and moving to renewables.
The decision by the New South Wales government in February to expand the Moolarben coal project north-east of Mudgee could increase the coalmine's output by over 100 per cent. This expansion, which includes open-cut, will leave a giant scar on the local landscape. Over 1,500 hectares of land are to be cleared, of which 123 hectares are deemed to be endangered ecological communities. That is why we say the Baird government is an economic vandal, and there are other examples.

If we look to the Hunter Valley, we see a community encircled by coalmines, with expansions and extensions approved for the Mount Thorley Warkworth coalmine near Bulga and the Bengalla mine near Muswellbrook. The Hunter Valley is a prosperous region for both its wine and its tourism and many other industries, and it should not be threatened by coalmining. Yet all of these mine expansions have been approved by the Baird government in just the last two months. Mr Baird needs to understand that coal is not good for humanity and that climate change is not good for humanity. What is not good for our planet is not good for the residents of New South Wales.

The community of Gloucester is one of many working hard to halt plans for coal seam gas and new open-cut mining right near its town. This story is repeated across New South Wales: the Leard Forest, the Pilliga, the Central Coast, the Illawarra. The mining industry is stomping all over communities, and the Baird government is putting down the welcome mat.

What is happening in New South Wales is by no means the legacy just of the Liberal and National parties. In 2005, the New South Wales Labor government introduced part 3A into the Environmental Planning and Assessment Act. It became synonymous with bad, dangerous planning. This allowed the minister to take over approvals for any project deemed to be state-significant. In effect, it ensured the government would be able to wave through developments that communities and councils opposed, and that is just what it did. The power the minister had just to act on their own without taking advice from their director-general meant that they could disregard environment and heritage laws. In 2010, the Independent Commission Against Corruption noted that part 3A had 'loose criteria and the broad discretion that potentially give rise to perceptions of undue influence'.

So what did the Liberals and Nationals do with this information? Yes, they withdrew it: part 3A went. But all they did was repackage it as essentially the same policy and call it part 4B. Then they wonder why there are so many people around the state protesting. The fact is that the people are left with no choice. They have few rights under the current planning laws, and if there is a win in the courts for the community the government changes the law. The former New South Wales Carr government used this tactic, and now it is the favourite of the New South Wales coalition government. Change the law if their friends—coalmining, developer interests—have a loss. You change the law so they will not cop it next time.

At Bulga in the Hunter the community has taken Rio Tinto and the planning department to court. They have won twice, stopping the expansion of Rio Tinto's mine—and expansion which Rio Tinto wants to carry out on land they had previously promised they would protect as a condition of their lease. How has the New South Wales government responded to the community's success? They have removed the right of the community to appeal any further decisions while the New South Wales planning department holds Rio Tinto's hand through the planning process and then—surprise, surprise—recommends that the mine be approved.
Given the fact that the mine extension had already been through two court cases and lost both times, we might expect the community to be surprised by this outcome. Unfortunately, a number of locals at Bulga that I have spoken to are not surprised, because they have seen it happen to other communities. We can only hope that the Planning Assessment Commission, charged with the final decision, does not heed this damaging approval.

The horse breeders near Anglo American’s proposed Drayton South mine share the concern of local residents. This mine has also been through the planning process and been twice rejected, yet the company say they are planning yet another resubmission. The company has actually said—this is on the record—that resubmitting cost them $60 million last time, so they are presumably expecting that at some stage the government will come through for them. It is understandable the locals would think it; who would put up $60 million to resubmit a proposal if they did not expect a favourable outcome? It is understandable that they would expect a favourable outcome; that is how New South Wales works. Once coal exploration starts, it really is the first stage of full-scale mining. Maybe a few court cases might come along, but that friendly government on Macquarie Street will help you out. Across the board the Baird government has delivered for mining interests in New South Wales. The coalition has increased the amount of water that can be extracted by mining and gas projects from inland groundwater systems and exempted the mining industry from rules that protect the environment and other water users.

Those left to pick up the tab are, of course, the residents of New South Wales. The mining companies, for their part, will make out that they donate to communities, yet in the last six months we have seen what this actually means. In December last year we found that the Upper Hunter Aboriginal Cultural Heritage Trust Fund, funded by mining royalties in order to compensate for the loss of Aboriginal heritage, has given $298,000 to the Office of the Registrar of the Aboriginal Land Rights Act, a government department, to establish a register of Aboriginal owners for the Upper Hunter. Then, early this year, the Aboriginal Resource Group, registered in late 2013, was revealed to have been granted $300,000. This government advisory board includes Peabody Energy deputy general manager Peter Roser and says it is a broker between resource companies and Indigenous people. There is very little accountability here. How did these organisations—one run by the government, one working with the mining industry—end up with money that is supposed to be compensating Aboriginal people?

But against all this the people of New South Wales are fighting back. Just last week in Gunnedah more than 700 people from 87 communities across the north-west of New South Wales declared themselves gas field free. They came together in a most inspiring action. At Leard Forest, Front Line Action on Coal has maintained for over a year the Leard blockade against the monster coalmines. Hundreds have been arrested, supported by people from all walks of life. These actions are continuing, and it is not surprising, because in the face of the current coalition government people have very few rights under the current law. It is not surprising that they engage in civil disobedience. That civil disobedience is peaceful, it is necessary to protect our environment and I do congratulate those communities who are taking the action to protect our local environment, to take real action on climate change and to push governments to wake up to themselves that when they are elected they should be serving the people of New South Wales and working with those people in full consultation to protect the environment.
Senate adjourned at 20:12

DOCUMENTS

Tabling

The following documents were tabled by the Clerk pursuant to statute:

Australian Communications and Media Authority Act 2005—Radiocommunications (Charges) Amendment Determination 2015 (No. 1) [F2015L00285].

Broadcasting Services Act 1992—Broadcasting Services (Primary Commercial Television Broadcasting Service) Amendment Declaration 2015 (No. 1) [F2015L00293].


Environment Protection and Biodiversity Conservation Act 1999—Amendment of List of Exempt Native Specimens—South Australian Giant Crab Fishery and Victorian Giant Crab Fishery (4 March 2015)—EPBC303DC/SFS/2015/04 [F2015L00283].

Migration Act 1958—
Direction under section 499—Visa refusal and cancellation under s. 501 and revocation of a mandatory cancellation of a visa under s. 501CA—No. 65.

Statements under section 33—1 July to 31 December 2014 [1].


Radiocommunications Act 1992—

Radiocommunications Licence Conditions (Temporary Community Broadcasting Licence) Determination 2015 [F2015L00286].

Telecommunications Act 1997—
Telecommunications (Section of the Telecommunications Industry—Cabling Service Operators) Determination 2015 [F2015L00291].

Telecommunications (Section of the Telecommunications Industry—Portability Service Suppliers) Determination 2015 [F2015L00292].

The following government documents were tabled pursuant to statute:


Returns to Order

The Minister for Indigenous Affairs (Senator Scullion) tabled the following document:

Industry—Automotive Transformation Scheme—Letter to the President of the Senate from the Minister for Finance (Senator Cormann), dated 17 March 2015, responding to the order of the Senate agreed to earlier today (see entry no. 21) and raising a public interest immunity claim.

Departmental and Agency Files

The following documents were tabled by the Clerk pursuant to the order of the Senate of 30 May 1996, as amended:

Indexed lists of departmental and agency files for the period 1 July to 31 December 2014—Statements of compliance—

Defence portfolio.
Department of Human Services.
Department of the Prime Minister and Cabinet.
Environment portfolio.
Fair Work Ombudsman.