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SITTING DAYS—2011

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RADIO BROADCASTS
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- **PERTH** 585AM
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FORTY-THIRD PARLIAMENT
FIRST SESSION—FOURTH PERIOD

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

Senate Office holders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Stephen Shane Parry
Temporary Chairs of Committees—Senators Thomas Mark Bishop, Suzanne Kay Boyce, Patricia Margaret Crossin, Mary Jo Fisher, David Julian Fawcett, Helen Evelyn Kroger, Scott Ludlam, Gavin Mark Marshall, Claire Mary Moore and Louise Clare Pratt
Leader of the Government in the Senate—Senator Hon. Christopher Vaughan Evans
Deputy Leader of the Government in the Senate—Senator Hon. Stephen Michael Conroy
Leader of the Opposition in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Opposition in the Senate—Senator Hon. George Henry Brandis SC
Manager of Government Business in the Senate—Senator Hon. Joseph William Ludwig
Manager of Opposition Business in the Senate—Senator Mitchell Peter Fifield

Senate Party Leaders and Whips
Leader of the Australian Labor Party—Senator Hon. Christopher Vaughan Evans
Deputy Leader of the Australian Labor Party—Senator Hon. Stephen Michael Conroy
Leader of the Liberal Party of Australia—Senator Hon. Eric Abetz
Deputy Leader of the Liberal Party of Australia—Senator Hon. George Henry Brandis SC
Leader of the Nationals—Senator Barnaby Thomas Gerard Joyce
Deputy Leader of the Nationals—Senator Fiona Nash
Leader of the Australian Greens—Senator Robert James Brown
Deputy Leader of the Australian Greens—Senator Christine Anne Milne
Chief Government Whip—Senator Anne McEwen
Deputy Government Whips—Senators Carol Louise Brown and Helen Beatrice Polley
Chief Opposition Whip—Senator Helen Kroger
Deputy Opposition Whips—Senators Judith Anne Adams and David Christopher Bushby
The Nationals Whip—Senator John Reginald Williams
Australian Greens Whip—Senator Rachel Mary Siewert

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(1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

**PARTY ABBREVIATIONS**


**Heads of Parliamentary Departments**

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

Prime Minister
Hon. Julia Gillard MP

Deputy Prime Minister, Treasurer
Hon. Wayne Swan MP

Minister for Regional Australia, Regional Development and Local Government
Hon. Simon Crean MP

Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate
Senator Hon. Chris Evans

Minister for School Education, Early Childhood and Youth
Hon. Peter Garrett AM, MP

Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate
Senator Hon. Stephen Conroy

Minister for Foreign Affairs
Hon. Kevin Rudd MP

Minister for Trade
Hon. Dr Craig Emerson MP

Minister for Defence and Deputy Leader of the House
Hon. Stephen Smith MP

Minister for Immigration and Citizenship
Hon. Chris Bowen MP

Minister for Infrastructure and Transport and Leader of the House
Hon. Anthony Albanese MP

Minister for Health and Ageing
Hon. Nicola Roxon MP

Minister for Families, Housing, Community Services and Indigenous Affairs
Hon. Jenny Macklin MP

Minister for Sustainability, Environment, Water, Population and Communities
Hon. Tony Burke MP

Minister for Finance and Deregulation
Senator Hon. Penny Wong

Minister for Innovation, Industry, Science and Research
Senator Hon. Kim Carr

Attorney-General and Vice President of the Executive Council
Hon. Robert McClelland MP

Minister for Agriculture, Fisheries and Forestry and Manager of Government Business in the Senate
Senator Hon. Joe Ludwig

Minister for Resources and Energy and Minister for Tourism
Hon. Martin Ferguson AM, MP

Minister for Climate Change and Energy Efficiency
Hon. Greg Combet AM, MP

[The above ministers constitute the cabinet]
Minister for the Arts
Hon. Simon Crean MP
Minister for Social Inclusion
Hon. Tanya Plibersek MP
Minister for Privacy and Freedom of Information
Hon. Brendan O'Connor MP
Minister for Sport
Senator Hon. Mark Arbib
Special Minister of State for the Public Service and Integrity
Hon. Gary Gray AO, MP
Assistant Treasurer and Minister for Financial Services and Superannuation
Hon. Bill Shorten MP
Minister for Employment Participation and Childcare
Hon. Kate Ellis MP
Minister for Indigenous Employment and Economic Development
Senator Hon. Mark Arbib
Minister for Veterans' Affairs and Minister for Defence Science and Personnel
Hon. Warren Snowdon MP
Minister for Defence Materiel
Hon. Jason Clare MP
Minister for Indigenous Health
Hon. Warren Snowdon MP
Minister Assisting the Prime Minister on Mental Health Reform
Hon. Mark Butler MP
Minister for the Status of Women
Hon. Kate Ellis MP
Minister for Social Housing and Homelessness
Senator Hon. Mark Arbib
Special Minister of State
Hon. Gary Gray AO, MP
Minister for Small Business
Senator Hon. Nick Sherry
Minister for Home Affairs and Minister for Justice
Hon. Brendan O'Connor MP
Minister for Human Services
Hon. Tanya Plibersek MP
Minister Assisting the Prime Minister on Mental Health Reform
Hon. Mark Dreyfus QC, MP
Cabinet Secretary
Senator Hon. Kate Lundy
Parliamentary Secretary to the Prime Minister
Hon. David Bradbury MP
Parliamentary Secretary to the Treasurer
Senator Hon. Jacinta Collins
Parliamentary Secretary for School Education and Workplace Relations
Senator Hon. Joe Ludwig
Minister Assisting the Prime Minister on Digital Productivity
Senator Hon. Stephen Conroy
Parliamentary Secretary for Trade
Hon. Justine Elliot MP
Parliamentary Secretary for Pacific Island Affairs
Hon. Richard Marles MP
Parliamentary Secretary for Defence
Senator Hon. David Feeney
Parliamentary Secretary for Immigration and Multicultural Affairs
Senator Hon. Kate Lundy
Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing
Hon. Catherine King MP
Parliamentary Secretary for Disabilities and Carers
Senator Hon. Jan McLucas
Parliamentary Secretary for Community Services
Hon. Julie Collins MP
Parliamentary Secretary for Sustainability and Urban Water
Senator Hon. Don Farrell
Minister Assisting on Deregulation and Public Sector Superannuation
Senator Hon. Nick Sherry
Minister Assisting the Attorney-General on Queensland Floods Recovery
Senator Hon. Joe Ludwig
Parliamentary Secretary for Agriculture, Fisheries and Forestry
Hon. Dr Mike Kelly AM, MP
Minister Assisting the Minister for Tourism
Senator Hon. Nick Sherry
Parliamentary Secretary for Climate Change and Energy Efficiency
Hon. Mark Dreyfus QC, MP
SHADOW MINISTRY

Leader of the Opposition
Deputy Leader of the Opposition and Shadow Minister for Foreign Affairs and Shadow Minister for Trade
Leader of the Nationals and Shadow Minister for Infrastructure and Transport
Leader of the Opposition in the Senate and Shadow Minister for Employment and Workplace Relations
Deputy Leader of the Opposition in the Senate and Shadow Attorney-General and Shadow Minister for the Arts
Shadow Treasurer
Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House
Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals
Shadow Minister for Regional Development, Local Government and Water and Leader of the Nationals in the Senate
Shadow Minister for Finance, Deregulation and Debt Reduction and Chairman, Coalition Policy Development Committee
Shadow Minister for Energy and Resources
Shadow Minister for Defence
Shadow Minister for Communications and Broadband
Shadow Minister for Health and Ageing
Shadow Minister for Families, Housing and Human Services
Shadow Minister for Climate Action, Environment and Heritage
Shadow Minister for Productivity and Population and Shadow Minister for Immigration and Citizenship
Shadow Minister for Innovation, Industry and Science
Shadow Minister for Agriculture and Food Security
Shadow Minister for Small Business, Competition Policy and Consumer Affairs

Hon. Tony Abbott MP
Hon. Julie Bishop MP
Hon. Warren Truss MP
Senator Hon. Eric Abetz
Senator Hon. George Brandis SC
Hon. Joe Hockey MP
Hon. Christopher Pyne MP
Senator Hon. Nigel Scullion
Senator Barnaby Joyce
Hon. Andrew Robb AO, MP
Hon. Ian Macfarlane MP
Senator Hon. David Johnston
Hon. Malcolm Turnbull MP
Hon. Peter Dutton MP
Hon. Kevin Andrews MP
Hon. Greg Hunt MP
Mr Scott Morrison MP
Mrs Sophie Mirabella MP
Hon. John Cobb MP
Hon. Bruce Billson MP

[The above constitute the shadow cabinet]
SHADOW MINISTRY—continued

Shadow Minister for Employment Participation  
Hon. Sussan Ley MP

Shadow Minister for Justice, Customs and Border Protection  
Mr Michael Keenan MP

Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation  
Senator Mathias Cormann

Shadow Minister for Childcare and Early Childhood Learning  
Hon. Sussan Ley MP

Shadow Minister for Universities and Research  
Senator Hon. Brett Mason

Shadow Minister for Youth and Sport and Deputy Manager of Opposition Business in the House  
Mr Luke Hartsuyker MP

Shadow Minister for Indigenous Development and Employment  
Senator Marise Payne

Shadow Minister for Regional Development  
Hon. Bob Baldwin MP

Shadow Special Minister of State  
Hon. Bronwyn Bishop MP

Shadow Minister for COAG  
Senator Marise Payne

Shadow Minister for Tourism  
Hon. Bob Baldwin MP

Shadow Minister for Defence Science, Technology and Personnel  
Mr Stuart Robert MP

Shadow Minister for Veterans’ Affairs and Shadow Minister Assisting the Leader of the Opposition on the Centenary of ANZAC  
Senator Hon. Michael Ronaldson

Shadow Minister for Regional Communications  
Mr Luke Hartsuyker MP

Shadow Minister for Ageing and Shadow Minister for Mental Health  
Senator Concetta Fierravanti-Wells

Shadow Minister for Seniors  
Hon. Bronwyn Bishop MP

Shadow Minister for Disabilities, Carers and the Voluntary Sector and Manager of Opposition Business in the Senate  
Senator Mitch Fifield

Shadow Minister for Housing  
Senator Marise Payne

Chairman, Scrutiny of Government Waste Committee  
Mr Jamie Briggs MP

Shadow Cabinet Secretary  
Hon. Philip Ruddock MP

Shadow Parliamentary Secretary Assisting the Leader of the Opposition  
Senator Cory Bernardi

Shadow Parliamentary Secretary for International Development Assistance  
Hon. Teresa Gambaro MP

Shadow Parliamentary Secretary for Roads and Regional Transport  
Mr Darren Chester MP

Shadow Parliamentary Secretary to the Shadow Attorney-General  
Senator Gary Humphries

Shadow Parliamentary Secretary for Tax Reform and Deputy Chairman, Coalition Policy Development Committee  
Hon. Tony Smith MP

Shadow Parliamentary Secretary for Regional Education  
Senator Fiona Nash

Shadow Parliamentary Secretary for Northern and Remote Australia  
Senator Hon. Ian Macdonald

Shadow Parliamentary Secretary for Local Government  
Mr Don Randall MP

Shadow Parliamentary Secretary for the Murray-Darling Basin  
Senator Simon Birmingham

Shadow Parliamentary Secretary for Defence Materiel  
Senator Gary Humphries

Shadow Parliamentary Secretary for the Defence Force and Defence Support  
Senator Hon. Ian Macdonald
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Thursday, 25 August 2011

The PRESIDENT (Senator the Hon. John Hogg) took the chair at 09:30, read prayers and made an acknowledgement of country.

PARLIAMENTARY OFFICE HOLDERS

Temporary Chairmen of Committees

The PRESIDENT: Pursuant to standing order 12, I lay on the table a warrant nominating Senator Fawcett as an additional Temporary Chairman of Committees when the Deputy President and Chair of Committees is absent.

BUSINESS

Rearrangement

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations) (09:31): by leave—I move:

That general business order of the day no. 51 (Environment Protection and Biodiversity Conservation Amendment (Bioregional Plans) Bill 2011) be postponed till the next day of sitting.

Question agreed to.

BILLS

National Broadband Network Financial Transparency Bill 2010 (No. 2)

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator STEPHENS (New South Wales) (09:31): I rise this morning to speak on this National Broadband Network Financial Transparency Bill 2010 (No. 2), which has been brought here by Senator Birmingham as a private senator's bill. The bill requires the NBN Co. to prepare a business case for the NBN and the Productivity Commission to prepare a cost-benefit analysis of the NBN. This is just yet another example of the opposition's absolute opposition to the NBN in any shape or form and its determination to create as much mischief about the NBN as can possibly be created. It is largely the same bill that Mr Turnbull introduced last year into the House. It was voted down on 19 November.

Now that the bill has been amended in recognition that the government released the NBN corporate plan in December last year, the only thing that this bill now does is require the Productivity Commission to do a cost-benefit analysis of the NBN by 1 December this year. The time frame was ridiculously short when the bill was introduced last year, and again it shows that this is not a serious bill that the opposition wants to debate, because a proper cost-benefit analysis could never be done in 3½ months as this bill requires. It is important, too, to note that the Productivity Commission does actually have a forward work program and budget, and there is no provision there to support this initiative at this time.

Having said that, on the merits of us doing a cost-benefit analysis, we know that on the cost side of the ledger the NBN is an investment; it is not a cost. The corporate plan shows a return on investment of a little over seven per cent and we know from the Greenhill Caliburn report that the assumptions underlying the revenue and cost projections in the NBN corporate plan are reasonable. On the benefits side there is also plenty of evidence already. The OECD, the UN and Access Economics all say that investment in high-speed fibre platforms will generate billions of dollars in economy-wide benefits. Two Access Economics reports that have been released by the government show that the benefit to telehealth on its own in Australia could be between $2 billion and $4
billion a year and that Australia could save between $1.4 billion and $1.9 billion a year if 10 per cent of the workforce tele-worked half the time. The OECD says: 'Effective use of high speed broadband can provide significant improvements in productivity and efficiency across a number of sectors, such as energy, health, education and transport.'

As someone who is a member of the Joint Committee on the NBN, I can say that in our recent visit to Broken Hill we examined the backbone work that has been going on there and the extent to which the whole community of Broken Hill and the region of western New South Wales have embraced the concept of the NBN and its potential. It really reminds us of the extent to which people are waiting with bated breath to engage with the NBN. Wherever we went on those field visits, people were asking us, 'When is the NBN coming to us?' We identify the potential, particularly around the issues of e-learning, e-health and e-commerce, and we know that the NBN is going to provide those opportunities for many parts of regional Australia.

The United Nations says in its report:

Broadband is the next tipping point, the next truly transformational technology. It can generate jobs, drive growth and productivity, and underpin long-term economic competitiveness.

An IBM study in 2009 found that even a fibre-to-the-node network, an inferior network to that which we are building here in Australia, would conservatively boost the NPV of GDP by between $8 billion and $23 billion a year over a 10-year period, and jobs by 33,000 by 2011 in an economy operating at less than full employment. We can see that there is extraordinary potential for the NBN.

This is not a bill that we should be supporting; it is just a half-hearted attempt to throw up roadblocks to the NBN rollout. As I said, it is another piece of mischief by the opposition, who are fundamentally opposed to the NBN and what it represents. The NBN, as we all know and appreciate, is critical infrastructure. It will connect our rural and regional centres to our main cities and the wider world with world-class broadband. It is interesting to note how accepting people here in Australia are about the speed of their broadband connections when, if you travel overseas, particularly in Asia, they have leapfrogged us and have access to high-speed broadband and internet connections which are the envy of us, if we could only imagine that it was so. Here in Australia we are really behind the eight ball in this.

The NBN will deliver affordable high-speed broadband services to all Australian homes, to businesses, to schools and to hospitals, no matter where they are located in Australia. Equity of access is the fundamental principle. As Australia's first national wholesale-only communication network, the NBN will also support genuine competition in the telecommunications sector for the first time, which has to mean better outcomes for consumers. Right now what we have is a vertically integrated, privately owned monopolist—Telstra. The NBN will connect 93 per cent of premises in Australia with optical fibre, delivering speeds of up to one gigabyte per second, which is many, many times faster than people experience today. In fact, the potential of the NBN is yet to be imagined in some parts of economy. All remaining premises will receive next-generation wireless and satellite technology, providing speeds of 12 megabits per second.

We know absolutely that the NBN will dramatically improve Australia's communication environment, and Australians are already lining up for those services. There is an overwhelming level of support in communities. The percentage of households that signed up for a fibre connection in the
mainland first release sites averaged about 75 per cent—88 per cent in the first release site near Armadale, 90 per cent in Willunga, 78 per cent in Kiama Downs, 62 per cent in Townsville and 52 per cent in Brunswick. People are really hungry for this technology and are anticipating its potential and the way in which it is going to improve their lives and opportunities. The NBN services were officially launched on mainland Australia in Armidale, a good country town focused on its university community, on 18 May; in Kiama Downs and Minnamurra just a few weeks ago, on 29 July; and in Brunswick on 4 August, only a few days after the NBN committee had been there and inspected the extraordinary infrastructure that has been put in place. It really is mind blowing, and people need to go and see what this infrastructure looks like—how smooth and how unintrusive it is but also what its potential is. It will transform the way people think about internet access and the World Wide Web.

NBN Co. has also commenced construction in nine of the 19 second release sites that were previously announced, which is going to cover 50,000 premises across Queensland, New South Wales and the ACT. I heard yesterday the concerns and the arguments that were raised by Senator Humphries, for example, about the expectations of the people of Gungahlin and other people in the ACT. The point that Senator Humphries was making yesterday, saying, 'Oh, well, we've got TransACT here and that's a good provider,' really does not go to the issue of how competition will improve access to services and reduce the costs over a period of time.

This piece of legislation—as I said, a mischievous piece of legislation, really, to bring us here today—has been seriously considered in terms of its effectiveness. The viability of the NBN has been very clearly examined by the 2010 McKinsey-KPMG implementation study that was released in May last year and again by the Greenhill Caliburn review of the corporate plan, which was released on 14 February 2011. Based on the conservative assumptions of the NBN Co. corporate plan, the NBN will support uniform national wholesale prices that will support affordable retail prices, and the plan shows that the Commonwealth's investment will be repaid with a return that exceeds the 10-year bank rate. Greenhill Caliburn found that the key assumptions underlining the revenue and cost projections in the NBN corporate plan were reasonable and sound and, being a viable business in its own right, the NBN will also have broad economic, social, educational and healthcare benefits, as I have said. The rollout of the NBN will be subject to ongoing scrutiny from a joint parliamentary committee, of which I am a member, and the Freedom of Information Act. This bill is a clumsy case that is about making mischief and slowing down and putting roadblocks up to the NBN rollout.

The definitive agreements between Telstra and the NBN Co. announced in June will also improve the construction process and are providing NBN Co. with immediate access to Telstra infrastructure, such as the pits and pipes in the second release sites. We saw really good examples of that when we inspected those facilities in Brunswick last month. Building on the fibre rollout, on 3 August the NBN Co. also announced the first communities to receive NBN Co.'s high-speed fixed wireless service. The first to receive the service will be homes, businesses and institutions in the less densely populated rural and remote communities that surround Geraldton in Western Australia, Toowoomba in Queensland, Tamworth in New South Wales, Ballarat in Victoria and Darwin in the Northern Territory. I know, from speaking to my colleagues in the Northern Territory, that
they are really keen to see that rollout there. It is very important for the Northern Territory, particularly, to have access to improved technology services. Customers will be able to access services over the network which use the latest 4G wireless technology from the middle of next year.

We are now seeing communications often being led by Regional Development Australia or by councils actually preparing their communities to be national broadband ready. The challenges around doing that are about understanding the potential and the capacity of national broadband and the way in which it can be used to improve everything from e-health and e-commerce through to productivity. In Broken Hill we saw the way in which the NBN was going to be used to facilitate the establishment of a film studio—an amazing facility that will enable Broken Hill to capture the opportunities presented. More than 60 films have been made in Broken Hill over the years and it is commonly used to make advertisements. It is very bad luck, as we heard only a little while ago, that the next Mad Max movie is not going to be made there because it is too green. There are many opportunities for that film studio to bring a whole arts precinct to Broken Hill, and without the NBN that could not possibly happen.

On 1 July NBN Co. launched its interim satellite service, bringing forward the availability of enhanced broadband services for regional Australia. I heard yesterday the Minister for Broadband, Communications and the Digital Economy explaining how the whole of Victoria was covered by that service, particularly around Ballarat and Bendigo. As someone who has to use satellite services, I can tell you the frustrations of not having a decent broadband connection. It is very frustrating and it is very expensive. The current service is not very reliable on cloudy or rainy days, and it is critical that we make sure we improve our satellite services in this way. The interim satellite service will be available to individuals and small businesses that cannot access metro comparable broadband services ahead of the NBN Co.’s long-term satellite services in 2015. I am hoping that by then maybe Goulburn’s services might extend a little beyond the town boundary and I will not have to use satellite services anymore.

This bill is a frustrating bill. Yet again the opposition is trying to prevent Australians having a world-class, affordable broadband service. In the Joint Committee on the National Broadband Network we talked long and hard about the issues of transparency and scrutiny of the rollout. That is the role of the joint committee, and we have been diligently thinking through how we will be doing our six-monthly reporting to the parliament on those issues. The government welcomes transparency and scrutiny, but continued analysis and scrutiny of one of the most scrutinised projects ever funded by the government is without merit. What the opposition has proposed today is a furphy. It will certainly add further costs to the rollout and it will continue to deny high-speed services for all Australians.

The second part of the bill, which requires the Productivity Commission to prepare a cost-benefit analysis of the NBN, is really calculated to delay the NBN. It follows a pattern we have seen the opposition follow several times in the past. We saw it when we introduced our competition and consumer safeguards legislation in 2009—the opposition did not want to debate the issue until we produced an ACCC report on the original NBN tender process, and we did that. Then they would not debate the bill until the implementation study was released, and we did that too. Then, when the competition and consumer safeguards bill was last debated, they filibustered—they put
19 speakers on the list for debate, so we could not take it to a vote. We have already had a Senate select committee into the NBN, which was extended five times and produced five reports. NBN Co. CEO Mike Quigley willingly comes to Senate estimates three times a year. The government has established, as I say, the House of Representatives committee to examine the benefits of the NBN, and the Joint Committee on the NBN that the government agreed to establish has been holding public hearings. As I said, we most recently had public hearings in Melbourne and Broken Hill. The joint committee has a balanced composition of members from the government, the opposition and the crossbenches, and very broad terms of reference. Of course one of the members of the committee is the shadow minister, Mr Turnbull. Mr Turnbull is getting all of the information that he needs, and he is seeking to do more through the committee process—which is a much more appropriate way of teasing out these issues than seeking to have the Productivity Commission prepare a cost-benefit analysis in a ridiculously short period of time.

It is pretty hard for me to see how the opposition can continue with its dishonest attempt to portray the government as being anything other than open and transparent about the NBN. As I say, now the opposition wants to legislate for a Productivity Commission cost-benefit analysis. But, the shadow minister has admitted that even if a cost-benefit analysis for the NBN came back unequivocally positive, he would refuse to guarantee the opposition's support. So what is it that we are really about here? We could look at whether there are cost-benefit analyses on some of the opposition's plans—whether it be the shadow minister's water plan or the OPEL regional broadband plan. We have never seen cost-benefit analyses on those things.

This NBN process has been the most scrutinised and investigated process that I can ever remember. We do not need to go yet again to the Productivity Commission to burden them in a time when there are no resources and no time available in the forward work program for the Productivity Commission. The opposition have said that regardless of what the Productivity Commission says, anyway, they are not necessarily going to accept the findings. I suggest that this is another mischievous opposition attempt to delay the NBN.

Senator HUMPHRIES (Australian Capital Territory) (09:51): I see that the government is determined to push ahead with the National Broadband Network. The government is determined to ensure that the decision announced a couple of years ago to develop a very expensive, very elaborate and very anticompetitive broadband regime for this country should proceed, notwithstanding that this model was put together in essence in a very short space of time.

In circumstances such as these the relevance of the government's own promise to the Australian people before the 2007 election that it would not proceed with major government developments or infrastructure projects without a cost-benefit analysis
became far more relevant—and this is the granddaddy of all government developments or infrastructure projects. It is the most ambitious thing that Australia, collectively, has engaged in and it lacks that very essential prerequisite of a cost-benefit analysis, which Labor itself made such a virtue of advocating for before the 2007 election. That is why this legislation is before the Senate today.

The opposition does not, in any sense, question the need for Australians to have a fast, reliable broadband network that can be accessed by Australians at an affordable price; we do not demur from that goal. But we question whether the government has done the basic homework necessary to assure the Senate, the parliament and the Australian people—the taxpayers—that there has been the right choice in this network, the National Broadband Network, over other alternatives. That is why this legislation calls for the cost-benefit analysis which the government failed to do.

We are implementing your policies with this legislation. We are holding you to the commitment you made to the Australian people back in 2007 because we believe in fiscal rectitude and the prudent use of the taxpayers' dollars. We do not think that there is any way that the very much afterthought type exercises that this government has engaged in around its implementation of the NBN can be justified as a proper, full and complete cost-benefit analysis of this major project. That cannot be allowed to stand if the commitment of the Australian people is to stand in the order of $50 billion.

Of course, during the last few years of the previous Howard government moves were underway to deliver high-speed broadband to Australians through the OPEL policy. I have heard criticism that the Howard government came to this position late, but I remind honourable senators that technology changed so quickly in the period before that decision was made, and continues to change so quickly, that it is right to hold back until the best available technology emerges in the marketplace. That is exactly what the Howard government did. It planned to deliver high-speed broadband with OPEL, not in competition with but in cooperation with the private sector. I believe that that plan would today have delivered reliable high-speed broadband to thousands of Australians—in fact millions of Australians—who are still waiting for the NBN.

Senator Conroy, the minister, likes to cast the debate in terms of the government being on the side of modernity and the coalition being atavistic, that they are grasping the future and we are clinging to the past. But with those broad statements and emotional lines he ignores the truth that this investment is of such a magnitude and involved in an area of technology subject to such rapid change that it is unwise in the extreme to proceed without every possible check and review and every possible testing of the market that the government might have at its disposal and that, in short, by doing so the Australian taxpayer is fully protected.

There are a number of nagging doubts that any observer of the communications market would have to have in looking at the way in which the NBN is constructed. For one thing, it is the most expensive possible way to achieve the objective of fast, reliable broadband. It uses the most expensive possible network design: fibre to the home. It makes no use of existing fixed-line last-mile communications infrastructure. In fact, it overbuilds all of that. In that sense, it is colossally wasteful. It is as if you decided that your kitchen needed to be renovated, your bathroom was in need of a bit of an uplift and that the back porch needed to have the floorboards replaced so you decided to...
knock the whole house down and rebuild it. That is the extent and the breadth of the decision that the government has made.

Again, it might be the right decision—but we just do not know, because a full cost-benefit analysis of this option versus the alternatives has not been done. We know that the NBN is the most anti-competitive way to achieve the objective of building universal access to fast broadband. Senator Stephens said that competition would exist in the marketplace. In a very real sense it is not going to exist in the marketplace. The NBN will be a new government owned monopoly, and all potential direct fixed-line competitors to it will be prevented from competing by a legislative or contractual constraint. That is even true for Telstra's HFC pay TV cables, which pass almost a third of all Australian households, and which could provide NBN-level broadband service almost immediately if the owners were provided with the appropriate incentives and regulatory environment. That is not what is happening. There is no competitive involvement at that level: it is NBN or nothing. It is in a very real sense the riskiest available option to the Australian taxpayer. We know that the contracts NBN Co. is planning to sign to get the NBN constructed are extremely risky. By shifting to a cost-plus model NBN Co. has shifted a large and unquantified amount of economic risk onto taxpayers. It is taxpayers who are in the main liable for any cost blow-outs—so much for the government's ridiculous previous claims that 14 major Australian construction companies which failed to meet its price target were colluding in an attempt to gouge taxpayers. Not so.

And we know that NBN Co. is no longer just a carefully regulated wholesaler providing a last mile level playing field where other carriers compete, as the government initially promised it would be. Instead, we find it muscling into new activities and displacing private sector rivals in areas as diverse as broadband infrastructure at new housing estates, communications needed by defence agencies and many services that existing carriers sell to large corporations. Mission creep is what is happening here, and it is a very easy thing to occur when you can access as much money as you want at the government bond rate. Again, this concept is changing. It is changing all the time in scope, in cost, in structure and in leadership as we look at the reshuffle that is going on at the moment. All of these changes demand some rectitude in the overview provided by the government and other regulatory bodies about the way in which it proceeds.

To justify the vast expansion of the public sector and the overturning of decades of bipartisan agreement on the merits of private ownership of business operations, unfettered competition and competitive neutrality between public and private entities, the government points to the economic and social benefits of broadband—on that there is no dispute. Senator Stephens spent a lot of her speech talking about the wonderful things that broadband will do—film studios in Broken Hill, schools being able to do things they could not do before and e-health strategies and so on. All of that is agreed. But I could come forward to Senator Stephens and describe the wonderful benefits of a Maserati motor vehicle—what great things it can do that an ordinary Holden Commodore cannot do, how much faster it can travel, how brilliant the wheels are and what other fantastic things it does. The question that Senator Stephens has not asked herself is: how much is it going to cost, is it actually what we need, and can we get from A to B more affordably? This is a very real point to make, because we know that the biggest impediment to universal internet access in Australia is cost.
It is very largely in lower socioeconomic groups that internet access is least penetrat-
ing, and the more elaborate, the more gold plate-
ded, the more expensive the model the government chooses, the more those very sorts of people are going to find it harder to access this new National Broadband Net-
work. So to talk about the wonderful things it does is, I think, not the point. The question that Australians need to have answered is: how much is it going to cost us? I have no doubt that any particular community you point to and say, 'We can roll out this NBN to you; when do you want it?' will say: 'Yes. Do it now. We want it yesterday.' But, at the end of the day, the question is not what they want now; the question is what they get and how much they are prepared to pay for it. Those are the questions that this legislation would be able to help answer, but with opposition from the government they may not get answered.

Senator Stephens referred to the NBN as being not a cost but a benefit. Indeed, in one sense it is, but you cannot divorce the cost from the benefit, and we need to know what those benefits are and how much they will cost us. She made the point about the NBN being unobtrusive. I refer to my remarks yesterday in the chamber, where I said that unobtrusive depends very much on the manner of rollout. The NBN regime will have the capacity to provide rollout in essence in any way that it wants. Although yesterday we dealt with legislation that provides for the infrastructure to be rolled out in greenfield estates in a way which is, in Senator Stephens's words, 'unobtrusive', the same guarantee cannot be provided with respect to rollout in existing residential areas of our cities and towns, because NBN is essentially able to override local planning regimes, and the capacity to do great damage to the aesthetics of local communities remains there. I particularly refer to my remarks about what was happening in the ACT, where we have a longstanding custom of no overhead wires between the street lights or the power poles running up our streets—but that may change. It could change under the NBN. Today I repeat my call for the minister to assure us that that will not occur. I would be very happy to receive that assurance and be told that I am scaremongering, but until I hear it I am going to continue to make this point.

The fact is that the Labor government has rushed forward to do what it needs to do for political purposes, and the proper assessment and evaluation of alternatives simply has not taken place. I note that in 2007, when Mike Quigley was still at Alcatel-Lucent and had to face shareholders who were not legally required to hand over money at taxpayers' expense, the company put out a white paper titled Deploying fibre-to-the-most-economic point. Not surprisingly, he concluded it does not always make economic sense to lay fibre all the way to homes in existing networks.

In fact, the paper concluded:

… the economics of FTTN are hard to resist, given cost points that can be 50 percent or less than those of PON—

or passive optical networks. In fact, this very architecture is currently being rolled out across many parts of the world. In the UK, for example, we see British Telecom planning to connect over six million house-
holds to next-generation fast broadband using fibre to the node and only two million households using fibre to the home. I have to say that it is extraordinary that the Labor government not only has refused to contemplate this architecture for any of its NBN but is in the process of signing a deal with Telstra that will actually make such a design far more costly than it needs to be should a future government of either side wish to pursue a more affordable and less disruptive architecture. This is not the way in
which a government should lay the foundation for a flexible network capable of adapting to changes in market demand or technology. That is very much not a feature of the NBN.

I note that the leadership of the NBN is changing in a way which, to be perfectly frank, does not inspire a great deal of confidence. Major changes were announced just yesterday, and some of this was supposed to have been scheduled and planned, but it does not look like that. I have to say that I agree with the opposition's communications spokesman, the member for Wentworth, who described the NBN project as 'chaotic'. He said that NBN Co. had already lost two senior employees in the construction division after an earlier tender process was abandoned and still had to sign construction contracts for many second release sites. He said:

This is an organisation which, at last count, had more employees than customers so the workload can hardly be to blame for the shake-up … It is an organisation employing 47 executives on salaries of more than $300,000 a year, so the NBN Co can hardly claim that it is working in an environment of restrained resources.

Those concerns, while not definitive of the problems at NBN, ought to leave Australians in a position of wanting answers—answers which, of course, they cannot receive because this government has not commissioned the Productivity Commission to do a thorough cost-benefit analysis. That is the point of the National Broadband Network Financial Transparency Bill 2010: it is to give Australians that assurance that the homework has been done before the money is spent. If anything the changes of recent days—the changes to the scope of the project, the changes in leadership and the changes in the anticipated cost of the project—lend themselves more and more to a full, appropriate, arms-length assessment of what is going on. For that reason I think it is imperative for the Senate to consider its responsibilities to the Australian people and ensure that this project gets that analysis.

I suspect that in only a few years time it will be possible for those of us who sit around this chamber at that stage to point fingers—presumably all from one side of the chamber to the other—saying, 'Everything you said about this didn't come true.' I hope it is going to be my side of the chamber that is pointing to the other side and making that accusation, but, whatever the outcome, I can say with some confidence that at least if a cost-benefit analysis had been done we would not have had to operate in that field of doubt. We would not have had to proceed on the basis of a wing and a prayer: 'Let's hope this works. We like the product; let's see if we can afford it at the end of the day. We think it might be great, but we just don't know.' All those questions are unanswered and, at the cost of $50 billion to the Australian people, I do not feel comfortable not being able to answer those questions.

Senator LUDLAM (Western Australia) (10:11): I am really pleased to be able to speak on this bill this morning. The Australian Greens will not be supporting it, for the same reason that we have not supported various iterations of identical proposals over the last year or two. I am glad Senator Birmingham has joined us; good morning, Senator Birmingham. I am wondering whether when you rise to speak you could tell us how many times in both chambers of this parliament you have served up a proposition to subject NBN Co. to a cost-benefit analysis, because I have actually lost track.

Senator Birmingham interjecting—

Senator LUDLAM: Could you take that one on notice. I admire the perseverance, and
I will just speak briefly about why we will not be supporting this bill.

Firstly, we have nothing against the Productivity Commission or the instrument of a cost-benefit analysis where it is applied in an appropriate context. You would be aware that the Productivity Commission pops up pretty regularly in the carbon price agreement, performing various studies and checks and balances. We were quite pleased, in our agreement with the government to make it more difficult for a future government to sell NBN Co. back into the private market, that the Productivity Commission will be the ones doing the analysis of whether or not it is in the public interest to sell NBN Co. in a decade or so's time. So we have nothing against the PC.

The problem, of course, is with applying a cost-benefit analysis to a project such as this—and this has been well canvassed on many occasions. Seeing as how the coalition have bolded up again, I am happy to describe again why we think it is the wrong instrument. There are the costs. How do you assess the costs of the NBN? How do we look at the cost side of the balance sheet? NBN Co. has published its business case; that has been peer-reviewed, and now it is the job of the Joint Committee on the National Broadband Network—which is chaired by Mr Rob Oakeshott, of which I am a member and which was an initiative of Senator Xenophon, who has just joined us—to watchdog the process and the project on a month-by-month basis to keep track of costs. The problem is that it is cost positive. It is a business; it provides revenue to the government. So how do we assess what the cost of the project is when in fact it is going to be generating revenue for the government and will in time pay its costs back? What does Senator Birmingham propose that we put on the cost side of the ledger?

Senator Birmingham interjecting—

Senator LUDLAM: The glass is still half full, Senator Birmingham, just as it was last night. On the benefit side, how on earth do you calculate the benefits? What you need to do is monetise an entire range of quite intangible propositions about the benefits of NBN Co. and then add them up—monetise them and add them up for all future benefits for all time, for a network of fast fibre that does not yet exist. I have no idea how the coalition would propose to do that.

But let us say that it were done. You would then need to provide a sensitivity analysis to show how the variables you threw into the cost side and the benefit side influence the results that fell out of your spreadsheet. Of course, a sensitivity analysis, if it is done with any degree of honesty and rigour at all, will show you that you can make the benefit side of the equation say pretty much whatever you like, depending on your degree of hostility to the project. What benefits will fall out depend on what variables you plug in. If we had done a cost-benefit analysis of the electricity grid we would not have built it because we would not have been able to monetise the benefits but we would have been able to estimate the future costs and say, 'That's going to be expensive; what are the benefits of that going to be?' How should we total up the benefits of having electricity, running water, roads, railways? We would not have built these things. Fortunately, we have a bit of an idea of what a cost-benefit analysis of the NBN would look like because somebody actually did one. Professor Henry Ergas and his colleagues attempted one in 2009 and they presented it to what was then a select committee on the NBN. They acknowledged that it was pretty rough, that it was a bit back-of-the-envelope, but at least they had a go.
What did that cost-benefit analysis find? It found that it was inefficient to proceed with the NBN if costs exceed $17 billion. Of those intangible variables that you plug into the spreadsheet, they decided $17 billion was the figure; that there would be no utility in building the NBN if it cost more than $17 billion to produce. They estimated, actually, that the costs outweighed the benefits by something in the order of $14 billion to $20 billion in net present value terms, which means you have got to pay very careful attention to the kinds of discount rates that they apply and all the bizarre mathematical formulas that they have to come up with to decide what the benefits of this network that does not yet exist will be. That is why we think it is an inappropriate mechanism. We know why the coalition have been so persistent: they want a rerun of that. They want to be able to stand up and wave around a stack of figures and say, 'Because it costs more than $17 billion, we'll be better off going and spending the money on more roads or more coal fired power stations’—or whatever it is that the coalition would prefer to see the public money spent on. I think on both the cost and benefit sides of the equation we would be wasting the Productivity Commission's time, even though it would potentially provide quite a useful political tool to the coalition.

There is a second strand of argument that says, 'Don't build it because there might be some future technology coming down the road that will make the NBN obsolete.' I think that is just basic ignorance of the laws of physics. And I wonder how long the coalition would prefer to see the public money spent on. I think on both the cost and benefit sides of the equation we would be wasting the Productivity Commission's time, even though it would potentially provide quite a useful political tool to the coalition.

There is a second strand of argument that says, 'Don't build it because there might be some future technology coming down the road that will make the NBN obsolete.' I think that is just basic ignorance of the laws of physics. And I wonder how long the coalition would propose that we hang around in that posture. They hung around in that posture—'Don't build anything just in case something better comes along’—for 12 or 13 years. It beggars belief that that has become the alternative policy position: 'Don't put in this network because something better might come along.' Something better than electricity might come along as well, that is true. Something better than road transport might come along. Something better than reticulated water might come along. But we built that infrastructure, and at some point you have to say: 'It's time to build the infrastructure for the 21st century.’

Mr Turnbull, by way of alternative, is providing a fibre-to-the-node model that was rejected by the government's expert panel two or three years ago. He is proposing a diabolically awkward, hybrid model that I think will lead us straight back into the swamp of policy paralysis that we spent most of the term of the Howard government in. The coalition when they held the Treasury and government benches told us, against the will of just under half of the numbers in the chamber in this parliament, that all we had to do was privatise the national carrier and the markets would take care of everything. How well did that work out? You sold a vertically integrated, state owned monopoly into the market and then walked away and watched as it squashed its competitors and leveraged its monopoly power into new markets. That is why it was so important that this parliament took the step that it did late last year to disaggregate Telstra, to separate out the wholesale arm so that NBN Co. could get on with the build out and actually repair some of the damage that was caused when Telstra was flogged.

I do occasionally feel a little bit sorry for Senator Birmingham and, indeed, for the member for Wentworth because they are MPs who are technologically literate. They use the technology, they know how it works, they know of the benefits—unlike Mr Abbott and some of the trolls that get wheeled out to just run the party line to destroy the NBN. I think the people who represent through Senator Birmingham and the member for Wentworth must sometimes lie awake at
night wondering how on earth it is that they have been tasked with wrecking this project. It still beggars belief that the National Party get wheeled in here every now and again to try and ruin a proposal to bring rapid world-class broadband to regional areas. I have no idea how their party room accommodated that point of view, but somehow they have managed to, and they come in here to try and smash this thing up. To be completely honest, I have had enough with the trolling of the project, because that is what it has become. Some of the arguments have become pretty marginal. I think the member for Wentworth is doing a reasonably good job, under direction of a technologically illiterate Leader of the Opposition, to at least try and condition some of the arguments to a degree, to provide the watchdogging that this project badly needs, but some of the arguments are so way off beam that they should simply be dismissed.

We tend to be a little bit inward looking in Australia and I think that is actually going to be one of the benefits of the project, that it will hook us up with the rest of the planet as it comes online. But let us just for a moment take a look at what some voices are saying about the project from outside the fishbowl of Australian politics. Dr Vint Cerf, who, along with a team of scientists, is said to have invented the internet in the 1970s and so is one of the real pioneers of the technology, was awarded the US national medal of technology and is a member of the National Academy of Engineering. Here is what he said about the NBN:

I am so envious that you have a government that is willing to make the long term infrastructure investment of this magnitude and of this type. I will be pushing very hard for similar activities in the US but quite frankly you guys are way ahead of us.

And, of course, as the United States teeters ever closer to bankruptcy I think Australia will be in a position to get further ahead. He says:

I consider this to be a stunning investment in infrastructure that in my view will have a very long term benefit. Infrastructure is all about enabling things and I see Australia is trying to enable innovation.

That is a reasonably positive report from Vint Cerf. Eric Schmidt, who senators might know is the CEO of Google, has said:

Australia is leading the world in understanding the importance of fibre. Your new Prime Minister as part of her campaign and now as part of her prime ministership, has announced that roughly 93 per cent of Australians will have gigabit or equivalent service using fibre. And the other 7 per cent will be handled through wireless services of a nature of LTE. This is leadership. And again, from Australia, which I think is wonderful.

Of course, he is in the technology sector and he has probably got a direct interest, you would say, in world-class rapid broadband in Australia. But, still, I think if they thought the project was a dud they would be saying so.

Since opposition senators frequently wheel in motor vehicle metaphors I was interested in this one that I spotted from Jim McKerlie:

"The Opposition is saying the proposal is like building a Bentley when we can only afford a Commodore," McKerlie said. The trouble with aiming to just build a Commodore is you will probably end up with a Go-Cart.

"... I don't think we can afford to end up with that."

Mr Paul Budde, who has given evidence at many of the inquiries that have tracked this project since its inception, is the managing director of one of the world's largest telco research and consultancy firms. Here is what he said:

There are many countries who at this point in time cannot afford to make this investment, and this gives Australia the chance to leap ahead and
give the people and the businesses of our country a head-start in the digital economy. Think about what that can do for job creation and productivity …

Alan Kohler said:
Not only will the NBN not be a white elephant it will almost certainly prove to be a great investment … it could represent, on its own, a huge national savings plan.
I do not know how you fit that into a cost-benefit analysis. He continued:
When it’s finished the asset will be worth several times the government’s investment of $27.5 billion.
That is one of the reasons why the Australian Greens believe that this project should not be privatised—to avoid repeating the mistakes of the full privatisation of Telstra. It should remain in public hands, where we can get the directors of the company in front of estimates committees to be cross-examined by people like me and Senator Birmingham and asked what they are doing with the taxpayers' money. I do not often quote the Australian Chamber of Commerce and Industry, but I am going to this morning. CEO Peter Anderson said:
The instinct in the business community is that there can be a real productivity kick and benefit …
That, to me, seems common sense.
The executive director of Australia’s peak body representing the interests of small business, COSBOA, said the NBN:
… is an equal playing field. You don’t get that too often … We want it, we need it.
So I do not really understand to which constituency the coalition are speaking when they bowl up in here either with well-meaning-sounding amendments like proposals for a cost-benefit analysis or with some of the more elaborate attempts at sabotaging and bringing the project down that we have seen over the last 18 months or so. I do not understand who the constituency is.
I think it is high time we simply got on with not just building the National Broadband Network but also our role as senators in this parliament, which is to make sure it does not cost any more than it needs to. We can do that in this chamber. We can do it in estimates committees. We can do it in the Joint Committee on the NBN, which Mr Oakeshott chairs, which I think is the perfect forum for identifying problems and tracking the rollout of the project.
I look forward to the network coming to Western Australia. If I have any criticism of the NBN project—and it certainly has not been perfect, but, for any project with this degree of risk, this scale of investment and this scale of rollout, there certainly will be risks attached—it is that it is running probably a year behind schedule. That is partly the fault of this chamber and the coalition's blocking tactics. We had Senator Minchin, the Senator for Telstra, running an elaborate series of blocking tactics to prevent the chamber even debating the legislation. Coalition member for Brisbane, Teresa Gambaro, obviously takes a different view. She was complaining that the NBN should be rolled out in her electorate—and that is the extent of my complaint: when is it coming to Fremantle? When is it coming to Kalgoorlie? When is it coming to Albany? I would like to see this network rolled out. I would like to see this parliament doing its job as a watchdog on this proposal and making sure that it is a smooth build. I wonder if Senator Birmingham, when he rises to speak, can maybe tell us whether this is the last time that we will see an amendment such as this.

Senator CAMERON (New South Wales) (10:25): I must say I agree with the bulk of Senator Ludlam's position here this morning,
but I do not agree with him in relation to the position that the member for Wentworth, Malcolm Turnbull, is taking on the NBN. Malcolm Turnbull is there simply doing what his leader has told him to do, and that is to destroy the NBN. I find it quite interesting that the former leader of the Liberal Party, Malcolm Turnbull, who is supposed to be the great business expert and the great technological expert in the coalition, has allowed himself to be bullied by one of the biggest bullies in town—that is, the Leader of the Opposition, Tony Abbott. I think it is about time—

Senator Birmingham interjecting—

Senator CAMERON: Senator Birmingham, I think your position is even worse than Malcolm Turnbull’s, because it is clear what Senator Ludlam said: you profess to understand what the technology will deliver, you profess to be a modern, forward-thinking Liberal—I think that is an oxymoron, by the way; I do not think there is such a thing—and you profess to understand these issues, yet you are part of the team—

Senator Birmingham interjecting—

Senator CAMERON: Now, you do not have to get too snaky about it, Senator Birmingham. You are part of the team that has set out to try and destroy what is one of the best, most innovative and most economically responsible projects ever undertaken in this country.

Senator Birmingham: Don’t make me laugh too hard!

Senator CAMERON: It is not hard to make you laugh, Senator Birmingham, but you should be laughing at yourself. Your lack of commitment to the future of this country is clearly on display. Here we have another member of the team just walking in, Senator Macdonald. We will hear all the arguments, all the ranting and raving, from Senator Macdonald, but he has obviously not spoken to Ms Gambaro, who wants the NBN in Queensland. He has actually said in some of the Senate hearings that he has had complaints from some of the regional sectors in Queensland that they are not going to have the NBN.

The NBN is something that the coalition could never have delivered, could never have thought of. Why? Because they are a policy-free zone. All they are are wreckers. All they are about is negativity. All they are about is a mad scramble for government. They just cannot get over the fact that the Australian public would not put them in, that they were not trusted enough to get a majority, at the last election. So they will do anything, they will say anything, they will prostitute the few values that they have to push forward and try and destroy the NBN.

And what are we doing? We as a government are setting about delivering significant improvements in broadband service, with a quality service to all Australians, something that the coalition did not have the capacity to do in 11½ years. I was not here at the time and I am not sure how many failed broadband policies you had. I think it was something like 20 at the last count. And what did you do? You allowed Sol Trujillo and his team to stand over you. It showed how weak you were as a government when these imported chief executives came here and stood all over you, demanding that you lay off Telstra and allow them to do whatever they liked. And what did you do? You capitulated to Telstra. You did not have the intestinal fortitude to deal with them. You could not deal with them. They stood over the top of you. It is a bit like what is happening to Senator Abetz at the moment, where he is being stood over in the Liberal Party by other Liberals who do not agree with him. There is no leadership from the Liberal Party in their internal politics and no leadership in their national politics. Steve Ciobo is stand-
ing over the Leader of the Opposition in the Senate. It is a disgrace.

But what we are trying to achieve is a significant broadband service and an addressing of the lack of high-speed broadband in Australia, particularly outside the metropolitan area. We hear so much rhetoric from the National Party about the bush, but they have delivered nothing to the bush over the years. The federal government has done more for regional development in our time in government than the coalition could ever have contemplated and did not do over 11½ years. And we are doing lots more. There was absolutely no capacity to deliver to the bush, and it has been left to a Labor government to deliver broadband into the bush.

Senator Ian Macdonald interjecting—

Senator CAMERON: Senator Macdonald laughs. The only thing I have in common with Senator Macdonald, I have to say, is this morning's tie for the Cancer Council. That is about it.

Senator Ian Macdonald interjecting—

Senator CAMERON: Senator Macdonald, you raise your heritage. I am not sure there are too many highly conservative Macdonalds in Scotland. If you were trying to be a politician in Scotland, my friend, you would never be a politician, because in Scotland we know what the conservatives do. If you say to people in Scotland—I am not sure you have ever been there—'I am a conservative politician,' they would look at you aghast. You are an absolute disgrace to the Macdonalds. The Macdonalds in Scotland actually stand up for working class people. They stand up for people's rights—not like you standing up for big business. You are a disgrace to the Macdonalds. Don't you lecture me about heritage.

Senator Ian Macdonald interjecting—

Senator CAMERON: I am not going to enter into a debate with Senator Macdonald on Scottish heritage, which he would know very little of. My position is quite clear: if you want to do something decent for this country, you deliver the NBN.

What did Tony Abbott say? He said that he wanted to destroy the NBN and that Malcolm Turnbull would be in there to do it. That is what we are seeing here. We are seeing the negativity of the coalition. They have no policies, no ideas and no capacity to ever deliver a decent idea other than negativity in this chamber. I certainly will not be lectured by Senator Macdonald, who came into the chamber the other night and waxed lyrical about Alan Jones and his 8,000 demonstrators out in front of Parliament House. I think I have seen somewhere between 800 and 2,000. The best you got was 2,000. I reckon it was about 800. I do not go down to listen to Alan Jones, the other arch-bully, out there trying to bully journalists: 'You do what I tell you or you shut up.'

Alan Jones is not an example of the common decency of Australians. Alan Jones, the leader of the wreckers out there, calls himself a 'broadcaster', whatever that is, so that he can mislead people. There is no need to deal with the truth. Just say what you like. Just tell lies. Tell the public misinformation. That is the type of leadership that is out there, and Senator Macdonald came in here all excited. He had got his youth back! He was a little puppy dog. The tail was wagging. Out there were 8,000 people bringing the government down. It was a pathetic performance. But, for somebody who operates the way Senator Macdonald operates, that is nothing unusual.

First of all, what we need to learn from this is that Senator Macdonald cannot count. He is a bit like a mini version of the whole
Liberal Party. They cannot count. They cannot get their books right. There was $10 billion at the last election. They could not get their budget right. Now they have $70 billion that they have to find, and part of that will be at the expense of projects that actually help this nation—projects like the NBN, projects that will deliver benefits right across the country. People need to understand that you have people like Senator Macdonald, who cannot count. You have a Leader of the Opposition like Tony Abbott, who in his first decision on economics put Senator Joyce in as the finance spokesperson and then had to sack him a few weeks later because not only was he incomprehensible, not only could he not develop policy, he was bringing any remnants of the so-called Liberal economic prowess down. I do not believe in the Liberal economic prowess anyway. I have said in this place many times that Peter Costello was the most overrated Treasurer this country has ever had. He was overrated and he under-delivered, and he had absolutely no backbone. He could not stand up to John Howard. Even when John Howard was tottering on the brink of getting out of parliament, Costello could not bring himself to actually stand up for his own position. What did Peter Costello leave us? He left us with one of the lowest productivity figures in the OECD. He left us with no research and development of any capacity. He did not have the guts to deliver on climate change. He was just pathetic and overrated.

I have to tell you that the opposition have lost the plot completely. I believe they were economically incompetent when they were in power; it was simply about money rolling in and money rolling back out. There was absolutely no planning for the future, just economic incompetence. Senator Macdonald said that I am killing him because he is laughing so much. Well, he can laugh on, because that is the absolute truth of the matter. It was an incompetent government for 11½ years which had no idea and could not deliver on the NBN. The only argument they could put up to try to improve productivity in this country was Work Choices. Senator Macdonald supported Work Choices, and Senator Birmingham—the brave, new, future look of the coalition—supported Work Choices. People need to understand that Senator Birmingham voted consistently for Work Choices.

Senator Birmingham interjecting—

Senator CAMERON: That was your argument outside the parliament. Your argument was that you would go for it.

Senator Birmingham interjecting—

Senator CAMERON: You would do anything. You support Work Choices now, don't you? We hear all the arguments from you about the need for labour flexibility, and what does that mean? Rip away workers' penalty rates and take away their annual leave loading. We know what it is all about. Give them no rights. Sack them whenever the boss wants to sack them. This is what the coalition is about. No wonder the coalition were described as mean, tricky and nasty by their own people.

What we want to do is get a national broadband network up. Why do we want to do it? We want to do it because people like the Group of Eight—that is, the coalition of leading Australian universities—said this:

High-speed broadband network provides the capacity for distant doctors or patients—or midwives for that matter—to have real-time interactions with specialist colleagues in an urban setting if they need it …

... ... ...

Broadband connectivity allows clinicians, wherever they are, to engage in things like grand rounds—when patients of interest are discussed in teaching hospitals, people who are not physically
in that building can connect in real time and participate in the questions and answers.

... ... ...

... it can take years to get thousands of people in a normal randomised controlled trial. We can do online automated randomised controlled trials with people in their houses in a few months.

This is the Group of Eight. This is the coalition of Australian universities who say, 'Here are the possibilities of the NBN.'

I will just mention a couple of other groups. The Coalition of Small Business Organisations of Australia are the people that the coalition say they stand up for. They say, 'We stand up for small business.' So when they are trying to destroy the NBN let me just remind you of what the Coalition of Small Business said to the Senate inquiry:

There are 2.4 million small businesses ... They are diverse, but I think I can say with confidence that the greater bulk of them want ... access to affordable and high-speed broadband ... for competitive reasons as much as anything.

The other group of people who are really fascinating are women on farms, and COSBOA had this to say:
I have seen a few of them use the internet quite well to sell products ... and I know one young man is manufacturing and selling golf clubs online and doing quite a good job of it.

Then we go to education, and the Association of Catholic School Principals of New South Wales said this:
E-learning is truly already a reality in our schools. We have moved from paper to e-books to personalised learning and now to e-publishing in a relatively short time. Scalability is necessary to allow us to continue to grow, as I said, and to provide 21st century skills—

I will be interested to hear Senator Macdonald's arguments on scalability; he probably does not know what it is. It goes on:

Our school cannot meet the needs of the 21st century learner with 20th century infrastructure. Hence, the broadband is so important to us. Students are, as we know, the very greatest asset we have. The children of Australia, we believe, deserve an education that enables them to be global citizens of the 21st century. The 21st century classroom is currently grinding to a 20th century halt without fast reliable access to the internet. We dream of the possibilities for our children and believe that national broadband really does have the potential to make some of these dreams a reality for students.

This is the Association of Catholic School Principals of New South Wales, who were effusive in their support of the National Broadband Network. And what wouldn't they be? Because it is correct. It is about bringing new technology to how we deal with health, how we deal with education and how we deal with doing business in this country. If the coalition were half reasonable about this they would actually be saying, 'Let's get on and build this,' instead of running these arguments about cost-benefit analyses that are just so much nonsense. We had Optus appear before the inquiry I was chairing. Mr Krishnapillai, one of the key executives of Optus, said this in response to Senator Fisher:

There are probably a few things in there. The first thing is: I am personally of the view that in a decade’s time we will be looking back and wondering what all the fuss was about; because the connection of broadband to every home and every business and the capacity that it will enable—in my view—will lead to a flourishing of business opportunities and applications that we cannot forecast today. I know it is a difficult equation to add into any cost-benefit analysis.

What Optus is saying is that you cannot do cost-benefit analyses on the potential of the National Broadband Network. There is so much untapped potential there. There are so many unknowns. Senator Ludlam outlined what the OECD is saying about it and what other businesses are saying about it. It is the
way of the future, and the coalition is the party of the past.

Senator IAN MACDONALD (Queensland) (10:45): This is a debate on the National Broadband Network Financial Transparency Bill 2010 (No. 2). Given that it is a debate, I should debate some of the comments made by the two previous speakers. I say to both Senator Ludlam and Senator Cameron—and this distresses me a bit, because I am not usually into personal denigration—that if you want to get into the personal attacks then you will get it back double from me. You of course will not want to wait around to hear it, Senator Cameron. Typically of you and your union bullies who run the Labor Party, you throw the spears and then escape before anyone else can have a say.

I first turn to the 'contribution', as I will call it—although it was hardly a contribution—by Senator Ludlam. If you ever needed any evidence of who is running this country you only had to see the apologist line Senator Ludlam took in his speech. Everything the Labor Party did was good; everything the coalition did was bad. I am sorry, Senator Ludlam, but none of us on the committee and none of us in this chamber shares your very high level of intellect when it comes to telecommunications matters. I am sorry about that. Please forgive us for not having all your intelligence, as you were telling us in your speech, but some of us do try to struggle by.

Senator Ludlam told us, with his superior knowledge, how the Labor Party has been doing everything right. Clearly Senator Ludlam falls into the same category as Labor Party people who, when it comes to spending other people's money, are first-class masters. They and socialists around the world find it easy to tax ordinary hardworking Australians to collect their money and then waste it on the stupidity of the projects of socialists like Senator Ludlam and Senator Cameron.

Senator Ludlam, despite his great intellect, could not understand how you would work out the costs in calculating a cost-benefit analysis that this bill calls for. Senator Ludlam must wonder how the Productivity Commission has worked out costs on everything they do cost-benefit analyses on. He must wonder how Infrastructure Australia can do cost-benefit analyses on all the things they do analyses on. I could tell Senator Ludlam what the cost is for this white elephant that Senator Conroy has established, the NBN. At the moment it is $55 billion plus, and increasing by the day. You do not have to be terribly clever, Senator Ludlam, to work that out. All you have to do is go back and have a look at what the Labor Party has promised in relation to the cost of building this white elephant and then add up what they have actually spent.

You will remember that they had that tendering process halfway done when they pulled it all, at a cost of around $20 million, although I forget the exact figure. Then they did not know where to go. That was a couple of years after they had been elected to implement some sort of NBN. A couple of years later they have this $25 million assessment by McKinsey of what they should do and how they should do it—and this is before they even turned a sod on what was happening. The money just keeps rolling out.

Add up the continuing costs and you will get some idea of the cost of this. And then Senator Ludlam says you cannot work out the benefit of something like the NBN. Well, gee: the Productivity Commission and Infrastructure Australia can work out the benefit of other bits of infrastructure, like rail, roads and school halls. For all those sorts of things you can work out the benefits, so why does
Senator Ludlam, with all his great intellect, think the Productivity Commission could not actually work that out? These are very professional people who are skilled at doing cost-benefit analyses. I am quite sure they can do it.

Senator Ludlam says, 'Look, don't worry about cost-benefit; you've got this NBN committee to oversight it.' Senator Birmingham is on that committee, as well as Mr Turnbull, Senator Fisher, myself, Senator Xenophon and a number of other people. They are all involved in that. Sure, we can Oversight it from this chamber or from the committee rooms, but unless you can get in and get the figures and do the clinical and professional analyses that are needed, you will never be able to get the same sort of result as a proper cost-benefit analysis, which this bill calls for, would provide.

I remind both Senator Ludlam and Senator Cameron that had the coalition won the 2007 election there would have been a very high-speed national broadband network up and running now, providing benefits for Australia. And yet, under Senator Conroy's model—the Labor Party model, the Greens model—we are still flailing around trying to get this network rolled out.

Senator Ludlam went on to quote a handful of people who all said that Julia Gillard was great, that the NBN was fantastic and that Senator Conroy knew what he was doing. I do not think they actually said the last thing—I had better not exaggerate there. But when we give the details to all of those industry and Telecommunications Act experts both within Australia and from right around the world who profitably run multibillion dollar networks we are told by the Greens and the Labor Party, 'Oh, yes, but don't take any notice of them—they're just profit-seeking individuals.' So it is okay to use the quotes and references that Senator Ludlam wants but it is typical of the Labor Party and the Greens that if you do not agree with them and their ideas you should be completely ignored.

Senator Ludlam also said that the parliament and the Greens can work out that government infrastructure projects do not cost more than they should. Well, Senator Ludlam, how did you go with the pink batts proposal? The one where you supported the Labor government to put in $14 billion worth of pink batts and then paid another $4 billion or $5 billion to pull them all out again? Great oversight by the parliament you provided on that!

And what about the school halls? This parliament was overseeing that and we have example after example of waste and corruption in the spending of government money. Senator Ludlam's best effort, I think, was then to blame the coalition for the fact that Senator Conroy could not roll out his NBN. You can really see where the Greens are scraping the bottom of the barrel to try to prop up their mates in the Labor Party when they come up with that. Since the 2007 election this proposal has been one series of disasters and confusions after the other, all caused, I might say, by Senator Conroy and his mates in the Greens. Senator Ludlam's contribution—and as I said, I unadvisedly call it that—is, with respect, not worth the paper it is written on.

Senator Cameron spent all but the last three minutes of his speech talking about matters that had absolutely nothing to do with the NBN bill. I think that just demonstrated Senator Cameron's abject ignorance of the NBN and telecommunications. I might say that Senator Cameron—and because this is debate I will respond; I should not, but I will—started talking about bullies, or 'boolies' as he called them. He spoke about Mr Abbott being a 'boolie'. This was coming
from someone like Senator Cameron, who was renowned for his bullying tactics as a union boss. I suggest he should go and ask former Senator George Campbell about his bullying tactics. You might recall that it was Senator Cameron who not only supported Ms Gillard when she stabbed Kevin Rudd in the back but probably invented that sort of approach when he stabbed former Senator George Campbell in the back all that time ago.

If Senator Cameron wants to talk about 'boolies' or bullies, perhaps he could give us a commentary on what his New South Wales Labor colleague Craig Thomson did when he was another union heavy. I do not enter into that debate except to repeat what I saw on Lateline last night from the current general secretary of the Health Services Union, who said that there is $100,000 missing. She indicated that she was very concerned that low-paid workers who pay their contribution to the unions in good faith to get the unions to support them in their wage claims and their industrial conditions should have that money being wasted on—well, we do not know what. We will await the outcome of police prosecution. Suffice it to say to Senator Cameron, when he is attacking the coalition, that he should be careful about the words he uses. I would suggest to Senator Cameron that he should use any other word than 'prostitution'.

Senator Cameron interjecting—

Senator IAN MACDONALD: Senator Cameron, you would do well to curtail your language. I am sorry the chair did not draw that to your attention.

Senator Cameron then went on to a bit of a discourse—a confused and dishonest discourse, as are most of his contributions—on some Scottish heritage. My recollection is that the Camerons were part of the Campbell clan, which joined with the English King William to slaughter the Macdonalds at Glencoe. The Macdonalds brought in the Campbells—

Senator Cameron interjecting—

Senator IAN MACDONALD: I did not raise the issue of Scottish heritage. The Macdonalds brought in the Campbells, succoured them and gave them shelter and comfort for a couple of weeks, then in the middle of the night on the word from the English King William the Campbells up and slaughtered the Macdonalds at Glencoe. I would not be surprised if the Camerons were part of that as well.

Senator Cameron, talking about bullying, will well remember the night outside an estimates committee hearing when he was challenged on a ruling. There was some discussion and Senator Cameron tried his old bullying tactics. They did not work with the committee. He then said, 'We are going to shut down the estimates and have a private meeting.' We did and he then came outside and confronted me nose to nose—I suggest wanting me to hit him, but I have been around too long to fall for that old trick. But he could not help himself—the old foot on the toe, the stand on the toe trick which I am sure Senator Cameron was pretty good at when he was doing his bullyboy tactics in the union movement. It does not quite work in this chamber, Senator Cameron, so keep your feet to yourself next time. He then spent a lot of his speech denigrating one of Australia's most respected, able and highly regarded broadcasters and commentators, Mr Alan Jones.

Senator Bilyk interjecting—

Senator IAN MACDONALD: Senator Bilyk, put yourself against Mr Jones for honesty, integrity, ability, capability and interest in Australia and I will back Alan Jones any time of the week. Put yourself
against Alan Jones on what he has contributed to the nation, as opposed to what you have contributed to the nation, and I will back Alan Jones any day of the week. Can I say to you 90 per cent of the rest of Australia would do so at the same time.

Senator Cameron then went on to denigrate those honest, hardworking Australians who came from all over Australia to make their point of view known. Senator Cameron and his mate Bob Brown attacked the peaceful gathering out the front. Senator Brown said the convoy, the demonstration, was not much good because it ‘has not blockaded anything’. This is not what I usually do. It distresses me to be involved in this sort of debate but I am debating the sorts of things Senator Cameron raised. If he wants to get into that, why doesn’t he go back and have a look at his mate Senator Brown’s record and see how he got on with the police in some of his demonstrations. You might also trawl along the frontbench of the Labor Party in this chamber and see if you recognise any current senior minister who might have been out the front of the Parliament House before that person was in parliament, knocking down the front door of Parliament House which had to be repaired at a substantial cost to the Australian taxpayer. You might want to have a look at that before you start accusing law-abiding Australians of not knowing how to properly make their point. Sure, law-abiding Australians from regional Australia do not come and get arrested by the police. They do not knock down doors of Parliament House. They try to get their message across to an uncaring, arrogant government and, because they do not get arrested or break some doors, they are called a convoy of no consequence. Madam Acting Deputy President, can I just—

The ACTING DEPUTY PRESIDENT (Senator Crossin): I draw your attention to the bill we are debating, Senator Macdonald.

Senator IAN MACDONALD: I am debating Senator Cameron’s comments. It is not the way I would usually like to debate this because it is filled with personal invective and that is not me. But if they lead with their chin, they will get it back double.

I sought the protection of the chair. Senator Cameron was trying to kill me with laughter when saying that Peter Costello was not a good Treasurer. Peter Costello left this country $60 billion in credit and turned a $96 billion deficit left by the last Labor government into this $60 billion credit over a space of 11 years. Senator Cameron says he was a hopeless Treasurer, that Wayne Swan is a beauty. Not only has Wayne Swan spent the $60 billion; he has given us deficits every year he has been Treasurer. We now have a total debt in the vicinity of $150 billion, increasing by millions of dollars each day. To suggest that Peter Costello was an economic illiterate just does not deserve any further comment.

This bill tries to put some financial responsibility on this totally irresponsible government, a government that is irresponsible generally but particularly irresponsible when it comes to financial management. Senator Ludlam, you can do a cost-benefit analysis. The Productivity Commission and Infrastructure Australia do it every day of the week. What Senator Ludlam and Senator Cameron and their mates in the Greens and the Labor Party do not want to be demonstrated to the Australian public yet again is that this government is totally incompetent and corrupt when it comes to financial management. The proper analysis that this bill calls for would even more clearly show to the Australian public that this NBN is a financial white elephant.

I conclude by repeating, as I will continue to repeat, that had the coalition proceeded with its plans in 2007 Australia would have
had a very fast broadband network up and running today. We still would not be, as we are under Labor, thrashing around trying to put all the pieces in place after the event in getting this white elephant on the way. This is a good bill. It deserves support. Clearly with the Greens and the Labor Party yet again getting together, it is going to struggle to get through. But notwithstanding that I would hope that some of the Labor senators would see the sense and vote for the bill. (Time expired)

Senator BILYK (Tasmania) (11:05): Thank heavens the time has expired. Senator Birmingham, I think you should be embarrassed to move the second reading of this private senator's bill. If I were him I would be ashamed to admit to even a skerrick of responsibility for this tripe that is barely worth the paper it was written on. He waxes lyrical as if he is some kind of virtuous defender of truth and freedom. He is not a freedom fighter. He is not a fighter for financial transparency. He is a shadow boxer. In fact, it would be fair to say that Senator Birmingham is to financial transparency what Port Adelaide are to kicking goals. If Senator Birmingham was serious about financial transparency, why would this bill be drafted as it has been, scrawled on a piece of paper somewhere? Senator Birmingham has presented this shambolic bill to the parliament for one reason and one reason only. The coalition are opposed the National Broadband Network. Let's not forget that when Tony Abbott appointed Malcolm Turnbull as the opposition's communications spokesman, Mr Turnbull's riding orders were to demolish the NBN. In other words, he would demolish the promise of high-speed optic fibre, wireless and satellite broadband access to all Australians; demolish the revolution in health, home and community care, education, social inclusion, entertainment, business and commerce that will ultimately result from this nation-building project; demolish the opportunity to break Telstra's monopoly and deliver true telecommunications competition to Australian consumers; and demolish any chance that telecommunications consumers in rural and regional Australia have of getting access to fast, affordable, world-class broadband services.

That is what this bill is about—demolition. It is another plank in Tony Abbott's campaign to take a wrecking ball to services in Australia, just like his plans to dismantle GP superclinics, trades training centres and any meaningful response to tackling climate change. It is just another stunt, another delaying tactic in their desperate bid to stop progress on the rollout of the NBN. They want as few Australians as possible to get access to this network because they know that when the possibilities of the NBN are realised the opposition will be revealed as the Luddites they are rather than the champions of financial transparency that they pretend to be.

I struggle to hear in any of the contributions of those opposite what their objection is to affordable, fast broadband. It seems to me that their only basis for opposing the NBN is their shame for their own failure to realise the economic and social opportunities it represents. It makes me wonder if they really understand the technology at all. If you asked any member of the coalition, they would probably tell you that broadband is found on a hat, fibre to the home is what you get when you return from the local store with your favourite breakfast cereal and a megabit is what you place in the mouth of an extremely large horse. Should we be surprised that anachronistic neanderthals would want to demolish the NBN? Mr Abbott and the Liberal-National coalition have a one-word vocabulary when it comes
to their response to the rollout of nation-building projects and that word is 'no'.

Their penchant for predicting doom and gloom when Labor puts forward a major nation-building project is a tradition that has been handed down through generations of coalition caucuses. For example, when the Labor government in 1992 introduced the superannuation guarantee, the coalition opposed it, predicting that it would not provide ongoing security for retirees and would result in mass job losses across the country—the sky was going to fall. Instead, compulsory super has raised over a trillion dollars in capital for investment in Australia and has dramatically reduced the government's liability for age pensions. In 1973 when the Whitlam government proposed the Health Insurance Bill setting up the Medibank scheme, now known as Medicare, the opposition referred to it as a socialist scheme that would destroy private hospitals, consume the resources of the country and lower the standards of health care in Australia. The sky was going to fall yet again. The Medicare system has now developed into a cost-effective public system that provides universal healthcare to Australians regardless of their means.

True to their form, we have a Liberal-National coalition opposition that now says no to every positive proposal that is put forward to build the prosperity of our nation: no to the economic stimulus that saved Australia from recession and the projected loss of 200,000 jobs; no to trades training centres and GP superclinics; no to receiving a fair return on the resources that belong to all Australians so that we can boost superannuation returns and cut income tax for business; no to a price on pollution, the most cost-effective means of achieving real action on climate change; and the bill before the Senate is the opposition's way of saying no to the National Broadband Network.

This is another hollow stunt from an opposition that has more tricks than David Copperfield. You can tell it is a stunt because the member for Wentworth, Malcolm Turnbull, has refused to drop his opposition to the NBN even if a cost-benefit analysis comes back overwhelmingly positive about the case for the NBN. You can also tell it is a stunt because most of the information they are seeking is already on the public record. There are thousands of pages of published information on the feasibility, viability and expected commercial return of the NBN. The government has commissioned expert independent advisers, McKinsey and KPMG, to conduct a detailed implementation study of the NBN. McKinsey and KPMG undertook detailed modelling of the revenues and costs that could be expected from the project, given the government's objectives. The implementation study found that the NBN could be expected to pay back the taxpayers' investment with a small return. So, before we even start to factor in any of the economic or social benefits of the NBN, there is already a positive on the cost side of the ledger.

The government also released NBN Co.'s corporate plan in December 2010 which showed, based on conservative assumptions, that the NBN would support uniform national wholesale prices, deliver affordable retail prices and still generate a return that exceeded the 10-year bank rate. In February 2011 we released the Greenhill Caliburn review of the NBN's corporate plan, which found the key assumptions underlying the revenue and cost projections in the plan to be reasonable. Now there has been some work done independently of government on the benefits of the NBN. Access Economics estimated the benefits to telehealth to be between $2 billion and $4 billion a year. A study commissioned by IBM in 2009 found that a fibre-to-the-node network would conservatively boost the net present value of
Australia's gross domestic product by between $8 billion and $23 billion over a 10-year period. I should point out that the IBM study considered a fibre-to-the-node network, not a fibre-to-the-home network, so we are actually talking about the value of an inferior network to the one we are now building.

So, there are a number of reports on the benefits of the NBN. But any suggestion that you can fully quantify those benefits is pie in the sky, cloud-cuckoo-land thinking. It is kind of like the Postmaster General's Department laying the telephone network in the early 20th century and trying to predict the emergence of the internet. Anyone who understands broadband knows that increasing the speed gives rise to applications that could not have been contemplated before. For example, whoever thought we would have had telemedicine in days when the average internet connection was a 56K dial-up?

We have seen what has happened in other countries when they have tried this exercise. A recent Austrade delegation to Japan was told by the Japanese Ministry of Internal Affairs and Communications that they had tried to do a cost-benefit analysis on a fibre-to-the-home network. They projected the value added to the Japanese economy during the period 2011-20 to be 73 trillion yen, or about A$900 billion. Adjusting for Australia's economy, that would be about A$182 billion over the same period. The study only measured the economic value to the telecommunications companies and other industries that would benefit from the high-speed network being in place. However, when they tried to go one step further and calculate the economic value of the enhancements in the everyday lives of the Japanese people, there were so many assumptions and variables involved that the process defeated them. But I am sure Senator Birmingham, with his crystal ball and tarot cards, could show Japanese economists a thing or two about economic forecasting.

I have come across another report recently, by the Allen Consulting Group. The group conducted a series of targeted focus groups with small businesses and community organisations in the NBN's mainland first release sites: Brunswick, Townsville, Kiama and Armidale. The businesses and community organisations identified a number of opportunities presented by high-speed broadband such as the ability to sell or market their products online with a greater use of graphics, high-definition video and other multimedia; the potential for tools that enhance person-to-person visual communication to bring groups and individuals together; profiling for television ads based on specific characteristics of the viewer's own browsing and viewing habits as a new way to market products; the use of point of view video technology to enhance online shopping experiences; and the development of smart-phone-like applications and products. Perhaps the coalition should have a good look at some of these reports before Mr Abbott and Mr Turnbull start wandering around the streets of Scottsdale, Smithton and Midway Point, in my home state of Tasmania, with a pair of bolt cutters.

Why would the coalition want to demolish and tear up the NBN? Well, it's quite simple: I think they are embarrassed. They are embarrassed because of their poor record on telecommunications in 12 years of government. They are embarrassed about the fact that not only did they develop 20 failed broadband plans throughout both government and opposition but when Howard left office, telecommunications for consumers in remote and regional Australia had actually gone backwards.
We know the opposition never had a real commitment to decent telecommunications services in rural and regional Australia when they were in government. Let us look at their record. They destroyed services by privatising Telstra. How can you have genuine competition in the telecommunications industry when most of the infrastructure is owned by a vertically integrated private monopoly? We all know that it is hard to get true telecommunications competition in regional areas because of the cost of doing business. If we want to deliver quality, affordable services to the bush, we cannot just rely on Telstra to act in the national interest. They are a private company. They have a duty to their shareholders. And we certainly cannot rely on a weak universal service obligation like the one the Howard government put in place. But they went ahead, knowing that their actions would destroy telecommunications services in rural and regional Australia, and they should hang their heads in shame for it.

Perhaps the coalition will just continue their record of privatisation and sell off the optic fibre. After all, they need to sell something to help plug their $70 billion black hole. Anyway, where was their cost-benefit analysis for the privatisation of Telstra? I did not see anyone on that side of the chamber calling for financial transparency back then. I did not see any coalition members ask what that would do to Australia's homes and businesses and to our country's economic development and social inclusion. I know what it did to the residents of Lunawanna on Bruny Island when their public payphone was ripped out and taken away. I know what it has done to the people who have complained to my office that they used to get coverage with the CDMA network and now cannot get coverage with 3G. And I know what the lack of broadband infrastructure is doing when people in the remote areas of the Huon Valley contact my office and say their internet connection keeps timing out. Consumers understand the benefits of the NBN. They are voting with their feet: 88 per cent of households have signed up for an NBN connection at the first release site near Armidale; 78 per cent have signed up in Kiama Downs, 62 per cent in Townsville and 52 per cent in Brunswick.

Just last month I attended a public forum held by NBN Co. at Kingston Beach, one of Tasmania's second release sites. It was held at a small hall at the Kingston Beach Surf Life Saving Club and 450 people went in and out of that hall during the day, and at times there was barely room to move. That was 450 people in the small suburb of Kingston Beach with questions about the NBN and the possibilities it can offer them in their homes, businesses and community. In fact, I notice that so desperate are Australians to get their hands on an NBN fibre connection that Teresa Gambaro, the federal member for Brisbane, has been calling for the network to be rolled out in her electorate. It appears that the member for Brisbane has broken ranks with her coalition colleagues, who are calling for the NBN to be demolished. Well, the member for Brisbane knows what her constituents want, and that is true competition in telecommunications. They want access to optic fibre broadband with speeds of 100 megabits per second or, failing that, wireless and satellite broadband at speeds of 12 megabits per second.

I bet there are plenty of other coalition backbenchers who, despite being pressed into opposing the NBN, know that their constituents are clamouring to get access to it. It is about time they come clean with their constituents and say, 'I'm sorry, I know you want access to fast and affordable broadband, but we're not going to give you that because our policy is to tear up the NBN.' Or perhaps those like the member for Brisbane...
should put pressure on Mr Abbott and Mr Turnbull to change their policy and commit to continuing the rollout of the NBN so that every Australian gets the fast, affordable broadband services that they deserve. But what do you expect from the parties that, in government, sold off Telstra and, in doing so, sold out the people of rural and regional Australia and left them with second-rate telecommunications services?

What can you expect when even the Nationals, who purport to stand up for regional Australia, were complicit in the dismantling of Australia’s regional communications infrastructure? What can you expect from a coalition that has had 20 failed broadband plans and still cannot come up with a coherent policy? Senator Birmingham, the Australian people are looking to you for a policy, and the best they can get is an eight-page stunt. And you call it the National Broadband Network Financial Transparency Bill. Well, your motives are pretty transparent to all of us!

You are obviously thinking: ‘If we can just delay this project a little longer, perhaps we can stop Australians getting connected to the network and realising the benefit. If we can just delay this project a little longer, maybe we can buy some time and actually come up with a proper policy.’ Well, it is a little bit late for that. If the response I saw firsthand at the forum at Kingston Beach is anything to go by, Australians want this network. Against the tide of Australians signing up for fast, affordable broadband, the federal coalition are like stunned deer caught in headlights.

I know Senator Birmingham must have had a few minutes spare while he was waiting for his plane to board at Canberra Airport, and I reckon that if I popped down to the lounge I could probably find a coaster with Senator Birmingham’s bill written on the back of it. But real policy is not just about the opposition’s favourite pastime, opposing things. That is your favourite pastime. Real policy is actually about proposing a constructive alternative, and that is what you fail to do on that side all the time—not 20 alternatives; we do not want 20. We are happy with just one as long as it is decent and reasonable. So, if you on that side want some free advice, I would say that this is a pretty sorry excuse for a private senator’s bill. Get together with your colleague Mr Turnbull and put at least the same amount of time into coming up with a broadband policy—or, if that is all a bit too hard, maybe you could get on and support ours. After all, the rest of Australia has.

I notice Senator Bushby is here. I think Senator Bushby and the Tasmanian senators are very aware of what results opposing the NBN had for those on the other side in the last federal election. I am surprised that they have not got the courage to stand up to Mr Abbott and Mr Turnbull and say, ‘We need this NBN.’ In fact, this bill shows that the only people left in Australia that oppose and do not support fast, affordable broadband are the federal opposition. It is not a bad dream. I know it is taking a bit of time to adapt but, yes, you are actually living in the 21st century. It might take you a bit of time to get used to it, but I would strongly encourage you all on that side to try and get used to it, to move with the times and to acknowledge the benefits of NBN to the whole of society in regard, as I said, to education, e-health, social inclusion and the range of other areas that will make a huge difference to the people of Australia—not just to the people in cities but also to rural and regional Australians.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (11:24): I thoroughly enjoyed the contribution from Senator Bilyk. It was
really a bit of a hoot, wasn't it? I particularly liked the bit where those on the other side of the chamber were taking it upon themselves to proffer advice to our side of the chamber, which I really find quite extraordinary given the inept nature of the current Labor government. But I shall not waste time on that.

We are here today to debate the National Broadband Network Financial Transparency Bill 2010 (No. 2), and I find it interesting that on no occasion in Senator Bilyk's contribution did she actually try to defend her government on the basis of why they will not inform the Australian people properly about the business case for an NBN and a cost-benefit analysis. On no occasion did Senator Bilyk or anybody else on the other side that I have been listening to actually give a good reason why the Australian people should not be fully informed about the National Broadband Network. This bill was very ably and capably put forward by Senator Birmingham, and I must acknowledge Senator Birmingham's diligent work and thorough understanding of telecommunications issues. He has put forward a very sensible bill. I actually think it is one of the most sensible bills we have seen before us in this place for quite some time. It does two things: it requires the publication of a 10-year business case for the NBN and it requires that the NBN project be referred to the Productivity Commission for a thorough cost-benefit analysis. How sensible is that? I think that is absolutely what the government should have been doing anyway.

Can you imagine, colleagues, what would happen if we popped down to our local bank and had a chat to the bank manager about an idea that we had had for a new business venture and said to the bank manager, 'We've got this really good idea; we think we've got this great idea'? 'What's it going to cost?' says the bank manager. We reply: 'We're not really sure. We've got a bit of a ballpark figure but we're not really sure. So we're sorry; we can't tell you.' The bank manager says: 'How's it actually going to work? How's it going to operate?' We say: 'Sorry; we're not really sure. We can't tell you, but it is a really good idea.' The bank manager then says: 'Who's it going to service? How many people is this going to impact upon? What's your return going to be? How long's it going to take?' We say to the bank manager: 'Actually, we're really sorry; we're not sure about any of those things. But it's really, really good idea, and all we need from you is a bucket of money, so that'd be great, thanks.' It is absolute pie-in-the-sky stuff, yet that is exactly what this government has done. Senator Conroy has come up with a bucket of money, because that is all it is: it is an unsubstantiated, unworked-through bucket of money.

So, having got this bucket of money from the bank manager, the minister is now endeavouring to control this beast that is really becoming out of control. What is the minister thinking if he thinks it is okay not to inform the Australian people about how this NBN is going to work? If that does not smack of the arrogance of this Labor government at this point in time—as it has been for some time now—it is just extraordinary. If it were not so serious, it would actually be funny, because the government is completely inept.

Why is it that this government will not put forward a business case and do a cost-benefit analysis? It is because they know it is all going to turn into a pile of 'very interesting arrangement'. They know that if they try to explain properly to the Australian people how this is going to work then either (a) they would not be able to or (b) it would look so bad. So they are hiding. It is one of two things. Either they are hiding because they know it is going to be so bad or they simply do not know how this is all going to unravel.
It is a bit like letting a train loose on a track without a train driver and saying, 'Well, it's off to a destination somewhere; we're not quite sure what that destination's going to be or what the impact's going to be along the way, but the train's on the track and it's rolling. We in the coalition have always supported faster, better telecommunications for the Australian people. But, unlike the other side, we also have supported doing it responsibly and sensibly, not coming up with some bucket of money, taxpayers' dollars, to put towards some project that has no cost-benefit analysis and no business case. It is just stupidity. If that is the way the government are running the country, which obviously it is, it reflects really badly on this government's ability to substantially and properly determine policy for the future of the country. They simply cannot do it. They simply have no ability whatsoever to do it.

Senator Birmingham's bill is one that should absolutely be passed by this chamber, and I cannot understand anybody not supporting this. It is just sensible. I know that Senator Lundy will have a different point of view because her party has to have a different point of view. I do acknowledge Senator Lundy's very real understanding of these issues. She has a very significant knowledge and capability in this area. I suspect that if I asked her in a corner of a room somewhere, 'Do you really think the NBN is going as well as it should and really be like this?' she might have a few thoughts about how it could have been done differently. But I certainly would not want to put any words whatsoever into her mouth. What is going to be interesting, colleagues, is to see whether the Greens and the Independents support the government on this bill. It is going to be very interesting indeed, because all this bill does is ask the government to be responsible and provide the Australian people with the information they deserve about the National Broadband Network.

At the end of the day this is not about a bucket of money of over $50 billion. It is a bit hard to get your head around that. I know the government says, 'It's not over $50 billion; it's only $36 billion', but they very neatly refuse to include the $11 billion that went to Telstra and the cost overruns that are predicted as being very likely. We only have to look at things like the Building the Education Revolution program to know that the government cannot manage money. There is always waste and mismanagement when it comes to this government, so you need to factor that in. There is not a bucket of money. There is not $50 billion sitting in a giant bucket underneath Parliament House, although from the way that Senator Conroy is going on you would think that there is. This is Australian people's money. This is taxpayers' dollars. This is money that taxpayers of Australia have provided—although I may correct myself there and say that, with the $198 billion worth of debt this government has now given the Australian people, it is probably far more likely it is coming from somewhere else.

What will the Greens and the Independents do? All this legislation does is ask the government to be responsible and to provide the Australian people with the information they deserve when it comes to the government spending $50 billion. If the Greens support the government on this we can only assume that it is another occasion of the operation of the Labor-Greens government. By and large, that is what we have now; we have a Labor-Greens government. There is no greater example of that than yesterday in this place when we were discussing the cap to the childcare rebate and the fact that there was going to be increased costs to families for child care. Senator Sarah Hanson-Young, from the Greens, who in the
past had said there should not be any extra impost on families and the government should not be using this as a savings measure, voted with the government to increase childcare costs for families. If that is not the best example of the fact that this is a Labor-Greens government and there is no other way of looking at it, then I do not know what is. I could be wrong, colleagues, but I expect that today in this chamber we will see the Labor-Greens government voting as one again. I hope I am proven wrong and that the Greens in fact realise that this bill is doing nothing more than asking the government to act responsibly, which they certainly have not managed to do in the past.

I must say I have been a little disengaged from telecommunications issues over recent times, but I thought it was timely to make a contribution today, as I did last night with Senator Birmingham in the committee stage, because it is really important for the future of this nation that we get telecommunications right. I suspect that the current minister is not getting it right and I suspect that many people across the country would say: 'Fifty billion dollars—mmm. Okay, how about if some of that went to telecommunications and, if the government has a bucket of money, $50 billion, how about we put that to some other infrastructure use or maybe put that into some health infrastructure?' Let me tell you, as I know from when I am out there in the regional communities talking to people, the level of health service that is given to regional Australia is appalling. But, no, the government is hell-bent on this NBN. It is extraordinary. It is a bit like watching a slow train wreck in a lot of ways.

I could be wrong. We could come back in 20 years and say, 'Gee, isn't it fantastic; the NBN has gone brilliantly!' Not being a soothsayer, I cannot tell; not having a crystal ball, I do not know. But I suspect that we would be standing there saying, 'What an absolutely disastrous mess that turned out to be!' Picking technologies is not smart; that is probably the understatement of the year. Of course there has to be a capacity in the backhaul through the fibre. I do not disagree with that one little bit. That actually should be addressed. That is key to the provision of better services in regional Australia. But for the government to prescribe how it will work from that point on to the home is just absolute stupidity. I note that even this morning NBN Co. has admitted that wireless internet services in some areas could be comparable to the speed of basic services on Labor's fibre network, so it is just extraordinary that the government is continuing down this track. Before I came into this place—it seems a very long time ago now; back in 2005—Senator Joyce and I, who were not actually in this place at that time but were both senators-elect—were asked to co-chair a regional telecommunications inquiry for the Page Research Centre, which was chaired by Dr Troy Whitford. I must say that Dr Whitford has an extraordinary intellect. He does indeed have a brain the size of a planet. We worked together with industry to come up with a plan for future-proofing telecommunications in non-metropolitan Australia. I actually think we came up with some pretty good ideas, bearing in mind, colleagues, that this is over six years ago now. While I admit that many of my colleagues did not agree with what we put forward, it was a really sensible plan. We said that competition—where it can exist—is absolutely the vehicle to provide the best telecommunications services for the Australian people but, where there is market failure, the government does have a role to play in ensuring that those areas have equity of service when it comes to telecommunications. So when the minister started talking about the NBN, I had sympathy for some of the principles in that they aligned with this
view. But what he has ended up with is an absolute NBN beast that has morphed into an entirely different being from the principle that he started with. What we came up with back in those days—and I notice my good colleague Senator Joyce has joined me now—was a pretty good plan. I am sure my good friend and colleague Senator Ronaldson will again refer to me as an agrarian socialist. He has taken to calling me 'Black Nash McEwen'.

**Senator Joyce interjecting**

**Senator NASH:** Senator Joyce has just indicated that is a compliment. There is a role for government to play in ensuring that there is equity of services in telecommunications where we have market failure, but that is not what the government has given us. It is nothing like what the government has given us. So, instead of looking at the urban areas and asking, 'What regulatory reform can we put in place to assist competition in the cities where that is going to have the best possible outcome, where that is going to provide the best services?'—oh no—he has just taken a giant slam, gone straight to the top and gone for the giant, you beaut, super-duper model that is going to be completely out of control.

My great fear is that, once we go through this entire process with the NBN Co., the dealings with Telstra that we have seen and where it is all morphing, in a lot of ways we are going to end up at exactly the same point we started. That, indeed, would be a very, very sad day for telecommunications, because regional communities are still being left behind. After all of this talk and all of this bluster and everything else from this government, regional communities are still being left behind. I note that Senator Bilyk was waxing lyrical in her contribution on the bill about Armidale and the connections—

**Senator Bilyk interjecting**

**Senator NASH:** It was waxing lyrical; it was. You had some fantastic phrases in there, Senator Bilyk. I have got to say: I would love to know how you came up with them. Senator Bilyk was waxing lyrical about Armidale. I am not quite sure who gave Senator Bilyk her information about Armidale, but I can assure you, colleagues, about the number of people who have connected in Armidale. Armidale is big. How big is the population of Armidale, Senator Joyce?

**Senator Joyce:** 25,000.

**Senator NASH:** You would think there would be a pretty significant proportion connected in a town of 25,000. You would think maybe 10,000 or maybe 5,000. Fewer than 50 people in Armidale have connected. So I would suggest, Senator Bilyk, that maybe you go back to your speech and have a little look at that particular bit—fewer than 50 people. The bill before us today does nothing more, as I said earlier, than require the government to act responsibly. Senator Birmingham, in his second reading contribution to the bill, said:

... it will give parliament much greater comfort if that transparency—

indeed, the transparency of the NBN—

is a statutory requirement rather than simply a promise from the executive.

I think he is spot on on that one, because we know what this government is like with promises, don't we colleagues? Let me see, what is the most recent promise I can think of that was broken? The biggest one is—I know—the Prime Minister, Julia Gillard, saying before the last election: 'There will be no carbon tax under a government I lead.' And what have we got now, colleagues? We are looking down the barrel of a carbon tax.

**Senator Lundy interjecting**

**Senator NASH:** I notice Senator Lundy is making a contribution from the other side
for the first time. I think the government is a little sensitive about this, because they know that there is nowhere they can hide. It was a promise that was made to the Australian people and it was broken—'There will be no carbon tax under the government I lead.' So it is not surprising that the Australian people do not believe the minister, Senator Conroy, when he says: 'Just trust me. It'll be fine. The NBN will be fine. We don't need a business case. We don't need a cost-benefit analysis. It'll be fine. You just trust us.' The Australian people are smarter than that and they deserve better than that. They deserve to have the business case and the cost-benefit analysis that has been put forward through Senator Birmingham's bill. It is just common sense that that sort of information would be available. It is just common sense that the Australian people would be able to have access to the information that they rightly deserve about how the NBN is going to work. Let me tell you, colleagues, this whole 'trust us' thing just does not cut it. The $50 billion that this government is going to spend and how it is going to work need to be plainly and clearly explained to the Australian people. The government should stop hiding. The government should stop completely negating the need for this, because it is quite extraordinary to watch. On this side of the chamber, we understand that it needs to be done. We need better telecommunications, and especially in regional Australia. Senator Joyce and I have been saying that for years and years. But we have got to do it responsibly and sensibly and do it informing the Australian people of what we are going to do about the outcomes they need and deserve.

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (11:44): It is really important to understand exactly where we are going with the National Broadband Network Financial Transparency Bill 2010 (No.2). This bill is basically to bring about transparency, to let the light in. We are told that the Labor Party has complete confidence in where the NBN is off to. It believes that certain members of its backbench are doing a fine job and it has absolute confidence in what they are doing. This poses the question to the Australian people that we have to make absolutely certain that we have transparency in some of these crucial issues.

We have here the largest capital investment in the history of our nation, and a cost-benefit analysis was never done. It is just the most absurd concept that we could go down this path without clearly knowing what we were about to do.

I have an older brother, Michael, a great bloke, and he loves music. He was always buying the latest form of record player, whatever it was. We started with the old—I do not know what it was; some heap of junk parked in the corner of the lounge room and onto that went the Deep Purple records, Cream, the Beatles albums, and that was what it was. Mike was always buying the latest stereo. I remember he once made a large investment in a record player that played a vinyl record with two needles—two styli on either side. It was incredible. It played both sides of the record and you did not have to turn it over. It was amazing. That technology lasted about six or seven months and then a new piece of technology was invented, a CD player. Those things were so expensive! That was going to be the end; there would be nothing beyond the CD player! That was as good as it was going to get. So people bought a CD player. I look at what my daughter has at the moment: MP3 players and iPods. They are very small.

What the Labor Party have done is make, ultimately, a $56 billion investment in the equivalent of vinyl. They are investing in the vinyl record player. They have no concept of
where this is going to go. We understand backhaul; yes, you are going to have backhaul. Fibre backhaul to the node makes a lot of sense. But the world is racing ahead, and it is racing ahead with technology such as wireless, yet the government are locked into a form of technology which the Australian people have to underwrite. As you know, that vinyl record player now is completely and utterly worthless. It is a relic, something for a museum. I do not want to see our nation invested in something for a museum, because then it becomes more of the debt that this nation has to pay for.

We currently have $197 billion of debt and we are about to go on this mad frolic. Every day, the minister comes down here and tells us about the wonders of the NBN. I have heard that, at this point of time, they have 50 customers—they have cracked the half-century! That is great. So the capital cost will be in excess of $50 billion all up by the time you take in the leases, into the future of the product, and at this point of time it is about a billion dollars a customer. That's value for money! That's reasonable! This is a sign of a government that has got it all together!

Then we also had that fiasco in Armidale, where Mr Windsor came up on Ms Gillard's jet with Mr Richard Torbay, the Independent. They could not go to the university because the university's download speed was actually faster than the NBN could provide, so they formulated a wholesome stage event. It was like Shakespeare had come to Armidale in the form of the opening of the NBN. Do you remember the photo of them all there with the big, cheesy grins? They all put their hands together, they pressed the button and the lights went on. They had seven customers. What was really interesting was that the seven customers were already on. So what happened when they pressed that button? What was the button-pressing all about? The customers were already there. This is a metaphor for how completely and utterly unbelievable they are. It is the same sort of disbelief you feel when you hear them say they are doing a fine job, that they have absolute confidence, that the member will be there for a long, long time. There is nothing that we can really trust anymore.

If we were making this sort of investment of this amount of money, it would be invested in things that I do not think are going to get outdated, such as ports—they do not get outdated; strategic rail and inland rail; and roads. These are the sorts of investments that deliver for our nation and take it forward. But we have compromised all this because we have blown our money on a technology that could so quickly be out of date.

The other thing is that we are buying ourselves a telephone company, a little old telephone company. The problem is that we have already got a couple of them. What is this about? How did we get ourselves once more into this position? One of the promises the Labor Party made with this was that Mr Windsor and Mr Oakeshott—this is why they put those economic luminaries in power—would give us uniform pricing in the regional areas. The National Party believes in uniform pricing, absolutely. We believe in it so much we moved an amendment to make sure that our people got it. We said: 'Okay, what are we pricing here? Are we pricing a name? Are we pricing the service? What is the essence of the service?' The essence of the service is download speed. That is it; that is what it is all about. So we said, 'If it's uniform pricing, let's make it genuine uniform pricing and have unit pricing on download speed across the nation.' That would be honouring the commitment.

What these sneaky people did was set up three pricing silos. They have the fibre pricing silo; that is for urban Australia. They
have the wireless pricing silo; that is for regional Australia. And they have the satellite pricing silo; that is for remote Australia. You will find this hard to believe, but they all have different prices! I thought that Mr Windsor, being the honourable person he is—I know he is honourable because he wears elastic-sided boots—would have stood up and said: 'That's outrageous. I gave you government. I demand unit pricing. I demand what I asked for.' But no. He did not vote for it; something else was on that day. Mr Oakeshott, I thought he would have—

The PRESIDENT: Order! The time for the debate has expired, pursuant to standing orders.

NOTICES
Withdrawal

Senator FURNER (Queensland) (11:52): On behalf of the Standing Committee on Regulations and Ordinances, I give notice that on the next day of sitting I shall withdraw business of the Senate notice of motion No. 1 standing in my name for 10 sitting days after today for the disallowance of Instrument No. CASA EX48/11. I seek leave to incorporate in Hansard the committee's correspondence concerning this instrument.

Leave granted.

The document read as follows—

Instrument No. CASA EX48/11

This instrument which exempts seaplanes from certain requirements in the principal Regulations, replaces a similar instrument that ceased to have effect at the end of January 2011. This present instrument commenced on 29 April 2011, the day after it was registered.

In [this instance] there appears to have been a period in which no exemption was in operation. The Committee would appreciate your advice as to the effect that the absence of an exemption had on the operations of the specified aircraft and whether any person had been disadvantaged during that period.

As you are aware the Committee operates within the disallowance timeframe established by the Legislative Instruments Act 2003 and works toward completing consideration of a legislative instrument before the expiry of the 15th sitting day after it has been tabled in the Senate. Correspondence should therefore be forwarded to the Committee as soon as possible but before the date shown below to allow it time to consider your advice prior to the expiration of the 15th sitting day. In the event that a response is not received by the 15th sitting day, the Committee may as a precautionary measure give a notice of motion to disallow the instrument.

The Committee would therefore appreciate advice on the above matter before 1 July 2011. Correspondence should be directed to the Chair, Senate Standing Committee on Regulations and Ordinances, Room S1.111, Parliament House, Canberra.

Yours sincerely

Senator the Hon Ursula Stephens
Chair

7 July 2011

Senator the Hon Ursula Stephens
Chair

Senate Standing Committee on Regulations and Ordinances
Room S1.111
Parliament House
CANBERRA ACT 2600
Dear Senator Stephens

Thank you for your letter dated 16 June 2011 about Civil Aviation Regulations 1988 Instrument No. CASA EX48/11 and Instrument No. CASA EX50/11 made under subregulation 308(1).

The Civil Aviation Safety Authority (CASA) has advised that in relation to CASA EX48/11, it has undertaken industry consultation and a subsequent safety review to determine the need for a replacement instrument that exempt seaplanes from certain requirements. CASA is not aware of the extent to which persons were affected as a result.

Thank you for raising this matter.

Yours sincerely

Anthony Albanese
Minister for Infrastructure and Transport

18 August 2011
The Hon Anthony Albanese MP
Minister for Infrastructure and Transport
Suite MG.43
Parliament House
CANBERRA ACT 2600

Dear Minister

Thank you for your letter of 7 July 2011 responding to the committee’s concerns with CASA Instruments EX48/11 and EX50/11 made under subregulation 308(1) of the Civil Aviation Regulations 1988.

In your response you advise that during the period in which there was no exemption in place industry was consulted, recovery activities were put on hold and safety reviews were conducted. The committee considers that this information addresses the first issue it raised in relation to these instruments.

The committee also sought your advice on whether any person had been disadvantaged during the period when an exemption did not exist. In relation to this issue, your letter states that CASA was not aware of the extent to which persons were affected as a result of the lapse of these exemptions.

The committee considers that this statement appears to suggest that persons were affected but to an unknown extent. The committee therefore seeks clarification on this point.

In addition, the committee requests your advice on what specific steps were taken to identify persons who may have been adversely affected by the gap between exemptions and, if necessary, any action taken to remedy this matter.

I note that, as the time for giving a disallowance notice in relation to CASA EX48/11 was to expire on 17 August 2011, the committee gave a notice of motion yesterday of its intention to disallow this instrument on the basis that your response did not allow it to determine if any person had been disadvantaged, as discussed above.

In addition, I note that the disallowance period for CASA EX50/11 will expire on Wednesday 24 August 2011. If a satisfactory response has not been received by this date, the committee will give a notice of motion to disallow this instrument on that day.

The committee would therefore appreciate your advice on this matter before 24 August 2011. The giving of this notice will enable the committee to maintain its consideration for a further 15 sitting days, and to provide you with additional time to respond.

Please direct any correspondence to:
Chair
Senate Standing Committee on Regulations and Ordinances
Room S1.111
Parliament House, Canberra

Yours sincerely
Senator Mark Furner
Chair

24 August 2011
Senator Mark Furner
Chair
Senate Standing Committee on Regulations and Ordinances
Room S1.111
Parliament House  
CANBERRA ACT 2600  

Dear Senator Furner  

Thank you for your letter dated 18 August 2011 about Civil Aviation Regulations 1988 Instrument No. CASA EX48/11 and Instrument No. CASA EX50/11 made under subregulation 308(1).  

The Civil Aviation Safety Authority (CASA) has advised that while there was a delay between the lapsing of the previous instrument and the making of CASA EX48/11, CASA received no information from any operator that the absence of the instrument disadvantaged them during that period.  

Thank you for raising this matter.  

Yours sincerely  

Anthony Albanese  

Minister for Infrastructure and Transport

Senator JOHNSTON: To move:  
That the Committee of Privileges and the Committee of Senators' Interests may confer on the latter committee's reference into a draft code of conduct for senators.  

Senator WRIGHT: To move:  
That the Senate—  

(a) notes that:  

(i) 10 September 2011 was World Suicide Prevention Day,  
(ii) suicide is preventable,  
(iii) the whole of government and the whole of the community have a responsibility to prevent suicide, and  
(iv) suicide prevention is everybody's business;  

(b) recognises that:  

(i) suicide occurs throughout all sections of Australian society,  
(ii) in 2009, 2 132 Australians died of suicide, 80 per cent of whom were men,  
(iii) middle and old age are times of greatest risk, while suicide remains the single biggest killer of people under 35,  
(iv) suicide attempts are estimated to number 65 000 a year, with devastating physical, emotional and social outcomes, and  
(v) suicide has immeasurable human, social and financial costs; and  

(c) calls on the Federal Government to encourage speaking out about suicide and make suicide prevention a priority.  

Senator BOB BROWN: To move:  
That the Senate establish an inquiry into media in Australia.  

Senator BOB BROWN: To move:  
That the following bill be introduced: A Bill for an Act to improve the public consultation and review of mobile phone towers, and other related matters. Telecommunications (Mobile Phone Towers) Bill 2011.  

COMMITTEES

Selection of Bills Committee  

Report


Ordered that the report be adopted.  

I seek leave to have the report incorporated in Hansard.  

Leave granted.  

The report read as follows—  

SELECTION OF BILLS COMMITTEE  

REPORT NO. 11 OF 2011  

1. The committee met in private session on Wednesday, 24 August 2011 at 7.21 pm.  
2. The committee resolved to recommend—  
That the provisions of the National Health Reform Amendment (Independent Hospital Pricing Authority) Bill 2011 be referred immediately to the Finance and Public Administration Legislation Committee for inquiry and report by 15 September 2011 (see appendix 1 for a statement of reasons for referral).
3. The committee resolved to recommend—
That the following bills not be referred to committees:

- Business Names Registration (Fees) Bill 2011
- Business Names Registration (Transitional and Consequential Provisions) Bill 2011
- Business Names Registration Bill 2011
- Defence Legislation Amendment Bill 2011
- Indigenous Affairs Legislation Amendment Bill (No. 2) 2011
- National Residue Survey (Excise) Levy Amendment (Deer) Bill 2011
- Responsible Takeaway Alcohol Hours Bill 2010.

The committee recommends accordingly.

4. The committee deferred consideration of the following bills to its next meeting:

- Corporations (Fees) Amendment Bill 2011
- Landholders’ Right to Refuse (Coal Seam Gas) Bill 2011
- Migration Amendment (Declared Countries) Bill (No. 2) 2011
- National Vocational Education and Training Regulator Amendment Bill 2011
- Parliamentary Service Amendment (Parliamentary Budget Officer) Bill 2011.

(Anne McEwen)
Chair
25 August 2011

**APPENDIX 1**

Proposal to refer a bill to a committee

**Name of bill:**
National Health Reform Amendment (Independent Hospital Pricing Authority) Bill 2011

**Reasons for referral/principal issues for consideration:**

This Bill will establish the Independent Hospital Pricing Authority - the lynchpin of the Government's health reforms and will operate alongside the Quality and Safety Commission and the National Performance Authority.

- Relationship of the IHPA with the Safety and Quality Commission
- Relationship of the IHPA with the National Performance Authority
- Impact of the IHPA on the nation's hospitals

**Possible submissions or evidence from:**
State Governments, Australian Healthcare and Hospitals Association, Private Hospitals Association, Australian Medical Association, Consumers Health Forum, Australian Association of Surgeons, Catholic Health Australia

**Committee to which bill is to be referred:**
Finance and Public Administration Legislation Committee Possible hearing date(s):

**Possible reporting date:**
(signed)
Senator Fifield
Selection of Bills Committee member

**BUSINESS**

**Rearrangement**

Senator LUDWIG (Queensland—
Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (11:54): I move:

That government business be interrupted at 1 pm to allow consideration of the following government business orders of the day till not later than 2 pm today:

- No. 4 Legislative Instruments Amendment (Sunsetting) Bill 2011.
- No. 5 Indigenous Affairs Legislation Amendment Bill 2011.
- No. 6 Inspector-General of Intelligence and Security Amendment Bill 2011.

Question agreed to.
Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (11:54): I move:

That the order of general business for consideration today be as follows:

(a) general business notice of motion no. 367 standing in the name of Senator Marshall relating to the attendance of the President of Fair Work Australia at estimates hearings of the Education, Employment and Workplace Relations Legislation Committee; and

(b) orders of the day relating to government documents.

Question agreed to.

NOTICES

Postponement

The following item of business was postponed:

Government business notice of motion No. 1 standing in the name of the Minister for Agriculture, Fisheries and Forestry (Senator Ludwig) for today, proposing an amendment to standing order 18, postponed till 12 September 2011.

Withdrawal

Senator McEWEN (South Australia—Government Whip in the Senate) (11:55): On behalf of Senator Marshall, I withdraw general business notice of motion No. 376, relating to the attendance of the President of Fair Work Australia at estimates hearings of the Education, Employment and Workplace Relations Legislation Committee

Senator LUDLAM (Western Australia) (11:55): I withdraw general business notice of motion No. 307 standing in my name for today.

COMMITTEES

National Broadband Network Committee

Meeting

Senator McEWEN (South Australia—Government Whip in the Senate) (11:56): At the request of Senator Stephens, I move:

That the Joint Standing Committee on the National Broadband Network be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Thursday, 25 August 2011, from noon.

Question agreed to.

MOTIONS

Townsville Enterprise Pty Ltd

Senator IAN MACDONALD (Queensland) (11:57): I move:

That the Senate—

(a) notes that:

(i) north Queensland’s significant economic growth has been recorded in the recent quarterly development status report released by Townsville Enterprise Pty Ltd,

(ii) the report, which covered the 3 month period to 30 June 2011, showed that, despite setbacks caused by Cyclone Yasi, approximately $53 billion worth of development projects are currently underway or awaiting approval, and

(iii) current projects include the $385 million redevelopment of Lavarack Barracks in Townsville in preparation for the arrival of the 3rd Battalion, Royal Australian Regiment; and

(b) congratulates Townsville Enterprise Pty Ltd on its pivotal role in encouraging and facilitating continued investment in north Queensland.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (11:57): I seek leave to make an amendment to the motion.

Leave granted.
Senator BOB BROWN: I move:

Omit paragraph (b), substitute:

(b) congratulates Townsville Enterprise on its role in reducing housing supply pressures in Townsville through the redevelopment of the Lavarack Barracks and notes that the redevelopment was partially funded by the Labor government in the 2011-2012 Federal Budget.

Question put:

The Senate divided. [12.02]

(The President—Senator the Hon. JJ Hogg)

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

AYES
Arbib, MV
Bilyk, CL
Brown, CL
Bishop, TM
Brown, DN
Collins, JMA
Conroy, SM
Crossin, P
Di Natale, R
Farrell, D
Feeney, D
Furner, ML
Gallacher, AM
Hanson-Young, SC
Hogg, JJ
Ludlam, S
Ludwig, JW
Lundy, KA
Marshall, GM
McEwen, A (teller)
Milne, C
Moore, CM
Polley, H
Pratt, LC
Rhiannon, L
Siewert, R
Sterle, G
Stephens, U
Urquhart, AE
Thistlethwaite, M
Waters, LJ

NOES
Abetz, E
Adams, J
Back, CJ
Bernardi, C
Boswell, RLD
Brandis, GH
Bushby, DC
Cash, MC
Colbeck, R
Cormann, M
Edwards, S
Fawcett, DJ
Ferravanti-Wells, C
Fifield, MP
Fisher, M
Humphries, G
Johnston, D
Joyce, B
Kroger, H (teller)
Macdonald, ID
Madigan, JJ
Mason, B
McKenzie, B
Macdonald, ID
Parry, S
Payne, MA
Ronaldson, M
Ryan, SM

Senator Chris Evans did not vote, to compensate for the vacancy caused by the resignation of Senator Coonan.

Question agreed to.

The PRESIDENT: The question now is that Senator Macdonald's motion, as amended, be agreed to.

Senator IAN MACDONALD (Queensland) (12:06): by leave—I move a further amendment:

That new paragraph (b) be deleted.

I move this amendment because the amendment just passed is, with respect, nonsensical. The motion referred to $53 billion worth of development projects currently underway and awaiting approval. The amendment just passed refers to Townsville Enterprise Ltd reducing housing supply pressures on Townsville through—

The PRESIDENT: I am sorry, what is the amendment again?

Senator IAN MACDONALD: It is to delete paragraph (b).

The PRESIDENT: I understand that that contravenes standing order 92, and would have to be ruled out of order.

Senator IAN MACDONALD: Which says?

The PRESIDENT: It says:

An amendment to a question may not be moved if it is the same in substance as an amendment already determined to the same question, or
would have the effect only of reversing an amendment already made.

**Senator IAN MACDONALD:** Mr President, on a point of order on your ruling: it does not reverse the substance. The motion as it now stands congratulates Townsville Enterprise on its role reducing the housing supply pressures in Townsville through various means. The substantive part of the amendment is that it congratulates Townsville Enterprise Ltd. I want to remove that substantive part by deleting paragraph (b) in its entirety.

**Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (12:08):** Mr President, on the point of order. I understand what Senator Ian Macdonald is seeking to do. Unfortunately, the challenge Senator Macdonald has is that it would in fact contravene section 92 which says:

> An amendment to a question may not be moved if it is the same in substance—
> this does not apply—
> as an amendment already determined to the same question, or would have the effect only of reversing an amendment already made.

> The amendment has been made and carried. The will of the Senate has been expressed. The amendment that you are now seeking would reverse that. On that basis—

> **Senator Ian Macdonald interjecting—**

> **Senator LUDWIG:** By removing it that is what you are doing. We could argue that. I am simply pointing to the rule. I am happy to give leave to any other amendment you may wish to make or if you want to add to the amendment; but in the sense that the amendment you are proposing would have that effect then the point of order is not made. Mr President, the ruling that you have provided is the correct one.

> **Senator Ian Macdonald:** Mr President, further to the point of order, what Senator Ludwig said is simply factually not correct. The amendment added some different qualifiers to the original motion, which was not amended. What we are now doing is deleting, to put it this way, any congratulations to Townsville Enterprise Ltd. The reason I do that, as I will say in my two-minute noting—if I am allowed to—is that it just does not make sense.

> **The PRESIDENT:** I now have a copy of the amendment before me, which was 'to delete paragraph (b) and replacing it with the following'. It was not an addendum to the existing paragraph (b), it was deleting the paragraph and replacing it. The amendment that you are now proposing is to delete the amendment that was just carried by the Senate.

> **Senator Ian Macdonald:** That is the point I made.

> **The PRESIDENT:** I did not have the wording before me before, Senator Macdonald. I now have it before me and it makes it clear that what you are proposing is in contravention of standing order 92 because the amendment that was moved by Senator Bob Brown clearly deleted the existing paragraph. If I understand what you are now putting to the chamber, it is to delete that paragraph. That is the reversal. It is on that basis that the ruling has been made.

> **Senator Ian Macdonald:** Mr President, on the point of order, can I accept your ruling and agree with you. With the typical courtesy of the Greens, this was only just made available to me and so, like you, I had not had a chance to read it. But what would you expect from Senator Brown?

> **Question, as amended, agreed to.**
Senator IAN MACDONALD (Queensland) (12:12): I seek leave to note that for a period of less than two minutes.

The PRESIDENT: Leave is granted for two minutes.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (12:12): I am prepared to grant leave here, but it has been the opposition that has taken to task the process of statements being made in consequence of a determination of an amendment because we get into a debating proposal there. Mr President, I draw your attention to the fact that Senator Macdonald is now going contrary to that spirit.

The PRESIDENT: I have not heard what Senator Macdonald is going to state. Leave has been granted. But I have previously drawn attention to—and I do not know if the Deputy President has—the report of the Senate Standing Committee on Procedure which made it clear that:

In particular, the number of statements being made by leave in relation to complex motions leads to a de facto debate on these motions, contrary to standing order 66.

So I presume we are not going down that path. I can only presume; I can only listen to Senator Macdonald.

Senator IAN MACDONALD (Queensland) (12:13): Thank you, Mr President. I have a point I want to make known to those people in Townsville and Townsville Enterprise Ltd, of whom I am a great supporter. Clearly Senator Brown—and the Labor Party who voted for him—have absolutely no idea of what Townsville Enterprise does, what it has done in this report and what it generally does in a very positive way for the City of Townsville.

The amendment as it has been now carried talks about reducing housing supply pressures in Townsville through the redevelopment of the Lavarack Barracks. They may be reducing housing supply pressures but not through the redevelopment of Lavarack Barracks. Lavarack Barracks was extended, I might say, on an initiative of the Howard government in bringing the 3rd Battalion of the Royal Australian Regiment to Townsville and providing accommodation for them, and a lot of the activity relates to general positive development works not just in housing but right across the vein in Townsville, some $53 billion worth of development.

The amendment moved is simply nonsensical. It was done, obviously, by Senator Brown with his mates in the Labor Party to try and get some credit for the Labor Party putting some money in the 2011-12 budget. As I mentioned, these were initiatives of the Howard government. I would not expect the Greens ever to acknowledge anything positive the Howard government did, like bringing the 3rd Battalion to Townsville and providing the initial stages of funding to facilitate that and the housing and other development which we needed in Townsville.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (12:15): by leave—I want to congratulate the Howard government on the reallocation of the Defence Force facility that Senator Macdonald has been referring to to the beautiful city of Townsville, which I had the pleasure of revisiting just a few months ago. I also want to congratulate the Gillard government on the expenditure described in the amendment which has gone to carrying on that good work and that development in Townsville. There are some contentious developments in Townsville, but I would agree with the reference to positive developments that Senator Macdonald made. It does indicate that not all the developments there are without contention. I think it is a good motion, and we are proud to have supported it.
BILLS

Qantas Sale Amendment (Still Call Australia Home) Bill 2011

First Reading

Senator XENOPHON: I, and also on behalf of Senator Bob Brown, move:

That the following bill be introduced: A Bill for an Act to amend the Qantas Sale Act 1992, and for related purposes. Qantas Sale Amendment (Still Call Australia Home) Bill 2011.

Question agreed to.

Senator XENOPHON: 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 XENOPHON (South Australia) (12:17): I present the explanatory memorandum and I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

Qantas Sale Amendment (Still Call Australia Home) Bill 2011

Qantas is an iconic Australian company—it is the world's oldest continuously running airline, operating for 90 years to date, and prides itself on being the 'spirit of Australia'.

Its story is woven into the story of Australia, and Australians have long taken pride in the service and safety standards provided by our national carrier, reminded often through the voices of the National Boys and the Australian Girls Choirs and picturesque imagery of the Australian landscape, that Qantas 'still calls Australia home'.

But recent moves by Qantas that focus its operations outside of Australia bring into question that statement.

Between flight and cabin crew being sourced from overseas, maintenance work being contracted to overseas locations or subsidiary and associate airlines being established in other countries, it seems that Qantas can no longer call Australia home with any credibility.

At best it's turning into a stopover on the way to some place cheaper.

This bill seeks to ensure that the majority of Qantas operations remain within Australia, particularly the heavy maintenance of aircraft and flight operations and training.

Indeed, the 1992 Qantas Sale Act was designed to ensure that our national carrier remained Australian, even though it was being privatised.

I believe recent moves by Qantas management go against the spirit of that legislation.

Under this bill, Qantas must ensure that, in aggregate, its principal operational centre be majority located in Australia, and, specifically, that the majority of its heavy maintenance of aircraft and the majority of its flight operations and training be located in Australia.

The same requirements also apply to Qantas subsidiaries and any associated entities. This is to ensure that any 'arms' of the company maintain the intention of the Qantas Sale Act—that Qantas as a whole remain Australian.

This bill also requires that two persons—one with at least 5 years professional flight operations experience and one with at least 5 years aircraft engineering experience—be appointed as members of the Qantas Board of Directors.

This is to ensure that technical expertise about the day-to-day and practical running of Qantas is appropriately taken into consideration by management.

When it was passed in 1992, the Qantas Sale Act was designed to require Qantas to meet certain conditions that ensured high standards and that Australia's national carrier remained Australian.
There are existing provisions in the act that allow the court, on application of the minister, to apply an injunction against Qantas if they do not uphold these requirements.

Under this bill, this has been extended to include 100 Qantas shareholders or shareholder members who hold at least 5 per cent of the shares in Qantas.

Qantas needs to be held accountable to the Australian people because it is an Australian icon and our national carrier.

This is not just a matter of ensuring Australian jobs; it is also a matter of ensuring Australian standards.

Qantas has an impeccable safety record.

But my fear is that if Qantas continues to outsource its engineering requirements, and if it employs crews and pilots from countries which may not have the same training standards as is expected in Australia, this impeccable safety record will be put under pressure.

Senator XENOPHON: I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Quarantine Amendment (Disallowing Permits) Bill 2011

Second Reading

Senator XENOPHON (South Australia) (12:18): I present the explanatory memorandum and I move:

That this bill be now read a second time.

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

Leave granted.
The speech read as follows—

Quarantine Amendment (Disallowing Permits) Bill 2011

Australian farms and related sectors generate $155 billion-a-year in production—making up 12 per cent of Australia's GDP—and it is vital that biosecurity standards are upheld to ensure that Australia remains disease free.

This bill seeks to ensure that any decision to allow the importation, introduction, bringing in of or removal of a thing—defined under the Quarantine Act 1908 as an animal, plant, substance or thing—is thoroughly scrutinised.

By requiring the tabling of risk analyses and referrals to parliamentary committees for inquiries, and making permits disallowable and determinations legislative instruments, this bill will protect Australia's agricultural sector from disease.

While this bill follows concerns raised about the importation of New Zealand apples to Australia, the provisions of the bill requires that all things or class of things require a determination to be made by the Director of Biosecurity Australia, which will be a disallowable instrument, and that all permits for the importing, introduction, bringing in of or removal of a thing are also disallowable instruments unless they are covered by a determination.

Under this bill, there are also provisions to require that the minister table a risk analysis for each determination in both houses of parliament and move a motion to refer the determination to the relevant committee in each House for inquiry.

Around the world, agricultural sectors have been decimated by outbreaks of European canker, myrtlerust, fireblight, earlyblight, apple leaf

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Under this bill, there are also provisions to require that the minister table a risk analysis for each determination in both houses of parliament and move a motion to refer the determination to the relevant committee in each House for inquiry.

Around the world, agricultural sectors have been decimated by outbreaks of European canker, myrtlerust, fireblight, earlyblight, apple leaf
curling midge, Tropical Race Four, pear midges, affecting apples, pears, potatoes, bananas, to name a few.

It is crucial that we protect Australia from these diseases.

This bill that I am introducing does not breach World Trade Organisation obligations. It simply provides that determinations and permits not covered by such determinations be tabled before the parliament, along with risk analysis, and that inquiries be held to ensure that thorough assessment take place.

Furthermore, the bill provides that the committees to which any referral is made for inquiry reports within 15 sitting days and in that way, it does not unduly hinder the parliamentary and approvals processes.

This bill also ensures, by requiring a risk analysis to be tabled, that that report is finalised before any decision is made about whether or not a thing, or class of things, is allowed to be imported or removed.

This bill will give Australia's agricultural sector the certainty they both need and deserve, and requires that thorough consideration is given to ensure that Australia remains disease-free.

Senator XENOPHON: I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MOTIONS

Eden Biomass Power Plant

Senator RHIANNON (New South Wales) (12:19): I move:

That the Senate—

(a) notes that:

(i) the operator of the Eden woodchip mill in south east New South Wales, South East Fibre Exports Pty Ltd (SEFE) which is owned by Nippon Paper Industries, plans to build a 5MW biomass-fired power station in Eden,

(ii) the biomass power plant would accelerate the damage done to the New South Wales south east forests by the Eden woodchip mill operations, inevitably using woodchips that have been produced from native forests with heavy subsidies by the New South Wales Government,

(iii) both SEFE and the local federal Member for Eden-Monaro, Dr Kelly, have been promoting the burning of native timber as an important measure in fighting climate change, falsely claiming that forestry biomass is economic, sustainable and a low carbon energy source, and

(iv) biomass electricity generation from native forest feed-stocks is no longer eligible for Renewable Energy Certificates, which will threaten the commercial viability of the Eden biomass power plant; and

(b) calls on the Member for Eden-Monaro and the Minister for Agriculture, Fisheries and Forestry (Senator Ludwig) to guarantee that no federal funding will be allocated to subsidise the operations of the proposed Eden biomass power plant.

Question agreed to.

Senator RHIANNON (New South Wales) (12:19): by leave—Under the recent carbon price agreement, biomass electricity generation from native forest feedstocks is no longer eligible for renewable energy certificates. It is now widely recognised that native feedstock is not a sustainable power source. It has no part in our renewable energy future. The South East Fibre Exports Pty Ltd, which is owned by Nippon Paper and operated by the Eden chip mill is planning to build a biomass fired power station in Eden in the south-east of New South Wales. This plant would inevitably burn for fuel the woodchips produced from logging the stunning native forests that are so valuable ecologically and economically. The woodchip mill's operations are heavily subsidised by the New South Wales government, and it is an environmental outrage that excess woodchips could now be incinerated to produce electricity. It would be a big setback for the commercial viability of the Eden biomass power plant if they were given any funding. People across Australia
are watching closely the developments in Eden to see what happens next, because if funding came through from another source it would certainly open up this industry to the possibility of being developed in other areas.

I urge the member for Eden-Monaro and the minister for forestry to give a guarantee to the public that they will not seek any backdoor means of giving federal funding to the proposed Eden biomass power plant. The question is often asked: why don't we use this waste? This is not waste. It is part of the whole forest process, and the ongoing concern is that, if this biomass power plant was built, it would establish infrastructure that would drive the woodchipping of these beautiful native forests for decades to come.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (12:22): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for two minutes.

Senator LUDWIG: There are three matters that I want to go to. One is in relation to the statement that accompanies a motion. I remind the Senate that we recently provided a Procedure Committee report which effectively went to this issue to limit the amount of time people take in making short statements during this time. This is a time when people can put motions and if they want to contain the issue within the motion they should write the motion accordingly. They should then put the motion without debate. What we have now heard is debate in relation to the motion, which then provokes others around the chamber to debate the motion. It is this issue that we are trying to avoid. I understand Senator Rhiannon is new to this chamber so I simply rise as a courtesy to explain how motions work in this instance.

The government does not support the motion. The government notes the use of biomass as an energy source is carbon neutral as it does not add to the stock of carbon in the atmosphere, as does the combustion of fossil fuels. Accordingly, there is no liability under the proposed carbon price for carbon dioxide emitted from the combustion of biomass. This will mean that biomass combustion will benefit from a carbon price through greater cost competitiveness. However, to protect native forests from the risk of perverse outcomes, the government has committed to amend the renewable energy target regulations to ensure that renewable energy certificates are not issued for wood waste that comes from native forests. Both I and the Parliamentary Secretary for Agriculture, Fisheries and Forestry clearly support the government's position in relation to this. And I do understand that I have now probably provoked a further response—and this is the exact issue that I am trying to avoid in respect of these notices of motion as they proceed, but be that as it may.

(Time expired)

Senator COLBECK (Tasmania) (12:24): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for two minutes.

Senator COLBECK: Senator Ludwig is right: I have been provoked by previous statements to make a short statement. One thing on which I do agree with Senator Ludwig is that the use of biomass is, in fact, carbon neutral although the science that I have seen recently indicates that it is something, in a life-cycle sense, like only four per cent of the CO₂ emissions of coal, so it is certainly a viable and sensible utilisation of our natural resource. Obviously, the opposition does not support the government’s
view that biomass from native wood stocks should be ruled out of access to renewable energy certificates. It is the opposition's view that a sensibly scaled biomass sector is a very viable use of the resource that exists and, in fact, we are aware that up to 8,000 gigawatt hours of energy could be produced from existing sources without cutting down another tree, without any further impact on the forest. So that resource is, in fact, going to waste and could be utilised quite sensibly to reduce our CO$_2$ emissions. The government, obviously because of the influence of the Greens, has gone down the track of removing that capacity to reduce our CO$_2$ emissions by ruling out the use of native forest biomass in the renewable energy process. We do not think that is a sensible way to go, when you are ruling out a resource that even the WWF has set an OECD target of 15 per cent of energy generated from renewables via biomass. We see this as a sensible course to follow and obviously we do not support the government's or the Greens' position.

Question put:
That the motion (Senator Rhiannon's) be agreed to.

The Senate divided. [12:31]
(The President—Senator the Hon. JJ Hogg)

Ayes....................9
Noes....................37
Majority................28

AYES
Brown, RJ
Hanson-Young, SC
Milne, C
Siewert, R (teller)
Wright, PL

NOES
Cash, MC
Collins, JMA
Crossin, P
Fawcett, DJ
Fifield, MP
Furner, ML
Hogg, JJ
Kroger, H (teller)
Lundy, KA
Madigan, JJ
McEwen, A
Moore, CM
Parry, S
Pratt, LC
Stephens, U
Urquhart, AE
Xenophon, N

Question negatived.

Convoy of No Confidence

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (12:34): I move:
That—
(a) the Senate requests Mr Alan Belford Jones AO apologise to the police and wider public for his false claim that thousands of people and hundreds of trucks, on their way to the 'Convoy of No Confidence' rally outside Parliament House on Monday, 22 August 2011, had been stopped at the border of New South Wales and the Australian Capital Territory;
(b) the President report to the Senate on:
(i) Mr Jones' claim that 'the people who have come here [Parliament House] can't actually get into the precinct to be heard', and
(ii) whether people attending the rally were prevented in any way different to any other Australian coming to protest at Parliament House or whether this claim by Mr Jones is also false; and
(c) Mr Jones be invited to respond to this motion, should it pass.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business...
in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (12:34): Mr President, I think I am going to breach my own rule here.

The PRESIDENT: Are you seeking leave?

Senator LUDWIG: I am seeking leave, to make a very short statement.

The PRESIDENT: Leave is granted for two minutes.

Senator LUDWIG: Thank you. The government does understand the concerns that this motion raises. The government will not be supporting the motion. The parliament, of course, is no stranger to intolerant expressions of opinion about matters of state. Some are expressed during protests in parts of the country, some are expressed out the front of the chamber, and sometimes they are expressed in the chamber, unfortunately. We do not, as a rule, support demands for an apology from those who make wrongheaded claims when engaging in public protest, whether they be in other parts of the country or in the proximity of parliament.

Secondly, in relation to the advice about arrangements for access to the parliamentary precinct, there are other ways that information can be sought. For those reasons, the government will not be supporting the motion.

Question put:
That the motion (Senator Bob Brown’s) be agreed to.

The Senate divided. [12:36]
(The President—Senator the Hon. JJ Hogg)

Ayes.................9
Noes..................37
Majority.............28

AYES

Brown, RJ
Hanson-Young, SC

Di Natale, R
Ludlam, S

NOES

Adams, J
Bilyk, CL
Boswell, RLD
Colbeck, R
Crossin, P
Fawcett, DJ
Fierravanti-Wells, C
Furner, ML
Hogg, JJ
Kroger, H (teller)
Landy, KA
Madigan, JJ
McEwen, A
Moore, CM
Parry, S
Pratt, LC
Stephens, U
Urquhart, AE
Xenophon, N

Rhiannon, L
Waters, LJ

Back, CJ
Birmingham, SJ
Cash, MC
Cormann, M
Farrell, D
Feeney, D
Fifield, MP
Gallacher, AM
Johnston, D
Ludwig, JW
Macdonald, ID
Marshall, GM
McKenzie, B
Nash, F
Payne, MA
Singh, LM
Thistlethwaite, M
Williams, JR

Question negatived.

Immigration: MV Tampa

Senator HANSON-YOUNG (South Australia) (12:39): I move:
That the Senate—
(a) notes that:
(i) 26 August 2011, marks the 10th anniversary of the rescue of 433 asylum seekers by the MV Tampa,
(ii) this rescue was followed by the refusal of the Coalition Government to allow the ship to enter Australian shores in direct violation of both maritime conventions and human rights obligations,
(iii) the majority of the asylum seekers, including children, were detained indefinitely on Nauru, as part of the Coalition’s ‘Pacific Solution’, and
(iv) 10 years later, the Labor Government is still pursuing offshore processing, through Australia’s agreement with Malaysia, and
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Australia’s Memorandum of Understanding with Manus Island;

(b) recognises a majority of Australians want asylum seekers processed on the mainland, according to The Age/Neilson poll published on 16 August 2011; and

(c) calls on the Government to abandon offshore processing.

Question put.

The Senate divided. [12:40]

(The President: Senator the Hon. JJ Hogg)

Ayes.................10
Noes....................34
Majority...............24

AYES
Brown, RJ
Hanson-Young, SC
Milne, C
Sievert, R (teller)
Wright, PL

NOES
Adams, J
Bilyk, CL
Boswell, RLD
Colbeck, R
Crossin, P
Fawcett, DJ
Fierravanti-Wells, C
Furner, ML
Hogg, JJ
Kroger, H (teller)
Lundy, KAJ
Marshall, GM
McKenzie, B
Nash, F
Payne, MA
Singh, LM
Thistlethwaite, M

China: Arrest of Australian Citizens

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (12:43): I move:

That the Senate—

(a) notes that a series of Australian citizens have been arrested and held in prison in China in recent years without prompt notification to the Australian Government; and

(b) calls on China to fulfil its diplomatic obligation and promptly notify Australia if any Australian citizen is apprehended in the future.

Question negatived.

COMMITTEES

Publications Committee

Report

Senator McEWEN (South Australia—Government Whip in the Senate) (12:43): On behalf of the Chair of the Publications Committee, I present the 8th report of the Publications Committee.

Ordered that the report be adopted.

BUDGET

Consideration by Estimates Committees

Senator McEWEN (South Australia—Government Whip in the Senate) (12:43): On behalf of the respective chairs, I present additional information received by committees relating to the following estimates:

Budget estimates 2010-11 (Supplementary)—

Economics Legislation Committee—Additional information received between 12 May and 24 August 2011—Treasury portfolio.

Additional estimates 2010-11—

Economics Legislation Committee—Additional information received between 7 July and 24 August 2011—Treasury portfolio.

Budget estimates 2011-12—

Economics Legislation Committee—Additional information received between 7 July and 24 August 2011—
Innovation, Industry, Science and Research portfolio.
Resources, Energy and Tourism portfolio.
Treasury portfolio.
Environment and Communications Legislation Committee—Additional information received between 7 July and 24 August 2011—
Broadband, Communications and the Digital Economy portfolio.
Climate Change and Energy Efficiency portfolio.
Sustainability, Environment, Water, Population and Communities portfolio.
Finance and Public Administration Legislation Committee—Additional information received between 7 July and 24 August 2011—
Department of Regional Australia, Regional Development and Local Government.
Finance and Deregulation portfolio.
Parliamentary departments.
Prime Minister and Cabinet portfolio.
Foreign Affairs, Defence and Trade Legislation Committee—Additional information received between 7 July and 24 August 2011—
Defence portfolio.
Foreign Affairs and Trade portfolio.
Legal and Constitutional Affairs Legislation Committee—Additional information received between 18 June and 23 August 2011—
Attorney-General’s portfolio.
Immigration and Citizenship portfolio.

COMMITTEES
Foreign Affairs, Defence and Trade References Committee
Report
Senator JOHNSTON (Western Australia) (12:44): On behalf of the Chair of the Foreign Affairs, Defence and Trade References Committee, I present the final report of the committee, Defence’s request for tender for aviation contracts, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator JOHNSTON: I move:
That the Senate take note of the report.

Firstly, I thank the staff and secretariat of the Senate Foreign Affairs, Defence and Trade References Committee, particularly Dr Kathleen Dermody, for the 150 pages of this report. It is a very thorough and good report. MEAO is the contract by which we insert Australian combat troops into the Middle East and ultimately into Afghanistan and by which we repatriate them. It is an important contract. There were a number of issues in the media and elsewhere surrounding the retendering of this contract. The report states:
They identified a raft of serious deficiencies in the process but, overall, concluded that the flaws were not sufficiently material to render the process unsound.

While not fully convinced, the committee agrees with all of the findings of the some half-a-dozen investigators, auditors, professionals, lawyers and accountants who reviewed the tender process. I will say some more about that in a moment. The report continues:
It could find no compelling evidence of … fraud; of the use of insider knowledge; of designing the tender to unfairly favour a preferred tenderer; or of the successful tenderer's inability to deliver services as specified under the contract … there was no concrete evidence to suggest that the successful tenderer was not fit and proper for the purposes of contracting with the Commonwealth.

Ultimately the Commonwealth did demand, quite uniquely, a performance bond of $2 million and inserted novate clauses and terms into the agreement such that the ultimate supplier of the aircraft could be contracted directly by the Commonwealth to avoid the preferred tenderer were that tenderer to have some issues. The report continues:
The committee is strongly of the view, however, that Defence should not take comfort from these findings … Aspects of the tender process were … sloppy and, in light of the nature of the industry and the behaviour of people in the industry, Defence was notably inattentive when it came to identifying and managing probity risks, especially conflicts of interests.

A very thick black cloud of uncertainty lingers over the integrity of this tender. The report continues:

The reviews and the committee also uncovered weaknesses in the procedures for preparing and evaluating the tender. For example, inadequate documentation, poor consultation and lack of certification gave rise to confusion, inconsistency and a failure to correct an error in calculations during the evaluation. Although the Source Evaluation Report was re-validated and confirmed the successful tender as top ranked, the problems identified in the process cannot help but undermine the committee's confidence in the robustness of the decision-making processes.

Undoubtedly, the circumstances which prompted the significant parliamentary and public scrutiny of the 2010 tender process have damaged Defence's image and reputation. … While the lessons emerging from this incident need not have been learned at such significant cost, the committee welcomes the reforms announced by Defence …

Having said that, this contract is worth $120 million. There were significant concerns with the process by which the contract was tendered. The Audit and Fraud Control Division of Defence conducted an inquiry; Pricewaterhouse conducted a review of their inquiry; Deloitte Touche Tohmatsu conducted a review of the whole process; the Australian Government Solicitor reviewed the whole process; Clayton Utz, the consulting solicitors, provided legal advice to all of the players throughout the process; and then there was the Senate Foreign Affairs, Defence and Trade References Committee's review.

This contract was notorious. It was mishandled. There were no probity auditors and no probity plan. Whilst I underline and say there was no smoking gun of fraud, there is the very strong aroma of something wrong in this process.

We have made some nine recommendations. It is a very timely and focused report on a matter which gave me and I think members of the committee no comfort in reviewing because of the conflicts of interest. The 2005 initial contract was passed to the Australian Federal Police for investigation. An officer in the ADF, having sat as the non-voting chair of the tender evaluation board in 2005, then obtained employment with the successful tenderer. Then, having left that employment, they proceeded to work for the ultimate successful tenderer in 2010. The whole sorry business has an aroma to it but, as I say, we have no smoking gun of fraud.

Having said all of that, I commend this report to the Senate. I think it is a living and breathing example of the Senate's parliamentary system working effectively and well to set out the issues so that the public can have some confidence that when we send our men and women into battle we do so with due care and attention as to the airline and the transport services we provide for them. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Senator IAN MACDONALD (Queensland) (12:51): Madam Acting Deputy President, under standing order 191, having spoken to a question I want to explain briefly some material part of my speech which may not have been understood. In a debate early today it turns out that I wrongly accused the Cameron clan of siding with the Campbell clan to slaughter the Macdonalds at Glencoe back in the 17th century. Before my colleague Senator Cameron takes me on about this, I just want to acknowledge that
the Camerons were, in fact, with the Macdonalds and not with the Campbells in that instance. But I am sure those Camerons were from a different section of the clan to the one that Senator Cameron is part of. I do want to correct my error in accusing the Cameron clan of siding with the Campbells to slaughter the Macdonalds on behalf of the English King William at Glencoe back in the 17th century.

**BILLS**

**Tobacco Plain Packaging Bill 2011**

**Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011**

**First Reading**

Bills received from the House of Representatives.

**Senator SHERRY:** 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 SHERRY** (Tasmania—Minister Assisting on Deregulation and Public Sector Superannuation, Minister for Small Business and Minister Assisting the Minister for Tourism) (12:53): 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—*

**TOBACCO PLAIN PACKAGING BILL 2011**

Today I am proud to be introducing the Tobacco Plain Packaging Bill.

This is a world-first initiative, designed to remove the last vestige of glamour from tobacco products. The Bill will require that tobacco products be sold in plain, drab dark brown packets.

The Gillard Government is absolutely committed to reducing death and disease brought about by smoking. We want to help protect Australians. That's why we're prepared to lead the world on tackling smoking. Once enacted, these plain packaging laws will be the world's toughest laws on tobacco promotion.

We are taking this action because tobacco is not like any other legal product. When used as intended – it is lethal. Despite Australia's success in reducing smoking rates over recent decades, tobacco remains one of the leading causes of preventable death and disease among Australians, killing over 15,000 Australians each and every year. It is therefore incumbent on us to do all we can to stamp it out.

Take the story of Luke Elliot from Western Australia, who features in one of our most recent anti-smoking TV campaigns.

Luke's story is about his father Neil. Neil was a pack a day smoker – who developed lung cancer as a result. Neil was very sick from his cancer, determined to live to see the birth of his first grandson James. But sadly, Neil passed away one month before James was born.

Luke's story is heartbreaking. But sadder still is that Luke's story is only one of 15,000 such stories that play out in families and communities around Australia every year – because that is how many people still die each year in Australia from smoking-related diseases. That's 15,000 people who don't get to see their son or daughter married, or their first grandchild born. That is 15,000 reasons to act, because by not acting, we are killing people. If we don't do all we can to tackle a known killer, we'd be ashamed of ourselves.

Globally, the World Health Organization estimates that nearly 6 million people die from tobacco-related illness each year, most of them in low- and middle-income countries. About 3 million Australians continue to smoke every day.

That is why in April 2010 the Government announced a comprehensive Anti Smoking Action package aimed at delivering on our commitments to reduce the smoking rate to 10 per
cent by 2018, and to halve the rate of smoking among Indigenous Australians over time.

The Tobacco Plain Packaging Bill is part of this important package. Other elements of the package include:

- The 25% tobacco excise increase introduced on 29 April 2010. This has seen tobacco clearances fall by 8.8% over the last 11 months;
- Additional funding for Quitline;
- Record investments in anti-smoking social marketing campaigns – more than $87 million, including tough new advertisements linking smokers' cough with lung cancer and the first ever national indigenous anti-smoking advertisement;
- Legislation to prohibit the advertising of tobacco products on the internet – which we hope will pass the Senate this week; and
- Since February this year, we have provided subsidies for nicotine replacement therapies on the Pharmaceutical Benefits Scheme, to provide that all-important support for people trying to quit – with nearly 100,000 scripts issued so far.

The Plain Packaging Bill is the latest step in the Government's fight to reduce the toll on families from smoking related illness and death.

There is very clear research that supports this approach. The peer-reviewed research shows that plain packaging will:

- reduce the attractiveness and appeal of tobacco products to consumers, particularly young people;
- increase the noticeability and effectiveness of mandated health warnings; and
- reduce the ability of the tobacco product to mislead consumers about the harms of smoking.

Plain packaging will remove one of the last remaining forms of tobacco advertising in Australia.

It will restrict tobacco industry logos, brand imagery, colours and promotional text. The packaging will be mandated to appear in a standard drab dark brown colour, which has been chosen based on research for the lowest appeal to smokers.

The only thing to distinguish one brand from another will be the brand and variant name in a standard colour, standard position and standard font size and style.

The Bill will make it an offence to sell, supply, purchase, package, or manufacture tobacco products for retail sale in Australia in anything other than the plain packaging requirements set out in the Bill and regulations. The maximum penalty for committing a fault-based criminal offence – that is, for persons who intentionally or recklessly break the rules – for an individual will be 2,000 penalty units (currently $220,000), and for a body corporate, 10,000 penalty units (currently $1.1 million). The maximum penalty amount for a strict-liability criminal offence committed by an individual is 60 penalty units ($6,600) and by a body corporate is 300 penalty units ($33,000). The offences will not apply to people who purchase cigarettes for their personal use.

An update to the current graphic health warnings to increase the coverage on the front of the pack from the current 30 per cent to 75 per cent, along with updated imagery and warnings, will accompany the introduction of plain packaging. So that rather than being a marketing tool, the pack will only serve as a stark reminder of the devastating health effects of smoking.

We know packaging is a very powerful marketing tool for tobacco companies – particularly for recruiting new smokers to their deadly products. There is ample research to support this approach. But the evidence in support of it is not only in the 24 (and counting) peer-reviewed journal articles; compelling evidence that packaging is a powerful marketing tool for promoting tobacco smoking can also be found in Big Tobacco's reaction to this very initiative itself. Big Tobacco is fighting so vigorously against this legislation for one very simple reason – because they know, as we do, that it will work.

Tobacco companies are fighting to protect their profits; but we are fighting to protect lives.

I'm delighted that some of the public health experts who have fought so hard over many
decades to reduce the death and disease caused by tobacco products are in the public gallery watching the introduction of this historic legislation into the Parliament today.

Some of these experts sat on the National Preventative Health Taskforce – just one of the national health bodies who have joined the World Health Organisation in recommending plain packaging of tobacco as a means of reducing smoking rates.

The Preventative Health Taskforce was commissioned by the Australian Government in 2008. Its report, released in September 2009, concluded that "there can be no justification for allowing any form of promotion for this uniquely dangerous and addictive product” – including on the packaging.

In line with the international evidence, the Taskforce said plain packaging would:

- increase the impact of health warning messages;
- reduce the ability of tobacco companies to mislead consumers into believing that some cigarettes are less harmful than others;
- make cigarettes look less attractive, and
- reduce the appeal and desirability of smoking generally.

But it’s not just our national taskforce which believes this. Plain packaging has been discussed in various international forums over the past 25 years.

Our legislation will give effect to commitments under the World Health Organisation Framework Convention on Tobacco Control, which recommends that plain packaging be considered as part of comprehensive bans on tobacco advertising and as a way of ensuring that consumers are not misled about the dangers of smoking.

Australia is the first signatory to the Framework and the first country in the world to commit to implementing these recommendations on plain packaging – cementing our reputation as a world leader in tobacco control.

As well as being based on ample evidence and careful advice of the experts, this Bill is the result of wide-ranging consultation:

- the Preventative Health Taskforce undertook detailed consultations on tobacco control reforms in the preparation of their report;
- since the Government announced its intention to introduce plain packaging, the Department of Health and Ageing has undertaken targeted consultations with organisations representing large and small retailers, with cigarette and cigar importers and with the major tobacco manufacturers; and
- the Government held a 60 day public consultation period on an Exposure Draft of this Bill.

Consultation on the exposure draft of the Bill showed overwhelming support for the measures we are proposing, from public health groups both within Australia and internationally.

In addition, we have listened to concerns raised with our proposals during these consultations – and legitimate concerns have now been taken up in the final Bill.

For example, to assist in identification of illicit tobacco products, manufacturers will be permitted to include certain design features that do not run counter to the public health objectives of the measure.

The brand name will be permitted on the top, front and bottom of cigarette packs to assist retailers in handling tobacco products.

All product manufactured in Australia will need to comply with plain packaging as of the 20th May 2012. This will allow retailers plenty of time to restock and ensure that they have disposed of non-compliant product before 1 July 2012.

To assist small-scale importers and small business with compliance, imported tobacco products will be able to be re-packaged after importation into Australia.

Of course, despite the sound evidence on which these measures are based and wide-ranging consultation prior to the Bill's introduction, our plain packaging plans have met with fierce opposition from Big Tobacco companies.

Since April 2010, Big Tobacco has been doing everything in their power to fight the Government politically and legally on this issue – and we know they'll stop at virtually nothing.
They were quick to establish a group to front their activities – The Alliance of Australian Retailers.

The Alliance ran a multi-million dollar advertising campaign against the Government during the last federal election campaign.

Now the industry has ramped up its campaign, including through invoking the "Nanny state". The campaign is the latest in a decades long fight against what is good for its consumers, what is good for the community.

They've claimed plain packaging "won't work" – but if it won't work, why are they pouring millions of dollars and throwing all their corporate might into opposing it?

Since April 2010, the Department of Health and Ageing has had to handle over 40 Freedom of Information requests generated by two of the global Big Tobacco giants. Let's be clear the intention of these requests is to disrupt the Department's business and resources.

The most recent ad campaign aims to scare the public into believing that plain packaging will cost taxpayers and the government billions of dollars in legal action, that it will increase the availability of illegal tobacco in the community, and will increase the number of cigarettes sold to children.

One video available on the internet claims a link between plain packaging, murder, heroin, prostitution and the Russian mafia! Their claims are becoming increasingly hysterical and increasingly desperate. Because not only do they know plain packaging will work, Big Tobacco also knows that if we are successful in implementing these measures in Australia, other countries will follow.

I conclude by saying again that the Gillard Government is determined to do all we can to tackle the harm caused by smoking.

The Gillard Government is proud to be leading the world in the fight against tobacco by introducing the world's toughest tobacco promotion laws.

We want to ensure that in the future, people like Luke Elliot's Dad Neil never start smoking in the first place, and as a result, live to see their first grandchild born.

TRADE MARKS AMENDMENT (TOBACCO PLAIN PACKAGING) BILL

Today I also introduce a consequential amendment bill, the Trade Marks Amendment (Tobacco Plain Packaging) Bill.

The Tobacco Plain Packaging Bill includes restrictions on the use of trademarks on tobacco products and retail packaging of those products.

This Bill, the Trade Marks Amendment (Tobacco Plain Packaging) Bill, is being introduced to amend the Trade Marks Act 1995 (Trade Marks Act) so that, if necessary in the future, the government can quickly remedy any unintended interaction between the Tobacco Plain Packaging Bill 2011 and the Trade Marks Act that can't be dealt with under the Tobacco Plain Packaging Bill 2011.

This Bill amends the Trade Marks Act to allow regulations to be made in relation to the operation of the Tobacco Plain Packaging Bill 2011. The objective of any such regulations would be to ensure that the practical operation of the Tobacco Plain Packaging Bill 2011 does not prevent businesses from registering new trade marks, or from protecting registered trade marks against infringement.

Senator Carr, who is responsible for the Trade Marks Act has indicated his strong support for the intent of the Tobacco Plain Packaging Bill.

Senator Carr also supports the amendments to the Trade Marks Act that will result from this consequential amendments bill passing. He and I share the view that the health, economic and social costs to Australia of tobacco use justify the amendments to the Trade Marks Act.

Debate adjourned.

Legislative Instruments Amendment (Sunsetting) Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

(Quorum formed)

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (12:57): The opposition supports the
Legislative Instruments Amendment (Sunsetting) Bill 2011. The purpose of the bill is to provide that legislative instruments uniformly remain in force for a period of 10 years after they are made. As we know, legislative instruments usually remain in force for 10 years after they are made and are subject to review before the end of that period. That has been the case for many years. However, the effect of the current section 50 of the Legislative Instruments Act is that instruments with retrospective commencement dates can sunset before that time or even sunset before they are made.

The proposed amendment addresses that anomaly by ensuring that legislative instruments sunset 10 years from the time of their registration on the Federal Register of Legislative Instruments rather than from the time of their coming into force. The stated intention of the amendment is to achieve the dual policy aim of allowing instruments 10 years of operation and ensuring that regulation is reviewed on a regular basis. As I have said, this seems an appropriate piece of legislation to remove an anomaly and it has the opposition's support.

Senator SHERRY (Tasmania—Minister Assisting on Deregulation and Public Sector Superannuation, Minister for Small Business and Minister Assisting the Minister for Tourism) (12:59): I thank Senator Brandis for his contribution to the debate. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Senator SHERRY: I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Indigenous Affairs Legislation Amendment Bill 2011

Second Reading

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

Senator PAYNE (New South Wales) (12:59): The coalition supports the Indigenous Affairs Legislation Amendment Bill 2011. I note that schedules 1 and 2 of this bill were initially part of the Families, Housing and Community Services and Indigenous Affairs and Other Legislation Amendment (Budget and Other Measures) Bill 2010, but that the government agreed to remove these schedules from the original bill and to consequently debate them separately after the coalition raised certain concerns in relation to those. I also note that schedule 2 of the bill was omitted from the final bill which went through the House of Representatives.

Non-government senators had recommended in the report of the Senate Standing Committee on Legal and Constitutional Affairs that a review into the operation and functions of the Indigenous Land Corporation be conducted to ensure that the ILC continues to meet its objectives prior to any changes in land acquisition functions. I note that the government also has not yet released any draft ministerial guidelines, as was recommended, as I understand it, by the majority Senate committee report. The coalition therefore did not support schedule 2 of the bill and we are pleased to see that it has been withdrawn.

In schedule 1 of the bill we will see additional parcels of land in the Northern Territory granted to the Aboriginal Lands Trust under the Aboriginal Land Rights (Northern Territory) Act 1976. The land and the islands near Borroloola listed in item 1 of the schedule are, as I understand it, surrounded by an intertidal zone representing
significant recreational fishing grounds. Scheduling this land may have caused these intertidal waters to become subject to the legal precedent created by the Blue Mud Bay case, which would have had the effect of restricting access to those waters. The government has addressed this by scheduling the parcels associated with the Borroloola land claim to the high watermark rather than the low watermark, which I am advised will negate the illegal impact of the Blue Mud Bay precedent.

The Port Patterson Islands also relate to a long-running land claim. These are islands adjacent to the Kenbi land claim and will now become part of the Kenbi land grant, with fishing access maintained under a negotiated deal with traditional owners and with recreational fishing instruments. The coalition therefore affirms its support of schedule 1 of the bill.

Schedule 3 of the bill is a new measure that will effect changes to the Aboriginal and Torres Strait Islander Act 2005. The effect of the schedule will be to remove the connection between the election of members to the Torres Strait Regional Authority, the TSRA, and the Queensland local government elections by removing the legal connection between the ATSI Act and the Queensland Local Government Act. This will reverse the linkage that resulted from Queensland local government elections being held once every three years in the same cycle as TSRA elections, which are also held every three years. It is expected that this will reduce the potential for conflicts of interest between the roles of people elected to both bodies. It will also provide powers for the minister to determine how the Torres Strait Regional Authority is constituted, enabling greater flexibility in the appointment of TSRA members.

I understand that the Torres Strait Regional Authority has indicated that it does support the provisions of schedule 3. The coalition supports this schedule and the bill as it stands.

Senator SHERRY (Tasmania—Minister Assisting on Deregulation and Public Sector Superannuation, Minister for Small Business and Minister Assisting the Minister for Tourism) (13:03): I thank Senator Payne for her contribution on behalf of the coalition and commend the bill to the Senate.

Bill read a second time.

Third Reading

Senator SHERRY: I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Inspector-General of Intelligence and Security Amendment Bill 2011

Second Reading

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

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (13:04): The purpose of this bill is to amend the Inspector-General of Intelligence and Security Act 1986 to provide the IGIS with capacity to undertake own-motion preliminary inquiries and extend the capacity for own-motion full inquiries; to permit the delegation of the powers of the office of the IGIS, subject to ministerial approval; to permit the IGIS to release material to royal commissions, at the discretion of the government; and to make a small number of technical amendments.

The office of the Inspector-General of Intelligence and Security was created in response to the 1983 Royal Commission on Intelligence and Security, otherwise known as the Hope royal commission, to provide for oversight and review of the Australian intelligence and security agencies, of which
there are now six. The act currently allows the IGIS to undertake preliminary inquiries but only when a complaint is made to the office. Where an allegation is made but there has been no complaint to the office, the only formal option for examination of the matter is to commence a full inquiry.

There is also an apparent anomaly in the act. The IGIS can conduct an inquiry on his or her own motion into the activities of the ONA, ASIO and the DIO but has no such capacity in regard DIGO, the DSD or ASIS. The act also permits the IGIS to provide to the Prime Minister a copy of any report covering the ONA but not the other five agencies within his jurisdiction. At present the act does not provide for any power of delegation. All of the powers of the office must be exercised personally. This limits the number of inquiries that can be conducted at any one time, on top of the inspection and complaint-handling functions.

The secrecy provisions of the act are intended to prevent court proceedings becoming an indirect conduit for the disclosure of information and documents gathered as a result of the complete access to which the IGIS is entitled. However, there are likely to be cases where the IGIS could facilitate the work of a royal commission. The bill makes provision for regulations for a commission to seek such evidence—in other words, it carves out an exception to be used in limited circumstances in the case of royal commissions from the general prohibition of the use of information obtained by the IGIS for court proceedings. The IGIS will not, however, be obliged to give evidence at the request of any royal commission.

The act was drafted with the view to ensuring the powers of the IGIS to get highly sensitive information would continue to be very closely held. The coalition are satisfied that the appropriate safeguards have been preserved, and for that reason we support the bill.

Senator SHERRY (Tasmania—Minister Assisting on Deregulation and Public Sector Superannuation, Minister for Small Business and Minister Assisting the Minister for Tourism) (13:07): I thank Senator Brandis for his contribution on behalf of the coalition and I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator SHERRY (Tasmania—Minister Assisting on Deregulation and Public Sector Superannuation, Minister for Small Business and Minister Assisting the Minister for Tourism) (13:08): I table a supplementary explanatory memorandum relating to the government amendment to be moved to this bill. The memorandum was circulated in the chamber on 24 August 2011. I move government amendment (1):

(1) Schedule 1, page 7 (after line 12), at the end of the Schedule, add:

16 After subsection 35(2A) Insert:

(2AA) The Inspector-General must include in a report prepared under subsection (1) the Inspector-General's comments on:

(a) the employment of any person under subsection 32(3) during the year to which the report relates (whether or not the employment commenced during that year); and

(b) any delegation under section 32AA in force during the year to which the report relates.

Briefly, the purpose of the amendment is the government responding to the recommendations made by the Senate Legal and Constitutional Affairs Legislation Committee, and I thank the committee and the Senate for their valuable contribution to the bill. It provides that the annual report
prepared by the Inspector-General of Intelligence and Security, the IGIS, include comments on any matters arising during the year relating to the employment of and delegation of powers to individuals. This will provide further assurance that any delegation of power by the IGIS is adequately reported in each annual report. I commend the amendment to the chamber.

Question agreed to.

Bill, as amended, agreed to.

Bill reported, with an amendment; report adopted.

Third Reading

Senator SHERRY (Tasmania—Minister Assisting on Deregulation and Public Sector Superannuation, Minister for Small Business and Minister Assisting the Minister for Tourism) (13:10): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Offshore Petroleum and Greenhouse Gas Storage Amendment (National Regulator) Bill 2011

Offshore Petroleum and Greenhouse Gas Storage (Registration Fees) Amendment Bill 2011

Offshore Petroleum (Royalty) Amendment Bill 2011

Offshore Resources Legislation Amendment (Personal Property Securities) Bill 2011


Second Reading

Debate resumed on the motion:

That these bills be now read a second time.
relation to petroleum and greenhouse gas operations. Its principal functions will be occupational health and safety, structural integrity of facilities, wells and related equipment, environmental management and regulation of day-to-day petroleum operations. NOPSEMA will appoint and deploy OHS inspectors and petroleum and greenhouse gas project inspectors. NOPSEMA, like NOPSA, will be fully funded by cost recovery levies and fees managed by means of a special account under the Financial Management and Accountability Act 1997.

The titles administrator will be the holder of an APS office within the Department of Resources, Energy and Tourism and will be assisted principally by APS employees within the department. The titles administrator's principal functions will be to provide information, assessments, analysis, reports, advice and recommendations to members of the joint authorities and the responsible Commonwealth minister in relation to the performance of those ministers' functions and the exercise of their powers, the collection and management and release of data, titles administration, approval and registration of transfers and dealings, and the keeping of the register of petroleum and greenhouse gas titles.

NOPSEMA and the titles administrator will each have an express function of cooperating with the other in matters relating to the administration and enforcement of the act and regulations. While it is an important aspect of the new regime that the two bodies will act entirely independently of each other in their decision making and regulatory practices, a level of administrative coordination between the agencies will assist in minimising any potential impact on the industry of having offshore operations regulated by two different entities.


Following a High Court decision in 1975 that confirmed that the Commonwealth had jurisdiction and the right to explore for and exploit seabed resources in the territorial sea and the continental shelf—that is, the continental shelf case—in June 1979 the Commonwealth and the states agreed to a division of offshore rights, powers and responsibilities, known as the Offshore Constitutional Settlement. Pursuant to the Offshore Constitutional Settlement, the Commonwealth parliament enacted the Coastal Waters (State Title) Act 1980 and the Coastal Waters (State Powers) Act 1980,
and equivalent acts for the Northern Territory, by which the Commonwealth conferred on the states and the Northern Territory the same title to the area and seabed of the three nautical mile territorial sea and the same legislative jurisdiction as the states and the Territory would have had if that part of the territorial sea had been within the limits of the states or the Territory.

Following the Offshore Constitutional Settlement, an amendment confined the application of the Petroleum (Submerged Lands) Act 1967, which is now the Offshore Petroleum and Greenhouse Gas Storage Act 2006, to waters outside the three nautical mile limit. The states and the Northern Territory enacted mirror legislation applying in waters landward of that boundary. Again, as provided by the Offshore Constitutional Settlement, under the Commonwealth act the states and the Northern Territory shared in the administration of the Commonwealth act under the joint authority and designated authority arrangements described in the outline.

Post the Offshore Constitutional Settlement, the most significant legislative development has been the establishment of the National Offshore Petroleum Safety Authority. This followed the 2001 Commonwealth government report on offshore safety *Future arrangements for the regulation of offshore petroleum safety*. The primary conclusion of this report was:

... that the Australian legal and administrative framework and the day-to-day application of this framework for regulation of health, safety and environment in the offshore petroleum industry is complicated and insufficient to ensure appropriate, effective and cost efficient regulation of the offshore petroleum industry.

Much would require improvement for the regime to deliver world-class safety practice.

Since 1 January 2005, NOPSA has been the regulator of occupational health and safety in Commonwealth waters under the Commonwealth act and in state and Northern Territory coastal waters under the states' and Northern Territory's Petroleum (Submerged Lands) Act—that is, the mirror cooperative legislative scheme.

The Productivity Commission's *Review of regulatory burden on the upstream petroleum (oil and gas) sector* in 2009 identified significant unnecessary regulatory burden on the sector and made 30 recommendations, including the establishment of a national offshore petroleum regulator in Commonwealth waters and the implementation of regulatory best practice. The Varanus Island gas pipeline explosion of 2008 and the uncontrolled release of oil and gas from the Montara wellhead platform in 2009 also highlighted inadequacies in the offshore petroleum regulatory regime. Of particular concern was a shortage of technical staff in the designated authorities' departments with the necessary qualifications, skills and experience. There was also a perceived lack of independence of staff with responsibility for regulatory oversight of well integrity and environmental management, located as they were in the state and Northern Territory departments that were responsible for resource development.

The June 2010 report of the Montara Commission of Inquiry recommended that the Productivity Commission's proposal to establish a national offshore petroleum regulator should be pursued at a minimum. The Montara commission recommended that a single independent regulatory body should be created, looking after safety as a primary objective along with well integrity and environmental approvals. Industry policy and resource development and promotion activity should continue to reside in government departments and not with the independent regulatory agency.
The amendments in the national regulator bill reflect extensive consultation with jurisdictions, industry and NOPSA and will implement the institutional reforms arising from the Productivity Commission review and the Montara Commission of Inquiry. Should these reforms not be progressed, Australia will miss an opportunity to strengthen the regulation of offshore petroleum activities and reduce unnecessary regulatory burden and would forgo significant potential national income benefits. Reform of the sector is a priority of the COAG National Partnership Agreement to Deliver a Seamless National Economy.

The legislation will enable the Commonwealth to obtain amounts received under the Offshore Petroleum and Greenhouse Gas Storage (Registration Fees) Act 2006, which are currently required to be paid to the states and the Northern Territory in order to fund the establishment of NOPTA and the expansion of NOPSA to NOPSEMA. After these costs have been funded the legislation will repeal the registration fees act. The bill also repeals the Offshore Petroleum and Greenhouse Gas Storage (Annual Fees) Act 2006. NOPTA and NOPSEMA will operate on a cost-recovery basis with levies raised by the offshore petroleum industry, imposed by the Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003.

The primary objectives of this suite of bills are not controversial. Delays in the implementation of the legislation arose from the need to finalise negotiations between the governments of the Commonwealth and Western Australia. Those negotiations having been satisfactorily finalised and implemented by these bills, the coalition supports their passage through the Senate.

Senator SIEWERT (Western Australia—Australian Greens Whip) (13:21): The Greens have taken a fairly strong stance, as people would be aware, on these issues and particularly since the Montara inquiry. The flaws in our current regulation of the offshore oil and gas industry were made extremely apparent with the Montara oil spill. As many of you know, I have been engaged with this issue since then and flew up to the Montara well to look at the spill at that time.

As the commission of inquiry found, it was the worst oil spill in the history of the offshore gas industry in Australia and the third worst in Australia's history. Oil and gas continued to flow unabated into the Timor Sea for 10 weeks, with patches of sheen covering up to 90,000 square kilometres. The oil made it into Indonesian waters and the inquiry confirmed that an oil sample that I sent, which Indonesian fishers had sent to me, was Montara oil. I continue to maintain that the Australian government, which was responsible for regulating this oil well, should have taken leadership in ensuring that the issues in relation to the impact of the spill on subsistence fishers in Indonesia and their claims for compensation should have been dealt with by now. I have always maintained Australia should have taken a leading role in ensuring that happened. As it is, I understand that those fishers are still negotiating and have not been adequately compensated for their losses. We believe that legislation in the longer term should be enacted to ensure that people who are innocent bystanders and are adversely affected should not have to bear the costs. Oil blowouts offshore can have major and long-lasting effects such as loss of human life, pollution of the marine environment and coastal areas, as well as commercial losses for industries involved such as fisheries. The likelihood of blowouts may have been seen as low but this relies on the competence of the operator and the regulator in ensuring the integrity and the management of the wells.
In terms of responsibility for this particular spill the report from the inquiry could not have been clearer that PTTEPAA shortcomings led directly to the spill. The report said:

In essence, the way that PTTEPAA operated the Montara Oilfield did not come within a ‘bull’s roar’ of sensible oilfield practice. The Blowout was not a reflection of one unfortunate incident, or of bad luck. What happened with the H1 Well was an accident waiting to happen; the company’s systems were so deficient and its key personnel so lacking in basic competence, that the Blowout can properly be said to have been an event waiting to occur.

The report went on to note that:

... not one of the five Montara wells currently complies with the company’s Well Construction Standards ...

The inquiry also found that the regulatory environment was:

... totally inadequate, being little more than a ‘tick and flick’ exercise.

In contrast what is needed is a regulator that actively probes and inquires, that is not passive and that makes sure well operations management plans—WOMP or ‘womps’ as they are called—are adequate and that their requirements are being met. The inquiry also found that the overall regulatory system needs improvement including ensuring adequate minimum standards of good oilfield practice such as at least two barriers in place for wells that have been properly tested and verified.

When you look at the environmental impacts, the report was also damning of the Montara incident. It found that it is unlikely that the full environmental consequences of the blowout will ever be known. This reflects the vast and remote area affected by the spill, the absence of solid, reliable baseline data on species and ecosystems and the slow response to putting in place the monitoring plan. The report said there was a failure of proper coordination across government agencies when it came to looking at environmental issues and there was a failure to share information. There was a lack of monitoring from the start of the spill and no monitoring was done on the subsurface water, in other words on the impact of dispersants and the dispersed oil on the marine environment. In particular we will never know the extent of the environmental damages because insufficient environmental baseline monitoring was done in the first place by the company, which the NT government allowed and ticked and flicked. The report noted that the adequacy of the monitoring plan has been lessened because of the significant delay in implementing scientific monitoring and inadequate water sampling, which has made it difficult to assess the impact of oil and gas dispersants.

The Greens welcome the commission of inquiry's report and its recommendations. We have been supportive of the government in its response to the inquiry, the legislative changes it has already made and the changes contained in the package of bills we are debating today. In particular we support the establishment of a single regulator for oilwell integrity, environmental management and occupational health and safety. We support the Commonwealth having primary responsibility for the regulation of this industry in Commonwealth waters. I note my disappointment with the government of my own state who have been so slow in taking up this initiative and have been resisting the absolute necessity for a single national regulator of the offshore oil and gas industry. We also fully support the separation of regulatory functions from the administration of titles.

The effectiveness of the national regulator will ultimately be dictated by the way it operates and the funding allocated to it. It must not copy the culture of its predecessors
and be a friend to industry. It must be truly independent and be a robust regulator by taking into consideration the interests of all Australians as it considers its work and not just look at the interests of the oil and gas industry. There also needs to be a high degree of accountability and transparency for this agency. It must be able to employ and retain highly trained workers, which means competing with the high-paying jobs in the resource sector, and it must have enough resources to be equipped to conduct its operations and audit compliance to the highest levels of quality, transparency and consistency. We have been reassured by the minister’s commitment to experienced staff with the necessary degrees of expertise to undertake the necessary regulatory activities and to monitor the companies. We will be making sure that every government that uses this legislation is committed to the same.

This regulatory process that we are dealing with now in this package of bills is part of the government’s response. The government has also committed to better coordination across the agencies because, as I have just highlighted, the commission of inquiry found there were problems. We will continue to monitor that with the government to ensure that we have regulatory processes and adequate responses to oil spills and that the rest of the promises they have made are put in place.

While the Greens are supportive in principle of this legislation, we also have some concerns and that is why I am seeking to move some amendments. We have a number of amendments and I will quickly go into what they do. This is a relatively quick summary and we will talk about it a bit more in committee. We believe the addition of an extra person to the advisory board for NOPSEMA, the regulator, is important. We understand that the minister has in fact agreed to this amendment that ensures there are a sufficient number of people on the advisory board to ensure that a person with environmental expertise is included. I will seek confirmation of that when we move the amendment. We believe it is essential that this person be included so that somebody on the board has experience in environmental management and has an environmental background, given the expanded responsibilities of NOPSEMA.

I will also be moving an amendment about a prohibition on decisions and orders under the Offshore Petroleum Act. We want to make sure that they are not accredited under the Environment Protection and Biodiversity Conservation Act 1999. We do not want to see the role of the environment minister or the environment department being sidelined from assessing the environmental implications of offshore oil and gas operations. While government’s proposed amendments to the regulatory regime do not in themselves address the role of the environment minister, we are deeply concerned that there is potential for a resources minister to seek to have the environment minister accredit NOPSEMA’s processes under the EPBC Act. We want to make sure that this cannot occur under any circumstances into the future and that the proper role of the EPBC Act is retained.

An issue that I raised during the course of the inquiry, and which has been ongoing since then and before then, is the fact that PTTEP was allowed to acquire further leases and titles while it was being investigated, with the government knowing full well from the company’s own submissions to the inquiry and from transcripts of the inquiry that there were serious concerns about its operations. The very fact that it had a spill obviously raised that issue. So I will be moving amendments to enable the government to choose not to grant a licence to companies where there are sufficient
questions about their ability to manage oil-fields and where they have caused a significant accident like the Montara accident.

There is a similar amendment in relation to the titles administrator not approving the transfer of titles where the transferee is under investigation. These provisions are triggered when an entity is under investigation under the commission of inquiry provisions of part 9.10A.

The final amendment is to require the titles administrator to notify the environment minister when titles are vacated. This will allow the environment minister to easily know and consider marine areas for further protection when it is clear the area is not of interest to resource companies.

I will go quickly into several other issues that I think are pertinent to the discussion of this issue and have come out of the Montara PTT incident in particular. I know that there are potentially issues around workers compensation for workers injured during this period, and I understand there are at least two workers who continue to suffer from post-traumatic stress disorder as a result of the blow-out at the Montara well. They are in fact still fighting to receive fair and reasonable compensation. As I understand it, these workers were on the West Atlas rig off the north-west Australian coast when the blow-out occurred and were involved in the emergency response. We all saw quite vividly the extent of the emergency response. I understand that these workers are yet to be compensated and that there is no responsibility claimed by the company that they are required to pay reparations to these workers. As a result of the incident, these workers have not been able to return to their usual employment in the offshore oil and gas industry and are now confronting the prospect of their current workers compensation payments running out, which leaves them facing potential financial ruin and possible further trauma. We urge the company involved, PTTEP, to look again into this matter and resolve it urgently, so that these workers who are already suffering do not have to suffer further.

The oil and gas industry plays an important role in our economy, but it has enormous potential to pose risks to human life and our environment, as we saw with Montara. To a certain extent, we in Western Australia escaped a bullet with the Montara leak, given that it occurred further offshore and that the prevailing weather was favourable to good oil spill response. With the level of oil and gas exploration and production that is going on in Western Australia—off our entire coast—there is the potential for us not to be so lucky in the future. In other words, we do not want to see an accident like this happen again and happen where oil and gas could end up on the Kimberley coast or on the rest of the coast of Western Australia—or any of Australia, for that matter. We have been very vocal in our opposition to the release of some acreages for oil and gas exploration, such as that in the Mentelle Basin, also known as the Naturaliste Plateau, which is only 83 kilometres off the coast of the Margaret River in the south-west of WA. There is very strong opposition to this in the area, which is one of the areas that has not yet been taken up by the industry. We believe that area and other areas like it should be put into the conservation estate and made a marine reserve so that we know they are protected in perpetuity. If we had had a spill of the size of the Gulf of Mexico spill in the Mentelle Basin, we could end up with oil on the beaches north of Perth and quite a way around the south coast. This is why we need robust oil and gas legislation and why we will be supporting the government's bill. But—and this is a clear message
to government—we also need this as part of a package that protects important marine biodiversity, so it needs to go hand in hand with that process.

We also believe that we need to have put in place a process where the public gets to comment on the release of areas for the take-up of oil and gas exploration. In other words: when acreage is released a public process should be undertaken. We will continue to pursue that with government.

Lastly, on the issues of marine protected areas: we strongly believe in and are deeply committed to a proper, comprehensive, adequate and representative series of marine protected areas around the coast of Western Australia. I note that we were disappointed with the draft plans released just this week by the government for the north-west of Western Australia and the north of Western Australia—around the very area where a lot of oil and gas activity is happening in this country. We need to make sure that the important areas there are protected. The government's current plans do not do that. So we will continue to pursue that.

In summary, we support this legislation in principle. We have amendments that we believe enhance this legislation. I ask the government to reconsider our amendments. I recommend those amendments, which I will again talk to in committee, and meanwhile note the Greens’ in-principle support for this legislation.

Senator CORMANN (Western Australia) (13:37): The oil and gas industry is a very important industry for my home state of Western Australia, which is why Liberal members and senators in this parliament have taken a very close interest in the progress of the Offshore Petroleum and Greenhouse Gas Storage Amendment (National Regulator) Bill 2011 and related legislation. This legislation has been floating around the parliament in various guises now for way more than a year. That it has taken so long is yet another example of government incompetence, government arrogance and government refusal to go through proper process. In fact, the processes that were followed by the federal Minister for Resources and Energy in relation to this are nothing short of world’s worst practice.

This legislation was introduced without any consultation whatsoever with the state government in Western Australia. Yes, there has been, belatedly, some negotiation in recent months. And, yes, we are now in a position where the coalition is able to support passage of this legislation given the agreements that have been reached. But it should not have taken so long. It should not have required the Senate’s insisting on sending the minister back to the drawing board. The minister, being part of a government that promised in the lead-up to the 2007 election that this was going to be a new era of cooperative federalism, should never have been forced back to the drawing board. He should have gone through proper process right from the start.

This bill seeks to establish national regulators. Senator Siewert talks about the Commonwealth wanting to take primary responsibility for regulation, and I will have some further remarks about how effective that might be later on. This bill seeks to establish national regulators through expansion of the current National Offshore Petroleum Safety Authority to the National Offshore Petroleum Safety and Environmental Management Authority. It also seeks to create the National Offshore Petroleum Titles Administrator.

Under the current process, ministers from the states and the Northern Territory, through their departments, have performed the function and exercised powers conferred directly
on them by the Offshore Petroleum and Greenhouse Gas Storage Act 2006 and its predecessor act, the Petroleum (Submerged Lands) Act 1967. The Commonwealth conferred these powers on the states and territories as part of the then decision on how to manage these affairs. The state government in Western Australia has managed that responsibility very competently and in the national interest. Sixty per cent of offshore petroleum activity is being conducted off the coast of Western Australia. Yes, we have Commonwealth waters and we have the three-nautical-mile zone in which the state is responsible. Of course, we cannot draw some artificial line whereby the Commonwealth can do all the things it wants to do without talking to anyone and the states are going to do all their sorts of things without talking to anybody about it. Clearly there have to be lines of communication. Clearly there has to be coordination. Clearly different levels of government have to work together to make sure that there are no unintended consequences—environmental, social or safety consequences—on either side of that particular line.

This government thought: 'We're just going to press ahead. We want to just throw overboard all the processes that have happened in the past without talking to anyone.' I note that Senator Eggleston, a very distinguished Liberal senator from Western Australia, was the coalition representative on—and in fact the Deputy Chair of—the Senate Economics Legislation Committee, which looked into this legislation. He was responsible for drafting a very eloquent report into the flaws in the process and in what was proposed at the time.

But I will just stick with the process for a moment. These bills were initially introduced without any consultation. Eventually Minister Ferguson was shamed into talking to the Minister for Mines and Petroleum in Western Australia, the Hon. Norman Moore. A process was underway whereby the state minister in Western Australia thought that some negotiations were happening in good faith between the state government and the Commonwealth government. And what happened? While these negotiations were ongoing and had not been resolved, the government some months ago pressed ahead again with this legislation, trying to create facts. It is very difficult to negotiate and have discussions on the basis of trust when, again and again, the actions taken by the government are completely counter to what is being worked on in good faith by the different parties involved in the negotiations.

We were led to believe that the government would make amendments to the legislation that was being presented to the Senate in June last year, only to find out that the legislation—which was still in the form in which we opposed it—was being reintroduced in exactly the same fashion as what we had complained about. There was misleading, there was bad process, there was lack of consultation and lack of cooperation on something where, quite frankly, the Commonwealth, state and territory governments with relevant interests in offshore oil and gas activities should be working together in the national interest.

The Western Australian government was very concerned that, under the proposals as they originally stood, there would be no requirement for the Commonwealth to advise the WA state government about the location of licences over the WA coast. They were concerned that activities could take place in Commonwealth waters offshore from WA, which often can come under significant public and media scrutiny due to their proximity to sensitive environmental areas. Yet the Commonwealth government arrogantly wanted to press ahead without having any proper protocols in place about lines of
communication between the Commonwealth and the states and territories. I draw attention to the observation made in Senator Eggleston's report. He would have liked to have contributed to this debate but is sadly not here today, and I want to make sure that we have proper focus on the report that he put together. He noted the involvement of the US National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling and said:

The Commission recommended the need to actually strengthen state and local involvement in oil spill contingency planning and training, rather than weaken it.

I just want to make some observations in relation to the incidents that have happened in recent years. We have had the Montara incident, which was very concerning. Incidentally, it happened in a circumstance where it was the Commonwealth that decided to contract out wellhead supervision to the Northern Territory. The Commonwealth was already responsible. In relation to the Varanus Island incident, the mistake that the Western Australian state government made was to contract the Commonwealth agency, NOPSA, to conduct the supervisory role. The point here, Senator Siewert, is that the suggestion of centralising things in Canberra and giving responsibility to a single Commonwealth regulatory authority is not a way to guarantee that the situation will improve in the future. There has to be a level of competence, a level of skill, a level of expertise and a level of professionalism applied to ensure that the objectives which we are trying to achieve are actually going to be achieved. Looking at the track record, I think that has not necessarily always been the case.

Offshore petroleum operations in Australia beyond designated state and territory coastal waters are governed by the Commonwealth but are currently jointly administered through a designated joint authority arrangement with the states and the Northern Territory governments. The national regulator is NOPSA, and that is what is being proposed to be amended here. The Western Australian regulator is the Department of Mines and Petroleum, formerly the Department of Industry and Resources. The regulatory regime in Australia is a performance objective based regulatory regime, which makes the operator of an offshore facility responsible for the safe and effective operation of the facility. This regime arose from the recommendations made in 1990 by the Hon. Lord Cullen in an inquiry into the Piper Alpha explosion in the North Sea. This performance objective based regulation process allows for continuous improvement rather than a compliance mentality, and the onus is placed on operators to ensure and to demonstrate to regulators that the risk of an incident in their oil and gas operations is reduced to as low as reasonably practicable. This is not industry self‐regulation. Industry must demonstrate to the regulators, and the regulators must assess and approve or not approve that the risks have been reduced to as low as reasonably practicable.

In its review of the Macondo oil spill in the Gulf of Mexico, the US National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling recommended that the US policy position on the regulation of offshore drilling move from the current prescriptive model to a less prescriptive safety case approach, which is similar to the existing Australian model. So it is not as if we have to re-invent the world.

In 2009, the Productivity Commission conducted a review of regulatory burden on the upstream petroleum oil and gas sector. The Productivity Commission found that the current regulatory framework imposed a significant, unnecessary burden on the

In May 2010, the Ministerial Council on Mineral and Petroleum Resources agreed to defer the other five recommendations, which included the institutional recommendations for a national regulator until after the Montara Commission of Inquiry reported. After the report and the government's response to it were released, the Ministerial Council on Mineral and Petroleum Resources met earlier this year, 18 February 2011, to consider moving forward on the five remaining recommendations, including a revised model for upstream petroleum regulatory reform. Consensus was not reached at that time, as I understand it, but the federal Minister for Resources and Energy advised the meeting that, irrespective of that, he would proceed with revised reforms in Commonwealth waters.

I want to make a series of points on the Montara incident. On 21 August 2009, there was an uncontrolled oil and gas release at the Montara oil field in the Timor Sea, in north Western Australia. Work commenced to drill a relief well on 14 September 2009. On 1 November 2009, during the relief efforts, a fire broke out on the drilling rig, and on 3 November the relief operations were successful in extinguishing the fire and containing the oil leak. The Northern Territory Department of Resources was the designated authority for the regulation of this field, as part of the NOPSA arrangements. The Montara Commission of Inquiry found that the cause of the blow-out incident was the failure of the primary well control barrier. Initial cementing problems to contain the leak were compounded by the fact that only one of two secondary well control barriers were installed. Chapter 4 of the inquiry report concluded that the existing regulatory regime supporting offshore petroleum activities provided sufficient powers to the regulator to enable the effective monitoring and enforcement of offshore petroleum related operations. The inadequacies identified by the inquiry primarily relate to the implementation of the regulatory regime—that is, it pointed the finger at the existing regulators as not having done their job properly. In the interests of time, I will just go quickly to the area of WA concerns. WA was concerned that the Commonwealth proposed to change the structure of the regulator without having any ongoing commitment to proper lines of communication between the Commonwealth and the states. What ought to have happened, in the Western Australian state government's view, is that, rather than jettison the entire regulatory regime that had worked well for the past 50 years, it would have been better to find areas to improve and, through incremental improvements, to improve the way the system currently operates.

A memorandum of understanding has now been signed between the Commonwealth and the state, and that is a good thing. We welcome that. That is the way the process should have got underway from the start. Since this legislation was debated in the House of Representatives—where the coalition was not able to support the legislation—the federal Minister for Resources and Energy has finally managed to reach agreement with Western Australia by signing a memorandum of understanding which achieved the following outcomes, which I will just put on the record for future reference. NOPSA and its successor body, NOPSEMA, will be headquartered in Perth,
strengthening WA as the centre of the petroleum industry in Australia. The joint authorities, comprising the Commonwealth and relevant state or Northern Territory minister, will be retained as the decision makers for key petroleum titles in Commonwealth waters. State and Northern Territory departments will be provided with full access to relevant information about petroleum projects in Commonwealth waters. The Offshore Petroleum (Royalty) Amendment Bill 2011 will be amended to maintain the WA minister's role in the administration of offshore petroleum royalties from the North West Shelf project.

The environment regulations made under the offshore petroleum legislation will be amended to require proponents to lodge an environment plan with NOPSEMA and to have notified all persons whose interests may be affected expressly, including state government agencies, of proposed activities to be undertaken under the environment plan. The regulations will provide for stakeholder submissions to be lodged with NOPSEMA along with the draft environment plan and require that the proponents adequately deal with legitimate concerns within the environment plan. NOPSEMA will then consider the stakeholder submissions and decide whether the environment plan adequately deals with the concerns raised. NOPSEMA could consult with other relevant agencies to inform itself appropriately before accepting or rejecting the environment plan.

The environment plan would also include a requirement of advance notification of state and Northern Territory agencies on dates proposed for activities such as seismic surveys and drilling where there could be local impacts of the activity and concern from the local community. This will ensure that state governments like the Western Australian government and the Northern Territory government are advised of potential activities and have the opportunity to comment and will allow NOPSEMA to seek relevant expert advice from state agencies. Practical consultation mechanisms between NOPSEMA and relevant WA government agencies will be put in place to give practical effect to all these arrangements.

The state government in Western Australia is still not excited about all this, but significant progress has been made. The only reason this progress has been made is that the coalition shamed the federal Minister for Resources and Energy into going through proper process. We shamed the federal Minister for Resources and Energy to comply with the Labor government's promise before the 2007 election about cooperative federalism. This is an area like no other, where proper coordination, proper consultation, proper engagement and proper lines of communication between the Commonwealth government and, in particular, the state government of Western Australia are critically important, because of course the offshore petroleum industry is particularly important to my home state of Western Australia. The LNG industry in particular has great potential to be a win-win for Australia: a win on the economic front and a win on the environmental front for the world. Much as this government is trying to make it harder for the LNG industry to grow and prosper in Australia, it is actually an industry that can help reduce global greenhouse gas emissions. Even though it would cause increased emissions in Australia, to export LNG to places like China and Japan would actually help reduce emissions by more in other parts of the world.

With those few words: the coalition now are in a position where we are satisfied enough to support passage of this legislation. However, we remain concerned about the
very bad process that the government followed along the way.

Senator PRATT (Western Australia) (13:57): The Offshore Petroleum and Greenhouse Gas Storage Amendment (National Regulator) Bill 2011 and related bills are very important for our nation and especially for the state of Western Australia. They are important for our environment and very important to the safety of people working in the oil and gas industry. They are also very important for our energy security.

We know that the Montara incident in the Timor Sea and the incident in the Gulf of Mexico dramatically focused attention—and rightly so—on and highlighted our community's expectations about the accountabilities of our offshore petroleum industry. Investigations into those incidents have found that those disasters should have been preventable. Sadly, the reports on the incidents pointed to a culture of complacency in both industry and regulators. I also look very much to the impact of the Varanus Island gas explosion and, in particular, its dramatic impact on the economy of Western Australia and the state's energy security. Those impacts demonstrate the absolutely vital need for this legislation.

Governments, regulators and industry here in Australia and abroad are implementing lessons from these events. Importantly, this is a partnership of industry—directors, managers and workers—and regulators, government ministers and officials. We must focus on continuous improvement in this space. We know that the oil and gas industry is very significant to Western Australia, but it is only worth doing if we can do it safely. We need safety for the sake of our people and safety for the sake of our environment. For this industry to maintain its social licence to operate, it must operate to the very highest possible standards. We simply must protect human health and safety. We must protect our marine environment. We must ensure that Australia's offshore petroleum industry is both the best and the safest in the world. We need to do this to make sure that this industry is able to continue to contribute to Australia's ongoing energy security and economic prosperity.

The PRESIDENT: Order! It being 2 pm, we will proceed to questions without notice.

QUESTIONS WITHOUT NOTICE

Member for Dobell
Senator RONALDSON (Victoria) (14:00): My question is to the Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Senator Evans. I refer the minister to the ongoing and seemingly endless investigation by Fair Work Australia into the activities of the member for Dobell when he was the National Secretary of the Health Services Union. Is the minister aware of statements made yesterday on 2UE by the National Secretary of the Health Services Union, Mrs Kathy Jackson? She said:

We expected this matter would be resolved earlier one way or another. It would have been far better for the union if it had been … It surprises not just me but the whole executive that Fair Work have taken so long.

Minister, the union first reported this matter to the former industrial relations commission before Fair Work Australia even existed. Why has the investigation taken so long?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:01): I thank Senator Ronaldson for the question. First of all, I indicate that, as he well knows, following a rather incorrect claim made in the media on, I think, 18 August, Mr Tim Lee, General Manager of Fair Work Australia, put out a statement where he responded to that. He also set out the record of the timing of the investigation
that Senator Ronaldson refers to. As part of that, he indicated that the investigation was ongoing and that Fair Work Australia had made no comment on any aspect either of its inquiry or of its subsequent investigation.

What Mr Lee, the General Manager of Fair Work Australia, did was lay out the facts of the matter but also made it clear that there was an ongoing investigation and that they would complete that investigation in accordance with their own time frames. Senator Ronaldson knows well that, if I had actually rung Mr Lee or sought to make inquiries or discuss with him the investigation, I would be under attack here for having interfered in the investigation, which of course I have not and will not. It does stand in stark contrast to what seems to have occurred in New South Wales, where political connections have been used in association with a police inquiry, where people are ringing their mates and asking questions about whether they ought to have a chat to the chief Police Commissioner.

**Senator Ronaldson:** Mr President, on a point of order: the minister might care to explain his intervention in Senate estimates in February, when he actually stopped an officer from Fair Work Australia from answering questions that he was prepared to answer.

**The President:** Order! That is debating the issue.

**Senator Chris Evans:** I note the outrage that Senator Ronaldson has with this matter, given that he let it lie for a couple of months but now it seems to be the most important thing in his life. I have acted completely within the appropriate guidelines for ministers. I am not sure that Senator Brandis can say that he has acted as properly as I have.

**Senator Ronaldson** (Victoria) (14:04): Mr President, I ask a supplementary question. Is the minister also aware that at the same interview Ms Jackson said:

But let me remind your listeners and our members that Fair Work have interviewed officers of the union. The Government Solicitor has been involved in those interviews.

She went on:

My understanding is that Fair Work Australia has the Government Solicitor involved or the AG's office.

Minister, can you confirm the involvement of the Government Solicitor and/or the office of the Attorney-General in the Fair Work Australia investigation?

**Senator Chris Evans** (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:05): I cannot confirm those claims. I have not heard them put before. I have heard no suggestion that the Attorney-General's office has been involved. But, in terms of the Solicitor-General and the Attorney-General's offices, I will take that on notice and see if I can get any information to help the senator. But I make the point that there has been no political interference in relation to Fair Work Australia's investigation. They are continuing. Once their investigation has been completed, they will report. The general manager has made that clear, and I have allowed them to do their job as they should. It would have been most improper for me to seek to interfere in that investigation.

I will take on notice those parts of the supplementary question from Senator Ronaldson about the office of the Solicitor-General and the Attorney-General. I have never heard those suggestions put before, but they did get some legal advice in relation to the matters at Senate estimates, which the senator is aware of. But if there is anything else I can help him with, I will get back to him. (Time expired)
Senator RONALDSON (Victoria) (14:06): Mr President, I ask a further supplementary question. Speaking of improper interference, I ask the minister: given your intervention at Senate estimates in February to stop Fair Work Australia answering my questions about who they had interviewed in this investigation and when they had been interviewed, aren't your wafer thin excuses simply part of a giant Labor cover-up to protect the Prime Minister's wafer thin majority?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:07): The only political interference I have seen in this matter in the last few months is the suggestion that improper influence has been used in relation to the New South Wales minister for police. That is the only allegation that I have seen that relates to political interference in these matters. This government has allowed proper process to occur and has allowed the appropriate authorities to pursue those proper processes without political interference. We have not been ringing up our mates saying: 'Can you have a chat to the police commissioner? Can you do me a favour and have a chat to him.' We have not been operating like that. We have said people are allowed the presumption of innocence and the appropriate authorities ought to be allowed to do their jobs without that interference. There will be no mates arrangements in relation to authorities from this government. What we seem to see in New South Wales is that sort of arrangement and I think it is most inappropriate.

Senator Ronaldson: Mr President, a point of order on relevance: I have put to the minister that he interfered inappropriately in the Senate estimates process in February and I am yet to have any response to that at all. The minister is acutely aware of the fact that he refused to allow Mr Nassios from Fair Work Australia to answer my question.

The PRESIDENT: There is no point of order. The minister has seven seconds remaining.

Senator CHRIS EVANS: Senator Ronaldson may now seek to slur me, but he does understand that Fair Work Australia got proper legal advice and acted on that advice. (Time expired)

Employment

Senator CROSSIN (Northern Territory) (14:08): Mr President, my question is to the Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Senator Evans. Could the minister please outline to the Senate the measures the Gillard government has put in place to support jobs and the economy?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:08): I thank Senator Crossin for the question. I think it reflects the government's priority, in sharp contrast to the priorities of the opposition. The Australians I talk to are interested in the economy and in jobs. Jobs are the No. 1 priority for the Gillard government. Around 750,000 more Australians have a job now than before we came to office. Labor is the party that has a jobs agenda at its heart. That is why we are committed to supporting Australian jobs, not just in the cities but through every region in the country. During the global financial crisis the No.1 priority of our response was protecting Australian jobs. As a result of that stimulus package we avoided recession while virtually every other advanced economy went backwards. We kept 200,000 people in work who otherwise may not have been—200,000 people who might have been
unemployed were kept in work. So this government is very proud of that achievement and it reflects our priority, which is supporting and creating jobs for Australians.

Mr President, as you know, our stimulus package was very well reviewed by leading economists because it worked in terms of stimulating the economy and protecting jobs. If we had not done that, if we had listened to the opposition, thousands of Australians would have lost their jobs; thousands of them would have been thrown out of work. We thought that creating and supporting jobs had to be the priority during the global financial crisis and that is what we continue to believe. In times of economic uncertainty we still have the jobs agenda at the centre of the government's policy, be it investing $3 billion in skills to develop the future workforce of Australia, be it investing in critical infrastructure which is providing work for Australians or be it through taxation measures to take advantage of the mining boom to help provide support to other measures in the economy. All of it is about jobs. (Time expired)

Senator CROSSIN (Northern Territory) (14:11): Mr President, I ask a supplementary question. What is the government doing to encourage skills development and training in order to boost the economy?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:11): Australia has a long and proud tradition of producing highly skilled workers. Skilled workers are critical for raising our productivity and securing Australia's future prosperity. Our future is in a high-skill, high-wage economy; that is the future for Australia. That is why the Gillard government is investing $3 billion to upskill Australia's workforce. The Building Australia's Future Workforce package is encouraging more Australians who can work to take advantage of the jobs that are being created. That is why we are also funding 130,000 training places under the new National Workforce Development Fund—training places in partnership with industry training the workers they need to give those workers the opportunity to take high-skill, high-pay jobs. But we are also working with those who are excluded from the workforce at the moment to increase participation, to give everyone who can work a chance to get a job and share in the prosperity of Australia.

Senator CROSSIN (Northern Territory) (14:12): Mr President, I ask a further supplementary question. In this patchwork economy, what else is the government doing to boost jobs, particularly in relation to assisting the redundant BlueScope workers in the Illawarra and on the Mornington Peninsula?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:12): The priority for this government is obviously to assist those workers made redundant from BlueScope in every way we can to find alternative work. We are committed to giving them the opportunities to transition into new work. We have announced, with Senator Carr, a $40 million package of support for those workers and $8 million of that will be through my portfolio directed at supporting those redundant employees. All BlueScope employees, whether in the Illawarra or on the Mornington Peninsula, will receive the same support of intensive employment assistance and money to assist with retraining, reskilling and getting back into the workforce as quickly as possible. So the JSA providers will be working with those employees to provide them that support and the
department's local employment coordinators are helping drive the local responses to those redundancies, working with local government, unions and employers to try and make sure those people are able to transition into other jobs as quickly as possible. (Time expired)

**Carbon Pricing**

**Senator CORMANN** (Western Australia) 
(14:13): Mr President, my question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Wong. Is the government aware that Western Australia is not part of the National Electricity Market? If so, why is the government limiting transitional assistance for coal fired power stations under its carbon tax legislation to coal fired power stations in the National Electricity Market while not providing any transitional assistance to any of the black coal fired generators in Western Australia?

**Senator WONG** (South Australia—Minister for Finance and Deregulation) 
(14:14): As a former minister for climate change I am aware of the situation in Western Australia and—

**Senator Abetz interjecting—**

**Senator WONG:** I was asked 'is the minister aware?' and I answered that first part of the question. Senator Abetz just does not like it when we actually answer the question. The government understands the importance of energy security and reliability as a carbon price is introduced. I would remind the good senator from Western Australia of the very substantial increases in power prices which have occurred under his friend and colleague the Premier of Western Australia.

In relation to the assistance that is provided under the Clean Energy Future package, the senator should know, if he has looked at the detail of that announcement, that the government consulted with the energy market agencies, including the Western Australian independent market operator, during the process of developing the energy security measures which were spelt out in the Clean Energy Future package. In relation to energy security risks, obviously the reality is that such risks would be concentrated amongst the most emissions-intensive coal fired generators. That is self-evident in terms of the economics because it is those emissions-intensive generators which would bear the most impost as a result of a carbon price. The government support to generators is targeted at the most emissions-intensive generators and that is because we are serious about ensuring energy security and stability in the electricity market.

As I described yesterday, the Energy Security Fund, which the government has announced in the context of its package, includes an estimated $5½ billion in transitional assistance over six years to strongly affected electricity generators. The government is also creating an Energy Security Council to provide advice on systemic risks to energy security.

**Senator CORMANN** (Western Australia) 
(14:16): Mr President, I ask a supplementary question. Can the minister confirm that Griffin Energy, which is responsible for about 18 per cent of Western Australian power supplies through its Bluewaters 1 and 2 power stations, has told the government this week that, on passage of its carbon tax legislation, those power stations will effectively be the first in Australia to fail under the carbon tax legislation as currently proposed?

**Senator WONG** (South Australia—Minister for Finance and Deregulation) 
(14:16): Obviously, I am not going to respond to assertions about what is being put to government by individual companies.
What I can say is that energy security has been the priority in the government's design of its assistance package for this sector for the reasons I have outlined. That is why the support is targeted at the most emissions-intensive generators. The government will also create an Energy Security Council to provide advice on systemic risk to energy security across the nation, which obviously would include Western Australia. The Energy Security Council will be able to advise the government on loans to generators for things, such as the refinancing of debt if market finance is not available on reasonable terms. Those sorts of assistance would be available, on advice of the council, to generators in Western Australia, as they will be in any other state.

Senator CORMANN (Western Australia) (14:17): Mr President, I ask a further supplementary question. Is the minister aware that Bluewaters 1 and 2 are the newest and, as such, the cleanest coal fired power stations in the country and replaced ageing plants which will have to be restarted to maintain energy security in Western Australia, which will lead to higher carbon emissions as a direct result of the carbon tax? Is the government's idea of effective action on climate change to force the closure of new state-of-the-art power stations?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:18): The senator cannot have it both ways. On the one hand, he cannot say, 'We need to ensure more money goes to these generators in WA,' but, on the other hand, then say, 'But they are among the most efficient generators in the country.' It is inconsistent to suggest that government assistance should be provided to the most efficient generators in the country. They are your words, Senator, not mine. What I would say is this: if you were serious about energy security, then you would support the carbon price and provide the certainty that the energy sector itself has said is lacking.

What is driving uncertainty and what is preventing and stymieing investment in generation capacity here in this country is the irresponsible economic behaviour of those opposite who have, on the one hand, supported a carbon price, then opposed it, and now are bent on maximising the destruction of confidence in the economy.

**Environment Protection and Biodiversity Conservation Act**

Senator WATERS (Queensland) (14:19): My question is to the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, Senator Conroy. In relation to the government's response to the independent review of the Environment Protection and Biodiversity Conservation Act, announced yesterday, we note Minister Burke's reference to the possibility of the federal government devolving to the states some of its decision-making powers to approve, refuse or condition proposed actions on the basis of certain conditions, thresholds or standards. Can the minister explain in what circumstances this abrogation of federal responsibility is being considered and what are the conditions, thresholds and standards that will apply?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (14:20): I thank the senator for her question. The Australian government's reform of national environment law will ensure better and smarter environmental protection into the future. The reforms will also reduce business costs by cutting red tape and unnecessary delay. Since the EPBC Act was introduced more than 10 years ago, environmental management has evolved and
the economy has continued to transform. Reform is needed to ensure this important legislation continues to work effectively in a modern Australia.

The reform package will deliver new strategic approaches and provide a more streamlined assessment process, new national standards for accrediting environmental assessment and approval processes, a new Australian government biodiversity policy for consultation, improved listing of species for protection, identification and protection of ecosystems of national significance, better regulation of international trade in wildlife, more public information, a more cooperative approach to developing environmental standards, better processes for heritage listing and a draft environmental offsets policy for consultation.

The Council of Australian Governments has agreed to a federal government proposal on the need for major reform of environmental regulation across all levels of government. The government rejected the recommendations to introduce an interim greenhouse trigger and to amend provisions relating to the regional forest agreements. The government will be consulting on cost recovery options for the administration of the EPBC Act and will release a consultation paper in the next few weeks. The report by Dr Allan Hawke AC was tabled and publicly released on 21 December 2009. It had 71 recommendations. We did not agree with 15 of those but agreed wholly or in part with the other 56 recommendations. Minister Burke convened five stakeholder roundtables—

(Time expired)

Senator WATERS (Queensland) (14:22): Mr President, I ask a supplementary question, also in relation to the EPBC legislative reform package. Will the government consider adding a water trigger into the act to allow consideration of impacts on water systems from proposed developments, including water intensive coal seam gas, noting that under the current design of the act the trigger would only catch significant impacts and therefore would not, as the minister indicated yesterday, mean that every bore on every block of land would require federal assessment?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (14:23): Thank you for that supplementary. I have not got any further information on that specific matter. I am happy to take that on notice and come back to you, and on any parts of that first question that I did not quite finish I will also come back to you on those details.

Senator WATERS (Queensland) (14:23): Thank you, Minister. Mr President, I have a further supplementary question, also in relation to the EPBC reforms announced yesterday. Can the minister assure the Senate that the move to formalise and extend the use of offsets for damaging development will not allow otherwise inappropriate development to be approved under the act?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (14:23): We are in the process of going through a draft for consultation. I do not think we have necessarily completed that part of the process, so it would be a little premature of me to give a final government position. But if there is any further information the minister would like to add to that answer I will take that on notice and come back to you.
Taxation

Senator PAYNE (New South Wales) (14:24): My question is to the Minister representing the Treasurer, Senator Wong. Can the minister explain why at a time of increasing economic uncertainty as a result of the carbon tax and a chronic housing shortage the government is now imposing additional tax reporting obligations on the thousands of self-employed tradespeople who make up a crucial part of the housing and construction sector?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:24): First, there are a number of aspects to the first part of that question which obviously we do not agree with in terms of the effect of a carbon price. I think we have had a previous discussion in this place, including with the senator, on the likely impact of a carbon price, which is not what she has previously asserted both publicly and in this place. I would also point out the unprecedented investment this government has put into both social housing and housing more broadly. I think the senator is referring to an initiative announced in the budget that the Assistant Treasurer has carriage of in terms of reporting arrangements, so I do not have information before me to assist her in more detail, but if she asks a further question I will see if I can provide anything; otherwise I will take the question on notice.

Senator PAYNE (New South Wales) (14:25): Mr President, I ask a supplementary question. Can the minister advise why the government is not prepared to let independent contractors get on with the business of building houses instead of tying them up in red tape and viewing them only as possible employees and, I assume, potential future union members?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:26): It is amazing how much they return to the desire to trash the trade union movement. My recollection, and I will correct this or add to this if I am wrong, is that the initiative which was announced in the budget was in relation to reporting arrangements—

Senator Payne: It is a massive compliance issue.

Senator WONG: It is interesting that the senator is so concerned about small business when her party is opposing a tax cut for small business. Let us be clear. Every time the Liberal Party come in here and argue about small business and pretend that they care about small business, they should be upfront with the Australian people that they must be the first coalition in decades who are actually arguing for higher taxation rates for Australian small business. So if she is worried about red tape and compliance I suggest that the senator might look at the economic lunacy of their position, which is about imposing higher taxes on this sector. But in relation to the initiative, I understand it is a payment reporting system designed to improve the tax compliance of businesses in this sector. (Time expired)

Senator PAYNE (New South Wales) (14:28): I ask a further supplementary question, Mr President. Will the minister indicate whether the government will actually compensate these self-employed tradespeople for the extra time and money they will have to devote to complying with this new reporting burden, especially when they are also going to be suffering from the higher costs of the carbon tax?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:28): You would have to say that one of the largest compliance burdens imposed on small business by a government was in fact the Howard government with the GST. Don't we all remember that. It is interesting that
Senator Payne wants to come in here and talk about compliance burdens.

Senator Conroy: That is a Liberal Party tax, so it is okay.

Senator Wong: Senator Conroy reminds me that taxes imposed by Liberal governments, including state governments in the mining sector, are okay. As I recall from the budget announcements, the reason this was introduced was that the ATO had found a high level of noncompliance in relation to tax obligations by contractors in this industry. The senator may not believe that tax compliance is an important principle, but a party with sensible economic policies would recognise that it is.

Taxation

Senator Pratt (Western Australia) (14:29): My question is to the Minister representing the Treasurer, Senator Wong. Can the minister please outline to the Senate the benefits to the Australian economy of ensuring a fairer return on profits from Australia's resources?

Senator Wong (South Australia—Minister for Finance and Deregulation) (14:30): While this is a government that is absolutely focused on putting in place the reforms that are about securing Australian jobs today and tomorrow, a government that recognises that we do have a patchwork economy, a government that recognises the size of the mining boom but also that there are a great many businesses in this country that are doing it tough, we know that Australia has a wealth of minerals and resources and we know that the boom in resource prices we are currently receiving is a once-in-a-generation opportunity. That is why the government will be introducing the minerals resource rent tax, which is about spreading the benefits of the boom so that the broader economy can benefit.

Let's recall what that tax will fund. It will fund a cut to company tax for all companies, including a head start for small business, a new tax break for small business investment in our regions, particularly in the mineral rich states of Western Australia and Queensland, and a boost to national savings. This is about strengthening the economy and better preparing Australia to respond to any external shocks. It is a plan to deal with the pressures of the patchwork economy.

It stands in stark contrast to those opposite, who have no plan other than a plan to say no. This is a coalition that is arguing against a tax cut for Australian companies, including manufacturing, that is arguing against a tax cut with a head start for small business, that is arguing against more superannuation for working Australians and that is arguing against investment in our regional infrastructure. At a time when we see the sorts of profits the resource sector is earning, this is a coalition that wants the mining sector to pay less tax and small business to pay more. (Time expired)

Senator Pratt (Western Australia) (14:32): Mr President, I ask a supplementary question. Can the minister further outline to the Senate the importance to all Australians of introducing new taxation arrangements for Australia's resources and is the minister considering alternative approaches to respond to the resource boom?

Senator Wong (South Australia—Minister for Finance and Deregulation) (14:32): Ensuring the Australian people and the whole of the economy receive some of the benefits from the mining boom is good economic policy. It is about securing Australian jobs. Those of us on this side will back Australia's manufacturers and Australia's small businesses by ensuring we deliver a lower company tax rate.
But what do we have from the opposition? The Leader of the Opposition says that the mining tax is 'a dagger aimed at the heart of the Australian economy'. The only dagger aimed at the heart of the Australian economy is the relentless negativity and the economic incompetence of the Leader of the Opposition, who is seriously saying to the Australian people: 'We want mining companies to pay less tax. We want Australian manufacturers and Australian small business to pay more tax. We are opposed to more superannuation savings and we are opposed to regional infrastructure.'

Senator PRATT (Western Australia) (14:34): Mr President, I ask a further supplementary question. Can the minister outline to the Senate why it is important to deliver reforms in this area in a manner that is consistent with a credible and transparent fiscal policy?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:34): Fiscal policy and having certainty around fiscal policy are important. That is why the government is delivering these reforms, consistent with a clearly articulated fiscal strategy. What we have seen from the opposition in recent days is really quite extraordinary. We have seen the shadow Treasurer make public—apparently because it was a smart tactic, according to a report in the Australian—that the coalition intends to find $70 billion worth of savings, just to get up to the starting line, to make up for their election black hole and all the promises Tony Abbott has made since then. Mr Hockey said that, and it was confirmed by Mr Robb. So we have the shadow Treasurer and the shadow finance minister saying, 'Yep, it is $70 billion.' Today we see Mr Abbott trying to wriggle out of the $70 billion. He has described it—a figure put out by his economic team—as a fanciful figure. This man is an absolute economic illiterate. (Time expired)

Manufacturing

Senator COLBECK (Tasmania) (14:36): My question is to the Minister for Innovation, Industry, Science and Research, Senator Carr. I refer to Paul Howes's comments on Lateline last night that Australian manufacturing is in its 'worst crisis since the Great Depression' and that comprehensive plans are now needed for each of a number of industries. Given that the minister's 10-minute statement yesterday to the Senate on industry policy did not contain a single new policy or program idea, does the government believe Mr Howes is wrong?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:36): I thank the senator for his question. I appreciate that he has actually had a look at the statement that was put down yesterday. It outlined a long-term vision for manufacturing in this country and highlighted the approach the government is taking to deal with the largest structural change we have seen for over two generations. And, of course, it is not a policy position that we have come out with in a kneejerk manner. It is not a policy response that we have come out with as if events had just occurred. From the day this government was elected we have worked on processes to ensure we have in train a policy response to the substantial changes that are occurring in our society. We understand the critical role science and research plays. The statement yesterday went to the process that we have in train to develop global R&D centres in this country—

Opposition senators interjecting—

The PRESIDENT: Order! Senator Carr, resume your seat. When there is silence, we will proceed. The minister is entitled to be heard in silence.
Senator CARR: What we have in train are processes to ensure that science and research are at the core of the transformation that is occurring in Australian companies as a result of the enormous pressures they are under. This is in the tradition of Labor. We have put forward a 10-year innovation strategy, *Powering ideas.* We have a 13-year strategy for a new car plan.

Senator Colbeck: Mr President, I rise on a point of order on relevance. It was a specific question relating to whether the minister believes Mr Howes is wrong. It was not an opportunity for him to repeat the statement that he made yesterday. I was asking whether he believes that Mr Howes is wrong. I would ask you to bring him to the question.

Senator Ludwig: Mr President, I rise on the point of order. The point of order taken was in relation to whether the minister was being directly relevant. He was answering the question. What the opposition have now done is pick out not their entire question but a part of the question. The minister was addressing the entire question in his answer and was being directly relevant to it.

The PRESIDENT: The minister is addressing the question.

Senator CARR: It is obvious that I do need to encourage some of those who obviously inhabit the lower depths of the ponds in various parts of this country. Clearly we have a gross misunderstanding here about what the English language means.

Senator Abetz interjecting—

Senator CARR: We have the beady eyes of some of the great trolls of Australian politics staring at us now.

The PRESIDENT: Senator Carr, just address the issue. Address the issue and address your comments to me.

Senator CARR: I am very much addressing the issue. The fact that the Liberal Party has not even signed on to the Australian steel industry transformation scheme, that the Liberal Party actually opposes the policies we have in the automotive transformation scheme— *(Time expired)*

Senator COLBECK (Tasmania) (14:40): Mr President, I ask a supplementary question. Is it true that the Steel Industry Innovation Council, of which Mr Howes is a member, has not met at any time in the last six months and therefore has not even discussed the issue of the loss of 1,400 jobs at BlueScope and OneSteel or the introduction or implementation of the government's carbon tax?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:40): We discuss matters with every member of the innovation council on an ongoing basis. There is a meeting that is scheduled to be called and I understand that everyone who participates in that council is now available to attend. We have a process of deep consultation with the industry and we have an Australian steel industry transformation scheme, a program that you do not support, just as you do not support the Australian automotive transformation scheme and just as you are actually proposing to reduce support for Australian manufacturing. It must be a very difficult thing for you to suggest that you are interested in whether or not a meeting has occurred when you actually have a policy that would decimate Australian manufacturing and when you have no commitment to this industry.

When the schemes were introduced, Mr Truss told the House:
You cannot simply keep coming into this House, decade after decade, with another massive assistance package for the car industry.
That is the approach that you have adopted when it comes to assisting blue collar workers. That is the approach that we have seen time and time again.  

**Senator COLBECK** (Tasmania) (14:41): Mr President, I ask a further supplementary question. Given that the manufacturing industry has lost over 105,000 jobs over the last three years, could the minister advise if this is the most rapid rate of job losses in the industry in the history of Australia?

**Senator CARR** (Victoria—Minister for Innovation, Industry, Science and Research) (14:42): I would not want to provide you with historical facts on that matter; they might get in the way of an otherwise great scare campaign! What I can tell you is this: the job losses across Australia are highly regrettable, but we know that job losses are at different rates across the country. In the last 12 months, in the June quarter to June quarter figures that I have, significant job losses were 1,100 in New South Wales, 2,200 in the Northern Territory, 2,000 in the Australian Capital Territory and 15,200 in Queensland. But there were increases in manufacturing jobs of 17,200 in Victoria, 4,900 in Western Australia and 1,500 in Tasmania. So when it comes to the question of the patterns of job creation and distribution across the country you will see quite a different range of industry development occurring. If you look at the actual participation in new contracts in mining projects, again, you will see very significant levels of—** (Time expired)**

The **PRESIDENT:** I understand that Senator Xenophon has an arrangement with Senator Madigan today to swap questions.

**Government senators interjecting—**

The **PRESIDENT:** Order, Senator Conroy and others!

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**Apple Imports**

**Senator XENOPHON** (South Australia) (14:43): I am grateful to Senator Madigan. We share a common interest in the issue about which I will be asking the minister. My question is to the Minister representing the Minister for Trade, Senator Conroy. Minister, following on from the answers you provided yesterday in relation to the importation of New Zealand apples, did the government receive any advice as to the withdrawal of concessions New Zealand would be entitled to impose in the event that import permits were not able to be issued by 17 August 2011? Who was the advice from and what was the nature and date of that advice?

**Senator CONROY** (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (14:44): I thank Senator Madigan for the question, sort of! The Department of Foreign Affairs and Trade provided advice to the government on New Zealand's rights under the WTO agreement in the event that Australia failed to comply with the outcome in the apples dispute, including the possibility of suspension of concessions. The Minister for Trade has explained in some detail the sorts of actions New Zealand would be able to take. I am happy to take on notice any other parts of the question and see if there is any further information that the minister would like to provide.

**Senator XENOPHON** (South Australia) (14:45): Mr President, I ask a supplementary question. Minister, what steps would New Zealand be required to take to withdraw any concessions?

**Senator Williams:** Have a guess, Stephen!

**Senator CONROY** (Victoria—Minister for Broadband, Communications and the
Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (14:45): Did a National Party member speak then? My goodness, they came out from under that rock. We thought you were under the doormat.

The PRESIDENT: Senator Conroy, just address the question.

Senator CONROY: My apologies, Mr President. Under WTO rules New Zealand would need to seek authorisation from the WTO dispute settlement body to suspend concessions.

Senator XENOPHON (South Australia) (14:46): Mr President, I ask a further supplementary question. Doesn't that answer assume that what WTO agreements do is to authorise the imposition of sanctions? Don't they just authorise that concessions no longer apply?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (14:46): I will take that on notice and see if there is anything that the minister would like to add.

Senator Williams: Wouldn't have a clue!

Senator CONROY: You obviously do not know a great deal about it, Senator Williams.

Senator Williams: Oh, you got it right today—well done!

Senator CONROY: Frankly, Wacka, as you are known to all of us in the chamber—but that could be considered unparliamentary—

The PRESIDENT: That is.

Senator CONROY: I withdraw.

The PRESIDENT: Thank you, Senator Conroy.

Senator CONROY: It is good to see the National Party has bobbed up its head. It is good to see that those who have been hiding have sought to make a contribution.

Senator Joyce interjecting—

The PRESIDENT: Senator Joyce, I am waiting to call someone who is sitting two rows behind you. Senator Boswell.

Carbon Pricing

Senator BOSWELL (Queensland) (14:47): My question is to the Minister for Climate Change and Energy Efficiency, Senator Wong. I refer the minister to the Vivid Economics report commissioned by the Climate Institute and the Department of Climate Change and Energy Efficiency. Is it the minister aware that on 6 October 2010, prior to the publication of the Vivid report, the department of climate change advised the Climate Institute that the stated implied carbon price on the Chinese electricity sector was too high and not comparable to Australia's calculations? My question is: when did the department of climate change advise Mr Combet that the Vivid Economics report was flawed and the implicit price on China's emissions was lower than Australia's and that the implied carbon tax in Australia was $2.34 and in China was $1.78?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:48): First—and I am sure this was a slip of the tongue from Senator Boswell—I am obviously not the Minister for Climate Change and Energy Efficiency.

Senator Abetz: No, not anymore.

Senator WONG: That is right, because I am the Minister for Finance and Deregulation.

Opposition senators interjecting—
Senator WONG: I am trying to assist Senator Boswell with—

Honourable senators interjecting—

The PRESIDENT: The congratulatory terms around the chamber are very interesting, but I cannot hear Senator Wong.

Senator WONG: In relation to the issue of what is occurring in China—and I have had this discussion with Senator Boswell at length in Senate estimates and in this chamber—his proposition, which I think was also included in the question about where China is going in terms of dealing with its carbon emissions, is not one the government shares. I have made the point previously that China has—

Senator Boswell: Mr President, I raise a point of order. I asked about a Vivid Economics report and the response from the Climate Institute and the department of climate change. I am not interested in a diatribe that Senator Wong and I have had across the floor on many occasions. I ask you to rule that she answer the question that I have asked about Vivid Economics.

The PRESIDENT: Senator Boswell, I consider the minister is answering the question. The minister does have one minute and 14 seconds remaining to continue her answer.

Senator WONG: I have to say that there might have been times when accusing me of a diatribe was close to the truth, but perhaps not in response to this particular question. I was simply making the point that China has the world's largest installed renewable energy capacity, that China has indicated its intention to introduce an emissions trading pilot scheme in a number of provinces, including Beijing, Shanghai and Guangdong, and the World Bank has indicated there is a prospect of these schemes being expanded to a national scheme by 2015.

In relation to the detailed information that the senator has sought about what was said by whom and when, between a particular non-government organisation and the department of climate change, unsurprisingly I do not have that information to hand. I will certainly see if there is anything further that can be provided to the senator. But I would again say that the senator has a long history of asserting nothing is happening internationally. With respect, we believe he is wrong and I think the facts demonstrate that he is not correct.

Senator BOSWELL (Queensland) (14:51): Mr President, I ask a supplementary question. When did the department of climate change advise Minister Combet that the Vivid Economics report was flawed and that the implicit price on China emissions was lower than Australia's and that the implied carbon tax in Australia was $2.34 and in China was $1.78? I ask that question again because this has been the subject of an editorial in the Australian and two articles in the Australian, and you must have a brief on it or you are not trying. (Time expired)

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:51): I do always try to assist Senator Boswell. I simply do not agree with the propositions he is putting. As I have explained, there are a range of policies that China have in place. They have the largest installed renewable energy capacity in the world. My recollection is also that they have energy intensity targets and renewable energy targets. On that aspect of the question which the Senator re-asked, as I have said, I do not have any further information to hand about the details of who said what to whom or when. I would respectfully, through you, Mr President, say to the senator, I doubt that his mind would be changed even if that information were able to be provided. The senator has made very clear, in his public
statements and in this place, his assertions and his belief that no-one else in the world is doing anything. That assertion is demonstrably wrong.

Senator BOSWELL (Queensland) (14:52): Mr President, I ask a further supplementary question. Whether I believe—

The PRESIDENT: Senator Boswell, just ask your question.

Senator BOSWELL: Can the minister explain why Mr Combet quoted an inaccurate figure on the Lateline program on 9 March 2011, when he stated:

... the effective carbon price in sectors of the Chinese economy was $14 a tonne compared to $1.68 in Australia.

This has been in the media and you must have a brief on it, or your department is letting you down badly.

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:53): I have some recollection of the Lateline interview amongst many interviews that Minister Combet has done, and done very well, in his capacity as Minister for Climate Change and Energy Efficiency. In relation to China, I would remind the senator, if we look at this on a per capita basis, that China's level of carbon pollution is around six tonnes per person; Australia's is around 27 tonnes per person. We are the highest per capita emitters of any advanced economy in the world. If you truly believe that in 10 years time or 20 years time the world will continue to shift towards clean energy and clean-energy technology, it is in the interests of Australians and Australian jobs to start to transition to cleaner energy and to build our capacity in clean-energy technology. The difference between those opposite and us is that we do care about building those jobs and making those changes that will benefit Australia over the long term.

Senator BILYK (Tasmania) (14:54): Mr President, my question is to the Minister for Social Housing and Homelessness, Senator Arbib. Can the minister advise the Senate how the government is assisting in the construction of new housing, particularly social housing, and how is this supporting the building and construction sector? Are there any third-party views about the effect of government investment on job creation in this sector?

Senator ARBIB (New South Wales—Minister for Sport, Minister for Indigenous Employment and Economic Development and Minister for Social Housing and Homelessness) (14:55): I thank Senator Bilyk for the question. This is a government that is very proud of the work we have done on nation building, and we are very proud of the work we have done with the social housing package. There have been 15,700 homes completed—homes that will go to people in need, to Australians who need affordable housing and support during the bad times in their lives.

We are also proud of the jobs that the Nation Building Program has supported. The package has supported 200,000 jobs. These are jobs that would have been lost, and families would have experienced unemployment and its terrible effects. We know the OECD has said that without the stimulus package pushing the economy, unemployment would have been two per cent higher. I remind the Senate, that 750,000 new jobs have been created since we came into government in 2007 and we have an unemployment rate of 5.1 per cent, which is around half that of the United States and half that of most European countries.

Under the social housing package, there are still houses being rolled out as we speak, which we will continue to support.
Honourable senators interjecting—

The PRESIDENT: Order! Interjections on both sides are disorderly. I need to hear the answer to the question.

Senator ARBIB: These are homes that are being rolled out right now, directly supporting jobs in the economy, supporting tradespeople, supporting labourers, supporting apprentices, supporting small businesses and supporting contractors. There is also indirect stimulus on other small businesses. Look at the transport operators, look at the building suppliers: they are all being supported right now by the stimulus package and by the social housing that is being delivered in our economy. (Time expired)

Senator BILYK (Tasmania) (14:57): Mr President, I ask a supplementary question. How is the government supporting construction jobs into the future in terms of building additional affordable housing, and are there any risks?

Senator ARBIB (New South Wales—Minister for Sport, Minister for Indigenous Employment and Economic Development and Minister for Social Housing and Homelessness) (14:57): There are still around 3,700 homes to be delivered under the social housing package. Those homes are going to provide a huge amount of work for tradespeople—contractors and builders—in our economy, but our housing packages and programs are a lot bigger than that. Almost 80,000 homes across the country—when you roll in NRAS, when you roll in the National Partnership Agreement on Social Housing and when you put in the National Partnership Agreement on Homelessness—are going to help many, many people.

The one big threat to these programs—I have said this before and I will say it again—is the $70 billion hole that the Liberal Party, the coalition, have—

Honourable senators interjecting—

The PRESIDENT: Order! On my right! Senators, I am waiting to call the minister.

Senator ARBIB: In relation to the $7 billion worth of cuts that the coalition will have to make, the question is: which housing programs will they cut? (Time expired)

Senator BILYK (Tasmania) (14:59): Mr President, I ask a further supplementary question. How is this additional housing helping Australians in need of affordable housing? Can the minister advise whether there are any alternative approaches that have been proposed?

Senator ARBIB (New South Wales—Minister for Sport, Minister for Indigenous Employment and Economic Development and Minister for Social Housing and Homelessness) (15:00): When you add up the number of homes that the government is delivering under our housing programs, we are almost at 80,000. As I was saying, the threat is the Liberal senators on the other side of the chamber. They voted against the stimulus package, they voted against those 19,600 homes being constructed, they voted against repairs and maintenance for social housing and they voted against jobs. We know that if they get back into power once again they will look for the easy answers. Last time they Liberal Party were in government they cut $3.1 billion out of housing and they cut social homes across the country. We know where they are going to go again. They are going to get straight back to cutting housing programs, putting people on the street and increasing homelessness. That is the Liberal Party way of doing things. (Time expired)

Senator Chris Evans: Mr President, I ask that further questions be placed on the Notice Paper.
QUESTIONS WITHOUT NOTICE:
ADDITIONAL ANSWERS

Hicks, Mr David

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (15:01): In response to a question asked yesterday by Senator Wright regarding David Hicks, the Attorney-General has provided the following additional information. I seek leave to incorporate the response.

Leave granted.

The answer read as follows—

David Hicks has submitted a Communication to the UN Human Rights Committee under the First Optional Protocol to the International Covenant on Civil and Political Rights, to which Australia is a party.

The Government is preparing a comprehensive response to the communication, which will be provided to the UN Human Rights Committee shortly.

The Attorney-General's Department has coordinated the preparation of the Government's response to the communication lodged by Mr Hicks. The Department has engaged with other departments and agencies in carrying out this work.

The UN Human Right Committee requested that the Government lodge its response to Mr Hicks' communication by 18 May 2011. The Government informed the Committee on 28 April 2011 that it would be unable to meet this deadline, due to the complexity of the issues raised in the communication.

I am advised the Committee noted this new timeframe and did not object to the Government delaying its response.

The Government advised the Committee that it expects to file the response in the third quarter of 2011.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS

Manufacturing

Senator COLBECK (Tasmania) (13:29):

I move:

That the Senate take note of the answer given by the Minister for Innovation, Industry, Science and Research (Senator Carr) to a question without notice asked by Senator Colbeck today relating to the Australian manufacturing industry.

The answer by the Minister for Innovation, Industry, Science and Research follows on from his pitiful defence of his role as a minister yesterday with a ministerial statement. That statement was promised by the Prime Minister and the Treasurer on Monday to be a significant statement, but it turned out to be nothing more than a regurgitation of things that everybody already knew.

Although Paul Howes said, on Lateline last night, that we now need comprehensive plans for each of a number of industries, the minister has again failed to come up with anything. It demonstrates the significant risk that this government has become. What a failure this minister is in the industry portfolio. We know that his actions in stripping away promises made to the car industry have now put the government in the position of being regarded as a significant governance risk, a sovereign risk, to major corporations and major manufacturing industries being prepared to invest in this country. Those corporations have told us that. So we have the finance industry, the car industry and other manufacturers being really concerned about the sovereign risk that this government presents. This was confirmed by Mr Howes, who effectively said last night that the government has no plans. It needs a comprehensive plan, according to Mr Howes, but of course the minister is not prepared to address that as an issue. We have seen that, over the last three years, 105,000 jobs have been lost.
at the rate of 620 jobs per week. The minister again was not prepared to confirm whether or not this was the most rapid rate of job loss in Australian history.

It is little wonder that not only has industry lost confidence in this minister and this government, but even senior union officials, the movers and shakers, those who decide who is and who is not Prime Minister, have lost confidence in this minister and the fact that he has no plans to guide this country forward, and that he has no plans for the manufacturing sector. Why would Mr Howes say that comprehensive plans are now needed for each of a number of industries? Why would he say that if he believed this government actually had those in place? He said that the government is in its deepest crisis since the Great Depression. This is not the *Australian* newspaper, it is not a member of the Liberal Party or the National Party and it is not anybody on this side of politics; this is a senior Labor official saying that Australian manufacturing is in deep crisis. This is one of the people who decide who the Prime Minister of Australia is, and he is saying that Australia is in its deepest crisis since the Great Depression and that comprehensive plans are now needed for each of a number of industries. Yet Minister Carr came in here yesterday to table a ministerial statement on the manufacturing sector but failed to provide anything new.

The Prime Minister, earlier in the week, indicated that big things were going to be announced, on behalf of the industry portfolio, to deal with job losses at BlueScope Steel and at OneSteel. What did they announce? They announced the appointment of Peter Beattie. Now you have Minister Carr standing on one side—the minister proudly says, 'I will stand beside industry and I will stand beside the workers'—and Peter Beattie standing on the other side. I am sure that industry is absolutely delighted and excited to have that great level of support standing beside them. But what are they doing? They have no new policy and nothing to offer, but one of the people who decides who the Prime Minister of this country is, Mr Paul Howes, says that comprehensive plans are now needed for each of a number of industries. That is a declaration from their own side, from a senior member of the Labor Party, that this government has not found its way. I think I recall Julia Gillard saying, when she took the leadership of the party after Paul Howes gave it to her, that this government had lost its way. It is quite obvious that it still has not found its way and that it has completely and utterly failed industry. The Prime Minister gave every indication of something big earlier in the week, yet the minister failed to deliver it yesterday and again today. *(Time expired)*

**Senator MOORE** (Queensland) (15:07): I am really pleased to see this newfound interest and this wonderful relationship that Senator Colbeck has now established with union leaders in this country. Usually at this time in the afternoon we have significant contributions involving quotes from the *Australian* and other newspapers, with absolute deference to the media in this country. Recently we have also had, at length, quotes from radio stations. At the same time that the opposition looks at the clips they can listen to the radio and then come in here and give standard comments about what is happening in this country.

I listened carefully to Minister Carr's response which this motion moves to take note of. There was one question on this issue today—only one question. The minister was quite open in talking about what is happening with the steel industry in this country. There was no attempt to say that we are not deeply concerned and that we do not have deep sympathy for the workers who have been caught up in this decision. What the
minister did do was look at the real history of manufacturing in this country over the last few years, which has not been mentioned by anyone on that side. In fact, when people from this side of the parliament were looking at ways into the future—with strategic plans for how we can transform the steel industry and how we can work effectively with industry, with the workplace, with business and with the market—there did not seem to be any support for that from the opposition.

There is a plan, but the plan does not stay stagnant; it evolves as the process continues. We understand that there has been a serious loss in the steel industry and for a number of manufacturers over the last couple of days. That has been fully reported. We understand that, and we on this side of the chamber want to work with those workers. We want to work with the unions and the employers to go through this crisis. There has been no attempt to say that it is not important to work with the industry. Senator Colbeck is interested in the appointment of Mr Peter Beattie to work with government and industry on this issue. As a Queensland senator, I know full well about the work Peter Beattie was able to do in Queensland looking at industry and at jobs. He had that ability to work across areas and focus clearly on outcomes. That is what is important.

We know that in several areas of the Australian community there is real concern and fear about what is happening with jobs. As an effective government we respond to that, and we seek the support of the opposition to do it. While there has been this ongoing attack on the credibility of Australia's financial position and daily attacks from the opposition on the strength of our economy, then naturally the kinds of concerns raised by Senator Colbeck will come into industry. If a part of the Australian parliament sees it as the answer to every issue to downplay the strength of our economy, as outlined by ministers today in this place, that will give credence to the idea that there is a crisis that cannot be surmounted.

The best way to look at what is actually happening in this community is to work effectively on identifying the issues, to listen to all the ideas. Certainly Mr Howes and other trade union leaders will have an important role to play. We need to have that input into the discussion. The ministers and all of us in parliament want that input so that we are responding to all the ideas, all the energy and all the needs of the community to work through this time in our economy.

We have heard from the steel producers that there are a number of concerns in their industry. One of the key ones that is consistently being talked about is the strong Australian dollar. That is something we will have to understand. We will have to work through it with the kind of planning the minister has put forward. Yesterday he gave an innovation statement for the whole economy, not just for the steel industry. An effective way to move forward would be to agree on the process, agree on the plan, use every skill available and work with Mr Beattie—in the same way that previously, in the auto industry, we brought experts together so we could work through the immediate threat of the global economic crisis in that area.

The way forward is to ensure that the plans being put forward are understood, that people engage in the process and that it is not used as a cheap political attack. At the same time that we are trying to score points and move forward politically, the people who will suffer are the people whose jobs we should be looking after. We should acknowledge that there are issues there, but we need to move into the future effectively. (Time expired)

Senator BERNARDI (South Australia) (15:12): It is clear to me, judging by the
rhetoric Senator Moore has used for the last five minutes on this motion to take note of Senator Carr's answer, that no-one told her that the 'moving forward' slogan from the last election was dumped when the 'real Julia' came out. This is the most ridiculous defence of a very poor government that I have ever heard. They keep talking about their plans for the future—for 2015 and 2020 and 2025. It is all going to come to nought. We on the benches on this side are exposing the folly, the uselessness and the hopelessness of this government, and they are saying that this is what is causing a crisis in manufacturing. The Senate chamber on the government side is in complete and utter denial. The activities and actions of the government are what is paralysing industry in this country. The people of Australia have no confidence in your ability to manage any policy program or implement it in an effective, fair and balanced manner.

The evidence is very clear to see, and the warnings were equally clear. I remember standing up in this place and warning that Senator Carr, as the industry minister responsible for manufacturing, would take the giant leap backwards, and that is clearly what has happened here. We have lost 105,000 jobs under this minister in this area. Manufacturing employment is under a million for the very first time that I can recall. We are going backwards at a rate of knots, and it is not our fault; it is your fault—not you specifically, Senator Moore, but it is the government's fault. They turn everything they touch into dust—and that is the most polite way I can manage to say it. I remember when Senator Carr, in his original incarnation as innovation minister, was claiming it a great innovation to send text messages into space, in the hope that some life form up there would be able to respond and give him some guidance about what to do with industry back here on earth. I am saying to Senator Carr, and the others on the government side, that they should take their heads out of the clouds and get their focus not on space but back on earth. They should bring their focus back to earth and confront their demons—and their demons are large and they are many.

The government cannot manage money, they cannot implement policy programs, they have no consistent narrative in which they can build a framework to take this country forward. That is very clear. That is why the people of Australia are protesting. That is why the people of Australia have no confidence in this government. And that is why this government are languishing. They are languishing not only in the polls but internally—the morale is at the lowest it has ever been.

Senator Marshall: That's not true!

Senator BERNARDI: The morale of the Australian people is at the lowest it has ever been. Of course, we know Senator Marshall is buoyant and joyous, because he loves to thrive on the chaos over there as the Left are taking control! But, you know, Senator Marshall, not everyone indulges in your sense of schadenfreude. Not everyone takes pleasure out of the pity and misery of others, let me tell you. We will let you occupy that rare niche with your band of followers over there, clearly one of whom voted for you for President of this chamber—given that it wasn't you!

Returning to the matters of substance that really do concern the Australian people: it is about job security, it is about the cost-of-living issues, it is about these new taxes that are coming in from this government. It seems to me that there is a huge level of denial, a denial that this government is responsible for the bad policies, that it is responsible for these massive budget deficits, that its carbon tax is going to increase the
cost of living for families and is going to drive industry out.

I heard a story the other day about Mr Dreyfus QC, from the other place, who was confronted by an angry man who said, 'This carbon tax is going to put the cost of my electricity in my manufacturing plant up by $250,000 or so.' And Mr Dreyfus said, 'See, you've got nothing to worry about'! This is the level of denial that is creeping out into the public. The Labor Party are so removed from reality that they say, 'This doesn't matter; it'll be okay in 2013 or 2015, and we are on the right track.' We are not on the right track. We have taken the wrong path. We have taken the low road. It is the road that is leading Australia downhill. We need to replace this government. That is something that the Australian people agree on. If you are not convinced of that, take it to an election. (Time expired)

Senator SINGH (Tasmania) (15:17): Dear me! The first alarming words that I heard in Senator Bernardi's contribution were the words 'job security'—as though on that side of the chamber they think they actually care about job security. This is an opposition that is in opposition because of their policies against job security, because of their stance on Work Choices, which drove them out of government. Yet they stand here today and all of a sudden a thought bubble comes into their head and they pretend that they are a friend of the manufacturing workers. Let us not be fooled in this place at all on that front.

For Senator Colbeck to raise the question to Minister Carr is, again, an alarming thought, because Senator Colbeck would know—

Senator Bernardi interjecting—

Senator SINGH: Yes, one question that we are all taking note of here today. Senator Colbeck would know, as a Liberal senator from Tasmania, that what happens under Labor governments is that, when there is a serious issue in relation to the manufacturing industry, and when serious job losses from manufacturing are on the line, Labor governments act. Senator Colbeck would have some memory of that in Tasmania. We have had a loss in Tasmania of the Blundstone factory. The state Labor government acted to ensure supports were given to those workers who were losing their jobs from the Blundstone company.

It is similar today. What we have here is a recognition from those on this side of the chamber of the plight of those workers, a recognition of the serious loss of the steel industry—and that is why we have acted. That is why we have appointed former Premier Beattie to come in, as someone of reputable character, someone with great knowledge and expertise—having been Premier of one of the larger states in this country—someone with great capability, and give assistance to this particular industry. The manufacturing industry is an industry we take extremely seriously on this side of the chamber, because we recognise that it has a number of workers who need attention and support as our economy changes and goes through this transition period.

Again, Senator Colbeck should remember that we have recently borne witness to that in Tasmania in relation to the forestry industry. There are industries in our country that are in transition, because our economy is in transition, but what does the Gillard Labor government do about that? Do we sit here and idly waste time and wait for those workers to lose their jobs, for things to go down into a dire heap? No, not at all. That is what happened under the coalition government. The only time, in my memory, that the coalition government acted to do something was when John Howard had some family connection with the company in question.
Senator Marshall: Don't we all remember that!

Senator SINGH: Yes, don't we all remember that: the old textile workers that he had a brotherly connection to—too bad for all those others in the manufacturing industry, but when there is an interest of family importance, then we see some action from the coalition government.

What we know is that those on that side of the chamber have no plan when it comes to issues of change in our economy, when it comes to issues of workers needing support and needing to transition into new jobs in a new economy; whereas those on this side have a plan. We have a plan to support them and to look at the ways in which our economy needs to be supported through a reform process. And those reform processes are many and varied, and that we continue implement, to ensure that we are making things better in this country. I could go through a huge list of those areas of reform that outline the differences between us on this side and those on the coalition side. But the most obvious one is that we do support job security. We do support fair work. All they support is unfair work, which is why they are in the situation they are in—in opposition. (Time expired)

Senator BIRMINGHAM (South Australia) (15:22): Senator Singh proclaims that the government has a plan—that Labor has a plan. She proclaims that there is a plan. Obviously Senator Carr is not aware of the plan. Senator Carr clearly does not know what the plan is. Perhaps Senator Singh had better make a quick shift down to the front bench to Senator Carr's seat, because if she knows what Labor's plan is, if she knows what the government's plan is, obviously Senator Carr does not. Obviously Senator Carr does not know what the plan is, because Senator Carr came into this place yesterday and gave his 10-minute ministerial statement, and there was no new plan. There were no new policies. There were no new ideas. There was no content. There was no substance. It was all the things we have come to expect from Senator Kim Carr as Minister for Innovation, Industry, Science and Research. So, if Senator Singh has the plan, she had better dust it off and reveal it to Senator Carr and the government, because her government needs a plan and it needs a plan fairly desperately.

Whatever the current plan is, if indeed there is one at all, it is transparently not working for Australia's manufacturing industry. It is not working at all. One hundred and five thousand jobs have been lost over the last three years in the manufacturing industry. That is a sobering statistic and a statistic over which Senator Carr, as the industry minister, should hang his head in shame. Six hundred and twenty jobs per week, under his watch, have been lost.

I am just sorry that Senator Cameron is not in the chamber to debate this. He would and does love to speak about Australia's manufacturing industry. He loves to debate it. He loves to talk about this sector, which he wants to champion. The thing is, though, that the longer his government is in place, the less of a manufacturing industry there is. As for his beloved old union, which he used to champion out of this place and whose cause he now loves to champion in this place, there will not be much of a union left by the time he and his government have finished. The union will not have any manufacturing workers to represent, Senator Cameron. However, he is not here to debate at this time.

Senator Carr stood up today and, when challenged about what his plan was, when
challenged about what his policies were, he said he has a vision. Senator Carr's vision is a little more like a mirage, it would seem, because his vision lacks any substance. It lacks any detail and it lacks any commitment about how he expects to get the manufacturing industry in this country back on track and get it into a shape where it stops bleeding jobs week after week, month after month, year after year.

As with so many things, when the government get into strife, they like to have talk. They pretend that talk is action. Some time ago they decided that a great way of having action that was actually talk was to establish the Steel Industry Innovation Council, of which Mr Howes, who last night on Lateline declared that Australian manufacturing is in its deepest crisis since the Great Depression, is a member. But guess what? At this time of crisis in the manufacturing industry, in the lead-up to a time when 1,400 jobs across BlueScope Steel and OneSteel have been lost or announcements about them have been made, has the Steel Industry Innovation Council met? Not once has the Steel Industry Innovation Council met in the last six months. That means that not only has there been no discussion about how to handle these job losses but there has not even been any consultation with this council about the government's carbon tax. The government have not been engaged in discussions about the carbon tax with the Steel Industry Innovation Council. This body was meant to be tasked with setting the future direction, so the government proclaimed, but of course it was all just an announcement. It was all just an announcement at the time of the council, and that is what—

Senator Wong interjecting—

Senator Back interjecting—

The DEPUTY PRESIDENT: Order! Senators on both sides, order!

Senator BIRMINGHAM: And of course that, Senator Wong, will be exactly the same approach you will take to the Beattie report. You bring in Peter Beattie; you make a grand announcement. You will get a report, but do you know what will happen with that report? Like everything else, it will gather dust, because it will have just been an announcement of talk masquerading as action. It is not action at all. It is not policy. It is not planning. It is just putting masking tape over the mistakes of this government and over the fact that Senator Carr is unable in this industry space to run a comprehensive policy that actually saves Australian jobs rather than bleeds Australian jobs.

Question agreed to.

**Environment Protection and Biodiversity Conservation Act**

**Senator WATERS** (Queensland) (15:28): I move:

That the Senate take note of the answer given by the Minister for Broadband, Communications and the Digital Economy (Senator Conroy) to a question without notice asked by Senator Waters today relating to the environment protection and biodiversity conservation legislative reforms.

I thank the minister for taking the bulk of those questions on notice, and I certainly look forward to a prompt reply to those important questions. In relation particularly to the minister’s mooting yesterday of devolving some of the Commonwealth's powers to approve actions under that act, we are extremely alarmed at the suggestion that the federal government would relinquish to the states any of its role in approving those damaging actions. The reason is that the states have done an atrocious job of protecting our environment. We have seen massive biodiversity decline, and all of our indicators on water quality and in fact any other environmental measure are heading downwards.
We need a strong and independent role for the federal government in regulating the environment. The federal government is responsible under our laws for protecting matters of national environmental significance and it must not abrogate that responsibility. It cannot act like a rubber stamp. It must be a check and balance on the rapaciousness and recklessness of the states in this regard.

My other concern is that if the federal government did delegate those approvals who would be responsible for enforcing the conditions? Would that be left to the states? We know that state environment departments are notoriously underresourced and that enforcement is unfortunately a very rare occurrence. Enforcement is often left to very poor community groups who risk massive court costs when they take these matters into their own hands, if they are able to do so. That would be a completely unacceptable situation. Senator Conroy made reference to the need to reform the act to ensure that it can work effectively in a modern Australia. We could not agree more: it does need to work. It needs to work to do its job, which under the objects of the act is to conserve biodiversity and protect the environment rather than see those things destroyed rapidly. As I said, the federal government must not abrogate its responsibility. These are nationally significant matters and the Greens will not be supporting any moves to devolve decision-making powers to the states.

I welcome Senator Conroy taking on notice the question of the water trigger and I look forward to his response. Minister Burke dismissed this yesterday on the flimsy basis that a water trigger would pick up every single water use that was proposed—every bore would be covered. That is just patently ridiculous. The minister would well know that the act only covers significant impacts and therefore a water trigger would only ever pick up the large-scale, significant impacts. I am afraid that was a convenient but misplaced excuse. The federal government needs a power over water. This is the driest continent on the planet. When water is so scarce—and according to climate change predictions it will continue to get more scarce—it is just ridiculous that the federal government does not have the power to regulate water across the country. For example, it is a farce that when the environment minister is assessing coal seam gas applications, which extract billions of litres of water from our artesian aquifers, he cannot even consider the environmental impacts of that water extraction. It makes a mockery of the process. The community, unfortunately, has lost confidence in the ability of our environmental laws to do their jobs. We need to rectify that and we need a water trigger in those laws.

In relation to Minister Burke's moves to formalise and extend offsets—and I note that there is a draft discussion paper out which we will be scrutinising further—we are extremely alarmed at the moves to extend the notion of offsets. There has yet to be a successful example of an offset. You simply cannot offset for biodiversity loss. In fact, the best offset is to simply not proceed with bad developments. We are talking here about significant impacts on matters of national environmental significance. These are not inconsequential matters. They simply cannot be offset. They are too important to be clear-felled, mined or turned into shopping centres, while some unrelated bit of land that is not in anybody's way is protected instead. We fear that offsets are a way to buy your way out of the rules, and that is not what the Australian public expects. We are very alarmed at the reference in the offsets policy that 25 per cent of the offset can be for research or education. I am afraid that is akin to destroying the last bilby habitat and then
preparing a brochure on how important bilbies are. We certainly look forward to scrutinising this reform package further.

Question agreed to.

COMMITTEES

Regional and Remote Indigenous Communities

Government Response to Report

Senator WONG (South Australia—Minister for Finance and Deregulation) (15:33): I present the government’s response to the fourth report of 2010 of the Senate Select Committee on Regional and Remote Indigenous Communities. I seek leave to incorporate the document in Hansard.

Leave granted.

The document read as follows—

GOVERNMENT RESPONSE

Senate Select Committee on Regional and Remote Indigenous Communities

Fourth Report

Whole-of-Government Response

Recommendation 1

2.28 The committee recommends that all Australian Government and state/territory agencies, provide the Australian Institute of Health and Welfare with reports and publications as they are published, as well as statistics on an annual basis, to ensure that the Closing the Gap Clearinghouse is a relevant evidence base for policy makers.

Government response:

The Australian Government accepts this recommendation.

The Commonwealth’s contract with the Australian Institute of Health and Welfare (AIHW) to deliver the Clearinghouse services includes requirements for active engagement with government agencies to ensure they use and contribute to the Clearinghouse. Under the National Partnership Agreement on an Indigenous Clearinghouse, the Commonwealth and States/Territories are also required to contribute any relevant research and evaluations they have conducted to the Clearinghouse.

Accordingly, AIHW recently wrote to all Australian Government and state/territory agencies asking them to provide a list of relevant research and evaluation projects for the Clearinghouse online Research and Evaluation register. The Clearinghouse team will follow up with Departments to obtain reports for the Clearinghouse repository as they become available. The Clearinghouse team also distributes a quarterly newsletter and conducts annual presentations to all jurisdictions to encourage them to use and contribute to the Clearinghouse.

Recommendation 2

2.43 The committee recommends that the COAG work on the National Strategy for Food Security in Remote Indigenous Communities include an analysis of alternative agriculture to improve the affordability, quality and availability of fresh fruit and vegetables in regional and remote Indigenous communities.

Government response:

The Australian Government notes this recommendation.

The Australian Government recognises the important role of local traditional food, local agricultural and horticultural projects, and community gardens in supporting food security in remote Indigenous communities and agrees that these are an important element in improving the supply of healthy food to remote Indigenous communities.

Through the National Strategy for Food Security in Remote Indigenous Communities, a draft National Healthy Eating Action Plan (NHEAP) is being developed which is proposing to, amongst other things, look at agriculture and local food supply development in an effort to improve the food security in remote Indigenous communities.

While the NHEAP is yet to be considered by COAG, the Australian Government notes that any analysis of agricultural and horticultural projects in remote Indigenous communities would need to take into account: the impact on food security; the economic viability and sustainability of the
projects; and the capacity and willingness of nearby Indigenous communities to support the ongoing implementation of the projects.

More generally, the Australian Government supports the development of sustainable and economically viable agriculture and horticulture projects in remote Indigenous communities. Significant funding support for this sector has been provided through the Aboriginal Benefits Account (ABA). This includes: $3.2 million for the Alekarenge Horticulture Pty Ltd to construct an artesian bore field and support the farming of watermelons; over $900 000 to support the ongoing operations of Centrefarm Aboriginal Horticulture Ltd; $386 000 for the Ti Tree Horticulture Strategy for commercial horticulture development to cultivate bush tomatoes and other native plants; and around $90 000 for a feasibility study of 21 communities and outstations to identify suitable sites to develop sustainable community farms.

In addition, the Australian Government also encourages the development of community and school gardens where a need is identified and community capacity and willingness to support the sustainable implementation of a garden project are demonstrated. The Australian Government also acknowledges the work of organisations such as Edge of Nowhere (EON) Foundation in facilitating and supporting gardens in remote Indigenous communities.

The EON Foundation has successfully established school gardens in a number of remote Indigenous communities in Western Australia, including Beagle Bay, Djarindjin and One Arm Point. Each garden grows a variety of vegetables and bush tucker, and medicine plants are also being propagated with help from community elders for planting into the garden. The work of the EON foundation is supported by $300 000 in funding from the Indigenous Land Corporation (ILC).

**Recommendation 3**

2.50 The committee recommends that the Australian Government expand the remit of the Coordinator General for Remote Indigenous Services' reporting mandate for basic service and infrastructure in all regional and remote Indigenous communities with over 200 residents. The committee considers that the Coordinator General should be afforded additional resources to undertake such an expanded reporting role.

**Government response:**

*The Australian Government notes the recommendation.*

The Australian Government supports the role of the Coordinator-General for Remote Indigenous Services (CGRIS) in driving the implementation of the RSD NP and it will consider the recommendation further. However, it is important to ensure that the attention of the CGRIS is not diverted from the current 29 priority communities at this important stage.

The Australian Government also draws to the committee’s attention the COAG National Urban and Regional Service Delivery Strategy for Indigenous Australians. The Overarching Bilateral Indigenous Plans will capture the efforts underway across each state and territory to close the gap on Indigenous disadvantage in urban and regional areas. The Overarching Bilateral Indigenous Plan governance meetings provide a regular opportunity to discuss shared priorities and identify areas for joint action.

**Recommendation 4**

2.57 The committee notes the consultation being undertaken in developing local implementation plans but considers that as a matter of practice, consultation plans which are not readily accessible to the public should be made public prior to consultation being undertaken.
The Australian Government notes this Recommendation.

The Australian Government is committed to transparency in the implementation of the RSD NP. Importantly, all agreed Local Implementation Plans (LIPs) are public documents.

LIPs are developed and agreed with Indigenous communities, and other parties to the LIPs (such as relevant local governments), through an open process of negotiation.

LIPs are expected to be evolving and iterative documents and subject to amendment as the implementation of the RSD NP in each location evolves.

All efforts will be taken to ensure that relevant parties are aware of consultation sessions well in advance to maximise engagement.

Recommendation 5
2.72 The committee recommends that on a monthly basis the Australian Government publish the number and location of new, rebuilt or refurbished homes completed under the National Partnership Agreement on Remote Indigenous Housing program.

Government response:
The Australian Government notes this recommendation.

The Australian Government is committed to transparency in the delivery of remote Indigenous housing.

Reporting of the nature recommended by the committee will require consultation and agreement by state and territory governments.

Performance against new, rebuilt and refurbished housing targets is reported annually.

In 2009-10 the states and the Northern Territory delivered 316 new houses and 828 refurbishments in remote Indigenous communities across Australia. The combined targets for all states and the Northern Territory were 320 new houses and 587 refurbishments.

In the Northern Territory, the Strategic Indigenous Housing and Infrastructure Program (SIHIP) which is delivered through the National Partnership Agreement on Remote Indigenous Housing (NPARIH) exceeded its December 2010 targets of 150 new houses and 1,000 rebuilds and refurbishments by delivering 174 new houses and 1,023 rebuilds and refurbishments. Since the commencement of the NPARIH, the Northern Territory has delivered 228 new houses (with a further 157 underway) and 1,322 rebuilds and refurbishments (with a further 74 underway).

To date, across the country, the NPARIH has delivered 556 new houses (with an additional 251 underway) and a further 2,152 existing houses have been rebuilt or refurbished (with an additional 424 underway) since the commencement of the program. The final progress figures for 2010-11 will be released shortly following the completion of the financial year.

Please note: data is current as at 28 Feb 2011 for NSW, QLD, SA and WA. 4 April 2011 for NT and 5 April 2011 for TAS.

Recommendation 6
2.73 The committee also recommends that the Coordinator General for Remote Indigenous Services conduct a detailed analysis of the National Partnership Agreement on Remote Indigenous Housing in his next six monthly report.

Government response:
The Australian Government notes this recommendation.

Information on progress under the National Partnership Agreement on Remote Indigenous Housing (NPARIH) is provided to the Coordinator General for Remote Indigenous Services to assist in the preparation of his six monthly reports.

The NPARIH was renegotiated in December 2009 when it became clear that progress was insufficient to meet the targets. A new competitive process was established for the allocation of Australian Government funding to provide strong financial incentives for states and the Northern Territory to deliver on new houses and refurbishments.

Recommendation 7
2.118 Noting the success of the Sporting Chance Program, the committee recommends that
the Australian Government investigate programs for other extracurricular activities such as a program for students interested in the arts.

**Government response:**

The Australian Government notes this recommendation.

The Australian Government supports programs for school students interested in the arts and is currently funding a range of initiatives in this area. The effectiveness of such programs is enhanced when they are structured and delivered to support the implementation of curriculum. All Australian Governments are committed to the development and implementation of the Australian Curriculum in the arts, which will strengthen arts education across Australia.

**Current Australian Government Initiatives in the Arts**

The Australian Government works collaboratively with the states and territories, and the non-government school sector to deliver high quality arts education in schools. The Government has allocated over $7.5 million between 2007 and 2012 to support a range of arts education initiatives.

- The Australian Government funds arts and music education projects to improve equity of access and participation in arts education, including a focus on students in rural and remote areas. This includes support for:
  - The Song Room’s Enhanced Learning through the Arts project focussed on improving student learning outcomes through music and the performing arts for schools identified as disadvantaged and with no existing specialist music teacher ($1.45 million). This project will refine models of program delivery that are appropriate to schools in different geographical regions (including remote locations) and to different target groups (including Indigenous communities);
  - Australian Children’s Music Foundation music programs that focus on improving equity of access and participation in music education, particularly for students from disadvantaged backgrounds ($1.02 million), including provision of music tuition and musical equipment to Indigenous and disadvantaged schools and communities in remote and Indigenous areas;
  - The delivery of Musica Viva’s school concerts and teacher professional development programs to regional and remote areas ($1.35 million); and
  - Bell Shakespeare’s education initiatives that focus on schools from regional areas ($1.32 million).

Funding is also provided for annual national awards for excellence in school music education ($0.5 million) and the annual national Music. Count Us In event for schools across Australia ($2.22 million).

**Inclusion of Arts in the Australian Curriculum**

All Australian governments are committed to the development and implementation of Australia’s first national curriculum. The Australian Curriculum, Assessment and Reporting Authority (ACARA) is overseeing this important work beginning with the learning areas of English, mathematics, science and history. On 8 December 2010, Australian education ministers endorsed the Foundation to Year 10 Australian Curriculum in these first four learning areas, which can be viewed at www.australiancurriculum.edu.au.

A second phase of ACARA’s work involves developing an Australian Curriculum in languages, geography and the arts. ACARA prepared an initial paper The Shape of the Australian Curriculum: The Arts which was available for public consultation until 17 December 2010. The feedback received will be used by ACARA to revise the paper and guide it’s curriculum writers in drafting the arts curriculum, which will be available for public consultation in 2011.

**Recommendation 8**

2.176 The committee recommends that the evaluation mechanisms that underpin COAG's investment of the $100 million Tackling Smoking initiative be publicly released to ensure that this funding provides a tangible difference on the ground in communities.
Government response:
The Australian Government agrees with this recommendation.

The evaluation mechanisms are currently under development and will be publicly released once they have been finalised.

Recommendation 9

2.219 Given the evidence that the committee has received about problems with funding models, the committee considers that COAG should expedite implementation of the Coordinator General for Remote Indigenous Services' recommendation to examine the use of more flexible funding approaches which aggregate departmental funding into a master contract with each National Partnership Agreement on Remote Service Delivery community.

Government response:
The Australian Government notes this Recommendation.


In relation to CGRIS recommendation 3.1 (which raises the issue of exploring options for funding flexibility) the WGIR reported as follows:

Progress report of an interjurisdictional working group on options for flexible funding approaches in RSD communities to be prepared by 30 September 2010 and subsequently provided to COAG for consideration.

An interjurisdictional working group was formed following the 19 April meeting of COAG and its report will be presented to the next meeting of COAG.

The Australian government has also partly addressed the CGRIS’s recommendation 3.1 by developing a Remote Service Delivery Flexible Funding Pool. This Funding Pool will:

- support the implementation of the Remote Service Delivery National Partnership;
- provide the Australian Government with the capacity to address high priority projects in a timely way; and
- support projects identified through the Local Implementation Planning process.

The Australian Government is contributing $46 million over three years to the Funding Pool. The Funding Pool commenced operation from July 2010.

The Flexible Funding Pool will allow for the development of more flexible funding arrangements within and across governments, consistent with the CGRIS Recommendation 3.1.

Recommendation 10

3.15 The committee recommends that all state and territory governments consider the publication of a Quarterly Report in line with that published by the Queensland Government and that this information feed into the Council of Australian Governments baseline data collection process.

Government response:
The Australian Government notes the recommendation.

This recommendation is a responsibility of the states and territories. No Commonwealth action is required.

Recommendation 11

3.34 The committee recommends that the evaluation of the Cape York Welfare Reform trial be made public to inform other governments about the results of the program and its applicability to other regional and remote Indigenous communities.

Government response:
The Australian Government agrees with this recommendation.

The Australian and Queensland Governments have jointly committed funds to the evaluation of the Cape York welfare reforms, as evaluation is a central element of the trials. The evaluation is being done in two stages:
1. A post-implementation review of the Family Responsibilities Commission conducted by KPMG was released on 26 November 2010; and

2. Further evaluation covering the progress and outcomes of the trial as a whole is planned for 2011 – this will examine progress based on monitoring and outcomes data, and will examine success against objectives.

**Recommendation 12**

3.84 The committee recommends that the Ministerial Council for Education, Early Childhood Development and Youth Affairs expand the policy on attendance currently in the draft Indigenous Education Action Plan to include the need for measures that facilitate reintegration of students who have missed large amounts of schooling but recommence attending school as the result of attendance measures.

**Government response:**

The Australian Government notes the recommendation.

The revised draft of the Aboriginal and Torres Strait Islander Education Action Plan 2010-2014 (ATSIEAP) was approved by the Ministerial Council for Education, Early Childhood Development and Youth Affairs in April 2010, and was referred for the consideration of the Council of Australian Governments. It contains a number of actions that could be employed by state and territory education systems and providers to recognise local and systemic support for reintegration or re-entry programs. For example, at the local level, schools are to develop Personalised Learning Strategies, involving families, teachers and Aboriginal and Torres Strait Islander Education Workers to support improved educational outcomes. In responding to long-term absences by students, these Personalised Learning Strategies would typically include targeted actions to assist students to make up time lost as a result of prolonged absence. This could include re-entry programs such as those considered by the committee.

It is also expected that focus schools under the ATSIEAP would develop local attendance strategies, in consultation with Aboriginal and Torres Strait Islander parents and the community. Commitments to re-entry programs could be one element of these locally developed attendance strategies. Additionally, under the ATSIEAP, systemic attendance strategies are to be developed, providing an enabling framework for locally developed strategies. Education systems have the capacity to ensure their strategies outline the need to consider re-entry measures for students returning after long-term absences from school.

The Australian Government considers that the revised ATSIEAP contains sufficient scope to support the intention of the committee's recommendation. However, as this is a matter for education systems, the Department of Education, Employment and Workplace Relations will ensure that state, territory and non-government education systems are made aware of the committee's recommendation and observations.

**Recommendation 13**

3.248 The committee recommends that the Australian Health Ministers Conference develop a framework specifying interoperability between social and emotional wellbeing services and clinical mental health services.

**Government response:**

The Australian Government notes this recommendation.

The government supports a number of programs targeted at improving social and emotional wellbeing and Indigenous mental health services.

The Australian Government, through the Department of Health and Ageing, is encouraging clinical and non-clinical practitioners to work collaboratively though a number of initiatives designed to support the sector including the Health Reform agenda, the National Mental Health Policy 2008, the Fourth National Mental Health Plan 2009-2014 (the Plan), the COAG National Action Plan on Mental Health 2006-2011, and the Closing the Gap initiative.

Most recently as part of the COAG decision on 12 April 2010 to establish the National Health and Hospitals Network, all governments except Western Australia agreed to undertake further work on the scope of additional mental health service reform for report back to COAG in 2011. This included the potential for further
improvements to the allocation of roles and responsibilities in the delivery of mental health services.

The Plan, which was endorsed by Health Ministers on 4 September 2009, takes forward the vision set out in the National Mental Health Policy 2008 through implementation of 34 specific actions. The Plan will further embed the whole of government approach to mental health which recognises the importance of coordinated service delivery, including health, housing and community support services, particularly for people with a severe mental illness.

Central to the Plan is the principle of social inclusion. It recognises the importance of social, cultural and economic factors to mental health and wellbeing. Policy and service development needs to recognise the importance of a holistic and socially inclusive approach to health in promoting mental health and wellbeing.

Action 7 of the Plan seeks to improve the implementation and coordination of Aboriginal and Torres Strait Islanders social and emotional well being activity. An implementation approach for this action has been prepared for consideration by the Mental Health Standing Committee (an Australian Health Ministers’ Advisory Council subcommittee).

In February 2006, all governments through COAG committed additional investment to improve mental health services nationally. A five-year action plan was developed and included a series of measures by both state/territory and Australian governments.

One of the measures being implemented by the Department of Health and Ageing is ‘Improving the Capacity of workers in Indigenous Communities’. This comprises $20.8 million over 5 years to support health practitioners identify and address mental illness and associated substance use issues in Aboriginal and Torres Strait Islander communities. The programs funded under this measure encourage the sector to work together, through the development of various culturally appropriate resources and training.

The Closing the Gap initiative targets the preconditions for social and emotional wellbeing through its building blocks of healthy homes; safe communities; health; early childhood; schooling; economic participation; governance and leadership, and through improved quality and availability of data.

**Recommendation 14**

3.361 The committee recommends that Queensland Corrections consider including routine hearing assessments in the induction and assessment process for persons newly entering the corrective services system.

**Government response:**

*The Australian Government notes this recommendation.*

People eligible for the Australian Government Hearing Services Program retain their entitlement to services while in prison, in custody on remand, or in juvenile justice centres, provided that person’s eligibility is current while in custody. Where the request for services is initiated by the client and the client is still eligible (that is holds a current voucher), the service is provided by the Program. However, where the service is initiated by the custodial authority or provided by a service provider working for or on behalf of that authority, the service is not covered by the Program and all costs remain the responsibility of the state or territory government. Arranging access to hearing services for prisoners is a matter for the custodial authorities. All costs incurred in arranging access to hearing services will also be borne by the custodial authorities.

Clients eligible for the voucher component of the program include Australian citizens and permanent residents who are 21 years of age or older and in one of the following categories:

- a holder of a Pensioner Concession Card;
- a person receiving sickness allowance from Centrelink;
- a holder of a Gold Repatriation Health Card;
- a holder of a White Repatriation Health Card issued for conditions which include hearing loss;
- a partner, or dependent child between the ages of 21 and 25 undergoing full time study, of a person in one of the above categories;
• a member of the Australian Defence Force; or
• a person in a Disability Employment Services - Disability Management Service who is referred by an approved Disability Management Service Provider.

In addition, eligibility for free hearing services through the Community Service Obligation component of the Program, provided by Australian Hearing, is targeted at people who are:
• under 21 years of age (including replacement of cochlear implant speech processors);
• eligible for the Voucher Program but who have complex hearing needs;
• eligible for the Voucher Program and live in remote areas;
• Aboriginal person or Torres Strait Islander who:
  1. are eligible for the Voucher Program;
  2. are over 50 years of age;
  3. are a participant in a Community Development Employment Projects (CDEP) program; or
  4. was a participant in a CDEP program between 1 December 2005 and 30 June 2008 (until 1 July 2012).

5. Queensland Corrective Services (QCS) advises that it is working with the Queensland Health Department to determine the extent of hearing impairment amongst Indigenous people in Queensland correctional institutions and to reach agreement between the agencies on an appropriate response. At present, QCS undertakes general health screening of all prisoners. It advises that, with respect to Indigenous prisoners, certain key health markers have been identified and QCS will now move to ensure that hearing is one such marker. The Queensland Department of Communities has advised that juveniles entering detention centres also undergo screening for hearing.

**Community Affairs References Committee**

Senator **WONG** (South Australia—Minister for Finance and Deregulation) (15:33): I present the government’s response to the report of the Senate Standing Committee on Community Affairs on mental health services in Australia. I seek leave to incorporate the document in *Hansard*.

Leave granted.

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**GOVERNMENT RESPONSE**

**Senate Standing Committee on Community Affairs**

_Towards recovery: Mental health services in Australia_

Senator Claire Moore
Committee Chair
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Senator

I am writing in regard to the 2008 Senate Community Affairs Committee’s Inquiry into Mental Health Services, and its Final Report Towards Recovery: Mental Health Services in Australia.

In particular I wish to provide you with information on key activities which have been announced and progressed since the tabling of the Report on 25 September 2008 and which address in whole or in part its recommendations, to finalise the Australian Government’s consideration of the Committee’s work. The delay in the Government’s response to the Committee’s Report is a result of the significant amount of mental health reform and health reform that has been underway and implemented since 2008.

I wish to acknowledge the significant and welcome interest of the Committee in improving the health and wellbeing of all Australians affected by mental illness, their families and carers. The Report provided an important resource that has contributed to the Government’s thinking and decisions in respect of reforms to the mental health system.

Importantly, the Report's recommendations acknowledge the need for a long-term plan and vision for mental health, including:
better coordination and integration of health and social support services (such as housing, income support, education and employment services);

- working collaboratively with state and territory governments to address systems gaps (such as step up-step down accommodation services); and

- better meeting the needs of particular groups (such as rural and remote communities, Indigenous populations, men, young people, and individuals with Borderline Personality Disorder).

Since the Report's release, there have been a number of Government investments and new initiatives relating to mental health and which form part of the wider national health, social and economic reform agendas. I am pleased to enclose a summary of these initiatives for the Committee's information.

Most significantly, the Government has delivered on its second term commitment to mental health with a number of initiatives consistent with the 2008 Report's recommendations through the 2011-12 Budget's Delivering National Mental Health Reform package.

Through this package the Government has provided the largest mental health investment in the nation's history with $2.2 billion being invested over the next five years to drive fundamental reform in Australia's mental health system.

These measures have been informed by extensive engagement with experts, service providers and consumers and carers that I undertook at the end of last year. Through this process, I received valuable insight and feedback and much of this feedback affirmed the Committee's findings.

The investments made as part of this $2.2 billion investment include initiatives across a number of portfolios including:

- $571.3 million for more and better coordinated services for people with severe mental illness and complex, multiagency needs who suffer significant disadvantage, and their families and carers. This measure will provide a single point of contact for people with severe and persistent mental illness and their families; it will expand the Day to Day Living and Personal Helpers and Mentors programs; and provide extra respite services and support for the carers and families of people with a mental illness;

- $491.7 million for prevention and early intervention mental health services for children and young people to improve responsiveness to childhood risk factors when interventions are most effective and to ensure young people and their families get the support they need;

- $201.3 million to encourage the states and territories to invest more in mental health priority areas and address service gaps, including in accommodation support and presentation, admission and discharge planning in emergency departments; and

- $2.4 million to increase economic and social participation for people with mental illness. This will be supported by $50 million for more personal helpers and mentors, plus approximately $26 million over three years to support the very long term unemployed with a mental illness thought the Building Australia's Future Workforce budget package.

The Government is also investing a total of $32 million to establish a National Mental Health Commission to increase accountability and transparency. The Commission will provide leadership and drive a more transparent and accountable mental health system in both the health and non-health spheres, and provide an Annual Report, through the Prime Minister, to Parliament.

Included in this record investment over the next five years is $1.5 billion in new expenditure and $624 million from the 2010 Budget and election commitments in mental health.

If the Government's mental health investments in sub acute care beds, the Health and Hospitals fund and in specialist training places are included
the total investment in mental health over the next five years is in fact $2.5 billion.

These investments act on the advice of the millions of Australians who have experienced mental illness, their families, their carers and the experts. However, these investments also act on the advice of the Towards Recovery report.

The Delivering National Mental Health Reform package is a cross-sector reform package that recognises the diverse impact of mental illness throughout a person’s lifetime and will build resilient kids, support teenagers and families dealing with the challenge of mental illness, improve access to primary care and target more community based services to people living with severe mental illness and their families.

The establishment of a new National Mental Health Commission to independently monitor, assess, oversee and report on how the system is performing will also provide cross-sectoral leadership in mental health, including for consumer and carer activities.

The Commission’s functions, including through the production of an Annual National Report Card on Mental Health and Suicide Prevention, will strengthen public accountability and transparency by monitoring whether services deliver lasting outcomes for people experiencing a mental illness.

Importantly, the Government will work further with states and territories, mental health consumers, carers, experts, and leading advocates in the mental health sector on the detailed implementation of the 2011-12 Budget measures and in the preparation of a 10 Year Roadmap for Mental Health Reform.

The Roadmap will set out an agenda for long-term reform of the mental health system. It will signpost our efforts to reform the mental health system, ground investments in the advice of experts and stakeholders and commit the Government to ongoing action.

In addition to the investment in the Budget, the Government has also undertaken a range of other initiatives consistent with the 2008 Report recommendations. For example, the first ever national Expert Group has been established to provide advice to Government on better management of Borderline Personality Disorder (BPD) and funding has been provided to the National Health and Medical Research Council to develop a BPD clinical guideline for the Australian context.

Through the $274 million Taking Action to Tackle Suicide election commitment package, the Government has doubled funding for suicide prevention. This comprehensive package was designed to target those most at risk of suicide, including:

- providing more support for men through the beyondblue's National Workplace Program, increased capacity for men's hiplines and other targeted campaigns;
- more services to promote resilience and good mental health in young people; and
- funding for community led suicide prevention activities for those most at risk of suicide including indigenous people, men, gay lesbian and bisexual people and families bereaved by suicide.

The report also recommended investment in step up-step down accommodation facilities and as part of the Governments $1.6 billion investment to expand sub acute care facilities in partnership with state and territory governments, step up-step down facilities are already being rolled out.

Further information about these measures and other mental health reforms can be found at: www.health.gov.au/mentalhealth

Thank you again for the important work the Committee has undertaken.

Yours sincerely

MARK BUTLER

SUMMARY OF AUSTRALIAN GOVERNMENT AND OTHER IMPORTANT MENTAL HEALTH RELATED INITIATIVES, INVESTMENTS, CONSULTATIONS, INQUIRIES AND REPORTS SINCE 2008

2011

10 May—Government announced in the 2011-12 Budget its Delivering National Mental
Health Reform package and commitment to develop a 10 Year Roadmap for Reform.

10 May—Government announced in the 2011-12 Budget the Building Australia’s Future Workforce package to build an educated and skilled workforce and ensure there are opportunities for all Australians to experience the benefits of work.

May—release of ’Working with Australians to promote mental health, prevent mental illness and support recovery’. Evaluation of the FaHCSIA Targeted Community Care Mental Health Initiatives.

March—release of a consultation paper for the development of a National Foundational Skills Strategy to improve foundation skills, such as numeracy, literacy and employability skills, of adult Australians. Submissions closed on 6 May 2011. The draft National Strategy is expected to be released at the end of 2011.

28 February—the Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Senator the Hon Christopher Evans, asked the Standing Committee on Education and Employment to inquire into and report on mental health and workforce participation.

28 February—release of the Productivity Commission Draft Report on Disability Care and Support. Public hearings were held in April 2011. Written submissions closed on 30 April 2011. The final report will be forwarded to the Government in July 2011.

13 February—COAG endorsed the National Disability Strategy.

21 January—the release of the draft inquiry report by Productivity Commission on Caring For Older Australians. Public consultation on the draft inquiry report was sought to inform further development. Submissions closed on 21 March 2011. The final report is due to be forwarded to Government in mid June 2011.

2010

December—the Prime Minister asked Minister Butler to establish the Mental Health Expert Working Group.

November-December—Minister Butler attended national forums with mental health consumers and carers.

November—Commonwealth tabled its response to the Senate Inquiry into Suicide Prevention, The Hidden Toll: Suicide in Australia report.


October-December—discussion paper Towards a National Carers Strategy was released for public consultation, and consultations were conducted by FaHCSIA and DoHA across Australia in November and December 2010. The Strategy is due for release in July 2011.

October—the Government established the Office for the Not-for-Profit Sector to drive and coordinate the policy reform agenda (supported by the Non-Profit Sector Reform Council). Establishment of the Office was one of several 2010 election commitments relating to support for the Not-for-Profit Sector.

September—release of the revised National Standards for Mental Health Services, and three implementation guidelines for non-government community services, private office based mental health practices and public mental health services, and private hospitals.

July—announcement of the Government’s $274 million Mental Health: Taking action to tackle suicide package to boost frontline services and provide more services to those at greatest risk of suicide; for direct suicide prevention and crisis intervention; to provide more services and support to men who are at greatest risk of suicide; and to promote good mental health and resilience in young people to prevent suicide later in life.

May—2010-11 Budget package provided additional funding as an initial step to address gaps in mental health services including: $78.8 million for up to 30 new headspace youth friendly services and enhanced online counselling services; $25.5 million for an expansion of the
Early Psychosis Prevention and Intervention Centre (EPPIC) model in partnership with interested States and Territories; $13 million for the employment of 136 extra mental health nurses under the Mental Health Nurse Incentive Program; and $58.5 million for delivery of flexible care packages to better support people with severe mental illness.

May 2010—the Department entered into a Memorandum of Understanding (MOU) with the NHMRC to develop a clinical practice guideline for Borderline Personality Disorder (BPD).

April 2010—the Minister for Health & Ageing, Nicola Roxon MP, gave approval for the development of an Australian clinical guideline on BPD using the United Kingdom's clinical guideline on BPD adapted to the Australian context and the establishment of an Expert Reference Group (ERG).

March—New Disability Employment Services were introduced on 1 March 2010. For the first time, services are demand driven, meaning all job seekers with disability will have immediate access to assistance from an employment service that will help them gain and maintain employment. The new services also provide more support to employers employing people with disability and mental illness.

February—paper released for public consultation to inform development of the National Volunteering Strategy. Submissions closed on 30 June 2010 and an online survey closed on 25 July 2010.

February—publication of Outcomes and proposed next steps: review of the Access to Allied Psychological Services component of the Better Outcomes in Mental Health Care program. In 2010 other Australian Government reforms include:


December—establishment of the Australian Government's Not-for-Profit Sector Reform Council.

October and November—consultation and discussion paper for the development of a National Carers Strategy.

September—establishment of the Joint Select Committee on Cyber-Safety.

September—release of the Commonwealth Ombudsman report, Falling through the cracks: Centrelink, DEEWR and FaHCSIA—engaging with customers with a mental illness in the social security system.

July—release of the discussion paper, Inclusion for people with disability through sustainable supported employment.


May—release of Australia's First National Primary Health Care Strategy.

May—release of A National Health and Hospitals Network for Australia's Future: Delivering better health and better hospitals.

March-April—Treasury consultation on Unfair Terms in Insurance Contracts.

February—release of Productivity Commission final research report on the Contribution of the Not-for-Profit Sector.

January—release of the Social Inclusion in Australia: How Australia is faring.

2009


October—release of Adversity to Advocacy: the Lives and Hopes of Mental Health Carers by Mental Health Council of Australia.

September—release of the National Mental Health and Disability Employment Strategy.


May—publication of the Post Implementation Review of the Better Access to Psychiatrists, Psychologists and General Practitioners through the Medicare Benefits Schedule (MBS) initiative.

April—release of the National Mental Health Policy.

2008

December—release of The Road Home—the Australian Government White Paper on Homelessness.


October—release of a discussion paper for the development of a National Disability Strategy for Australia.

Release of the revised The Living Is For Everyone (LIFE) Framework.

Senator FIERRAVANTI-WELLS (New South Wales) (15:33): by leave—I move:

That the Senate take note of the document.

I welcome the government’s response, but let us not forget that the original Senate Standing Committee on Community Affairs report is dated September 2008. It has taken this government three years to deliver a response, but this is business as usual for this government. It consistently orders reports and then has more conversations with the Australian people while it considers those reports. Mental health is very much like ageing. There were 17 or 18 requests for inquiries into ageing but then the government shunted everything off to the Productivity Commission. Now that the Productivity Commission has delivered its report we are going to have another national conversation.

Ageing and mental health have been the two areas that this government has well and truly neglected. Throughout that whole health ‘reform’ process, mental health and ageing well and truly fell by the wayside. Let us not forget Professor Mendoza resigning on 21 June 2010 in utter disgust at this government’s position. This February the Prime Minister and the Minister for Health and Ageing forgot to include mental health in the heads of agreement on health reform. Finally, this government was shamed into doing something on mental health.

Let us not forget that in October last year there was a motion in the Senate—supported by senators on the crossbench but not by the Labor Party or the Greens—that called on the government to implement the coalition’s mental health policy. As if that was not enough to spur the government on, in the House of Representatives in November last year a similarly termed motion was passed. Again, the government and the Greens voted against that motion. After sustained pressure, the government was finally shamed into doing something in the budget, but it was not because it decided to do something, as the government would have you believe.

Let us look at that budget. What an illusion it really is. There is this big spend on mental health, yet the net spend over the forward estimates is only $583 million. That is after you rip out almost $600 million from the better access program without consultation with practitioners. When you look at the fine print there is only $47 million in new funding in 2011–12 and $62 million in program cuts over that same period of time.

The minister is very careful because he talks about new initiatives. He does not talk about new money; he just talks about new initiatives. Why? If you go back and look at the evidence given by the Department of Health and Ageing at the last estimates, it was confirmed to me that they are simply refinancing Howard government programs. Let us not forget that the biggest investment in mental health in this country was made by the Howard government in 2006—$1.9 billion over five years.

Senator Wong: Not true! Our package is $2.2 billion.
Senator FIERRAVANTI-WELLS: Through you, Deputy President, I would invite Senator Wong to go back and have a look at the evidence that was given at estimates. I just heard Minister Butler in the other place and he was going on with his usual waffle. But look at the fine print of what this government has done, because it is all tainted with the never-never, as are all its other programs. This is going to happen 10 years down the track. We are talking about 10-year road maps. One in five Australians have a problem with mental health now. They want action now. They want the government to deliver now. They do not want to wait another 10 years. Sadly for those who do need help with mental health issues, we have seen a another hallmark ALP smoke-and-mirrors budget.

Let us look at the report of the Senate Standing Committee on Community Affairs. The first recommendation of the Towards recovery: mental health services in Australia report was for the government, in consultation with the states, to develop a national mental health plan for future years. Let us look at the progress. Minister Butler is talking about COAG. Mental health has finally made it to the COAG agenda again after 2006, when the Howard government made sure that they well and truly invested decent money in mental health. What are COAG now talking about? They have also talked about the first recommendation in the community affairs report. They are talking about it three years later.

Let us look at COAG's progress in mental health and the progress reports that are supposed to be released. The progress report for 2007-08 was not released until September 2009. Today I looked for the latest progress report, hoping beyond hope that they had got their act together. The 2008-09 third report still is not available for inspection. That is the great progress that COAG has made on mental health. This was supposed to be a second-term priority for Prime Minister Gillard. On 27 July 2010 she told us: I want to be absolutely clear—mental health will be a second-term priority for this government. You have forgotten to put it on the COAG agenda. Finally it got on the COAG agenda last week. Bear in mind that mental health is not part of the so-called health reform. When you look at the first draft of what Kevin Rudd originally promised—in the full white coat as he travelled around the hospitals and told us that he was going to fix all sorts of things—and you look at what has finally happened at the end, there is not very much for mental health.

It is little wonder that the sheer frustration, the hurt and the disappointment of those suffering in mental health was so clear at the recent Senate hearing. I was very pleased that the Senate agreed to have a wide-ranging inquiry into the funding and administration of mental health services in this country. We have had over 1,000 submissions. There are not many Senate inquiries that get over 1,000 submissions. Why were there so many? Because people are very concerned. They are frustrated because services are just not working under this government. Minister Butler talks about consultation, but I wonder if he has bothered to even look at any of those submissions. If he looked at even a very small portion of those submissions, he would not be telling the Australian public that we are going to have a 10-year road map for mental health somewhere in the never-never and fudging his budget figures. It is very clear that it is not new money. It is simply a rolling over and repackaging of previous initiatives. Yet you have tried to pass this off as some great big spend on mental health.
Go and ask those one in five Australians who need help now and those thousands of people who have in many cases shared their most painful experiences in the confidential submissions. They need help now. It is very clear that, because this government have wasted so much money on school halls and pink batts and all sorts of other things, they are now forced to go and cut programs like better access. You ought to come along, Minister Butler, and listen to what those people are telling us at the hearings and what the impact of that is going to be on the daily lives of those one in five Australians who are suffering from mental health issues. The year of decision and delivery has absolutely come to nothing. (Time expired)

Question agreed to.

AUDITOR-GENERAL’S REPORTS

Report No. 2 of 2011-12


COMMITTEES

Rural Affairs and Transport Legislation Committee

Membership

The DEPUTY PRESIDENT: The President has received a letter from a party leader seeking to vary the membership of a committee.

Senator WONG: by leave—I move:

That Senator Edwards replace Senator Heffernan on the Rural Affairs and Transport Legislation Committee for the committee’s inquiry into Air Navigation and Civil Aviation Amendment (Aircraft Crew) Bill 2011, and Senator Heffernan be appointed as a participating member of the committee.

Question agreed to.

MOTIONS

Fair Work Australia

Senator MARSHALL (Victoria) (15:46):
I move:

That the Senate—

(a) notes:

(i) the opening statement made by the President of Fair Work Australia on 1 June 2010 during his appearance at an estimates hearing of the Education, Employment and Workplace Relations Legislation Committee, and

(ii) in particular, the request made in that statement that the Senate reconsider its order of 28 October 2009 which requires that, on each occasion on which the Education, Employment and Workplace Relations Legislation Committee meets to consider estimates in relation to Fair Work Australia, the President of Fair Work Australia appear before the committee to answer questions; and

(b) modifies the order of 28 October 2009 by indicating that the Senate expects that the President of Fair Work Australia will appear should his or her presence be requested by the Education, Employment and Workplace Relations Legislation Committee in the future, while relaxing the requirement that the President attend to answer questions on all occasions when the Education, Employment and Workplace Relations Legislation Committee meets to consider estimates in relation to Fair Work Australia.

This issue goes back some time and has some history. Prior to the establishment of Fair Work Australia we had the industrial tribunal under various names and, historically, the oppositions of the day had never required the head of the judicial arm of the tribunal to
appear before Senate estimates. It was always considered an inappropriate thing to do because, clearly, those who are actually providing independent decision-making processes and who are conciliating and arbitrating between parties need to be free to do so without any sort of political interference or political pressure. The convention always was, as I clearly understood it, that the Senate would not seek to put pressure on or be seen to be putting pressure on or politically interfering with the role of those independent arbitrators and conciliators.

With the establishment of Fair Work Australia the opposition took a different view and, for the first time that I am aware, they have sought to call the head of Fair Work Australia to appear before Senate estimates. Given the structure of Fair Work Australia it is, in fact, the general manager who is responsible for the expenditure of Fair Work Australia. It is the general manager who runs the day-to-day business of the mechanisms that support the judicial side of Fair Work Australia. It is he or she who actually exercises the role of expending the money that is appropriated from this parliament for the running of Fair Work Australia. So if there is an officer from Fair Work Australia best equipped to answer questions from Senate estimates and who can, quite rightly, answer questions on the expenditure of government funds and the role of Fair Work Australia in exercising its duties, that officer is the general manager.

The ALP, and the ALP even when in government, I do not think, has ever questioned the ability of the Senate to call any officer to Senate estimates if it so desires; it simply had never desired to do so prior to the establishment of Fair Work Australia. Clearly, the government was of the view that the calling of the President of Fair Work Australia could put in jeopardy their ability, without any political interference or pressure, to make decisions and consider issues brought before it fairly, openly and honestly. It is to this that Justice Giudice, the present President of Fair Work Australia, has primarily objected to. It is his view, as it is the committee's view, that the most appropriate person to appear before Senate estimates is in fact—

The DEPUTY PRESIDENT: Just to let you know, Senator Marshall, that it is not 10 minutes; it is actually 20 minutes, so you will have another 16 minutes and 12 seconds.

Senator MARSHALL: Thank you for your generosity, Mr Deputy President. This is a practice that has happened for many years and, clearly, all the time that I was in opposition—

Senator Cormann: There never has been a Fair Work Australia.

Senator MARSHALL: I am sure that if you were listening to the beginning of my contribution, Senator Cormann, you would have heard that I actually went through the process of what happened prior to the establishment of Fair Work Australia. We generally know that the Industrial Relations Commission has had several names over the history of this area, and I was talking about its historical context before Fair Work Australia. I was actually explaining when the change in attitude happened.

Before we found that the clock had to be reset I was saying that I do not think the government has ever had a view that it is not possible to call any officer before Senate estimates—not just from Fair Work Australia; probably from other tribunals or courts, too—if it saw fit to do so but, generally, it has not seen fit to do so. For instance, I do not think it has ever attempted to call justices of the High Court or the Federal Court before Senate estimates. I think that would be inappropriate to do so.
The Senate may, and probably does, have the power to do so, if it sought to. Ultimately after some discussion the Senate Education, Employment and Workplace Relations Legislation Committee determined that it did not require Justice Giudice to appear before the Senate estimates. That provoked, for want of a better word, a resolution by Senator Fisher that actually required the attendance of the President of Fair Work Australia on each and every occasion that Senate estimates were being held. That was an ongoing binding resolution, and the President of Fair Work Australia complied with that Senate resolution and has been attending Senate estimates ever since.

I, as chair of that committee, have of course had the opportunity to observe those Senate estimates. I have been present for all of them and have chaired all those Senate estimates that Justice Giudice has attended. It is certainly my view, and a view shared by the majority of the committee, that there were no questions that were asked of the president that could not have been asked of the General Manager of Fair Work Australia and appropriately answered by the general manager. There were also questions asked that went behind the decision-making process of the tribunal officers, and the president, I think quite rightly, refused to engage in discussions about the decision-making processes and the internal processes in coming to decisions and conciliations of the tribunal. So clearly it was the view of the committee, which was then conveyed to the Senate in a report to the Senate of two estimates proceedings. The first was the report of the additional estimates of 2009-10, where the committee at paragraph 2.16 noted:

In his concluding remarks to the committee, the President of FWA stated:

I am not the head of any agency for budget purposes. I would like that to be recorded. I urge anybody connected with these proceedings to ensure it is clear in the public domain that I am not an agency head.

The committee notes that section 658(a) of the Fair Work Act provides that the General Manager has independent responsibility for compliance with the Financial Management and Accountability Act—which FWA falls under—and that this may be what the President was referring to.

The President's statement about his role at FWA follows on from correspondence with the committee during 2009 about which FWA executives are best placed to appear and answer estimates questions. At the time of that correspondence, the committee accepted Justice Giudice's view that the General Manager of FWA was the appropriate representative. Having regard to the questions asked of FWA during the additional estimates hearings, the committee is still of that view.

However, the committee notes that the Senate order of 28 October 2009 is of continuing effect. That order is the resolution of the Senate that I referred to earlier, moved by Senator Fisher.

In the committee's report on the budget estimates of 2010-11 it said this at 1.16:

In its February 2010 Additional Estimates report, the committee maintained that the General Manager would be an appropriate representative but also acknowledged that the Senate order of 28 October 2009 overrides this view.

Justice Giudice opened his appearance at the Budget Estimates hearings on 1 June 2010 with a request that the Senate reconsider its order. He indicated that he does not agree with the basis on which he is being required to appear and suggested that compelling him to appear compromises the independence of FWA.

The committee has now considered Justice Giudice's statement and the concerns raised within it. The committee does not resile from the view that it is within the authority of the Senate to call the President of FWA to appear at estimates hearings. However, the committee does not believe that the President should automatically be
required to attend all such hearings on an ongoing basis. No other officer of the Commonwealth is subject to such a requirement. It would now be appropriate for the Senate to relax the order of 28 October 2009, while maintaining its expectation that the President will appear at future estimates hearings if requested by the committee. Accordingly, the committee will be asking the Senate to reconsider its order of 28 October 2009.

On behalf of the committee I did put such a resolution, which has very similar terms but not exactly the terms of the resolution before us today, and that was defeated at the time. Since then there have been more Senate estimates and I have had the opportunity as chair of that committee to again be present and to view the questioning of the Fair Work Australia President, and I am still of the view—in fact, the questioning so far has confirmed my view—that the order ought to be relaxed. As a consequence I have on a couple of occasions brought motions to this place, and through some of the procedural complexities, I suppose, of the Senate we are now here actually debating my resolution in general business, and I am very happy to do so.

I know it was an issue that caused considerable debate and I know people have strong views about it, and ultimately it is a decision for the Senate to make. I will finish on this because I do not want to keep the Senate unduly in this respect. What my resolution does is effectively note the opening statements made by the President of Fair Work Australia on 1 June 2010 during his appearance at an estimates hearing of the Education, Employment and Workplace Relations Committee. That is a substantial statement. It can be found on page EEWR120 of the Senate committee Hansard of Tuesday, 1 June 2010. It was a very well considered statement made deliberately to the estimates committee. It outlines the argument of the President of Fair Work Australia and the case he is making in terms of his appearance before the estimates committee.

The second part of my motion states:

(ii) in particular, the request made in that statement that the Senate reconsider its order of 28 October 2009 which requires that, on each occasion on which the Education, Employment and Workplace Relations Legislation Committee meets to consider estimates in relation to Fair Work Australia, the President of Fair Work Australia appear before the committee to answer questions; and

Paragraph (b), and this is the impact of the motion before us today, states:

(b) modifies the order of 28 October 2009 by indicating that the Senate expects that the President of Fair Work Australia will appear should his or her presence be requested by the Education, Employment and Workplace Relations Legislation Committee in the future, while relaxing the requirement that the President attend to answer questions on all occasions when the Education, Employment and Workplace Relations Legislation Committee meets to consider estimates in relation to Fair Work Australia.

So it is clear the impact of the motion, if it is successfully passed by the Senate today, and I hope it will be, will be to bring the president back to the same position as all other officers of the Commonwealth—that is, if they be requested to attend it is expected that they would attend, but the president is not required to attend on every occasion. If there were a line of questioning that the committee was of the view would be more appropriately answered by the president than the general manager, the committee could make that decision and request the attendance of the president, and this motion would require that he attend under those circumstances.

So it is simply not a position where we are saying the President of Fair Work Australia need never attend. He certainly would attend if requested by the committee to do so. But in my view, and I put this to the Senate, there have not been questions asked of the
president so far in estimates, since he has been required to attend, that could not have just, or even more appropriately, been answered by the General Manager of Fair Work Australia. I commend the motion to the Senate.

**Senator ABETZ** (Tasmania—Leader of the Opposition in the Senate) (16:01): The coalition opposes the motion before the Senate. This is the beginning of Labor and the Greens taking control of the Senate and ensuring that the sort of accountability that used to exist in this place is shut down. It is no coincidence that the Labor Party sees this as a matter of urgency today when questions are being asked about the delay in Fair Work Australia conducting an inquiry into the Health Services Union. What does the Labor Party do? They come into this place to move a motion that the top person of Fair Work Australia no longer be required to attend before Senate estimates committees.

Why the rush with this, when the next set of estimates is not until October of this year? It is perfectly clear as to why Labor are moving this. They want to ensure that in relation to this accountability at least one person, the top person of Fair Work Australia, cannot be questioned in relation to the Health Services Union inquiry.

But of course there are other matters that I must inform the Senate about as to why the Senate should not support this motion. Senator Marshall spent a lot of time quoting the committee report. What he did not tell us was that he was in fact the author of that committee report. It is pretty poor form quoting yourself as some sort of authority in relation to this.

**Senator Marshall:** It was endorsed by the committee.

**Senator ABETZ:** Of course it was endorsed by the hacks in the Labor Party. We accept that without question. But the difficulty we have here is that when I asked the minister about this, at Senate estimates on Wednesday, 20 October 2010—and this was at the end of the question:

The minister could not tell us, so hopefully the department can.

How did the minister respond?

What I told you is that we wrote to them and that how they treated it was a decision for them, and that question—and listen to this, because this is the minister himself, and he will be voting against this later on today—should be addressed to Justice Giudice, the President of Fair Work Australia.

So we actually had an example where the minister responsible said to me and to the committee that this is an issue that should be addressed to the president.

Now, the Labor Party, scared about the Craig Thomson inquiry, are rushing into this place asserting that no questions should be put to the President of Fair Work Australia. You have got to keep your story consistent. If no questions should be put to the President of Fair Work Australia, why did the minister himself assert that a question should be put to the President of Fair Work Australia?

Indeed, *Hansard* is riddled with answers provided by the President of Fair Work Australia, because it is appropriate for him to be answering questions.

With great respect, it is inappropriate for Senator Marshall to try to make the analogy that somehow Fair Work Australia is like the High Court. Not only do we have the authority of the minister saying that questions should be directed to Fair Work Australia but we also have the authority of Fair Work Australia itself saying that it is not like an ordinary court. I refer honourable senators to the decision of Fair Work Australia in Tobiahs Pty Ltd v Vidacic (C2010/5738). In paragraph 35 of that
decision, Fair Work Australia states—and this is a full bench, including Vice-President Lawler:

It is clear that in the ordinary courts of justice a misnaming of this sort will mean that there is no valid proceeding …

So Fair Work Australia themselves acknowledge that they are not ordinary courts. So two of the arguments of Senator Marshall have been bowled over, one by his own minister and the second by Fair Work Australia itself. But like lemmings they will vote for the motion despite the fact the precedent is there and the ministerial suggestion is there to completely and utterly contradict that which Senator Marshall has asserted. But, what is more, any analogy to the former Australian Industrial Relations Commission is interesting but not relevant because Labor brought in their very own Fair Work Act, which is different. The relevant section is section 581, which says:

Functions of the President

The President is responsible for ensuring that FWA performs its functions and exercises its powers in a manner that:

(a) is efficient …

He is responsible, under Labor's own legislation, for ensuring that the show is run efficiently. So of whom should the questions be asked as to whether Fair Work Australia is being run efficiently? Under Labor's own legislation, it is the president. Labor wrote the legislation, they passed the legislation and now they do not want to know about the legislation.

If you do not like my argument, I would refer you to the Clerk of the Senate, who observed very astutely on 20 October 2009 that:

The first observation I make is that it is disturbing that a public office holder of the Commonwealth should refuse a formal request by a committee to appear before the committee in a hearing relating to the expenditure of public funds ultimately under the authority of that public office holder.

Indeed, the president signs off on the annual report of Fair Work Australia. His signature appears in the front of the annual report because he has the jurisdictional responsibility for the efficient running of Fair Work Australia, something Labor put into the legislation. It was all their own work. They do not like the result of their own work, but that is their problem and not ours.

Further, the Clerk goes on to say that the President of Fair Work Australia has a statutory responsibility under the Fair Work Act for the efficient performance of the functions of Fair Work Australia. He then responds to Mr Giudice's assertions and says: It also ignores the point that, under the statutory provisions mentioned, the president is—

specifically charged with responsibility for the efficient performance of the functions of the body.

He further goes on to make the astute observation, as I already have and indeed as Fair Work Australia itself already has in the case I just referred to, that:

It is not a court, and does not exercise judicial power … The analogy sought to be drawn is, therefore—

listen to this word—misleading.

So what we have here is the Labor Party coming into this place trying to contradict its own legislation, contradict its own minister, contradict a decision of Fair Work Australia and contradict the clear and unambiguous advice of the Clerk of the Senate.

Why do all this today? I trust that it has nothing whatsoever to do with the inquiry that Fair Work Australia has been undertaking for some considerable period of time into the Health Services Union. If it is
not for that reason that this has been brought on today, one has to ask: why? Is this the government's top priority at this time in its legislative timetable? Does this need to be dealt with today?

Senator Jacinta Collins: You brought it on!

Senator ABETZ: We will remember this. From time to time, the opposition assist the government in its timetable. We will remember that when you seek time for the carbon tax debate later this year. If when we extend courtesies to the government it is thrown back in our face, let me remind Senator Collins and the Labor Party that it will be remembered. I think she might expect a phone call from the Leader of the Government in the Senate in relation to that very injudicious interjection.

The simple fact is that there are many organisations that do believe that it is appropriate for Fair Work Australia to submit itself to Senate estimates and that the president should appear. There has been a suggestion by Senator Marshall that somehow we sought to go behind the decision making. Can I indicate that we as coalition senators have been very careful not to do so. The only time when it has been asserted—which is on the Hansard record and so I disclose nothing that is not in the public domain—was when a question was asked whether the actual bench decision had been faithfully transcribed. The assertion was that somehow that was going behind the decision. We were in fact talking about the administrative support and not about the decision-making process. But of course that is the sort of sensitivity that we get with the Labor Party with their endless appointment of union hacks to the bench of Fair Work Australia.

Indeed, when we asked whether as President of Fair Work Australia Mr Giudice ever called in people from the bench inquiring as to how they were handling their position and how things were going, without wanting to name names or mention people or find out whether any counselling occurred, we were told, 'Absolutely not; he won't go there.' That is, I must say, a matter of concern in relation to public accountability for this non-judicial body. Let us keep in mind that it is a non-judicial body—something which Fair Work Australia itself acknowledges. We have a situation before us where the Labor Party is desperately trying to hide from accountability the person that is in charge of Fair Work Australia.

When Mr Rudd was on his road to the Lodge he promised the Australian people something I think he referred to as Operation Sunlight: there would be accountability, there would be transparency—there would be no running and hiding under this government. Well, here we have a wonderful example of Labor and the Greens combining to draw the curtains to ensure that any sunlight that there might be will not be allowed to shine in. But what else do you expect? What did the Greens representative do in the House of Representatives yesterday when there was a motion asking that Mr Craig Thomson explain himself? Mr Bandt ran across and voted with Labor to ensure that the member for Dobell would not have to give an explanation. Do you know what I predict, Mr Acting Deputy President? The Greens will, lemming-like, also vote with Labor on this to ensure that there is no accountability. Just like Mr Bandt voted yesterday to ensure there was no accountability by the member for Dobell, so the Greens senators in this place will vote to ensure that there is no accountability by the President of Fair Work Australia. Make no mistake; we know what the numbers are on the committee. The committee, which has a majority of Labor senators, has always voted
to stop Mr Giudice from appearing, and it was a vote of the Senate that required him to appear, as supported by Senator Xenophon and Senator Fielding at the time.

It interesting to note, is it not, that it was the two Independent senators, Senators Xenophon and Fielding, who, confronted with all the arguments, saw the good sense, the good justice and the good governance requirements for Mr Giudice to appear before the Senate estimates. Now we are no longer able to rely on some Independent senators because the Greens have formed this alliance with Labor. They will stop this accountability that we should rightfully expect in relation to Fair Work Australia.

We have seen a number of occasions on which the issues raised at the Senate estimates by Fair Work Australia have been ably, capably handled by the president and he has answered the questions. He did not sidestep the questions and say, 'This is a matter for the registrar; this is a matter for the financial officer.' I think he accepted that there were a number of questions that he himself should be specifically answering, despite the fact he did not want to be there—and I do not blame him; I would imagine most people would not like appearing before Senate estimates, despite the wonderful chairmanship of Senator Marshall and the presence from time to time of the Acting Deputy President in the chair, Senator Cameron.

Senator Jacinta Collins: And your fantastic performances too!

Senator ABETZ: No, I am not referring to my performances at all; I am only referring to your Labor colleagues. The construct that was sought to be built to deny the Senate estimates committee the right to question the President of Fair Work Australia has fallen on every single count. Allow me to quickly go through them again. Labor drew up the legislation. It requires that the president be responsible for the efficient running of Fair Work Australia. And, might I add, he is responsible to ensure that Fair Work Australia adequately serves the needs of employers and employees throughout Australia. It is an important function that he has. Why should he not be questioned about his performance of those functions? That is how Labor drafted their legislation.

We then have the Minister for Tertiary Education, Skills, Jobs and Workplace Relations gratuitously advising me—and I think it was a fair advice—that that question should be addressed to Justice Giudice. So we have the minister himself acknowledging that and then—

Senator Jacinta Collins: Because he was president at the time.

Senator ABETZ: Well, in fact he was not president at the time, Senator Collins. This is where these hapless senators make these mindless interjections and get themselves and their government into trouble. This was when we had the department in front of us and I in fact asked whether the minister or the department could help and the minister said, 'No, that question should be addressed to Justice Giudice, the President of Fair Work Australia.'

Senator Jacinta Collins: Who was to be appearing.

Senator ABETZ: So he was not even at the table at the time.

Senator Jacinta Collins: That's not the point, Eric, and you know it.

Senator ABETZ: But keep up your interjections, Senator Collins, because you are just digging deeper. Then of course we had Fair Work Australia's own decision acknowledging that they are no ordinary court and, as a result, all the highfalutin nonsense about them being like the High
Court or the Federal Court falls flat—not on my say-so but on Fair Work Australia, a full bench of three members, saying it themselves. So, when every single argument that has been put up is demolished by Labor's legislation, by Labor's minister and by Fair Work Australia itself, it begs the simple and last question: why do it and why do it today? I trust it has nothing to do with the strife of the member for Dobell and the eternally long inquiry that has been undertaken by Fair Work Australia into the Health Services Union.

Senator Jacinta Collins interjecting—

Senator ABETZ: I can assure Senator Marshall and the ever-interjecting Senator Collins that we will continue to pursue all aspects of the Health Services Union and Mr Thomson at the next lot of Senate estimates hearings.

Senator WRIGHT (South Australia) (16:21): I intend to speak only briefly on this matter relating to the attendance of the President of Fair Work Australia before Senate estimates committees, but I assure you that the Australian Greens do consider this a serious matter. The Australian Greens support the motion of Senator Marshall before the Senate. We acknowledge that the Senate has far-reaching powers to require the attendance of many and various officers before Senate estimates committees and that this is appropriate and necessary for proper accountability. However, in the view of the Australian Greens, it is also important that these powers be exercised reasonably and appropriately to maintain the respect that these powers embody. In this case the Australian Greens are concerned that the status quo, which is subject to the motion, currently mandates the attendance of the President of Fair Work Australia. The alternative, which is the analogous situation, is that the Senate Education, Employment and Workplace Relations Legislation Committee should determine, at its own discretion, and as it does in relation to other Commonwealth officers, whether the president should attend on a case-by-case basis. There is no doubt that if that discretion were exercised and that requirement were effected, then the president would indeed be required to attend, as is proper.

The Australian Greens are of the view that the function of the president is a quasi-judicial role. There is no doubt that it does involve decision making, which is informed by judgment and the weighing up of relevant factors. Anyone looking on and affected by a decision of the President of Fair Work Australia would certainly want to have him or her make a decision in a fair and unbiased way, not subject to any improper interference. The Australian Greens are concerned that requiring mandatory attendance, in contrast to other analogous officers, has the potential to compromise the independence of this office. This is something we are extremely concerned about, particularly in relation to the decision-making role, which Australians have a right to expect to be undertaken in a fair and unbiased way.

My understanding is that this is not a new concern that has been raised and that the committee recommended about a year ago that the status quo be changed. The idea that this is a very new and opportunistic suggestion is not correct, and that is not the view the Australian Greens are taking. So, applying the proper principles, the Australian Greens support the motion.

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations) (16:24): I am very pleased to support this motion of Senator Marshall relating to the attendance of the President of Fair Work Australia at Senate estimates hearings, which
I should highlight has not been rushed. Senator Marshall's concerns on this matter have been quite longstanding. Indeed, I take this opportunity to thank the opposition for allowing their time during general business today to deal with this matter. They equally could have chosen some other matter of significance but, unfortunately, from the themes raised by Senator Abetz, they are trying to stretch a really long bow and associate this issue with other matters that are not in the least relevant.

Senator Abetz also seeks to beat this motion up into something more than it is. Let us be very clear about this motion. It seeks to normalise arrangements for the Senate Education, Employment and Workplace Relations Legislation Committee and its dealings with Senate estimates. It seeks to normalise that by not requiring that Justice Giudice appear on each and every occasion. It also strikes quite a reasonable compromise to that effect because it does not seek to overturn the Senate order that allows the Senate to have Justice Giudice appear, despite the arguments that might be run about whether judicial independence should be applied to Fair Work Australia. It does not seek to override that Senate order; it simply seeks to establish arrangements that would allow Justice Giudice not to be required to attend on each and every occasion. In my view, that is quite a reasonable compromise and also helps respect the dignity of Justice Giudice in this matter.

Perhaps I should go to some of the history as well and to some of the concerns that have been raised by stakeholders since this matter was first before the Senate establishing this order. Although I was not in the chamber at the time, I am sure that Senator Marshall dealt with some of the concerns as they originated from the committee. Much also has occurred from various key stakeholders over the period I would describe as Senator Mary Jo Fisher's jaunt. Senator Abetz described some matters that had been before the committee when Justice Giudice was appearing, but I would have to say he avoided describing some less generous matters in perhaps the detail they should have been covered. I have spoken to a range of stakeholders that pay particular regard and attention to Senate estimates and their level of embarrassment and their surprise that the Senate committee would allow this type of conduct to occur was palpable—palpable to the degree that AMMA, the Australian Mines and Minerals Association, advised Senator Fisher that they were of the view that the Senate should modify its order to remove the mandatory requirement for the President of Fair Work Australia to appear. They said that having the president unnecessarily appear before the committee to answer questions such as, 'Please describe for me a day in the life of the president,' with the attendant political interference—remember, this is the AMMA, a major employer organisation not usually aligned with the Labor Party—could erode public confidence in the tribunal.

My concern is with how the opposition is proceeding with this matter. Again, as I have said, we are in opposition time for general business at the moment. Perhaps it is the cynic in me, but why would the opposition during their time seek to argue that the government is pressing a particular matter and then try to turn it into a matter which it is not? And why would they also seek to characterise it in quite an inaccurate way rather than deal with the facts of the motion that is before us? The cynic in me says this is yet another arm or another leg of the opposition's campaign to undermine the independent umpire. That was my view from the outset when Senator Mary Jo Fisher stridently sought to ensure that the president should appear before the committee. Her
behaviour before the committee, in her dealings with the president, did nothing to erode my suspicion that that was what this campaign was really about. But it heartens me to see that organisations such as AMMA are also concerned with the attendant political interference in Fair Work Australia exemplified by behaviour such as Senator Fisher's.

Let me spend a moment covering some very general points about the government's view of Fair Work Australia. The government has always accepted that Fair Work Australia is accountable to Senate estimates proceedings with respect to its administrative responsibilities. However, it is usually the case—and it certainly was for decades—that the General Manager of Fair Work Australia is the most appropriate person to provide answers on administrative matters. Senator Abetz might seek to misrepresent Minister Evans, in terms of how he was describing where matters should be on a particular occasion, because Justice Giudice was appearing with respect to Fair Work Australia, but to try to imply that the minister was saying that because Justice Giudice was appearing he was the only person relevant to respond to a question to Fair Work Australia is definitely stretching a very long bow. Worse than that, it is quite disappointing to see that level of misrepresentation and beat-up with respect to the operations of Fair Work Australia.

The president, as opposed to the general manager, should be completely free of any form of political pressure or interference. He or she must be able to make decisions without fear or favour. Senator Abetz knows that that is why questions about whether he conducts counselling or such are not appropriate questions for the President of Fair Work Australia. Using Senate estimates processes to pursue an examination of the decisions and decision-making processes of Fair Work Australia has significant potential to undermine the independence and proper functioning of the tribunal.

If the opposition had spent more time in previous estimates hearings asking the questions that they seem now to be focused on—whether they were asked of the general manager or Justice Giudice—maybe you would have cause for alarm. But, given the nature of the questions, particularly those asked by Senator Fisher—as I characterised them a moment ago: 'Please describe for me a day in the life of the president'—it is not surprising that it has taken until now for some of these questions to be put into the public debate.

It is not the case that only the government holds these concerns, and not only AMMA has raised these concerns. For 12 months, other stakeholders have been moved to write to various senators expressing their deep concern with requiring Justice Giudice to attend Senate estimates. In June 2010, the Industrial Relations Society of Australia wrote the following to the President of the Senate:

The requirements for Justice Giudice to attend Senate estimates puts Fair Work Australia in an invidious position to have its President required to attend and be questioned by senators in relation to particular criticisms they may have; or about particular cases … Questions of the merits of particular cases … Questions of the merits of particular cases are, in our submission best dealt with through the processes provided by Fair Work Australia … In the interest of maintaining the independence … of this nationally important institution, we call on the Senate to rescind the resolution.

This highlights again that this is not a matter that has been rushed into by Senator Marshall. That correspondence dates back to June of last year. So to try to characterise this motion as something that has been rushed into in an attempt to deal with some other matter is ludicrous and laughable.
The ACTU wrote to Senator Abetz, in February 2011, calling on the coalition to respect the independence of the tribunal.

Senator Ronaldson interjecting—

Senator JACINTA COLLINS: I am glad you asked that question, Senator Ronaldson, because I did get to the ACTU. Prior to that I was talking about AMMA. Since Senator Ronaldson is here, let me revisit AMMA's concerns, because I think that is probably the best statement of concern with respect to this matter. Senator Ronaldson says that we should not rely on my references to the ACTU, but AMMA's quote, which I cited a moment ago, is most pertinent. I will cover it again for Senator Ronaldson. The letter in January 2011 from AMMA advised Senator Fisher—again, I am characterising this as the Senator Mary Jo Fisher jaunt, because her behaviour in Senate estimates seems to be highlighting most people's concerns with respect to this resolution—that they were:

… of the view that the Senate should modify its order to remove the mandatory requirement for the President of FWA to appear …

They went on to say:

Having the President unnecessarily appearing before the Committee, with the attendant political interference, could erode public confidence in the Tribunal.

So it is not just the ACTU, Senator Ronaldson. We have AMMA expressing their concern about opposition behaviour with respect to Justice Giudice and about the committee eroding public confidence in the tribunal. Indeed, the attempt here today is another attempt to try to erode public confidence in the tribunal by seeking to link this matter to a completely different matter, where there is no connection and no relevance. The public interest is best served by having appropriate witnesses present for estimates hearings and by having a strong and independent industrial tribunal free from political interference. I have seen many attempts by the federal opposition to erode the standing of the independent umpire. We only need to go back to the various attempts over the many years before we saw Work Choices to understand the many ways in which the opposition, when in government, sought to undermine the standing of the Australian Industrial Relations Commission. It is easy to see that the lessons of Work Choices have been lost when we have Australian unions, Australian employer organisations, the government, the Greens and others all saying, 'Please stop these jaunts that seek to undermine the standing of Fair Work Australia.' Instead, the opposition—through Senator Abetz, as the relevant spokesperson for the opposition—seeks to link a matter such as this to something quite different.

Senator Abetz should continue to pursue his concerns in other matters. But to try to say that this matter is a government attempt to shield Fair Work Australia from doing its job properly is laughable. The federal coalition has already failed one important test by not condemning the extreme reforms of the New South Wales coalition government, which essentially seek to turn its tribunal into an extension of government. We need only look at New South Wales to see where this opposition really stands. It has not condemned the attempt in New South Wales to undermine the New South Wales tribunal. Were they to return to government, they would seek to do exactly the same again.

Listening to Senator Abetz's characterisation of the various Senate estimates committee hearings, which I have also attended, I find it quite easy to understand why people are sceptical and feel that this opposition has a hidden agenda for the role of Fair Work Australia. You only need to look at Senator
Mary Jo Fisher's jaunt to understand that. What Senator Abetz attempted to beat up, out of this straightforward motion seeking to normalise arrangements over who should appear before the committee, is astounding. This is nothing other than an attempt to compromise the workings of Fair Work Australia—to challenge its independence.

*Senator Cash interjecting—*

**Senator JACINTA COLLINS:** Senator Cash laughs, but I do not think she spent enough time in the committee listening to some of the questions from Senator Mary Jo Fisher to Justice Giudice—either that or she has not received all the correspondence that other members of the committee and the government have received, similar to what AMMA has put forward. When an organisation such as AMMA says, 'You are compromising the independent umpire,' you really cannot get away from that.

Perhaps this opposition cannot get past the fact that Fair Work Australia and the Fair Work Act were developed with broad support, through detailed and lengthy consultation with all industrial parties, and those parties do support the role of an independent industrial umpire. All this motion seeks to do is normalise arrangements so that Justice Giudice is not required to attend the committee on each and every occasion. To beat that up into something that it is not is outrageous. It is another attempt by this opposition to interfere with the operations of Fair Work Australia.

Perhaps there is a genuine aspect of Senator Abetz's characterisation of what goes on before the committee. Perhaps Senator Abetz has a different standard than I do about what are appropriate questions to ask a judicial member. Perhaps he has a different sense of the argument of whether it is a normal court or a court of a different nature and of when those aspects may be relevant. But I encourage any senator who is interested in this debate to go back and have a look at the *Hansard*, particularly where Justice Giudice first appeared. For the stakeholders with whom I have discussed this matter, that was perhaps the most embarrassing and obvious example of what I describe as 'the Senator Mary Jo Fisher jaunt'. That really was inappropriate questioning of the President of Fair Work Australia.

That is what has motivated Senator Marshall to pursue this issue consistently ever since. Indeed, he pursued it before the time of the Senate motion, and the government argued that Justice Giudice should be given the full respect of a judicial member. But we accepted it, at the end of the day, when the Senate made an order to require Justice Giudice to attend. I must correct the record on this occasion too. The correspondence Senator Abetz referred to with respect to Justice Giudice had a significant error in it. For the record, Justice Giudice has never refused to attend. Unfortunately, an error in the correspondence of the time has maintained that illusion. Justice Giudice has certainly corresponded with the committee, but he has never refused to attend.

The opposition to this motion by Senator Abetz has been a beat-up and has been inaccurate. Talk of rushing in and trying to link this to a completely separate matter is nothing but outrageous. Senator Abetz knows that some of the material that has been presented here—*(Time expired)*

**Senator XENOPHON** (South Australia) *(16:44):* I will make a short contribution in relation to this matter so my views are on the record. Despite my great regard for Senator Marshall, the mover of this motion, I cannot support it for a number of reasons. The proposition is whether the President of Fair Work Australia should be given the full respect of a judicial member.
Work Australia ought to attend estimates hearings as a matter of course or whether, as Senator Marshall seeks to change it, at the direction of the committee. I think the President of Fair Work Australia ought to attend as a matter of course for a number of reasons. He is not a judicial officer in the sense that a Supreme Court judge, a Federal Court judge or a High Court justice would be. Section 581 of the Fair Work Act sets out:

The President is responsible for ensuring that FWA performs its functions and exercises its powers in a manner that:

(a) is efficient; and

(b) adequately serves the needs of employers and employees throughout Australia.

I do not believe it is proper for the President of Fair Work Australia to be asked about the qualifications of members of Fair Work Australia. It is certainly not appropriate for him to be asked about decisions of Fair Work Australia. But it is appropriate for him to be asked about the administration and the efficiency of Fair Work Australia, which performs a valuable role—and I, for one, believe it performs that role admirably. I think this is about accountability. The government is not saying that Fair Work Australia should not or cannot attend but that it should be at the behest of the committee. But I think an officer such as the President of Fair Work Australia ought to attend the estimates process as a matter of course.

The fact is that the government has the numbers in the committee—as is appropriate: it is a legislation committee. And, if there were questions that were unreasonable, that went outside the purview of section 581, then the committee could quite properly rule those questions out of order. So I think there are inbuilt safeguards in terms of there being a system in place that would confine the president to attend estimates as a matter of course but under the provisions of section 581.

I want it on the record. The government knows what my position was in relation to Work Choices—that I supported, with some amendments, the government's bill. But I think that, given the important role that Fair Work Australia performs, given the role that it plays for millions of workers in this country, having the president attend estimates on a regular basis, within the confines of section 581, is quite a reasonable proposition. Therefore, I cannot support this motion.

Senator BACK (Western Australia) (16:47): I find it to be absolutely remarkable in this place, in the Senate of the parliament of Australia, where we are to be representing the people in terms of accountability, that we are even debating whether or not an accountable officer of a statutory organisation should or should not have to come before estimates to be accountable. As a past chief executive officer, and accountable officer, of a government statutory authority in my state, it was automatic that I was expected to attend estimates, or its equivalent, on each occasion called by the parliament of that state, to be accountable, through the parliament to the people.

The fact that we are here even discussing this particular motion is disappointing. If we were to take away the personality and have regard for the position, not only of this statutory authority but of all statutory authorities and departments, this argument would fall away. For example, if this accountable officer can choose to come or not come to estimates to present herself or himself to scrutiny, why would the head of any other agency of government want to come? Why would the Reserve Bank? Why would any head of any agency? Why would Ms Lisa Paul want to come? I know of no
provision in this legislation where there is the power of delegation, for example, for this accountable officer. And if this accountable officer wants to bring others with him, indeed let him bring others—but this person remains, as I understand it, the senior accountable officer.

I also go to the quotation from the former Clerk of the Senate Mr Evans. And I do not think that, in his quotation as presented by my leader, there was any suggestion at all that the incumbent president had in fact refused to come. But I will repeat it. This is from the former Clerk of the Senate Mr Evans:

The first observation I make is that it is disturbing that a public office holder of the Commonwealth should refuse a formal request by a committee to appear before the committee in a hearing relating to the expenditure of public funds ultimately under the authority of that public office holder.

I have suggested to Senator Marshall that there is nothing at all which suggests that this gentleman has refused to attend. The point made by the former Clerk is that he should not refuse to attend. The former Clerk's comments get even more interesting, because the President of Fair Work Australia gave two reasons for his refusal of the committee's invitation—the first being that 'the committee's questions may best be answered by the general manager'. I do not think the general manager is the accountable officer. I am not aware that, under the legislation, the general manager signs off on the annual report and the presentation to the minister. Therefore, it is certainly not appropriate that the general manager would appear in place of the president.

But more important is the second point to which Mr Harry Evans refers. This was the second reason given by the President of Fair Work Australia for his refusal to attend:

It is accepted that heads of similar Commonwealth institutions, such as the High Court, the Family Court and the Federal Court, who have responsibility for the administration of those bodies do not appear.

Then the former Clerk Mr Harry Evans's comments are most interesting. He says:

The Senate has never acknowledged, however, that it will observe any such convention, and it would be open to the Senate or its committees to require the attendance of a judicial officer to explain the administration of the courts established by the Constitution of Australia.

Therefore it is within the powers of the Senate to decide if it wants the Chief Justice of the High Court of Australia to appear before the Senate or a committee to answer questions upon the administration of that court. I go back to the point that it is irrelevant whether the particular gentleman occupying the position now is a justice or not; it is simply a question of the accountability of the position.

We see further then that the Fair Work Australia president is an 'officer', as per Senate standing order 26(5), from whom committees may seek an explanation about expenditure. The document goes on to say that statutory bodies are accountable to parliament for the expenditure of public funds, one of the primary reasons that we exist. It says that it is a statutory body, that the president is responsible for ensuring that the FWA performs its functions and exercises its powers efficiently and adequately to serve employers and employees, that it is the FWA president who is obliged to present Fair Work Australia's annual report to the minister—not the general manager and not some other delegated party but the president himself or herself—and that the Fair Work Australia president's statutory responsibilities are comparable with those of heads of other statutory authorities, who are expected to and who do attend estimates.

Is this what we want to have in this place—the fact that one particular statutory
officer, for whatever reason, decides that he or she could not, should not or may not need to appear before estimates committees of the Senate to be accountable? I am very strongly of the view that that is a dangerous precedent that we certainly would not want to see come into this place. In fact, the final document from which I am quoting says, 'It is unheard of for a public office holder to put forward a case that they do not appear at estimates at all.'

My final comments in opposing this motion are these. As mentioned by Senator Abetz in his contribution, Fair Work Australia must perform its functions and exercise its powers in a manner that is, firstly, fair and just; secondly, quick, informal and avoiding unnecessary technicality; thirdly, open and transparent: and, fourthly, promoting harmonious and cooperative workplace relations. I come back to the third of those four pillars: openness and transparency. Openness and transparency is best discharged by having the accountable officer on every occasion present themselves before the Senate of the Australian parliament.

Senator RONALDSON (Victoria) (16:55): I am not going to speak for long because we have some very, very good people in the gallery to hear three very, very good speeches, so I will keep it fairly short. But I do want to say that this is another example where the Australian Labor Party cannot keep their grubby little mitts off the Senate estimates process. This is another attempt—and Senator Marshall is walking out; I will talk about you, so I would come back in if I were you. They cannot keep their hands off the Senate estimates process. We have 'Clerk' Marshall down here, who apparently knows more about the standing orders and Senate processes than former Clerk Evans! What an absolute joke. 'Clerk' Marshall interjected before that he knew more about it than Clerk Evans, that Clerk Evans—the Clerk for some 20 years—was wrong. And the Australian Labor Party are saying that Clerk Evans knows less about it than they do.

Since the Australian Labor Party have been back in government, we have seen them absolutely turn the Senate estimates process upside down. We know for a fact that this is about protecting someone who must accept his obligations as a statutory officer to appear before Senate estimates. He is not a judicial officer. He does not appear as a judicial officer. Fair Work Australia is not a judicial body. It is inexcusable that the President of Fair Work Australia does not appear at Senate estimates, as is his responsibility.

The other thing I want to talk about briefly is that we saw the most disgraceful intervention of the Australian Labor Party into Fair Work Australia in February this year. We all know that Fair Work Australia is investigating the HSU complaint in relation to the misappropriation of union funds. We know that Fair Work Australia is investigating the use of funds to buy alcohol, to pay for escort services and indeed to remove cash. Fair Work Australia is under enormous pressure at the moment to deliver an outcome, an outcome driven by the union movement in relation to fraudulent use of members' funds. This president must remain there. But what did we see in February this year in estimates? We saw someone, no less than the Leader of the Government in the Senate, trying to close down the opposition's legitimate questioning of Fair Work Australia in relation to the outcome of its investigation into the removal and misappropriation of union members' funds from the HSU, implicating the most senior people in the union movement, one of whom has been in the public eye—very much so, particularly in the last two weeks.
I just want to put some background to this matter. Last year—

Senator McEwen interjecting—

Senator RONALDSON: So it is okay, is it, for the Labor Party, Senator Lundy—or whoever it was who interjected—to abuse the Senate process to close down the legitimate questioning of an officer who was prepared to answer a question? That is okay, is it? They are the new rules? It is okay to behave like that.

I will just go through very quickly what happened on this occasion. Last year, Mr Nassios, from Fair Work Australia, made it quite clear that he was not prepared to talk about whether Mr Thomson had been investigated or interviewed because it might interfere with his investigation, and I respected that. I did not—

Senator Thistlethwaite interjecting—

Senator RONALDSON: I beg your pardon?

Senator Thistlethwaite: It's the separation of powers; of course they can't.

Senator RONALDSON: I know you are very new, but what an extraordinary comment to make. You have not been listening, son. Listen in. Listen up. This is about your leader trying to close down the Senate process. I respected Mr Nassios's view that he could not give that evidence because it might interfere with his investigation, and I respected that. I did not—

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Certainly if we could go—

through them—

one by one.

Mr Nassios was prepared to do so. The Leader of the Government in the Senate then intervened and said, 'I don't know whether that is right.' He asked Mr Nassios whether there was a precedent. Mr Nassios said:

I cannot recall it being done in the past. When the senator was asking me these questions last time I felt that it would not be helpful to my investigation to divulge that sort of detail. I certainly cannot say it would hinder my investigation at this point.

So he was prepared to answer the questions. Then the Australian Labor Party effectively forced Fair Work Australia to spend $7,000 of taxpayers' funds to get a QC's opinion that suited their case. This is an outrageous motion before us. This is the Australian Labor Party again attempting to interfere with the Senate estimates process, and they most definitely will not be supported by this side of the chamber. 

Debate interrupted.

FIRST SPEECH

The PRESIDENT: Order! Before I call Senator Edwards, I remind honourable senators that this is his first speech; therefore, I ask that the usual courtesies be extended to him.

Senator EDWARDS (South Australia), (17:01): Thank you, Mr President, and I congratulate you on your re-election as President. I am honoured to be elected to serve the people of South Australia as the 25th Liberal senator for that state since the formation of our party in 1944. I have been a proud member of the South Australian Liberal Party for more than half my lifetime, including serving as the state president for
three years until my election to this place. I am proud of the contribution that Liberal members at all levels of the party continue to make to the lives of everyday South Australians in the regional communities and the suburbs. I take this opportunity to acknowledge the service of Liberal South Australian former senators Nick Minchin and Alan Ferguson, who have recently left this place. Both were strong and effective advocates for South Australia. I thank and pay tribute to the people of South Australia. They have entrusted me with their confidence to represent their interests and they will always be at the forefront of my mind.

South Australia, despite its landmass, remains today one of the smaller states in our Federation. Back home, you know your politics might be different from your neighbour's, your business might be competing with theirs or you may even support different football teams, but you also know that those same people will forget their differences and pull together to maintain the integrity and the very survival of those same communities. This foundation has helped nurture successful artists, scientists and community leaders, and it has fostered giants in business.

From humble beginnings, the Coopers brewing family has become a brand known throughout the world, as has the Crotti family with San Remo, another great South Australian family company, which exports pasta to more than 35 countries around the world, including Italy. Australia's oldest family owned chocolate manufacturing retailer, Haigh's—a favourite in our family and I am sure it is for many in this place—began in Adelaide and today still employs hundreds of people across its operations. The mighty Gerard family behind the famed Clipsal Australia continues to employ over 1,500 people and exports electrical appliances to 25 countries around the world. I acknowledge and celebrate the success of these iconic companies, with their origins in strong families from resilient South Australian communities. They are evidence of what can be achieved when we apply tenacity and leverage it with ambition.

I grew up in, still live in and have my family home in the Clare Valley. It is a special place of which I am very proud. It is a place internationally recognised for its fine wine, wool and wheat. I am proud to be of fifth generation bush stock, although it should ring alarm bells in this place that of 12 senators I am the only South Australian who has my life and loves rooted in the country. The Edwardses, through the generations, are typical of so many early South Australian families—farmers, retailers and business owners. They are people who work hard and make sacrifices to give their children the opportunities they aspired to.

The greatest opportunity any parent and any society can give the next generation is education. Our family had regional learning opportunities. Like many other children in the regions, they did not match those of our city cousins. Despite this, members of my family have pursued higher education and have been able to develop skills which have led them to prosper in their businesses and to travel the globe. Some of our country peers have not been so lucky. I am deeply committed to enhancing the broad educational opportunities of Australians, particularly regional South Australians.

I am happy to say that in my home state we can boast a number of world leading educational institutions; in particular, I would like to mention Roseworthy Agricultural College, which is now a University of Adelaide campus. It was Australia's first agricultural college, founded in 1883, and today it is internationally recognised for its teaching in dryland agriculture, natural resource management and animal produc-
tion. I have not trod the well-worn path to this place from the office of a lawyer, a trade union official or a political staffer, admirable though these professions may be. I hope that with my experience in rural businesses I may be able to add to the diversity of backgrounds and quality of government in this place. At 18 I finished secondary school and immediately assumed responsibility for my own income, prosperity and destiny. I have started small businesses and grown them to medium sized ones. I have struggled with the stifling mountain of paperwork that the dead hand of bureaucracy imposes on business. I have had the privilege to hire some of the most amazing, talented and professional people to work with me and I have had the privilege of lying awake at night working out ways to make my debtors pay me so that I could pay my staff wages at the end of the week. It is not an unusual story for millions of Australians who own or manage a business, but it is becoming rarer in this place.

I have benefited from the economic growth and prosperity generated by the important reforms undertaken by the former Howard government and, it would be churlish not to mention, some undertaken by the Hawke government. I have also invested everything into a business only to watch two years of hard slog come undone when the recession we had to have knocked the guts out of the economy. It was during that difficult economic period that I realised that politics was real and that it affects us, the people, our families and our communities.

The business which I ran is the second largest of 42 wineries in the Clare Valley, employing many South Australians, including winemakers, viticulturalists, cellar hands and tractor drivers—all vital and all valued. I am also keen to let those opposite know that despite employing hundreds of people over my time I have never had or been involved in a business with a trade union presence. Many of my people are onto their second round of long-service leave entitlement. Perhaps I might assert that we on this side of the chamber might know a thing or two about finding a workplace balance. I am also very proud that most of the senior management positions in the companies that I have been involved in have been dominated by women.

Being in the wine industry has taught me so much. To be sustainable you have to deploy many skills. In an effort to be competitive you have to sync your farming and your production environment with your community expectations. We are environmentalists, factory operators, marketers and supreme risk takers. Like all primary producers, we battle climate risk and commercial risk every day, a challenge no more evident than in our experience of surviving the last 10 years of droughts then floods, only to be marginalised again by a surging Australian dollar and an asphyxiating consolidation of retail markets. Governments need to be mindful of the significant contribution and reputation Australia is afforded by the wine industry, particularly when forming future policies proposed under the spurious mask of health initiatives.

My experience in business has highlighted the significance of the public debt that the South Australian economy now has. Like our national economy, it is again being burdened. Debt is more than just a set of numbers. The brackets around the bottom of the public balance sheet represent a constrained people, people whose wages cannot be increased or, worse, paid at all, or who will remain without work because businesses cannot afford to employ them. They represent the families who will go without services because they cannot afford to pay for them as their hospital or school has been downgraded. While no sector is
immune, the impacts are magnified in the regions. For example, South Australia has experienced too many funding cutbacks in country hospitals. As I speak, three country hospitals—Moonta, Ardrossan and Keith—face a very uncertain future due the lack of political will from Labor to maintain their excellent regional service.

There can be no luxury in debt. Debt limits choice to individuals, to families, to businesses and to the government which have been charged with the responsibility of using taxpayer funds wisely to provide services and infrastructure to the people. Our public debt has been created and compounded by poor government. I experienced the destruction that poor government and poor governance can wreak upon business profitability and the stress felt by families and the entire community as a result. Poor government fails to remember that it is there to serve the people. It fails to recognise and reward effort, creativity and conviction. It acknowledges its own achievement and ambition, listens only to its own advice and believes that government is the only answer to all of society's ills. Poor governments make poor decisions, but not making a decision at all can be as destructive as making a bad decision. Sadly, some leaders are unwilling or unable to make decisions. They lack the intestinal fortitude to make a change for the better.

Today I look around the community I live in and the communities I represent and I see many people for whom getting by day to day is the priority. The increasing cost of living is putting constraint pressures on our families. It is not good enough for us in this place to sit back and say, 'Well, it is the global economy,' or, 'They will just have to sit tight and save; we know what is best for them.' That is the excuse of thought bubble driven politicians seduced by remunerated focus groups rather than themselves having the life skills to generate real policy to benefit real people. It is the mantra of elected leaders more interested in the demands of special interest groups than in taking responsibility for making difficult decisions, decisions that will help deliver a strong economy, secure borders, sustainable growth and more opportunities for people to choose how they want to live their own lives, to raise their families, to work and to contribute to society. Our debt burden and our recent poor government has prevented long-term thinking about our nation, but that only makes it all the more necessary. As we consider the choices we are faced with in this place, we need to think beyond the next electoral cycle, plan not for five or 10 years but audaciously for 30 years.

I am the first to acknowledge that long-term vision being mugged by the day-to-day reality of politics is nothing new. As a prime example, it is 114 years since a federal management plan for the Murray-Darling Basin was discussed at the Federation convention in 1897. The hope that was generated by the plan announced by the former Prime Minister John Howard in 2007 has once again been systematically deconstructed by political interests enslaved in the electoral cycle. I lament that inertia and I will make an earnest contribution to the cause whilst in this place. I hope that during my time here we can formally agree that the river system does not recognise state borders and nor should its management.

In our long-term thinking for Australia and our globalised world, food security is an important consideration and an area of our economy where we have a competitive advantage. In an increasingly urbanised world, food security for our growing nation and global populations will only come from our regions. Our farmers have a proud history, which continues to this day, of adaptation to difficult and changing
circumstances. If, as it is often said, Australia's small businesses are the engine room of the economy, then her regions are her lifeblood and the oil pumping around it. Sustainability and innovation, including world leading carbon management, are critical to the future and to the legacy we leave future Australians. When I look at our future opportunities for growth, I see South Australia's regions, which boast a natural competitive advantage in many areas, playing a key role. There are our high quality grains, our incomparable wines, our environment of unequalled beauty and natural resources to name but a few. Not maximising that advantage is, I believe, hypocritical to say the least and at the worst an abrogation of our responsibility to provide future generations with the opportunities that we can build on today.

In that context we cannot sidestep uranium. In South Australia we have some of the largest reserves on the planet. We dig it up, yet others are reaping the greatest benefit by taking our raw product and employing hundreds of thousands of people to develop it—all of this to lift the living standards in their own country. Let us not look back in 50 years and work out that we were simply a quarry to the developing world around us. Now is the time to have the debate about leveraging our competitive advantage for the betterment of South Australia and indeed all Australians.

Small- and medium-sized business enterprises, especially those in the regions, are critical to the future of South Australia—from the commercial forests in the south, seafood on the west coast, serials in the mid-north and, of course, wine from all over. Every business owner takes risks, which for some can reap great benefits but which can also deliver significant personal and professional costs. I speak from personal experience. My experience has led me to be fiercely supportive of leveraging our competitive advantage, minimising bureaucratic burden and fostering innovative businesses. Business is not an end in itself. The taxes which profitable businesses pay are the means through which we generate a strong economy to deliver jobs, better education, health and future opportunities for our children.

I am proud to say that I have never had anybody drive my bus for me, but I have been grateful to the many people who have aided the navigation along the way. I have been fortunate to count amongst them my long-time loyal friend and political confidante Mr Darcy Douglas, who challenges and supports me. More recently I have enjoyed the perspectives of the irrepressible Mr James Lisle, who has been giving me great insights into all things international. I wish to acknowledge my lifetime friend Mr Chris Coulter, who has made a great commitment and travelled from Canada to share with me today. I am thankful to another great friend and business partner Mr Peter Worthington, who has travelled from London to be here today, and to my childhood mates Peter and Mark Barry and Richard and Sue Barlow for being here today. I wish to acknowledge the late Mr Frederick Geoffrey de Vere Tyndall, who shared with me his intellect and knowledge and helped me find my own ways of thinking about government and society. I want to thank Peter Vandeleur, a great hardworking Australian, who has picked up the baton to help keep politics alive in my home community.

I cannot thank enough my wife, Ashleigh, and her stepdaughter, Natasha, for leaving their home and family in the UK seven years ago to be with me in this country. Ashleigh, seven years ago when I asked you to marry me I swear I was not planning to come to this place. But despite not signing up for this,
you have been my greatest support. I love you and I thank you. Thank you to my children, Abbey, George and Harrison. Thank you for your continued love and support and remember: life is full of choices. Looking at the people my children have become is without doubt my greatest source of pride. My colleague Senator Bill Heffernan put it best in his first speech in this place. He said:

No-one really understands what they mean to their own parents till they have their own children.

In saying that I wish to thank my father, Bryan, and mother, Elaine, and my five brothers, Paul, David, Stephen, Tim and Andrew, who have joined me for this occasion. You have all helped me become the person I am today. Time prevents me from mentioning the others of you who have been great friends and who have travelled here, at great expense. Thank you all for your enduring support in every aspect of my life.

There is one person who cannot be here today, but whom I would like to mention in closing. I never met my uncle Robert, and he never met his daughter. My mother’s brother died seven months before the end of the Second World War, 17 years before I was born. But he, and the thousands like him who sacrificed their lives in the defence of our nation and our ideals, were a strong presence in our lives through the impact their loss had on the ones they left behind. They were known by the sudden or unexplained tears in the eyes of our loved ones, the silences in conversations, their unfilled jobs in local towns or on farms and in the loneliness of women who never married or remarried. We felt them in the way our parents looked to instil in their children not only respect and tolerance but the importance of hard work, diligence and, importantly, service to the community. We looked to their example while our parents worked hard to ensure that such sacrifices would never again be demanded of an entire generation.

In my family, as in so many others, it was the sacrifice of one generation for the betterment of the next. Reciprocated was the promise to remember and honour that sacrifice, and to build a nation worthy of it. We must continue this promise as thousands of our young men and women today serve in our name.

 Australians have proven time and time again how resilient they are and have shown their willingness to make great sacrifices for our nation. We must take responsibility for our actions, persist in the face of adversity and overcome the lure of short-term political fixes in order to make decisions that are in the long term interests of our nation. I will endeavour to prove that I am up to the job of honouring my uncle Bob and those like him through my work representing South of Australia in this place.

FIRST SPEECH

The PRESIDENT: Order! Before I call Senator McKenzie, I remind honourable senators that this is her first speech; therefore, I ask that the usual courtesies be extended to her.

Senator McKenzie (Victoria) (17:27): It is an honour to stand here as a Victorian senator. I congratulate my fellow incoming senators for their insightful and inspiring words this past fortnight, and I am confident that given the strong bipartisan traditions of this place we will collectively be able to make a difference.

This week’s news reminds us that we live in troubling times. The very real challenges to our economy and our way of life cannot be met with wistful thinking or glib press releases, looking at the unrest overseas over the past months. That we can all sit here today as democratically elected senators,
arguing where the line is drawn between individual freedom and notions of equity, means we are truly, truly blessed.

For my first speech, I shall in true conservative fashion not outline an agenda to be pursued blindly; my role is to reflect and represent rather than revolutionise. I will outline my belief in regional Victoria and share with you the values and experiences which have led me to the Senate and hence the prism through which I shall pursue my work here. First and foremost, I am a very proud country Australian, the first generation born off the farm. The relationship between my sense of self and the land is strong—the way it is used and the natural environment have shaped who I am and how I think.

As a child, I learnt to ride through the creeks and paddocks of north-east Victoria, I swam in the dams and, yes, I listened to the birds. Many decades later when I was travelling through Canada on one of those soulless night trips that you do when you are a young person—I had been away from home for a long period of time—the sound of a magpie came over the airwaves. I smiled in surprised recognition at the impact that that sound had on me. The natural world really had an impact on me during my formative years. The memories run deep. Victoria is a beautiful and an industrious state. The coalmining areas of the Latrobe Valley, the snowfields of the Great Dividing Range, the wide plains of the west, the Murray River communities, our magnificent surf coasts and our vibrant regional cities attest to that fact. And, just for the record, Melbourne is absolutely the best city in Australia—and I am happy to take that one outside. It is only natural for me, then, to find political expression in the party which has represented regional Australians for more than 95 years: the Nationals.

My pledge tonight is to the people of Victoria. I commit to putting forward our case for a sustainable future and pursuing it with energy and passion. This pledge is underpinned by the concepts of authenticity, generosity, simplicity and hard work. For me, these characteristics epitomise regional Australians, and nowhere have we seen them on display more than in Victoria during the past two years. With perseverance and stoicism, country Victorians battled 10 years of drought and its crippling impact on the health of our families, our local economies and our environment. Similarly, the floods last year devastated much of the north and west of regional Victoria. The cleaning up was still going on when floods struck us again in Gippsland, a place very dear to me. We were visited by the worst loss of life, other than in war, in our nation's history when, tragically, 173 Victorians died in the horrific bushfires of 2009. The physical and social effects will be felt for generations. Throughout these natural disasters the empathy of all Australians was extraordinary. And the character of regional Victorians was clear as we pulled together to fight those fires, rescue our neighbours, sandbag the flood and then just get on with the recovery. That is leadership.

Such collective strength is all in a day's work for country Victorians. We live in communities where we understand and appreciate the necessity of interdependence. It has long been essential to our survival. Each individual's skill is appreciated and respected more than the income or property they own; thoughtfulness actually counts; and the concept of an honest day's pay for an honest day's work is still commonplace. It's the place to be.

Despite the impact of these natural disasters, we have a great story to tell in regional Victoria. We have exciting future prospects for growth, particularly in food
production and processing, education provision, manufacturing, the development of energy resources and the arts. Whilst only one-third of Australians live outside our capital cities, more than a quarter of Victorians choose to live in the regions, where research shows that they are connected to their communities, participating in activities with strong social networks. I paint a rosy picture of regional Victoria obviously because I have chosen to make my home there, with all the benefits available to my family.

The Nationals come to Canberra with an understanding of the people they represent and a necessary appreciation of that interdependence. As a Nationals senator, my focus is completely and unashamedly on the needs and interests of regional Australia. When the Country Party was founded in Melbourne in 1922 it was because a group of parliamentarians recognised the need for unified regional representation. Dr Earle Page, leader of the Country Party for over three decades, stated:

It was now made plain beyond any doubt that the rural areas must attain a voice in the government of their own affairs.

From our earliest days, our initiatives and infrastructure projects have inspired: the formation of the national scientific agency, the CSIRO; the restructure of the Commonwealth Bank as a central bank. And, much later, we established the Reserve Bank. We introduced medical treatment for pensioners and free access to medicines for Australians.

We have delivered for the regions and the nation, but 95 years on there is still much to be done. Issues of low median income levels, skills shortages and high youth unemployment are consistent across the regions. Similarly, health outcomes are lower for regional Australians. In Victoria, educational attainment is another area of concern, with a significant disparity in year 12 completion rates and more than half of rural Victorian residents with no form of vocational or tertiary qualification. And although major regional centres such as Ballarat, Bendigo and Geelong are growing rapidly, 11 of our regional local government areas are currently shrinking.

So, whilst recognising that improvements have been made, it is a desire to address the disparity that drives me and drives my party. A sustainable future for regional Australia is worth fighting for. It is a future that the other Victorian coalition senators—Senators Fifield, Ronaldson, Ryan and Kroger—will fight alongside me to deliver, but I also hope that Senators Madigan, Di Natale, Carr, Conroy, Collins and co. will work with me to promote policy that benefits all Victorians.

I take this opportunity to pay tribute to Victorian Nationals who have played a pivotal role in developing our state and our nation, in particular Jack McEwen and Peter Ryan. The first was Prime Minister, patriot, advocate for soldier settlers, promoter and protector of country Australia and our manufacturing industries. Black Jack was pragmatic, loyal and would only compromise for his constituents—values exemplified by the Nationals Senate team today. The Leader of the Nationals in Victoria and Deputy Premier, Peter Ryan, is also my local member. His advice is simple: if the policy is good for regional Victoria, support it; if it is not, don't. And that is advice that I plan to listen to.

The history of the Victorian National Party senators is actually one of diversity. There is no such thing as a stereotypical Nat pollie—it's true. I am the 11th Nationals senator for Victoria. Although I am the first woman, I am not the first teacher. Laurence Neal was a politics lecturer from La Trobe. Others have been from the armed services...
Senator Cameron: Good on you!

Senator McKenzie: Och yeah! I too am proud of my Scottish heritage and I hope those characteristics of stoicism, hard work, humour and thrift—

Senator Cameron: Thank you.

Senator McKenzie: will be welcomed here in Canberra. So how does a very typical X gen maths and PE teacher end up here in a house of parliament which is the last remaining check on executive power, a true representation of the nation's political expression, the Senate?

I am here because of the investment over a long period of time by a lot of people. The strong rural traditions of small business, sport and agriculture feature heavily on both sides of my family. My maternal grandfather was a polocrosse-playing, high country cattleman—a great horseman and sportsman who was always willing to share with us his knowledge of horsemanship and his love of the land. His grandfather was carried over the Great Dividing Range in saddlebags as an infant. These Danish settlers and future relations of Brumby Jack worked hard to clear the country round Omeo and forge a family business in beef and sheep that continues today. My grandmother wanted her daughters educated, so the family moved from Omeo to Alexandra and my mother became a teacher and my aunt a nurse.

The importance of agriculture to our past and future prosperity is paramount and I am committed to being a strong advocate for agribusiness and related industries. My father's family set up and ran a successful bus line throughout regional Victoria—creatively named McKenzie's—the type of business which is the backbone of regional communities and sustains so many of our local economies. My father started his working life as a logger and has some great stories to tell about the bush, log truck driving and brakes—almost as many stories as he shares with my own sons about his glory-seeking days as the full forward for the Marysville Mustard Pots. He went on to be the local milkman in towns in north-east Victoria and his HR practices were instructive—any child reared in a small business family would understand. The $2-per-milk-round wage he paid for three hours of hard manual labour would not fly anywhere close to best-case industrial relations practice. However, what it did do was give me an opportunity to learn the business, to spend time with my dad, to learn the value of a dollar and the importance of hard work. Thanks, Dad.

Watching the impact that the deregulation of the industry and multinational milk processes had on local milk rounds and the families that ran them informs my approach to competition policy. I commit to fighting to ensure that small businesses—the hardware stores, newsagents, family farms, gift shops and cafes; the mum and dad businesses—have an environment where they can get on with doing business rather than worrying about burdensome regulatory environments and increased taxes.

The women in my family are strong, community minded, also local sporting heroes and all committed to education. My mother was a primary school teacher. Her commitment to social justice has flowed through to her children, none of whom can resist a good cause. A particularly longstanding campaign for mum has been with the sports sections of Victorian daily newspapers and the coverage given to female athletes and teams.
Valuing the importance of public education is fundamental to who I am. This is not to decrease my co-belief in choice of educational provision—and I am a direct beneficiary of my mother’s hard work in paying for an excellent education—however, notions of equity require an accessible, high-quality, vibrant, independent public education system, especially in the regions. As a former lecturer, teacher and student advocate, I commit to improving education access and quality for Australians no matter where they live. I also commit to fighting to ensure that our universities are well funded and to ensure that our research is a balanced mix of world-class innovation and that which is locally valuable. I also commit to promoting the role of academia in wider society.

In addition to a preference for partially differentiated equations, a recurrent theme of my working life has been my involvement and encouragement of young people and their capacity. I am genuinely inspired by working with young people. My own preliminary research into physical activity and young women in rural areas saw the development of the GConnect program, promoting student led physical education with a focus on self-esteem and wellbeing. The data is collected; the thesis, however, has been packed away in the shed and I am fearful it will never actually get finished. Time will tell.

Young people are a precious asset for our future, and our nation needs individuals who are prepared to contribute, who are engaged and who can think critically. I commit to working to lessen the impact of geography on outcomes for young people, particularly around access to work and study.

My own family’s involvement in local sporting clubs spans generations and sports. Participating in golf clubs, football, netball and surf-lifesaving is an integral part of what we do and what so many country families do, contributing to the physical and social health of their communities. It is an area that I look forward to supporting.

There are many challenges for the 21st century which require action now. These include the allocation of resources, especially water, what to do with all that prime agricultural land, dealing with the issues of population and sustainability, and managing the impact of technology on human relationships.

Taking communications as an example—my generation are the last to have spoken on landlines after school to friends we had spent all day at school with. We did not have smartphones, the internet or Facebook. We are the last of the internet non-natives. This cultural shift—because it is a cultural shift; we have changed the language—challenges parents, researchers and policymakers, as these developments fundamentally change how young people communicate.

I am confident in two things—my faith and science. They are not contradictory for me. Science will find the answers to the many of the challenges of the 21st century, as it has always done—we are a creative and curious species. Our challenge is to stand tall on the platforms provided by science, to reject the anti-intellectualism in equal measure with the elitism. Let us just use some common sense!

While we are on the subject, another challenge was aptly stated by Ian Chubb, Australia’s Chief Scientist, when he asked: Why does science, with its potential to cure diseases, struggle to make it onto the front page, yet a reality cooking show dominates headlines?

An excellent question—both as a commentary on the state of public debate and as a commentary on the state of science in Australia, both of which I hope to
consciously assist in changing. After all, it was the Nationals' Earle Page who oversaw the establishment of the CSIRO, providing a foundation for future research and development. I come to this place as a conservative, a constitutional monarchist, a proponent of states' rights—all of those lovely things—appreciating the organic nature of society and the need for my representation to reflect that fact.

I will make decisions based on sound evidence and principles which have stood the test of time.

It may be unfashionable, and I acknowledge the inherent contradiction, but I am suspicious of government and its role in our lives. I am thankful to the framers of our Constitution for their efforts to enshrine states' rights, not only for the obvious benefits that decentralisation of both power and purpose brings, but also for the competition this brings to the field in the great battle of ideals.

Sociologists have tried to articulate what it is to possess a 'rural mindedness'. Characteristics that I hope will typify my work here have been articulated by thinkers such as Henry Thoreau and his appreciation of the simple things on writing of his time in Concord woods; the ferocious authenticity of Rousseau and the romantic mythology of 'Banjo' Paterson; proud country people whose writing articulates the simplicity, integrity and hard work of people who are reared in natural landscapes.

In describing my community, my party and myself in this way, please do not assume that the principles of reverse logic apply. Rather it is the conscious rejection of complexity, consumerism, laziness and selfishness that typify our way of life, not a lack of capacity.

Finally, I would like to put on the record my appreciation to the many people who have supported me over the years, materially, socially and politically.

To the Victorian coalition Senate team, it was a pleasure to campaign with you at the last election and I look forward to increasing our numbers, both here and in the other place, at the next federal election and beyond.

To my colleagues in The Nationals party who have smoothed the way with advice, encouragement and practical support to both myself and my staff, it's great to be part of the team. Thanks everyone!

Thank you to my fantastic staff: Leanne, Peter, Annie, Noel and Megan.

To the grassroots Nationals members in Victoria, I am a home-grown National and will always remember why I am here and where I come from. Thank you to the preselectors—grassroots members of my party who have placed such a great trust and responsibility in me. I would like to make special mention of John, Jenny, Peter, Anne and Merée—everyone down at South Gippy AEDC—as I would not be standing here without your encouragement, support and advice.

To my parents, for their belief in education, their example of hard work and community contribution, thank you.

To my many friends and family, it is great to see you! Thank you for your humour, advice and practical assistance which has made all the difference for one of us to be standing here today.

But mostly I would like to pay tribute to four young Australians whom it is my great privilege to parent: Rhett, Jake, Brydie and Rory. Thank you for your ongoing support, sacrifice and understanding. Everything I do and I think, despite what you read in the papers and see at question time, what
everybody in this chamber does is for your future and the future of our country.

My sincere hope is to contribute to this nation in a thoughtful, constructive and positive manner and to always advocate for regional Victoria.

May their faith in me be well placed.

I shall work tirelessly to that end.

The PRESIDENT: Order! Before I call Senator Madigan, I ask if it is the wish of the Senate to proceed to the consideration of government documents, pursuant to standing order 57(1)(d)(xi), at the conclusion of his speech?

Question agreed to.

FIRST SPEECH

The PRESIDENT: Pursuant to order, I now call Senator Madigan to make his first speech and ask honourable senators that the usual courtesies be extended to him. I call Senator Madigan.

Senator MADIGAN (Victoria) (17:55): Thank you, Mr President, and congratulations on your re-election as President of the Senate. Before anything else I would like to take this opportunity to thank the staff of the Senate who, like you, have been both patient and professional in helping me accustom myself to this new role. It has only been eight weeks and already I have come to realise that the Senate would not be able to function without the tireless efforts of these dedicated people.

Mr President, there is an expression, 'It's been a long time between drinks'. For the Democratic Labor Party I cannot think of a more apt description of our re-emergence into the federal arena. For me personally I can honestly say that the last 12 months of my life has been a surreal experience. Twelve months ago I was paying the bills by, amongst other things, forging pinch bars for Munro Engineering's post drivers—those in the rural community would know—while campaigning for the Senate on the side. After a series of lengthy discussions with many people, my wife, Teresa, was convinced that I should stand for the Senate but that the chances of my winning were slight.

At about 11 pm on election night, Antony Green, wearing a puzzled look on his face, announced, 'We appear to have a DLP senator.' I imagined that all the junior journalists would be searching Wikipedia for some reference to this new and obscure group. Teresa came to me, gave me a whack on the back of the head and said, 'So much for your predictions.'

For what my wife, Teresa, and my children, Lucy and Jack, have had to put up with, then and now, and will probably have to put up with for some years to come, I am truly grateful and apologetic. To my mother, Patricia, and my late father, John, I give thanks for having been raised in a loving and supportive home. To my grandparents, John, Hilda, Seymour and Myrtle, to my siblings, Catherine, Luke and Mark, as well as my wife's family and the members of my extended family across Australia and to all my friends, especially Richard Rigby and Kevin Flintoff, I would like to express my appreciation for the support they have given me.

To the Presentation Sisters and the Christian Brothers, especially Brother McManus, Brother McDonough, Brother Ward and Brother McGlade, I would sincerely like to thank them for their wonderful guidance, prayers and patience that they have given me over the years. To Tom Colmo, Dinny Wheelahan, Carl Pettersen, Lance McAnulty, Harry Rizzetti, Jim Baxter and Gus Henderson—the blacksmiths, foundrymen and wheelwrights of my childhood—I offer my deep and heartfelt thanks to them for revealing the
skills and wonders of their craft to a wide-eyed young lad. To Frank Pocock and Shane Taylor, my masters and mentors at the Victorian Railways Newport workshops, where as a proud member of the AMWU I did my apprenticeship, I give my sincere thanks and appreciation for sharing with me the skills, disciplines and knowledge of our trade.

And, lastly, I would like to give a special thanks to my great-great-grandfather, Antonio Salvadore Dominguez, for jumping ship in Port Phillip 140-odd years ago. I am sure at that time he would never have believed that one of his great-great-grandsons of one of Australia's early boat people would rise to the office of senator.

From the Victorian Railways to my blacksmith's forge at Hepburn Springs in the Central Victorian Highlands, I now find myself representing the people of Victoria and Australia in the Senate. As the Victorian Senate candidate for the Democratic Labor Party, my election was far from a foregone conclusion. Fortunately, the people of Victoria, the DLP members and a group of determined smaller parties demanding better representation and accountability from the majors thought otherwise. Through the dedication, prayers and incredible hard work of so many true believers in the labour movement—stalwarts such as Billy and Cath O'Connell of east Trentham and the late Max and Eileen Crockett of Geelong—the Democratic Labor Party achieved a remarkable feat. The DLP has been referred to as 'the party of the last, the least and the lost' in Australian society. We were the first party to call for an end to the White Australia policy and to seek equal pay for equal work, the vote for 18-year-olds, equity in education funding and many other conditions that Australians now take for granted.

Our antidumping policy, placing the onus of proof on the overseas competitor rather than on the local producer, has largely been addressed by the work of Senator Nick Xenophon, who has done his best to address the plight of the Australian worker and the Australian family.

The drug problem is a scourge on our society and, apart from the devastation wrought on families and individuals, it causes untold harm to our economy and our industries. I believe a nationwide campaign must be considered and we will be examining ways in which to introduce compulsory detoxification and rehabilitation for addicts of illegal drugs.

I could go on about legislation but there will be plenty of days for that in this chamber. During my time here there will no doubt be a number of controversial bills proposed. I do not intend to be deliberately controversial simply for a few cheap headlines but on some issues I cannot be complicit by my silence.

I am a senator representing the state of Victoria, the state that, in 2008, passed the worst abortion laws in the Western world. They would be the worst in the entire world, but we can be proud of the fact that in this matter Victoria is not quite as bad as the current occupiers of Tiananmen Square. These laws have been described as the most inhumane laws ever passed in this country. Some members on both sides of the house opposed them—unfortunately, not enough. In the last few weeks I have received thousands of emails on the live export trade. I was sickened by the sight of animals treated so inhumanely but what I will never understand is how people can so easily turn away from the even greater suffering we cause to our own children. Life at every stage is precious. No joy comes from a violent loss of life. I urge those senators who are unfamiliar with the scope of the Victorian laws to examine them in the hope...
they are never repeated in other states and may one day be repealed.

Everywhere I go I meet Australians who feel that they have lost their voice and that no politician from either side of the fence could give a damn about their future or the future of their families and communities. Year after year workers, families, farmers and small businesses are alienated by decisions of successive governments that allow and, apparently, encourage the easy sell-off of Australian companies, Australian jobs and Australia’s future. Every year ordinary Australians—that is, the people we are supposed to represent and defend—lose more and more control of their land and its resources. These ordinary Australians actually own this country—not us, their elected representatives; not the multinational corporations; and not the overseas buyers of our resources, our farms and our future.

We are the representatives of the Australian people, not their masters. And yet decision after decision made in this parliament strips the Australian people of the ownership of their own country. We rightly make laws protecting the ownership of land for the Indigenous people of this country but we seem incapable of making laws that will actively protect the resources, industry and land of the Australian people as a whole. Our people are told again and again that we are short-sighted if we do not embrace the supposed level playing field of global economics and the free trade system. This level playing field looks more like a ski slope to most Australians. Australian businesses pay superannuation, workers compensation, award wages and incur a dozen other costs to give our workforce a safe and secure environment. How many of our competitors incur the same costs? How many of them use workers as grist to the mill, provide no safety provisions, no superannuation, no leave and whose wage levels are barely high enough to meet daily costs?

Our manufacturing sector is under siege, a siege as great as any we fought in past wars. This week we see BlueScope Steel going under, with the loss of over 1,000 jobs. Say it quick enough and it is easy: 1,000 jobs. But it is not 1,000 jobs, is it? It is 1,000 families. It is the communities these thousands live in, the shops, the schools and the small businesses that rely on their money to keep going. One thousand jobs, families, communities—another statistic—but at least the directors of BlueScope can sympathise with them while they holiday in France or Hong Kong or anywhere their bonus dollar buys them more. If we are not making decisions that make the lives of Australians better, then we should at least make sure we do not make them any worse. A country is what a country makes. The great economies of the world have strong manufacturing sectors. They do not survive by simply digging holes in the ground, turning their country into a nation of drink waiters or educating their competitors on how to bury them.

During my time here, however long that will be, I hope to take steps to change this situation and to help restore and protect Australia’s industry to the best of my ability for the betterment of Australian families and workers. I also hope to raise the awareness of federal politicians of the daily pressures facing the Australian worker and farmer. Accordingly I will be moving to establish a parliamentary program. Just as the members and senators of the Australian parliament can and should show their support for the Australian Defence Force by taking part in the ADF Parliamentary Program, I believe an Australian manufacturing and farming sector parliamentary program should be established. Such a program would help senators and members gain a better understanding of the reality of life for Australian manufacturers.
appreciation for the men and women whose hard work keeps this nation alive. Surely a hands-on approach to the working conditions of the average Australian would benefit all of us when debating relevant legislation.

Finally, I would like to address something particularly close to the DLP and its members. Thirty-seven years ago the last DLP senators left the Senate. McManus, Little, Kane, Byrne and Gair: names that were once spoken of—either with admiration or derision—in households across this nation. They were the last of their kind, the last of an era, and their passing was not mourned by the parties present here today.

Two visionaries, John Curtin, who hailed from my wife's birthplace of Creswick, and Ben Chifley, a Bathurst boy and a railwayman, had proclaimed the principles of the labour movement only a few years prior to the split. Less than a decade had passed since a Labor government had saved this nation from invasion during the Second World War, and now the same party was prepared to sacrifice that hard-won future to an ideology with an agenda of social engineering and an upheaval as destructive as any invading army. Fifty-one members of parliament, including 14 ministers and a state Premier, stood fast for the Labor principles they swore to uphold and for this they were expelled, abandoned and left to carry on the fight for the sake of the Australian people and ironically to defend the principles of the Australian Labor Party. For most of the next 20 years the DLP held the balance of power and played a major role in determining who would govern this country. Were we always right in the decisions we made? No—we made mistakes too.

Over the last couple of years the Liberal Party has made a number of references to their apparent Labor credentials. We have heard that 'the principles of the DLP are alive and well in the Liberal Party', and even more recently that if Ben Chifley were alive today he would vote Liberal. Well, I can assure you that the DLP and its principles are alive and well—in the DLP. I can also assure you that the great Ben Chifley, a former Prime Minister of the labour movement that I support, would have resigned his office rather than vote Liberal. The Libs seem to forget that another great Prime Minister and the father of their party, Sir Robert Menzies, was so discouraged with the direction the Liberal Party had taken after his departure that, as confirmed by his family, rather than vote Liberal he voted for the Democratic Labor Party. So instead of Chifley voting for the Liberals, it is Menzies who showed the way by voting for a Labor Party.

Most of you have heard or read the following words at some time in your life. They speak to those who genuinely believe in the role that a Labor Party has in the future of this country and the lives of its people:

I try to think of the Labour movement, not as putting an extra sixpence into somebody's pocket, or making somebody Prime Minister or Premier, but as a movement bringing something better to the people, better standards of living, greater happiness to the mass of the people. We have a great objective—the light on the hill—which we aim to reach by working for the betterment of mankind not only here but anywhere we may give a helping hand. If it were not for that, the Labour movement would not be worth fighting for.

This excerpt from Ben Chifley's Light on the Hill speech to an ALP conference, a united ALP, in 1949 defines the labour movement then, now and hereafter. Sixty-two years later we who call ourselves Labor are again called upon to fulfil that movement. Are we bringing something better to the people? Or are we just about putting an extra sixpence in our pockets? Are we providing better standards of living? Or are we just about making someone Prime Minister at any cost?
Are we spreading greater happiness to the people? Or is a helping hand too much to pay for the betterment of mankind? And if we cannot answer these questions as honestly as Chifley asked them, is the continuation of this labour movement worth fighting for?

The DLP and the ALP are not the same. We differ in a number of ways but we both came from the same lineage and, however much some members on both sides may dislike it, we are kin, of sorts. Frank McManus, a true and loyal Labor senator, remarked:

I have often said that the best Government for Australia is a good Labor Government and the worst is a bad Labor Government.

This nation needs, wants and hopes for a good Labor government that will bring something better to the people—that works for the betterment of our people. The labour movement is still waiting to be fulfilled. The ALP has a chance to reaffirm its commitment to that unchanging labour movement. The DLP intends to pursue that vision. It would be good to do so with kin.

May we all remember that it is incumbent upon each and every one of us to put the common good back into the Commonwealth.

**DOCUMENTS**

**Department of Agriculture, Fisheries and Forestry**

Debate resumed on the motion:

That the Senate take note of the document.

**Senator IAN MACDONALD**

(Queensland) (18:17): We have just heard three magnificent, uplifting, thoughtful, articulate speeches and I congratulate Senators Edwards, McKenzie and Madigan on their first speeches. They were very good. It brings back to me that more than 20 years ago I made my maiden speech in which I was very keen to promote Northern Australia. In the time that I have been in this parliament I have seen improvements in Northern Australia. The mining expansion, which has been so good for Australia, has principally occurred in the north of our country, and various other good things have happened in the north. One of the good things we have done at a parliamentary level was to set up the Northern Australia Land and Water Taskforce, under Senator Bill Heffernan. It did so much good work in the relatively and regretfully short period of time it was there.

Another of the industries in Northern Australia that has grown up quite substantially in the last 20 years is the live cattle industry, the beef cattle industry in Northern Australia—hence my discussion today on the Australian Meat and Livestock Industry Act and mortalities relating to livestock during exports by sea. The report is indeed illuminating and does have some good information in it.

What I want to lament in the Senate today is how the beef cattle industry, which has done so much for Northern Australia, has been decimated by the stupidity of the Gillard government. We all know that the Gillard government is financially inept. It is incapable of proper financial management. It is a government that was formed on the basis of a lie. And you, Acting Deputy President Bishop, will recall that just a year ago Prime Minister Gillard, the then Leader of the Labor Party, promised Australians that there would be no carbon tax under a government she led, and of course a year later we are in the throes of debating a tax introduced by Ms Gillard.

In addition to that incompetence and dishonesty the current government can be accused of almost single-handedly taking back the live cattle export industry and the beef cattle industry that has flourished in Northern Australia in recent years. Senator
Ludwig made a decision about animal welfare that in the first instance was correct. Where there was evidence of foreign abattoirs dealing cruelly with Australian cattle something should have been done about it. I think all Australians would have gone along with the government had they continued with that initial decision. But, because of its stupidity, its crass ignorance, its inability to properly manage and its having its eye on what they believed was public opinion, the government then changed its decision, after a couple of days, and brought in a complete ban on live cattle exports. That single-handedly has put the northern beef cattle industry back so far. I was told recently that 90 per cent of bank loans to cattle producers in Northern Australia are technically in default at the moment. We know how much we have offended our Indonesian neighbours, our closest neighbours, with that stupid decision to stop the cattle export. It was done without any warning, any advance notice or any consideration whatsoever of our good friends in Indonesia. The government stands condemned on that decision. It stands condemned on the fact that it has not done enough to try to overcome the results of that very stupid decision by getting some help to what is now unfortunately a struggling industry in Northern Australia. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

COMMITTEES
Consideration

The following orders of the day relating to committee reports and government responses were considered:

Intelligence and Security—Joint Statutory Committee—Report—Review of the listing of AQAP and the re-listing of six terrorist organisations. Motion of Senator Faulkner to take note of report agreed to.

Law Enforcement—Joint Statutory Committee—Reports—Examination of the annual report of the Australian Federal Police 2009-10—Examination of the annual report of the Australian Crime Commission 2009-10. Motion of Senator Mason to take note of reports. On the motion of Senator Bushby the debate was adjourned till the next day of sitting.

Cyber Safety—Joint Select Committee—Report—Review of the Cybercrime Legislation Amendment Bill 2011. Motion of the chair of the committee (Senator Bilyk) to take note of report agreed to.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Mark Bishop): Order! There being no further consideration of committee reports, government responses and Auditor-General's reports, I propose the question:

That the Senate do now adjourn.

Essendon Football Club

Senator BILYK (Tasmania) (18:23): Tonight I rise to speak about the Essendon Football Club's community development program. Essendon is a proud club not only because of the on-field success it has had over the years but because it is a club that believes in having a strong involvement with the community.

My young godson, Daniel, who lives in Melbourne, is a mad Essendon fan. My husband, Robert, and I took him to see Essendon versus Hawthorne at the MCG on 24 June. Unfortunately it probably was not the belated birthday present that he was hoping for because the result was not that good for him and he was a little bit disappointed. But of course we all had a good night there and it was nice to do. As I said, while the result was not what we would have liked, it was still a fantastic experience to be at the game.

Aside from the game, though, I had the opportunity to learn about the club's
community development work, which encompasses a number of different programs. Essendon has the vision:

… to be recognised and respected as a club that appeals to the local and wider-based community through its continued and consistent actions for those communities.

This vision will be attained by effectively using the club's brand, facilities and personnel to 'strengthen communities through sport'. Essendon's key objective is to:

Become the benchmark by making a real difference – We aim to be the best sporting organisation from a community perspective in Australia. This will be achieved through our community programs and activities, strong and lasting partnerships and living our own values. We must be genuine in our desire to make a real and significant difference in the community.

Essendon works closely with the Bill Hutchinson Foundation, or BHF. The BHF is named in honour of former Essendon player Bill Hutchinson. 'Hutchy', as he was known, played 290 games for Essendon between 1942 and 1957. He played in four premiership sides and 10 grand finals and captained Essendon 122 times. He won seven club best and fairest awards in that time and two Brownlow medals. He was admired by many not just for his on-field play but for his leadership and commitment. Former Collingwood player Lou Richards stated:

Hutchy was one of the best rovers I’ve seen in the game. He was scrupulously fair and I never knew of him doing anything mean on or off the field.

The BHF provides financial support for organisations or programs that actively work towards harm prevention, and designs and runs programs in partnership with other organisations.

While I was at the game, I met four young lads who were taking part in the Essendon Football Club's western cultural development program, which is based in Bright in Victoria. Through this program, young Indigenous participants receive education, health and fitness training, employment and workplace skills training. In return, they share their culture with other youth of the region. They participate in mentoring programs as well as having the opportunity to play football in the local football league. Most of these participants have never been outside their own remote area, so going to Bright to live for a while is quite an adventure. The community of Bright provides a nurturing environment and is very supportive of the program. I just wish to thank them for their support of this program.

The next initiative I would like to mention is the film, Falling for Sahara. The film featured Essendon player Andrew Welsh, was directed by Khoa Do and premiered at the Melbourne International Film Festival, held in July this year. Falling for Sahara tells the story of three young African refugees living in Melbourne's inner-west who are passionate about Aussie rules football. It focuses on the challenges faced by young migrants as they adapt to life in Australia. It is a romantic drama and the film cast includes African-Australian actors and newly arrived refugees from Ethiopia, Eritrea, Sudan and Somalia. The film shows the importance of sport in promoting a socially inclusive society. Khoa, Welsh, Essendon and the BHF felt that it was important to tell the story of the African-Australian refugee community living in Melbourne. The Scanlon Foundation, the
Melbourne International Film Festival Premiere Fund and the Sidney Myer Fund supported the film.

Another program the club has is 'On the Ball', which was developed with the Bill Hutchinson Foundation, with input from psychologist Dr Michael Carr-Gregg and the Australian Drug Foundation. 'On the Ball' is about informing students about positive lifestyle choices and covers topics such as drugs, alcohol, bullying and active participation in sport. This program is run in partnership with the Australian Paralympic Committee and the netball team the Melbourne Vixens. Bendigo Bank has assisted the program such that it has expanded to become a three-stage process with a school visit, school projects based on issues at a local level and solutions, as well as a presentation of best models at Essendon's Windy Hill base. Funding is also awarded to schools to assist with the implementation of the suggested program.

Essendon and BHF also work together with AFL Northern Territory to run the Tiwi Islands AFL Partnership Program. This program is a three-year initiative to build the capacity of the Tiwi Islanders by encouraging them to reach their full potential. The Tiwi Bombers will be supported to develop leadership skills and play a mentoring role in the community.

The Tiwi people face a range of social challenges and disadvantage such as high unemployment, poor health, alcohol and drug abuse, domestic violence and youth suicide. Life expectancy in the islands is around 48 years. The program aims to use sport as a tool for development, harnessing the Tiwi community's love of football and support of the Tiwi Bombers to encourage them to address the challenges they face. This is done through capacity development, participation in physical activity, involving all sectors of the community in recreation activities and events, focusing on promotion of health and wellbeing, and nurturing school attendance and performance.

The GLoBALL program is designed for international students and newly arrived migrants and is delivered in partnership with Cricket Victoria. GLoBALL enables international students and new migrants to interact with the broader Victorian community through football and cricket related activities and aims to promote a sense of belonging and social inclusion and to celebrate diversity. Participants in the program have the time to interact with Essendon members, staff and players. Through the GLoBALL program in 2010, more than 4,500 people attended football and cricket games as well other activities. Founding supporters of GLoBALL are RMIT, the City of Melbourne and the Australian Federation of International Students, and the list of supporting organisations keeps growing. More than 60 organisations are involved in this program and it has 250 registered ambassadors.

I would also like to take the time remaining to me to mention that today Parliamentarians Against Child Abuse and Neglect, or PACAN, as it is well known in this place, of which I am co-convenor, held a briefing today with speakers from the AFL Coaches Association. The speakers were chief executive officer and former St Kilda player and Richmond coach, Danny Frawley, and the AFL's director of coaching and former Hawthorn player and coach, Peter Schwab. The topic was 'Positive role-modelling for children: building skills for life'. The briefing covered the role of AFL coaches and players as positive role models for children. It covered a wide range of topics, including encouraging children to participate in sport, making sure that parents and coaches conduct themselves in a way
that is appropriate and the importance of a socially inclusive society.

I commend the Essendon Football Club for their hard work and dedication to community development, and I commend the AFL in general for their hard work and dedication to community development. Sports stars are in a high-profile position and their actions both on and off the field are open to public scrutiny. That is one reason why it is so important that they play an active role in the community and set a good example for others, especially our children and teenagers.

Pacific Islands
Amazon Forests

Senator RHIANNON (New South Wales) (18:33): I speak on two issues today: Australia's reluctance to support independent trade advice for the Pacific island countries and Australian community support for protecting the Amazon forests. Foreign Minister Kevin Rudd has stated that he wants to 'see an aid program that is world-leading in its effectiveness'. One of the key elements of aid effectiveness, as defined by AusAID, is ownership by partner countries who 'exercise effective leadership over their development policies'. Sadly, this goal is not being achieved currently in the Pacific.

Negotiations are currently underway on a regional free trade agreement known as the Pacific Agreement on Closer Economic Relations Plus, or PACER Plus, and Pacific Islands Forum leaders in two weeks will make a key decision that will impact the ability of the forum island countries to determine for themselves where they get their trade advice from. At the 2009 meeting of Pacific Islands Forum leaders it was announced that negotiations on PACER Plus would commence. This decision came days after the forum island leaders, when meeting by themselves, had agreed they needed more time. Prior to the launching of the negotiations, Australia's then Parliamentary Secretary for Pacific Island Affairs had said that 'this is not about Australia, there's nothing in'—PACER Plus—'for us ... it's just good for the region as a whole and that's why we're doing it'.

The documentation of the arm-twisting, power politics and pressure that went into the launching of these negotiations is starkly at odds with the quaint comments from Australian officials and MPs. For the island countries, independent trade advice was a key prerequisite for launching negotiations and they had made a decision that the Office of the Chief Trade Adviser, the OCTA, should be established to serve that purpose. The forum island countries—the FICs—as sovereign actors, had made a decision about their needs and went to Australia and New Zealand not for permission to establish such a body but only for funding. Any decisions to launch PACER Plus negotiations were on the condition of funding for such a body. Coherence in trade policy is crucial for the Pacific islands, and the push to have one body be the focal point for trade advice makes sense.

There is nothing in the decisions by forum trade ministers and leaders in 2009 that sets the parameters of the OCTA's work exclusively to PACER Plus. The statements by forum trade ministers in 2010 must be viewed through the lens of the political pressures that led to negotiations and are an attempt by Australia and New Zealand to rewrite the agreements of 2009.

The incursions by Australia and New Zealand have not just stopped there. Australia went as far as to insist that the OCTA constitution limit it to only PACER Plus matters and that Australia have the ability to influence amendments to the constitution through decisions made by
forum leaders and trade ministers meetings. This was rightly rejected by the forum island countries. Failing this, Australia has offered the OCTA a funding agreement that has been called unworkable. Primarily this is due to Australia's condition that the OCTA only work on PACER Plus and undergo quarterly reviews where the funding could be terminated.

We only have to look across the Pacific to see that it is indeed possible to provide a way forward. The OCTA has recently signed on to an agreement with New Zealand that protects the integrity of the advice and support provided by the OCTA to the FICs, while ensuring full accountability for funds raised, according to a media release from OCTA in August this year. This is in line with the decision by trade ministers in May this year to ensure that funding arrangements should not compromise the independence and integrity of the OCTA.

The question remains as to why Australia cannot provide something suitable. What possible barriers to such an agreement could there be? Why is it proposed to use AusAID money in this way? Any sovereign country has the right to determine where its policy advice comes from. In technical areas, like trade agreements, this is crucial. If a country cannot determine where its advice comes from then it is robbed of the opportunity to make decisions based on its own interests. Australia would under no circumstances accept such a compromise of its sovereignty. Yet through its aid program the government is attempting to make such an imposition on the forum island countries. The islands have asserted that the OCTA is theirs and should be under their control and not the control of all forum countries.

It is a sad irony that I stand in the building that asserts Australia's sovereignty, asking for it to allow other countries to do the same.

I call on the Australian government, when it attends this year's Pacific Island Forum Leaders Meeting, to live up to its call for good governance and aid ownership in the region and respect the right of forum island leaders to decide for themselves what the mandate of the OCTA is. At the end of the day, they are asking only for funding, not permission.

On the second matter, many thousands of concerned people have come together this week in united opposition to the assault on the Amazon's rainforests and its peoples from an unprecedented level of development. Monday of this week, 22 August, was International Day of Action for the Amazon. I pay tribute to the many Australians who rallied to the cause in Canberra as part of a worldwide action held in 17 countries and six US cities. As the Greens forests spokesperson, I add my voice to this worldwide coalition of Brazilian and international non-government organisations, human rights activists, environmentalists, students and concerned citizens.

The focus of this week's action was to call on the Brazilian government to reverse their recent decision to grant approval to build the Belo Monte hydro-electric dam on the Xingu River in the Amazon Basin, one of the Amazon's major tributaries. If built, it will become the third largest hydro-electric dam in the world, behind the Three Gorges Dam in China and the Itaipu Dam on the border of Brazil and Paraguay. As well, the day's action voiced opposition to the 60 other dams that have been given the go-ahead by the Brazilian government and which will flood the heart of the Amazon rainforest and displace tens of thousands of local indigenous tribal people who have been living in harmony with the Amazon jungle for millennia.
The Belo Monte Dam project will have devastating social and environmental consequences for indigenous peoples and other riverbank communities living along a 100-kilometre stretch of the Xingu River, such as family farmers, fisherfolk and Quilombolas—the descendants of African slaves who escaped their slave plantations in Brazil and made their home along the river. The affected stretch of river is known as the Big Bend, where 80 per cent of the river's flow will be diverted into an artificial reservoir. The dam will cost $20 billion to construct and has attracted unprecedented subsidies for huge dam construction companies, raising serious questions among the Brazilian public about the project's efficiency and economic viability.

Brazil's congress is also preparing to approve a major roll-back of the Brazilian forest code, which could have disastrous social, economic and environmental impacts in the Amazon and other forest regions. Local people defending the forest, who are questioning the approval process for the dams, are being murdered and intimidated. Their government is failing them. An amnesty for illegal deforesters that is coupled with proposed changes to the forest code has also sent a message that unlawful activities will be tolerated by the state.

Given the Belo Monte Dam's astronomical cost, aside from accounting for its massive social and environmental impacts, Brazil would be better off pursuing more sustainable energy alternatives. A 2007 study by the World Wildlife Fund Brazil found that, by 2020, Brazil could cut its forecast electricity demand by 40 per cent by investing in energy efficiency. The power savings would equal the output of 14 Belo Monte hydro-electric plants. The study projected national electricity savings of up to $19 billion by 2020 and a growth of eight million new jobs through power generation from renewable sources such as wind, solar and small hydro.

The struggle to save the Amazon rainforest is of critical importance to our planet, given the important role that this forest plays in the world's natural systems. I urge others to find out more about this issue and to add their voice to the call to halt this disaster. I believe the two issues I have spoken about tonight, trade relations in the Pacific and the development in the Amazon rainforest, require the attention of the Australian government to prioritise the needs of local people and their environment.

**Carbon Pricing**

Senator THISTLETHWAITE (New South Wales) (18:43): It is with disappointment and dismay that I rise this evening to bring to the attention of the Senate a serious breach of trust being perpetuated on the good people of the federal seat of Calare by their federal member, John Cobb. It came to my attention earlier this week that the federal member for Calare has been promoting an event for Monday night in his electorate regarding the government's plan to price carbon. I have a copy of the flyer that has been distributed in the community by the organisers of this forum. It says: 'Carbon tax community forum—how will the carbon tax affect you?'

Organisers have been letterboxing this flyer in the local community. I have even heard that residents in Lithgow are aware of the upcoming event and are intending to attend. The flyer is very engaging because there is a survey on the back and the question is posed by the member:

Do you agree with the federal government's proposed carbon tax? If you could raise one issue in parliament about the proposed carbon tax, what would it be?

Then, down below, are postal details. They happen to be the postal address and fax
number of the member for Calare. I thought that this was a very impressive and highly commendable effort by the member for Calare. Information sharing and encouraging healthy debate about these issues is a refreshing way for the member for Calare to approach this very important but contentious issue. Indeed, it is the biggest economic reform that our nation has undertaken for several decades.

Even though I did not receive an invitation to this forum, there is nothing I would rather do on a Monday night. I contacted the organisers of the event and asked to be put on the speaking list. I was told I would be welcomed and would able to speak for the allotted time period of 10 minutes which the four other speakers on the list, including the member for Calare, have been allotted. Today, my office was informed by the organisers of the event that I would not be allowed to attend and speak. The organisers are no doubt fearful of what I might say in respect of these issues and may have been instructed by the member for Calare to censor the information being provided to the audience. Local residents need to be aware that this community forum, which is seeking to 'shed some light' on the government's climate change policy, according to the media release associated with it, is nothing more than a phoney forum. No government representative will be allowed to speak to the forum. No government representative will be allowed to take questions from concerned residents who attend the forum. Those residents will leave that room without the ability to make an informed decision about a major economic reform that affects them, their community, small businesses and families. I say, 'What a great shame.' The forum will serve only to muddy the waters, unless residents are told the full story regarding the government's plan to price carbon and the plan's effects on local communities. I cannot see the point of holding a public forum in the community, especially on an issue as important as climate change, that does not allow both sides of the argument to be put.

A number of local residents have contacted my office to express their anger about the fact that both sides of the story will not be put at this community forum. How can community leaders such as the member for Calare be so willing to blindfold residents on this important issue? It is wrong, and it is extremely disrespectful to the hardworking people of Calare, in particular those small business people who are crying out for information about this important economic reform.

Over the past couple of months, I have had the opportunity to sit on the Senate Select Committee on Scrutiny of New Taxes looking at this particular issue. I have been travelling around Australia, particularly around rural and regional Australia, talking to business people, in particular small business people, and residents about the government's proposal to price carbon and the effects on them and their livelihoods. The one thing that I have taken out of all of these hearings is the fact that there is a greater need for information about the reforms in the community. Unfortunately, I will not be able to inform the good people of Calare at this community forum about the fact that the government's plan to price carbon will ensure that six million households receive compensation to ensure that they can make the transition to the new economy without a dramatic effect on their livelihoods. I will not be able to inform the good people of Calare about the tax cuts that the government is offering as part of its program to price carbon. I will not be able to inform them of the pension increases that will come for the hardworking people of Calare, in particular for those pensioners who have served that
community over many years, many of whom are now on fixed incomes. I will not have the opportunity to let them know of the assistance that they are entitled to from the government as a result of these reforms. I will not be able to inform families of the effects of the price of carbon on them and of the assistance that they are eligible to receive, which will put them in a position to make the transition into the new economy. Most importantly, I will not be able to inform some of the small businesses about the government assistance that they are entitled to receive in respect of promoting energy efficiency as a result of this very important economic reform.

This is disrespectful to the people of Calare. Nonetheless, I will be attending on Monday night. I believe that it is important that the debate surrounding climate change be well informed, particularly for small business people and families in rural and regional communities. Although I will not be given the opportunity to speak, I intend to be there and to make myself available to those good residents to talk to them about the issue, to have an honest debate with them about their concerns and to provide them with information concerning this very important reform.

In conclusion, I am outraged that the member for Calare has sought to muzzle a government representative at this very important public forum. I say to the member for Calare: 'Allow a government representative to put the case for the government and to inform people of this important economic reform and its effects on their businesses, families and of the assistance they are eligible to receive.' What is the member for Calare afraid of? We need to promote good, open, honest debate in the community about this important reform. I will be attending on Monday night in Bathurst to do all I can by talking to the good people of Calare about this very important economic reform. I encourage the member for Calare to allow me the same opportunity he will have, to talk for 10 minutes to those who attend the forum, and put the case for reform and the government's climate change program.

Dampier Peninsula: Traditional Owners

Senator STERLE (Western Australia) (18:52): I would like to talk about a couple of very special people in the Kimberley. As those in this chamber would know, I have had a healthy respect for and interest in the Kimberley for a very long time—since 1980. I was up on the Dampier Peninsula last year and I visited a couple of traditional owners: Kevin George, in Ardyaloon, and Paul Sampi. Kevin is a senior Bardi man—a Bardi Jawi ranger—who is very highly respected in his community. He has an outstation, Gurrbalgun. Kevin approached me in One Arm Point and asked whether I would be able to go past Gurrbalgun on my way back and check out the very, very poor conditions of his toilet and shower facilities out there, and I said of course I would. What I saw was not fantastic, considering that Western Australia is such a wealthy state and Australia is a very wealthy country. I saw traditional owners living in appalling conditions. These are not traditional owners who do not care for their country or their community. You have to understand—and I know you do, Mr President, coming from Queensland—that cyclones, storms and other weather take the toll on Northern Australia.

Paul Sampi is another senior lawman for the Bardi people. Paul is a wonderful human being as well. Paul has a community at his outstation, Ngamakoon, of about three houses, and his extended family lives with him. The kids go to school every day in Ardyaloon. Paul had a similar problem—the
toilet and showers there were in absolute disrepair.

They both asked me if I could help, and I said I would certainly love to see what I could do. Upon getting back to Perth, I made an appointment with the then Liberal minister for housing in Western Australia, Mr Marmion. I sat down with Mr Marmion, and we had a very congenial conversation. I said to Mr Marmion: 'Whatever we do, I don't want to politicise this. This is not silly, petty politics. I'd be very happy if we could do something for these outstations, for these senior lawmen and for the Bardi people and their families.' Minister Marmion said, 'You get up and make the announcement. I don't care as long as they get their toilets and showers fixed.'

To cut a long story short, the state government got back to me and said they were not going to do it, for whatever reason. It was not their area. So I approached Minister Macklin and, thank goodness, she was very helpful. Back in February last year she flicked me a letter saying that the funding for the works had been approved and that she would get the state housing department to do the work. We would fund federally, but they would do the work.

I revisited the area in July and there was still nothing happening. The letter did say that the works would hopefully be completed by the end of March, for the end of the wet season. It is a well-known fact that we had a shocking wet season—not as bad as in your state, Mr President, but certainly a long extended wet season—and it did not finish until May.

When I was up there again in July, there was still nothing. No-one had even visited; nothing had happened. I visited again that same month and took the courtesy of ringing the office of the new housing minister, Mr Buswell. I spoke to the same adviser whom I had met when I met Minister Marmion. I reintroduced myself, saying: 'I'm a Labor senator. I don't want to play politics, but I really have to talk to someone. We've got to get this fixed up.' I was told, 'Yes, I'll get back to you.'

By early August, still nothing had come back to me. I thought: well, two weeks is a long time for them to just come back to me to let me know where we are at, especially considering that the federal government is funding it. That led to me, in my normal fashion, having a fuse-out. I was quite happy to have my fuse-out on the ABC and to say, 'I'm completely sick and tired of the nonsense going on with the state housing department.' I was very unimpressed that for some reason the state government did not see fit to return a call to a Labor senator, and I actually accused some of the ministers in the Barnett government of being completely incompetent. I said that people in the leafy western suburbs of Perth would not be left wanting for something as basic as a flushing toilet and a hot-and-cold running shower. I think I said something along the lines that Minister Buswell can have a singing toilet in his safe seat down there in Busselton but we cannot get toilets and showers for our Aboriginal senior people up on the Kimberley.

To narrow the story down, since I do not have enough time to tell the whole thing, it has now been fixed—thank goodness—as a result of the push from myself and my office and with the support of the federal government. I am happy to say that these facilities will be built and will be completed by the end of September. I will be visiting the community in the next week to reinforce them and let them know that they can thank their lucky stars that they have a friend in the federal government and that we are not going to abandon them. Those outstations and
those Aboriginal people up there certainly have a friend in me.

I have the hide of a rhinoceros, which is well known in this place, and I believe that if you can dish it out you had better be prepared to take it. I have a vast history of being able to take it. But I take exceptional offence that Mr Buswell jumped up in the Western Australian parliament's question time to have a whack at me—and then go on about how the wonderful Barnett Liberal government looked after Aboriginal people. I think the insult to me is quite hilarious, actually. I would be quite happy to have the same exchange of views with Mr Buswell in the public arena; it would not worry me one little bit. He can carry on and call me whatever he likes; he is well known for some of his boofheaded antics. Let's bring it out. But then he sits there and says what the Barnett Liberal government has done for Aboriginal people and has the hide to think that, if it were not for the state government, Aboriginal people would still be living in caves—my words, not his. The disingenuousness of it! Every single issue, or every single infrastructure fund in the Kimberley, the Pilbara, the Western Desert, or wherever it may be, in terms of Aboriginal housing and infrastructure and assistance is federally funded. I can take a whack. I can take all the silly antics that the boofhead—I will retract that; sorry, Mr President; that is unparliamentary. I can take all the silly antics that Mr Buswell gained notoriety for, but simple lies and mistruths have to be brought to challenge. So I did take exception to that, but we will sort that out.

Finally, I would like to say, once again, that if it were not for Minister Macklin, and if it were not for the federal Labor government, and if it were not for my office's pushing, we would in this day and age have our senior traditional lawmen up on the Dampier Peninsula going out the back of their properties to dig a hole because they did not have a toilet. There are women in the communities, and children who jump on the school bus every day to go to school, and it is absolutely shameful, in a state like Western Australia, that boasts of being the engine room of the economy, that we have a government that just looks at Aboriginal outstations with contempt, as something they will get around to when they are ready to, knowing darn well that it is September already. What if the same weather pattern as last year is replicated this year? It was raining in October. I think there are still about 104 kilometres of dirt roads just to get up the peninsula, but it is further to get onto the outstations—not so much Ngamakoon, which is only a couple of kilometres, but Gurrbalgum is some 25 kilometres in. These poor people would have had to go through another wet season without toilets or hot-and-cold running water, while we have the Premier of Western Australia quite proudly boasting of the new tower he is building. I would not think for one minute that anyone should suggest that they should not have toilets or hot-and-cold running water.

I will report back to the Senate. I will be doing my best for Aboriginal people in the Kimberley, in the Pilbara, the Western Desert or wherever Western Australian Aboriginal people need assistance. It is not the view of the 21st century, when you have a Labor senator actually approach Liberal ministers and plead that we do not make this political. We have to put our hand out and say we have to fix things that are not right. We have to fix things that are wrong. I was treated with contempt because I was a Labor senator. We should pull our collective fingers out to get this work done. We should be thankful for the opportunity to keep Western Australians employed, whether they be on Aboriginal outstations or not. We
should not just turn a blind eye and hope the problem will go away.

**Member for Dobell**

Senator FIERRAVANTI-WELLS (New South Wales) (19:02): Along with the many questions that the Member for Dobell, Mr Craig Thomson, needs to answer is whether he has properly renounced his New Zealand citizenship. I understand Mr Thomson, and another ALP member, have been sent correspondence, giving them 21 days to respond, about this matter—about 7 September, I understand. It is important that the member for Dobell, along with the many other questions he needs to answer, clarifies this. Compliance with section 44 of the Constitution goes to his eligibility to serve in the other place. It was an issue that was raised most ferociously by the ALP in relation to Jackie Kelly, and the member for Dobell needs to clarify this issue as well.

Can I also say on the record that I have today sought information under the Freedom of Information Act in relation to the jobs incubator and the questions that Minister Evans failed to answer yesterday.

**Senate adjourned at 19:03**

**DOCUMENTS**

**Tabling**

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number. An explanatory statement is tabled with an instrument unless otherwise indicated by an asterisk.]

Aged Care Act—Residential Care Subsidy Amendment Principles 2011 (No. 3) [F2011L01719].

Broadcasting Services Act—

Commercial Television Conversion Scheme Variation 2011 (No. 1) [F2011L01716].

National Television Conversion Scheme Variation 2011 (No. 1) [F2011L01715].

Civil Aviation Act—Civil Aviation Safety Regulations—

Airworthiness Directives—

AD/DHC-1/41 Amdt 1—Fuselage Rear Bulkhead Inspection/Modification [F2011L01722].


AD/DHC-1/44 Amdt 1—Mandatory Modifications, Inspections and Replacements [F2011L01723].

AD/F100/30 Amdt 1—Flight Warning Computer Replacement [F2011L01720].

Instrument No. CASA EX89/11—Exemption – recency requirements for night flying (Surveillance Australia Pty Ltd) [F2011L01724].


**Departmental and Agency Files**

The following documents were tabled pursuant to the order of the Senate of 30 May 1996, as amended:

Indexed lists of departmental and agency files for the period 1 January to 30 June 2011—Statements of compliance—
Department of the Prime Minister and Cabinet.
Office of the Australian Information Commissioner.

**Departmental and Agency Contracts**

The following documents were tabled pursuant to the order of the Senate of 20 June 2001, as amended:

- Departmental and agency contracts for 2010-11—Letters of advice—
  - Resources, Energy and Tourism portfolio.
  - Treasury portfolio.
QUESTIONS ON NOTICE

Pharmaceutical Benefits Scheme

(Question No. 371)

Senator Boswell asked the Minister representing the Minister for Health and Ageing, upon notice, on 12 January 2011:

Why is further reform of the Pharmaceutical Benefits Scheme necessary when the 2007 reforms introduced an ongoing market mechanism that ensures that discounts given to pharmacists are ‘clawed back’ by the Government, ensuring the Government only pays the true market price for medicine.

Senator Ludwig: The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

Two key goals of the National Health Amendment (Pharmaceutical Benefits Scheme) Act 2010 are to contribute to the sustainability of the Pharmaceutical Benefits Scheme (PBS) and to maintain access to quality medicines at a lower cost to the taxpayer. The pricing reforms in this Act build on the 2007 PBS reforms which showed that price disclosure is an effective mechanism for getting better value by taking advantage of discounting that is occurring in the market for branded pharmaceutical products.

While the 2007 PBS reforms are anticipated to provide more savings than originally estimated, these will be more than outweighed by higher than expected growth in PBS costs. The February 2010 Impact of PBS Reform report to government stated that on current projections, PBS outlays in 2018 will be in the order of $13 billion to $13.7 billion.

The operation of price disclosure under the 2007 reforms was limited as it was only triggered when a new brand of a medicine was listed on the PBS. Consequently, by October 2010 it only applied to about 45 medicines, being one fifth of the medicines listed on the PBS. For medicines that have a mature and saturated market, such as simvastatin which has 17 brands already, it would seem unlikely that a new brand would list on the PBS in the near future, and thereby become subject to price disclosure under the 2007 reforms. Simvastatin has a PBS listed price for a 40 milligram tablet of around $38.00 compared to a UK price of around $2.85.

The 2010 PBS reforms will widen the number of medicines subject to price disclosure and condense the period for a price disclosure cycle from two years to 18 months. Approximately 220 drugs will be subject to the expanded and accelerated price disclosure program as there is no new brand trigger required for existing F2 listings.

Consumers pay no more for their medicines under these new arrangements, and some may pay less as prices of some medicines fall below the level of the general patient co-payment (currently $34.20). The additional direct savings to consumers from the new measures under this legislation has been independently estimated to average almost $3.00 per prescription for general patients over a ten year period.

Defence: Staffing

(Question No. 735)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

For the period 1 January to 30 June 2011, how many civilian employees, including full-time and part-time, were employed on contract and at what levels of remuneration.

Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator’s question:
(1) The following table indicates the number of APS civilian employees who were employed on a non-ongoing basis as at 30 June 2011. The table also includes details of the level of remuneration of those employees:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Salary Range</th>
<th>Count of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>APS</td>
<td>21897 - 31155</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>39671 - 44532</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>44896 - 50471</td>
<td>155</td>
</tr>
<tr>
<td></td>
<td>44896 - 66880</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>51139 - 66880</td>
<td>118</td>
</tr>
<tr>
<td></td>
<td>61139 - 63243</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>57929 - 63243</td>
<td>68</td>
</tr>
<tr>
<td></td>
<td>57929 - 68092</td>
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<tr>
<td></td>
<td>63570 - 68092</td>
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<td></td>
<td>69642 - 79555</td>
<td>60</td>
</tr>
<tr>
<td>APS TOTAL</td>
<td></td>
<td>498</td>
</tr>
<tr>
<td>Executive Levels</td>
<td>88019 - 99286</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td>101619 - 138415</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>46</td>
</tr>
<tr>
<td>SES</td>
<td>132177 - 183895</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>159790 - 209946</td>
<td>5</td>
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<tr>
<td></td>
<td>196462 - 321206</td>
<td>5</td>
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<tr>
<td></td>
<td></td>
<td>13</td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>557</td>
</tr>
</tbody>
</table>

**Naltrexone**

*(Question No. 835)*

**Senator Ludlam** asked the Minister representing the Minister for Health and Ageing, upon notice, on 13 July 2011:

In regard to the ‘Naltrexone implant treatment for opioid dependence—Literature Review’ on the National Health and Medical Research Council (NHMRC) website:

1. Apart from the reference group, can the writers and advisers of this report be named.

2. Who were the independent peer reviewers who were consulted before the report was published, and what was the review process.

3. Is there an opportunity for other professionals in the field to critique and review this document:
   
   (a) if so, what is the process and could professionals (international or Australian) in the current naltrexone medicine field be asked to review the document; and

   (b) if not, why not.

4. Why is there a gap between the end of the literature review period in July 2009 and the publication of this report in March 2011 and why has there not been an inclusion or review of any publications within this time period.

5. Will this review prevent current implant treatment in Australia under the special access scheme.

6. Given the current practice of treating patients under the special access scheme, managed by the Therapeutic Goods Administration under the Therapeutic Goods Act 1989, is the NHMRC operating outside its jurisdiction by making recommendations counter to current practice and approval by the TGA.
Senator Ludwig: The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

(1) NHMRC advises that the ‘Naltrexone implant treatment for opioid dependence—Literature Review’ (Literature Review) was drafted by staff within the office of NHMRC. NHMRC would prefer not to disclose the name of the author(s) of the Literature Review or the five peer reviewers who provided feedback on the document during its development. The Group Head overseeing this work is Professor John McCallum.

The NHMRC respects the privacy of the experts that agreed to participate in the peer review process and the author and NHMRC would need to liaise with them to seek their permission.

The Council of NHMRC also provided advice in relation to the Literature Review. The Council includes the chief medical and health officers of each state and territory as well as the chairs of NHMRC’s Principal Committees. The full membership can be found on the NHMRC website.

(2) The NHMRC Reference Group suggested suitable peer reviewers to provide the NHMRC with feedback on the draft Literature Review.

Fifteen independent peer reviewers were invited to participate in the peer review process. Seven of those invited agreed to participate and were sent a copy of the draft document to consider, however only five submitted comments to NHMRC.

The peer reviewers provided extensive comments which were taken into account before finalising the document through the Council of NHMRC.

NHMRC respects the privacy of the experts that agreed to participate in the peer review process. The NHMRC would need to liaise with these peer reviewers and seek their permission.

(3) As NHMRC has released the Literature Review, no further consultation on the document is scheduled. However, to ensure that members of the public have access to information that is based on the most recent scientific evidence, NHMRC can review the document should new evidence be published in a reputable peer reviewed journal in relation to naltrexone implants.

The office of NHMRC maintains a watching brief on a range of issues and will search the literature periodically to determine whether new literature relating to this issue surfaces. The public is welcome to write to NHMRC to bring their attention to any literature. Generally, significant new evidence would be required for NHMRC to update documents such as literature reviews.

(4) The initial search of the literature was conducted in June 2009. Subsequent to this search, NHMRC became aware of two additional papers that were in the process of being published. NHMRC agreed to include both papers in the review. Therefore, the Literature Review includes literature published up to October 2009.

After assessing the literature, the office of NHMRC developed the first draft of the Literature Review. NHMRC convened an Expert Reference Group (Group) to discuss the draft Literature Review in February 2010.

Following the meeting of the Group, the office of the NHMRC undertook various actions to ensure the quality of the final product.

The Council of NHMRC, with its membership comprising chief medical and health officers of each state and territory as well as the chairs of NHMRC’s Principal Committees, considered the draft Literature Review and advised of its release. The Minister for Health and Ageing, the Hon Nicola Roxon MP, and the Minister for Mental Health and Ageing, the Hon Mark Butler MP, were advised of the imminent publishing of the Literature Review via NHMRC’s website. On receipt of their acknowledgment, the Literature Review was placed on the website. This occurred on 30 May 2011.
(5) No. Naltrexone implants are not registered (approved) therapeutic goods. Sections 18 and 19 of the Therapeutic Goods Act 1989 set out the circumstances in which medicines that are not approved for use in Australia can be imported and supplied.

NHMRC’s Literature Review has no bearing on the way in which naltrexone implants are currently regulated via the Therapeutic Goods Administration’s regulatory framework.

(6) No. In publishing the Literature Review, NHMRC is translating the evidence into advice for the Australian community. NHMRC’s Literature Review has no bearing on the way in which naltrexone implants are currently regulated via the Therapeutic Goods Administration’s regulatory framework.

**IP Australia**

(Question No. 891)

Senator Abetz asked the Minister for Innovation, Industry, Science and Research, upon notice, on 25 July 2011:

With reference to the answer to question on notice no. 676 (Senate Hansard, 4 July 2011, p. 3979):

(1) In relation to answer 7, could a copy of the letter written by Dr Kelly be provided?
(2) Who were the officers involved referred to in answer 4?
(3) Can a detailed description be provided of the material referred to in question 5?
(4) How long did the Director-Generals inquiry take?

Senator Carr: The answer to the honourable senator’s question is as follows:

(1) Yes. (A copy of the letter has been provided to the Senate Tabling Office and can be provided on request.)

(2) Robyn Foster (General Manager of Trade Marks & Designs) and Michael Arblaster (Assistant General Manager Trade Marks Hearings & Oppositions).

(3) The material included two hearings decisions, responses to correspondence from Mr Wilkshire, Federal Court proceedings and a working document brief (please see attachment A for further detail).

(4) The Director-General told Mr Wilkshire by email that he would look into the matter on 1 September 2009. He wrote to Mr Wilkshire with the results of his inquiry on 8 September 2009.

**ATTACHMENT A**

DETAILED DESCRIPTION OF THE MATERIAL REVIEWED

(1) Hearings Decisions

The following Decisions of a Delegate of the Registrar of Trade Marks with Reasons are publicly available on the Australasian Legal Information Institute (AustLII) website at www.austlii.edu.au.


(2) Responses to correspondence from Mr Wilkshire

The responses to Mr Wilkshire that formed part of the review considerations dated from 2007.

(3) Appeals to the Federal Court

Mr Wilkshire had previously appealed the 2006 decision (Peter John Wilkshire v Bombala Council [2006] ATMO 19) to the Federal Court. In 2007, Bennett J dismissed this appeal.

At the time of the review, Mr Wilkshire had initiated further action in the court seeking cancellation of a trade mark owned by Bombala Council and naming the Registrar of Trade Marks as a respondent.

(4) Brief
The brief was a working document from 2009. It contained a history of the dispute between Mr Wilkshire and Bombala Council over the ownership of a trade mark containing the image of a platypus, information about the allegations made by Mr Wilkshire against IP Australia, and court action taken by Mr Wilkshire against the Registrar of Trade Marks.

All of this material referenced above has been made available to Mr Wilkshire under the provisions of the Freedom of Information Act 1982.

**Defence: Special Purpose Aircraft**

(Question No. 898)

Senator Abetz asked the Minister representing the Minister for Defence, upon notice, on 1 August 2011:

In regard to the special purpose aircraft:

(1) For the past 6 months, on what dates did the Prime Minister fly to Darwin via a special purpose aircraft.

(2) For each occasion, what was the length of time:
(a) the aircraft was on the tarmac; and
(b) the engines were kept running while the aircraft was on the tarmac.

Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator’s question:

(1) In the period from 1 February 2011 to 31 July 2011, the Prime Minister flew to Darwin on a Special Purpose Aircraft on three dates — 7, 8 and 28 June 2011.

(2) (a) On 7 June 2011 the aircraft was on the tarmac for approximately 14 hours and 5 minutes. On 8 June 2011 the aircraft was on the tarmac for approximately 18 hours and 20 minutes. On 28 June 2011 the aircraft was on the tarmac for approximately 18 hours.

(b) Normally on arrival, the engines are shut down within 30 seconds of reaching the parking position. On departure, the engines are running from between five to ten minutes before take-off. The aircrew involved in the Darwin tasks on 7, 8 and 28 June 2011 have advised that engine operating times followed normal procedures.