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SITTING DAYS—2012

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FORTY-THIRD PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

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

Senate Office holders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Stephen Shane Parry
Temporary Chairs of Committees—Thomas Mark Bishop, Suzanne Kay Boyce, Douglas Niven Cameron, Patricia Margaret Crossin, Sean Edwards, David Julian Fawcett, Mark Lionel Furner, Scott Ludlam, Gavin Mark Marshall, Bridget McKenzie, Claire Mary Moore, Louise Clare Pratt, Arthur Sinodinos and Ursula Mary Stephens
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 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 David Christopher Bushby and Christopher John Back
The Nationals Whip—Senator John Reginald Williams
Australian Greens Whip—Senator Rachel Mary Siewert

Printed by authority of the Senate
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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.

(2) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice H. Coonan, resigned 22.8.11), pursuant to section 15 of the Constitution.

(3) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice Hon. M. Arbib, resigned 5.3.12), pursuant to section 15 of the Constitution.

(4) Chosen by the Parliament of Western Australia to fill a casual vacancy (vice J. Adams, died in office 31.3.12), pursuant to section 15 of the Constitution.

(5) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice Hon. B. Brown, resigned 15.6.12), pursuant to section 15 of the Constitution.

(6) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice Hon. N. Sherry, resigned 1.6.12), pursuant to section 15 of the Constitution.

(7) Chosen by the Parliament of South Australia to fill a casual vacancy (vice M. J. Fisher, resigned 15.8.12), pursuant to section 15 of the Constitution.

**PARTY ABBREVIATIONS**


**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Secretary, Department of Parliamentary Services—C Mills
### GILLARD MINISTRY

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<td>The Hon Julia Gillard MP</td>
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<tr>
<td><em>Minister Assisting the Prime Minister on Digital Productivity</em></td>
<td>Senator the Hon Stephen Conroy</td>
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<td><strong>Minister for Social Inclusion</strong></td>
<td>The Hon Mark Butler MP</td>
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<tr>
<td><em>Minister Assisting the Prime Minister on Mental Health Reform</em></td>
<td>The Hon Mark Butler MP</td>
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<tr>
<td><strong>Minister for the Public Service and Integrity</strong></td>
<td>The Hon Gary Gray AO MP</td>
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<tr>
<td><em>Minister Assisting the Prime Minister on the Centenary of ANZAC</em></td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td><strong>Cabinet Secretary</strong></td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
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<td><strong>Minister for Financial Services and Superannuation</strong></td>
<td>The Hon Bill Shorten MP</td>
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<tr>
<td><strong>Assistant Treasurer</strong></td>
<td>The Hon David Bradbury MP</td>
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<tr>
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<td><strong>Senator the Hon Bob Carr</strong></td>
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<tr>
<td><strong>Minister for Trade and Competitiveness</strong></td>
<td><strong>The Hon Dr Craig Emerson MP</strong></td>
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<td><strong>The Hon Justine Elliot MP</strong></td>
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Thursday, 11 October 2012

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

BILLS

Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator SCULLION (Northern Territory—Deputy Leader of The Nationals) (09:31): I rise today to make a contribution to a very important piece of legislation, the Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012. It is a private member’s bill.

I note that with the allocation of speaking times I have 20 minutes, and so this is actually being run as a pretty conventional debate that no doubt in some way we would normally conceive of as adversarial. I am a bit surprised; I actually thought this would be in the section of noncontroversial. It is a very sensible piece of legislation, with some principal elements of the legislation that I would have thought would simply have been ticked off by all sides and that we would just have moved on by having a very sensible series of amendments to a piece of legislation that at the moment is causing a great deal of concern right across the Australian community—particularly for those people who are concerned about the environment and those people who are concerned about their livelihoods and their jobs, particularly in coastal communities. It is also a concern for those people in the scientific community who want to continue to maintain that Australia has not only the best fisheries management regime in the world but that we are managing our marine estate with the very best legislation.

So I am not expecting anything but support for this legislation. Perhaps I am a little optimistic, but I have never read a piece of legislation with principles that are so simply and effectively put. It beggars belief that we would even be having too robust a debate. But this is an opportunity for me to stand and explain the benefits, which I am sure you will all be agreeing on.

The member for Dawson has introduced this legislation, no doubt as a consequence of his experience; he has lived in a marine community and he knows the consequences of poor planning.

Senator McLucas: And who put that planning in place?

Senator SCULLION: I am going to take that; already we have interjections from the other side. Someone asked me, ‘Well, who put those things in place?’ I am going to get to exactly who actually decided that marine protected areas should be currency in a political debate and that the outcomes and the motivation for providing for a marine protected area should be about a deal with the Greens and political preferences rather than looking after the environment. I would hope that those opposite would simply understand that we have gone well beyond those issues now. We are now moving to a far more rational way to manage our oceans.

In this country it is quite clear that there is no reason that we should have a poor planning outcome. There is not a single reason, because we are endowed with the very best internationally. We are endowed with the best science and we are the envy of the world in terms of our marine scientists and the stuff that they do. Whether it is the
CSIRO, the Great Barrier Reef Marine Park Authority, the Australian Institute of Marine Research or the Australian Fisheries Management Authority, all of our fisheries offices around Australia in the states and territories do an absolutely outstanding job. Not only are they outstanding—because we stand in this place and we do not like to annoy people too much, so we all call them outstanding—but I can recall in another life as the chairman of the International Coalition of Fisheries Associations that Australia was the envy of the world. There was a clear connection tied closely between the facts that we had such great scientific resources and how we had the best managed fisheries and marine ecosystems internationally.

So there is no reason at all that we should have a poor planning decision. The challenge is that it is not only about owning these wonderful individuals and institutions and the advice that they provide, it is actually using them and taking consideration of the advice, ensuring that we do so. We know, particularly in the issue about marine protected areas and marine planning, that those institutions have been completely ignored or sidelined on many occasions. Every time that has happened there has been a negative impact not only on the environment but on those people who wish to use the environment sustainably and the communities that they support.

We also have great wealth in another area: we have great wealth in an area of science that is not particularly well known publicly. We have modellers who can actually model the impact on pretty much anything. It was towards the later years in the rollout—probably around 2005-06—that this science really came to the notice of the Australian community. But that science is, of course, measuring the impact on communities of almost any change. For example, if we decided that we would take the tourism out of here, push the rainforest down and put sugarcane in, someone would be able to tell you the exact impacts on the businesses and the communities that rely on them at that stage. So these are change models. A friend of mine, Melanie Fisher—I do not know what Melanie is doing at the moment—gave us some fantastic advice about the direct impacts on communities. When we model the impact on a community of a particular decision, we can moderate that decision and change that decision to ensure that it minimises any impact on the community. In terms of marine protected areas, it can be as much as changing a zone, moving a zone slightly over or changing a use pattern in regard to the distance from a port. That might keep two fuel businesses in business.

So we have the science, not only in looking after our ecosystem and this wonderful marine biosphere but also in how to look after the communities that depend on it. But, again, we actually have to ensure that the decision makers—in terms of Commonwealth marine protected areas, the decision makers are in this place, although not entirely, and I will get to that in a moment—rely on information that has been provided by that great science both in the conventional sense and in the marine sense.

We have had a bit of a sad history, and I touched on it earlier with the interjection. In terms of the rollout of marine protected areas, the history is a bit of a sad one. Motive has played a big part in my life—I am not sure where I stumble on the term—but I also like to think: 'What's motivating this person to approach me? What's motivating me to go through this activity?' I think that is a very important part of life. When you look at the motivation for a marine protected area, I think its success will rely pretty much on the motivation. If you are motivated to protect a particular piece of iconic biodiversity, it is very likely that that particular piece of iconic
biodiversity will be protected. But suppose you are simply motivated, as we have seen plenty of times in this place and at a state level—certainly New South Wales is a standout—by making a currency out of marine protected areas so that you can do a preference deal with the Greens. This is not some sort of assertion. This is something that has been well documented, particularly in Queensland, where a deal was done: 'We will roll out this. We will give these protected areas to the Greens if you give us your preferences in these seats.' So the motivation of the Labor government in Queensland and the Labor government in New South Wales was simply, 'I want to get myself re-elected.' The motivation of getting myself re-elected is hardly a way to manage fisheries and our biosphere, and that is why it has fundamentally failed.

Of course, we as Australians should embrace every single opportunity to take away the perverse capacity to politically interfere with good science. I am not putting my hand on my heart and saying that we on this side would not do such a thing. I think that when such a thing exists in politics it provides a temptation that may be available to anyone. So we should remove it, and that is exactly what this piece of legislation does. This piece of legislation will ensure that time is set aside to ensure that there are no perverse and unintended consequences, which are something that in this place we are always trying to avoid.

I know that we are having complaint from Labor. They do not want this tool taken away from them. It is a tool that they use time and time again in their relationship with the Greens. We have not had to use the tool, because we do not have a similar relationship with the Greens, so they do not come and talk to us about what we are going to lock up if they give us their preferences. When this legislation passes, those sorts of circumstances will be a thing of the past. That is why I think this really should have broad support from this place. I know it will certainly have broad support in the wider community.

A really important part of this legislation is the element of the legislation that includes the term 'before'. Before you proclaim an area, these are the things that need to be done instead of saying, 'Right, we're going to go out and close all these areas, and then we're going to deal with the negative impacts.' Everybody accepts that there are negative impacts, whether it is the displaced effort, smashing communities you did not really mean to or the fact that you did not really have a budget for ensuring that you can offset the commercial effort—'Oh, sorry about that; we just can't do it for you now.' That will not happen again.

Fundamentally this legislation, I think, is encapsulated in the proposed amendment at the end of section 343. It says: The Minister must obtain, and the Director must report on, scientific advice … I know you will be recoiling on the other side at a suggestion that this place must take on board scientific advice, but I think it is something that the wider Australian community would agree with. Then it goes on to say 'stakeholders' views'. Again, I am not really sure what the problem is going to be from the other side on this, but I would have thought that stakeholders' views would be really important to consider in this matter. It is a very, very important matter. This is a matter about communities, jobs and sustainability. These are very important issues that need to be discussed with the stakeholders. It goes on to say 'and an independent social and economic impact assessment'. So the Melanie Fishers of the world, who have done such brilliant work,
for the first time will be consulted before you make the proclamation.

Senator McLucas interjecting—

Senator SCULLION: So instead of making the proclamation and then having to go and try to tidy up the mess afterwards, Senator McLucas, and smashing communities like Cairns and businesses in Cairns, what will happen if there are amendments made is that there will be some research done. A social and economic assessment will be done to ensure that we can have a balance of both things—with, of course, the best science. Australia has, as I have said, an enormous number of experts, and it is all about ensuring that we use them in this place.

That is exactly what this legislation does.

But the most important element is the last one, which goes on to say:

... an independent social and economic impact assessment before Proclamations over areas of sea (or over both land and sea) are made.

We learn as time goes on. Thirty years ago we thought that rolling out a marine protected area was a great thing—a matter of solitary islands and we will sneak one around here and that will be fine. But pretty soon everybody was saying, 'Look, there are an awful lot more fishermen in the area over here adjacent to that. Why is that?' Well, fishermen are not allowed here anymore so we have learned that, if we take a whole bunch of fishermen from one area and push them into other areas, we have actually increased fishing pressure in those other areas.

All the science in the world says that you cannot displace effort. So on the very first day of the proclamation people cannot go to one area so they go to an adjacent area. From that first day of something to protect the environment, you have increased pressure. That has always been the challenge, and this piece of legislation from the member for Dawson ensures that the effort has been displaced before a proclamation so there is no net negative impact on the environment, none. For the first time we have learnt from the past and now there will be no displaced effort.

I have been in this place from time to time and I have talked about what we can manage. There are plenty of issues around marine protected areas—and when you say 'marine protected areas' a lot of people think of fish and whales and all those sorts of things. But when you put a marine protected area in, you are actually having more of an impact because a marine protected area only affects people. I can assure you that there will be no dugongs out there inspecting section 343 of the Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill. None of them will be doing that. There will be no mackerel or dugong saying, 'I am not going to go there, then. That is going to be completely different.' It is only going to affect people. Legislation can only impact on people, and on people it will impact, and it will impact on coastal communities. If you want to be fair dinkum, you will accept this legislation because it ensures that we consult science, we get it right first, and that we do not take any action until such time as we have got it right.

It is not a matter of slowing these things down—it is all part of a planning process and, yes, the planning process might have an 18-month lead-up time. We may say that we intend to close this area and declare these, and they will be declared when we have gone through the processes and finished them. This is the best science. This is what the scientists will tell you. This is what the social assessors and the social scientists and experts will tell you. These things have to be planned and have to be done in this
particular manner, and that is exactly what this legislation says. This legislation says that this is the process and this is what you are going to do.

There is another element of the legislation that says, 'Look, at the end of the day when they have done it all, let us check to see that they have got it right.' So it will have to be a disallowable instrument to sit in the parliament and we will have a chat about it. Those on the other side are shaking their heads because they do not want it to be. We do not mind transparency. We do not mind the representatives of the people at the highest possible level in this land having a look at that and saying, 'I am not sure whether you have displaced all the effort or whether you have compensated for the impacts.' This will ensure that you do not actually approach it with an attitude that says that it does not matter if all these communities are smashed and those businesses shut down, that they will build up and we will compensate them later. That is not going to work.

There have been some terrific arguments on the other side. I can remember Senator Furner—lovely bloke—in the last debate here when he was rolled out and told to argue the impossible. Poor old Furner stood up and said, 'Listen, if we have a disallowable instrument it is going to cause coral bleaching. That is what is going to happen if we have more transparency.'

Senator Ian Macdonald: What?

Senator SCULLION: Yes, I know—ask the Hansard here, Senator Macdonald! It was a sad day. He is a great bloke but it is very difficult to defend the indefensible. The other issue is of course that it is going to give us something that is a complete change. It is going to give us the capacity to budget for it. We know the disaster in Queensland—

Senator McLucas: So do we—Campbell Newman!

Government senators interjecting—

Senator SCULLION: because we did not plan it properly. We now have an opportunity to ensure that we plan it properly. But there is something else along with the capacity to budget, one issue that you will all agree with. If you pick up a fishing magazine anywhere or talk to a coastal community anywhere and you say, 'Listen, what do you reckon about a marine protected area?' you had better have your mouth guard on. I can tell you what this legislation will do: it will make it popular. It will put the force of Australians' support, which they want to do, in a tool looking after their bioregions and their marine estate. That is what Australians want.

This is a piece of legislation that quite forensically and quite cleverly deals with those issues that have not only not made it popular, but have not made it work. It has not worked because there are so many unintended consequences. We have displaced fisheries. We have made claims that we are going to compensate and yet we have not budgeted for it. Ten years after people have been compensated they are still arguing with government. We need a planning phase and we need a forensic mechanism of ensuring that we plan these things so that there are no unintended consequences and at the same time we can continue to offer what we should be most proud of—our incredible marine biosphere—the highest level of protection we have internationally. I commend the bill to the Senate.

Senator THISTLETHWAITE (New South Wales) (09:51): I rise of course in opposition to this bill, the Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks
Accountable) Bill 2012, and in doing so I want to state that I have been close to the ocean for most of my life. The ocean is really the thermometer for our planet. Just as human beings take their body temperature as an indicator of sickness or wellbeing, the ocean is the indicator of our planet's wellbeing. For some decades now the ocean has been giving warning signals to the human race that the planet is under pressure. We have had ocean warming. We have had rising sea levels. We have had certain fish stocks being fished almost to the point of extinction. The scientific evidence has been getting more and more thorough and has been conducted more and more routinely by more and more nations, particularly those like Australia that rely so heavily on coastal development, on shipping, on resources from the sea and, importantly, on fishing. The number of studies being conducted has continued to grow and all of the scientific evidence indicates that our oceans are under pressure and that the process of studying our oceans' biodiversity, health and conservation is necessary. This has been based on sound scientific principles over the last couple of decades. So the process that the government has undertaken through the development and protection of our oceans' biodiversity with marine parks is not a knee-jerk reaction at all. In fact, it is a process that has been undertaken for decades in Australia. So much so that much of the evidence and the scientific study commenced and grew under the years of the Howard government.

The government's current marine park proposals have been more than a decade in development. The development of marine bioregional plans and the identification of the Commonwealth Marine Reserves Network proposal have been underpinned by strong scientific information, by detailed analysis and, importantly, by detailed socioeconomic studies on the impacts and rigours of the development of marine parks. Also importantly, there has been sound consultation with stakeholders and those affected.

The science underpinning the proposed reserves commenced more than 15 years ago under the Keating government. Importantly, it was fully embraced by the Howard government when they came to office in 1996. The rationale for creating a comprehensive, adequate and representative system of protected areas in our oceans has endured and strengthened in this nation over those years. The principle was enshrined in the Howard government's Oceans Policy, and successive Howard government ministers, from Robert Hill to Malcolm Turnbull, championed and implemented that policy. To their credit, those ministers did not blink in the face of opposition to good policy, as those opposite are at the moment.

It started with the marine bioregionalisation of Australia, a monumental exercise in integrating multidisciplinary data into a picture of how biodiversity is structured across Australia's oceans. The CSIRO, Geoscience Australia and a number of universities and museums all collaborated on that work for years. Forty-one provincial bioregions have been identified in Commonwealth waters and, in order for the Commonwealth Marine Reserves Network proposal to be representative of Australia's marine ecosystems, the government has sought to include a part of each of those bioregions in the reserve network proposal. The first three years of the marine bioregional planning program were dedicated to the consolidation of scientific information and in some instances the collection of new data. This resulted in the publication of a bioregional profile for each of the regions. These profiles were prepared using scientific information about the region's biophysical and
socioeconomic characteristics and conservation values.

One of the last accomplishments of the Howard government and the member for Wentworth, as the then environment minister, was to publish the marine bioregional profile for the South-West Marine Region. That document—a lovely glossy document which of course bears the picture of the then minister—contains the goals and principles which have guided the development of the current marine reserves proposal. Clearly the science was good enough then, but for some reason it is now no longer good enough for those opposite. Why is that? Simply because they see an opportunity for a vote in opposition.

The outcome was based on science that was undertaken by the Howard government. When they were last in government the coalition achieved several key milestones, including the rezoning of the Great Barrier Reef Marine Park and the creation in 2006 of the world's first representative network of marine reserves in temperate oceans, the South-east Commonwealth Marine Reserves Network, comprising 13 large-scale offshore marine reserves around Tasmania and Victoria. Both of these achievements have received extraordinary and well-deserved praise from around the world. The Australian Labor Party, when in opposition, ultimately supported those decisions, despite reasonable criticisms at the time from some sectors that consultation with key stakeholders had been rushed and that the decisions had been taken to protect the environment—necessarily, in our view—on less than complete scientific and economic evidence.

Now we have the likes of Senator Colbeck saying that the coalition will wind back 'no fishing' areas and scrap the entire marine park network plan if they win power in the Senate and the lower house. That is what he said in Fishing World magazine on 14 June this year. What has the change been? The change is that the opposition now find an opportunity for a vote opposing these quite reasonable and sensible proposals that are based on thorough scientific and socioeconomic studies.

The government supports protection of precious areas like the Great Barrier Reef. Indeed, we have commended those opposite for the action they took to protect this important bioregion and area of heritage significance for Australia and its economy. The rezoning of the Great Barrier Reef in 2004 provides an example of the opposition's work, where there was an area that was rezoned from 4.5 per cent 'no take' to more than 30 per cent 'no take'.

I have mentioned earlier that there was limited consultation on the design of the adjustment program for the Great Barrier Reef. It was conducted by an expert panel, and the panel's report was never released. A key feature of the coalition's south-east marine network is the extension of the network off limits to commercial fishing to 80 per cent. That figure, the 80 per cent of the coalition's marine reserve locking out commercial fishers, is the reason why the arguments being put today by those opposite are the height of hypocrisy.

None of the Commonwealth proposed reserves in any region restrict boating in state coastal waters or the types of fishing undertaken by the vast majority of recreational fishers, which primarily occurs from beaches and jetties or in bays and estuaries. So the claims of large-scale recreational fisher lock-outs are unfounded, as are exaggerated estimates of the impact on fishing and boating relating to industries. In the Commonwealth regions in question, 96 per cent of the ocean within 100 kilometres
offshore remains open to recreational fishing.

So we have seen that the process that has been undertaken by the government was based on sound science, sound socioeconomic studies and sound consultation. It is now the consultation that I wish to go to in the time that I have left. Throughout the marine bioregional and planning process, many stakeholders have been consulted and have been provided the opportunity to have their input, which has assisted in the development of the draft marine bioregional plans and proposed Commonwealth marine reserve networks around Australia. When Labor came to government in 2007, we continued that overarching policy that was in place by the coalition regarding marine reserves but, importantly, we revised the process to address the specific deficiencies that had been identified in both the consultation process and the transparency of the socioeconomic studies and consultation.

The result was several additional rounds of public information campaigns and consultations conducted between 2009 and September of this year. The examples of consultation include engagement of stakeholders on areas of further assessment as early as May 2009 in the south-west region. A number of iterations of the draft proposal were released for 90 days consultation last year—the most recent a 60-day public consultation period on the final marine reserve proposal in September of this year. Following the 90-day consultation in 2011, the representatives of commercial fishing industry in the south-west region were invited to two comprehensive workshops, one in October 2011 and the other in February 2012, to inform of options for finalising the marine reserves network. Up to 35 representatives attended each of those workshops and, between May 2011 and February 2012, the department held a total of no less than 245 meetings, which consisted of sector and multisector stakeholder meetings; open-house information sessions where members of the public were able to talk to departmental staff individually and in groups about the proposals; and targeted meetings with stakeholders.

The meetings were attended by a total of nearly 2,000 stakeholders and, of the 245 meetings, 98 were held in Western Australia, 19 in South Australia, 26 in New South Wales, 69 in Queensland, 22 in the Northern Territory and 11 in Canberra and Hobart. In each marine region, a 90-day public consultation period enabled stakeholders to provide feedback on the proposals. The feedback in the submissions was received on a full range of issues and the whole process took several years, with proposals refined on the basis of stakeholder and public input and information produced through the socioeconomic evaluations.

I have been involved in consultations at a local level with representatives of trawlermen, recreational fishermen and conservation groups in the Nelson Bay area in the electorate of Paterson, one of the areas that I am proud to represent on behalf of the Labor Party. I can tell you: in the consultations that I have had with those representative organisations, the message I got was that the government has not gone far enough in allocating and designating certain areas within that particular marine reserve as no-take areas. This is from the experts—a group of five trawlermen who work that area on a daily basis who have told of the threats to certain fish stocks, in particular the fishing of prawns, in that area. They have said that these plans do not go far enough. So that is some of the message that has been coming through that I have seen from this process.

No-one can say that the deficiencies that
existed under the previous government in relation to consultation have not been dealt with by this government in the process that we have undertaken to ensure that not only is the science covered but also we get as much feedback as possible from affected communities and representatives concerning the socioeconomic effects and, importantly, their views of the scientific evidence.

I want to say something about my state of New South Wales. New South Wales is in the process of conducting a review of marine parks, and the New South Wales government has released the review of state marine parks policies conducted by an expert panel led by Professor Bob Beeton. This report is a considered and balanced document that in many ways goes to the heart of some of the debates about marine parks—or marine reserves as they are called under the Commonwealth law.

While it is clearly up to the New South Wales government to interpret and respond to the report's findings and suggestions, there can be no doubt that the authors strongly endorse statutory reserves as a key tool in protecting and managing the marine environment. So they are continuing the tradition that was established under Labor in New South Wales of creating marine parks to protect the coast of New South Wales. The report makes a strong case for the completion of both state and national marine reserve networks focused on biodiversity conservation. The report also strongly endorses the application of economic and social science, alongside the biological sciences, in the design, zoning and management of marine reserves.

So in all respects this government has worked comprehensively with fishing communities and with representatives of conservation organisations to correct the deficiencies that existed in the past, with respect to consultation on these important conservation issues. We believe that we have got the balance right. We believe that the proposal released by the government will ensure the protection of various regional bioconservation areas related to our oceans and that it will have a limited effect on fishing communities and local environments. Importantly, this has been done in consultation with those affected. So, on that basis, we see no need for this bill to proceed.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:08): It will come as no surprise, I am sure, to the chamber to know that the Greens will not be supporting the Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012. This bill is really a cynical attempt by the coalition to garner support from the rec fishers when, in fact, what they are doing is supporting commercial fishers. I will get to a lot more detail of that in a minute. One of the fundamental facts here is that this system of marine protected areas and bioregional planning will ensure that our marine environment is protected. Not only is that good for biodiversity; it is also good for fish stocks. In particular, in this system of federal marine parks bottom trawling will be banned from well over a third of Australia’s exclusive economic zone, or EEZ. We know that bottom trawling is a very major threat to fish stocks—and I have articulated those arguments in this place many times in the past. We know it is a threat to fish stocks, along with some of the issues around industrial mid-water trawling—and we spoke at length about that issue during our last session of parliament. We know that these two issues, which are key threats to fish stocks, will be banned from a third of that area. That is a positive for rec fishing.

The coalition say, 'Here we are trying to protect the rec fishers' interests,' when in fact
it is actually about running the commercial fishers' arguments. The things which the coalition say this bill is trying to do have already occurred. We already have strong science around these proposals—and I will come back to that. There is overwhelming community support for marine protected areas—and I will also come back to that. The legislation is about politicising this argument. It is not about the science; it is about further politicising this particular argument.

I have been involved in marine conservation for a very long time. Ever since I started work on marine conservation issues, marine protection issues and the protection of our marine biodiversity, I have been hearing that there is no science around no-take areas, there is no science around marine protection. There are pages and pages, reams, of science now that show the benefits of well planned no-take areas and of marine biodiversity protection. But we keep being told that there is no science, when in fact there is. They just do not want to listen to that science.

There has been an extensive amount of consultation, some of which we have just heard about from the previous speaker. There is overwhelming community support for marine protection. It is consistently shown in polling and community surveys that 70 per cent of the Australian community supports marine protection measures. In the latest one, only 13 per cent opposed it. Marine protection has broad community support. There were 36,000 public submissions to the south-west plan, which is the plan for the south-west coast of Western Australia and the coast of South Australia. Thirty-six thousand submissions were supportive of the draft plan. Eighty thousand people around the country sent in submissions to the final consultation phase. That is a lot of people paying attention to this issue. It is disappointing to note that, on websites, the rec fishers were reduced to offering inducements to people to encourage their participation in the process. The consultation process has been extensive.

I do find it hard that the coalition are now seemingly not supportive of marine protected areas when in fact the coalition have been involved in marine protection for a long period of time. They should be proud of the marine protected areas that at a federal level they have put in place. There are really some outstanding examples of what the coalition have done. They started this current process. In my home state of Western Australia, the Barnett government—while I have some criticisms that they have not gone far enough—have put in place a number of marine protected areas, such as Camden Sound and one of my favourite areas on the planet, the Cape to Cape region in the southwest. Years ago, when I was wearing another hat as the coordinator of the Conservation Council of Western Australia, I was involved in those consultation processes. I know each of the reserves that they put in place. I know them. I have walked the beaches there, including along virtually the entire Cape to Cape region. So they also recognise the value of marine protected areas.

In fact, I remember the debate over the Jurien Bay Marine Park in the late 1990s in Western Australia where there was an argument being put that, 'We don't need no-take areas in this marine park, because we are the best fisheries managers in the world and the rock lobster industry has the best fisheries management process. We do not need no-take areas.' This was the Western Australian government and the fishers running this line. There were many hours of arguments around the need for no-take areas. This was happening at the same time as the Marine Stewardship Council were doing their certification process. Again, the
arguments there were long and about, 'We don't need to have no-take areas, because we understand the fishery. We don't actually understand a key part of that fishery, but we understand that fishery.'

Of course, circumstances now show that, in fact, we did not understand that fishery and we have had to see significant measures taken because numbers have dropped so low. History has now shown us that, if we had no-take areas there—even the modest ones that we were recommending—we probably would have a better handle on that fishery now than we do. The science is very clear about the role and importance of no-take areas. I think it would be fair to say that it is inconvenient science that the coalition does not like.

The importance of marine protection is recognised globally. Marine parks make marine ecosystems more resilient to environmental shocks and act as restocking areas for the surrounding waters. Marine protected areas have been shown to lead to larger fish and more biodiversity within protected areas. That also has an effect to varying degrees outside these protected areas. There is increased resistance to various environmental threats such as pollution, pests, overfishing and climate change. Where implemented, MPAs have led to the reappearance and/or increased numbers of top predators, better functioning food webs and more stable ecosystems. This is particularly important in a world of crashing fish stocks and ever more environmental pressure on our marine protected areas. Australia has some of the most wonderful biodiversity in the world. In particular in the southwest of WA we have an amazing array of unique species found nowhere else on the planet.

I also think the coalition are getting some of their understanding of the science wrong in terms of, for example, the crown-of-thorns starfish in Queensland where the science is showing that no-take areas—

Senator Ian Macdonald: Spare me, spare me.

Senator SIEWERT: Again, Senator Macdonald is saying, 'Spare me.' He does not want to hear the facts. He does not want to hear what the scientists are saying around crown-of-thorns starfish. Simply doing a bit of pest control will not deal with the issue.

Senator Ian Macdonald: I have lived with crown-of-thorns starfish.

Senator SIEWERT: Maybe you should look at the science, Senator Macdonald—the inconvenient science—that shows that you need healthy ecosystems that are resilient. Just doing some pest control does not deal with the underlying causes of those pest outbreaks. Terry Hughes says that reef health is the key to controlling crown-of-thorns starfish, that outbreaks are a symptom of low reef health, not the problem, and that we need to be looking at no-take reserves and that they are important for dealing with crown-of-thorns starfish.

Of course, the no-take areas and the marine protected areas provide an opportunity to benchmark fish populations in undisturbed ecosystems. There is overwhelming evidence to show the value of marine protection and the value of a series of marine reserves, a network, that is designed to support a resilient marine environment and marine ecosystems. Just last month Australia's moves to put in place a large national network of marine reserves was recognised by the IUCN at its annual—

Senator Ian Macdonald: Is this the one Christine is on?

Senator SIEWERT: Actually, she is not any more, Senator Macdonald.
Senator Ian Macdonald: But it gives you an idea of what the IUCN is like.

Senator SIEWERT: It has recognised and paid tribute to Australia. Actually, Senator Macdonald, the IUCN is a combination of government and non-government organisations and if you understood IUCN you would understand—

The ACTING DEPUTY PRESIDENT (Senator McKenzie): Order! Excuse me, Senators; can I please remind you to direct your comments through the chair.

Senator SIEWERT: Sorry, through the chair, Senator Macdonald probably needs to go and have a look at the way the IUCN operates as a house of both government and non-government organisations.

Senator Ian Macdonald: Yes, with people like Senator Milne.

Senator SIEWERT: The IUCN recognised the value, importance and significance of the series of marine protected areas that Australia is about to establish.

We hear lots arguments around the social and economic impacts. Again, this is inconvenient for the coalition because it shows that it does have significant benefits both socially and economically. We know, as I said earlier, that 70 per cent of people do support marine protection and appreciate the value. A number of us had the pleasure of listening to Tim Winton several months ago when he spoke so eloquently in this very place on the importance of our marine environment and how important it is to Australians, as we are a coastal nation and the vast majority of our community live on the coast and associate very clearly with the sea and with beaches.

Commonwealth marine parks, contrary to the scares that are out there, do not stop people enjoying our beaches. They do, however, reduce—

Senator Ian Macdonald: Who says that it stops them enjoying beaches?

Senator SIEWERT: Look at some of the words that people have been saying around locking up our marine environment. It does mean that people can still enjoy our beaches. The parks do, however, reduce human activities on our marine life. They are there to protect our marine environment, our marine ecosystems, and ensure that future generations can also enjoy our diverse marine environment.

Two-thirds of the marine reserves network, 87 per cent, of the total Commonwealth marine area, will allow recreational fishing and some forms of commercial fishing, but will restrict destructive industries such as bottom trawling and oil and gas extraction. That will improve the quality of these areas for recreational and sustainable commercial fishing. Contrary to the arguments that are being put, if we put in place a strong and effective system of marine protected areas we will ensure fish stocks into the future and we will ensure that we have a healthy marine environment that is there for future generations.

There have been some exaggerated claims that this will have an unacceptable economic impact. All sorts of figures have been thrown around. There are claims that it will cost hundreds of millions of dollars and some claims that $1 billion will be needed in compensation. The realistic figure is closer to $100 million. The Centre for Policy Development has unpacked these claims in its latest report, Marine reserves reality check. The centre's analysis shows that the new marine national parks in the proposed Commonwealth marine reserves network will cover an area that provides $1.2 billion a year in ecosystem service value—this is not recognised in our economic accounts—
bringing the total value of Australia's fully protected marine reserves to $2 billion a year in ecosystem services. These services are based on a conservative analysis of the estimates from a major UN Environment Programme study, *The economics of ecosystems and biodiversity*, and is adjusted downwards to account for the lower productivity of Australia's waters. This is a huge contribution that marine environments provide. It costs less to avoid damage to ecosystems than to recover their functions once they have been damaged—and we know what impact poor management is having on fish stocks globally.

It is essential that Australia does act to ensure that our marine environment is protected. ABARES have undertaken an analysis of the cost of the marine reserves and estimate that the value of fishing production that will be displaced by creating the Commonwealth marine reserves network is around $11.1 million per year and about 1.1 per cent of the value of the fish catch gross value of production from wild fisheries.

This is nothing but an attempt by the coalition to undermine the system of marine reserves and the progress that the government is making on this. In a way it trashes its own proud history of marine protection that the previous Howard government set up. Is it now saying, 'We don't actually value what we did then; it is okay for us to do it, but we don't want that system extended'? The coalition is running the commercial fishers argument disguised as a rec fishers argument. Both commercial fishers and rec fishers have been making exaggerated claims about the impact it will have on their fisheries.

**Senator Ian Macdonald:** Rec fishers too?

**Senator Siewert:** I have said commercial fishers and rec fishers have both been running exaggerated claims about the impact it will have. They do not appreciate the value that marine protected areas play in actually keeping their fisheries sustainable.

Marine protection is vital to the future of our unique marine biodiversity and is the key to our protecting our fish stocks into the future. The science is clearly there. How much more science do you need to show the values of marine protected areas, of no-take areas and of a properly planned process? That is what this process is—it is about properly planning the use and protection of our marine environment. Imagine if we had had the opportunity to do that terrestrially. What a different landscape we would have. Hopefully we would not have the massive loss of biodiversity that we have seen in Australia. We, unfortunately, have an unenviable record in extinctions and biodiversity loss terrestrially in this country. We do not want to replicate that in our marine environment.

We have an opportunity to make sure that those areas are protected but that we also have fish stocks into the future so that future generations can enjoy our splendid marine environment, so that rec fishers can continue to fish and so that commercial fisheries can continue to operate into the future. Without adequate marine protection we will see our fish stocks crash and we will see the loss of marine biodiversity that has been witnessed elsewhere on the planet. The Greens oppose this bill.

**Senator Ian Macdonald** (Queensland) (10:29): I must say I am rather disappointed to have heard the previous speaker. I have always had regard for Senator Siewert as being one of the few members of the Greens political party who is a genuine environmentalist, but clearly the
speech she has just read was written for her by the Pew group or WWF. I have been around a long while and have seen Senator Siewert in action. Her hesitant approach to this and the fact that she read most of it shows that she clearly has no passion for what she has been told to say on this and so she trotted out all the old words in the rhetoric that the Greens go on with.

One thing Senator Siewert said that I did agree with was that it would not surprise anyone that the Greens are opposing this. Of course, the Greens and the Labor Party oppose anything that is put up by other than the Greens political party. Why? Because this dysfunctional government continues to operate because of the tainted votes of a couple of Independents and the Greens political party in the other place and on this side. So whatever Pew says, whatever the crackpot wilderness society says or whatever WWF says, the Greens just mouth that and, once the Greens say, it the Labor Party just rolls over because if it ever challenges the Greens it will be out of government and Ms Gillard will not have a job. So that is what this is all about.

Clearly neither of the previous two speakers have even bothered to read the Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012. Senator Siewert's whole speech was about attacking the coalition for trying to put more science into marine protection. We are not opposing marine protection, Senator Siewert; we are trying to get it out of the political system and trying to get it out of the clutches of that foreign oil based group, Pew, and into the hands of Australians who actually live, work and have fun on our coasts and seas.

I am not quite sure how Senator Siewert and the Greens can take much notice of the WWF, an organisation that used to have some credibility but, of course, now we hear that WWF's world leader wants to ban all trawling in Australia. 'We want to ban all trawling in Australia,' the WWF world boss says. But, hang on—WWF in Australia is taking money off commercial fishing trawler industry members to give them marine stewardship certification for their trawling in Australian waters. So, clearly, the WWF will do something when there is a buck in it for them so they can continue their work around the world but their true thoughts come out in a typical Greens political party approach: shut down all extractive industries in Australia. They have almost succeeded with the forestry industry, one of the most sustainable forest industries in the world, if not bar none. Thanks to the Greens political party and their lackeys in the Labor Party, that industry, which has employed hundreds of thousands of Australian workers, is now on its knees.

And they have started again on the fishing industry. We have seen that ridiculous decision on the Abel Tasman when Minister Burke, as fisheries minister, encouraged the five quota holders to combine their quotas and bring in a big, efficient fishing vessel to catch the quota take and then, when the boat arrives and people have spent a lot of money to bring it here, Minister Burke then, as environment minister, bans the operation that he encouraged as fisheries minister. Why? Because Ms Gillard holds her office as Prime Minister on the tainted vote of a couple of Independents and the Greens political party. The Greens political party will not stop until all extractive industries and, in fact, anything that extracts any of our national assets are stopped in Australia.

I have said before, and I say it again, to the few recreational fishing groups that still support some of the rhetoric of the Greens: don't be fooled; your senior peak body
understands that the Greens are dangerous insofar as recreational fishing is concerned. The Greens political party would even go out—and this is typical of the Greens and the Labor Party—and rewrite a bit of history and hope that a bit of it sticks. We heard Senator Siewert say that under the coalition, it is alleged, these marine regions will stop people enjoying the beaches, stop them walking along the beaches and stop them having a swim in the surf.

Senator Siewert: Madam Acting Deputy President, on a point of order: Senator Macdonald is clearly misquoting something I said. I did not say the coalition said that. I said some other groups have been out there saying that. I did not say the coalition said it. I would ask you to ask him to withdraw that.

The ACTING DEPUTY PRESIDENT (Senator McKenzie): Senator Macdonald?

Senator IAN MACDONALD: I am not withdrawing that. It is not a point of order for a start, Madam Acting Deputy President, as you well know. Here are the Greens going around saying people are saying that doing this bioregional marine planning will stop people enjoying the beaches, stop people walking along the beaches and stop people having a swim in the surf. This is the sort of approach that the Greens and the Labor Party take to anything: verbal anyone you like and rewrite history as you would like and do not let that get in the way of your goal to stop any extractive industries or any fishing at all, recreational or otherwise, within Australia.

If you could believe anything Senator Siewert or Senator Thistlethwaite, for that matter, says, you would just ask them to read the bill. All the bill is saying is let's get a bit of science into it, let's talk to people apart from the oil supported Pew environmental group from America, let's ask real people in Australia rather than those wackos in the wilderness society and let's have this parliament have a bit of a say. Isn't it outrageous that some of the decisions on marine bioregional planning should be disallowable instruments so that the elected members of parliament, who in our system represent Australians, can have a say!

They could actually say, 'This is a good idea; let's support it.' Or they could say: 'This is going to affect my community. It's not going to do anything for marine planning so let's oppose it.' But, no; the Greens and the Labor Party would hate the representatives of the Australian people to have a say in this. This bill will make those decisions disallowable instruments. What is wrong with that? Why do you not want to have a say, Senator Siewert? You would be able to have a say in this parliament. Why do you not want a commission of independent social and economic assessment—

Senator Feeney: Madam Acting Deputy President, I raise a point of order. I ask that you ask the senator to address you rather than speaking directly across the chamber to Senator Siewert.

The ACTING DEPUTY PRESIDENT: Thank you, Senator Feeney. Senator Macdonald, please address your remarks to the bill through the chair.

Senator IAN MACDONALD: Thank you, Madam Acting Deputy President; I will do that. Madam Acting Deputy President, one thing I could say about Senator Thistlethwaite's speech—and this was new for the Labor Party—is that he did actually acknowledge that the world's first oceans policy was introduced by the people that Senator Siewert says are trying to destroy our marine environment. It was the coalition who introduced the world's first oceans policy, and part of that was to have marine bioregional planning.

The difference between the coalition's approach to this and that of the Labor Party
is why this bill is before the chamber today. The coalition started this process, and I very proudly say that I was part of the first marine bioregional region, in the south-east, in Australia. That was good because, at the time that it was introduced by the environment minister, I as fisheries minister had equal say, and it was not going to be one of these whitewashes by the Wilderness Society or Pew, as this current process is. It was one where all stakeholders were consulted and all of their views were taken on board. As I always proudly say, 80 per cent thought that 80 per cent of it was okay. Nobody was 100 per cent happy but, after two or three years of intensive consultation with all stakeholders, all Australians, all the people involved, we got a good outcome in the south-east bioregional process which was generally supported by every stakeholder.

Contrast that with the Labor Party's approach. You have this being the sole prerogative now of a minister who has a litany of backflips and actions that show he cannot be trusted. As I said, the most recent is the one where he as fisheries minister encouraged the Abel Tasman out here and as environment minister blocked it. So that is the person who is in charge of this bioregional planning process. Under the coalition, the people in charge were all relevant ministers and, more importantly, we consulted the scientists, the fisheries managers, the recreational, commercial and charter fishermen, the people who live along the coast and the people whose livelihoods depend upon properly managed marine areas—and that is what this bill wants to do.

I have not heard any of the speakers opposing this bill indicate what they do not actually like about it. In case the next speaker has a speech written for her by the minister's office or by Pew that does not quite go to the facts of the bill, I will just relate what this bill actually talks about. It calls on the minister to commission an independent social and economic impact assessment before proclamations are made. What is wrong with that? Can anyone tell me why they would oppose that? The bill also requires the minister to obtain independent, scientific peer reviewed advice before making any proclamation and for that advice to be publicly available. Who could object to that? Please, can the next speaker tell me what is wrong with that?

Senator Pratt interjecting—

Senator IAN MACDONALD: Tell me why you would vote against that. The bill also requires the minister to establish independent—I emphasise 'independent'—scientific reference panels and stakeholder advisory groups for each region to ensure rigorous decision making. Why in a democracy would we oppose that? Please, the next speaker—

Senator Pratt interjecting—

Senator IAN MACDONALD: Senator, if you are going to be speaking on this bill, can you answer me what is wrong with those things?

The ACTING DEPUTY PRESIDENT: Senator Macdonald, can I again remind you to direct your comments to the other side through the chair.

Senator IAN MACDONALD: Yes, certainly. Madam Acting Deputy President, through you, I ask the next speaker to tell me what is offensive about that, what is wrong with that. Finally, can I ask the next speaker to advise what is wrong with members in this chamber and in the House of Representatives, what is wrong with the elected representatives of Australia, having a say on these things by making the minister's decisions disallowable instruments. Please, if you can give me a decent reason, Madam Acting Deputy President, or any speaker in this debate, on what is wrong with those
aspects, which are what this bill is all about, 
I will listen intently. But I guarantee there 
will not be a speaker opposing this bill who 
can explain what is wrong with those four 
principal elements of the bill. 

Madam Acting Deputy President, that will 
bring you back to the inevitable conclusion 
that this is all about the Greens telling the 
Labor Party that, unless they go along with 
what their wacky supporters require—that is, 
to shut down fishing in Australia—then the 
Greens are out of the coalition and Ms 
Gillard will have to go to an election which 
she knows she will lose remarkably. 

The coalition is proud of its record in the 
management of our seas.

We have always taken into account the 
advise of qualified, independent scientists. I 
would point out that in Australia the latest 
Commonwealth fish data reports confirm 
there is an ongoing improvement in fish 
stocks. No-one else will ever praise me, so I 
might have to praise myself and say that I am 
very proud of having a significant role in 
getting Australian fish stocks to the state 
where they are more sustainable and 
improving each year. All those 
statistics show that Australian fisheries are 
well managed.

If you take the advice of some of the 
world's leading scientists, then I will quote 
just one. Dr Ray Hilborn, a professor of 
Aquatic and Fishery Sciences from the 
University of Washington, says that 
'Australian fisheries are well managed, 
sustainable and do not need further locking 
up to protect them from overfishing; the 
existing tools are working'. He goes on 
elsewhere to say that, 'Closing Australian 
areas to fisheries will not increase food 
production from fisheries; it will reduce it'. He then goes on to say that, 'Reducing access 
to Australian fish stocks is irresponsible'. 
And he says further that, 'Reducing access to 
Australian fish stocks results in Australia 
importing more fish, often sourced from 
areas that have less sustainably managed 
fisheries at a much higher environmental 
cost, 'effectively' as he says, 'offshoring our 
domestic requirement'. Look at what the 
serious, learned expert scientists in this area 
say.

Here is a bill which should receive 
universal support because it is all about 
properly managing our oceans and our 
marine areas. It is about getting the right 
advice, not advice tainted by various 
environmental groups who have a particular 
agenda. I have quoted the WWF, who on one 
hand want to ban commercial trawling but on 
the other hand are charging Australian 
commercial trawlers to give them a marine 
stewardship certificate—getting some money 
off them and saying it is okay. You cannot 
take notice of the people who support the 
Greens and who, because of that, impose 
upon this dysfunctional government their 
will.

This is a bill which anybody who has a 
serious interest in management of Australia's 
oceans would support. It is the sort of bill 
that would enhance Australia's world-leading 
reputation. Look at the way the Labor Party 
administer this. I mean, Ms Gillard and 
Senator Siewert are quoted as saying the 
compensation for all of these closures will be 
$100 million. I have to say that when we 
were in government we were in error. We 
thought that the compensation in relation to 
the Great Barrier Reef closures—something 
we were very proud of—would be about $10 
million. The last I heard it was $250 million 
and rising. Ms Gillard, in her typical 'There 
will be no carbon tax under a government I 
lead' approach, says, 'This will only be $100 
million'. Mind you, it is $100 million the
Senator PRATT (Western Australia) (10:50): This morning I am very pleased to rise to oppose the Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012, introduced in this place by Senator Colbeck. It will come as little surprise to the chamber to know that I am a passionate supporter of marine parks, and I think that the action this nation is taking to protect our big blue backyard is long overdue. I am not in favour of further delay and blockage to what has already been a very robust and good quality process.

We know that the waters surrounding Australia are unique and wonderful. From the Great Barrier Reef to the migratory passages of turtles and whales in my own Western Australia state, along our west coast, we have wonderful environmental assets that should be protected. As I have remarked before in this place, and I know the minister has also said this, many of the features in our oceans, if they were on land, would have been protected decades ago.

I have been pleased with the outcome of this process, and I think Australia is likely to be one of the few countries to achieve the international commitment made at Rio+10 in 2002 to develop a representative system of marine parks by 2012. It truly is a wonderful and remarkable milestone. Indeed, our network of marine reserves will be the largest in the world, covering more than one-third of Commonwealth waters. I know some would have liked to have seen even greater protections for some areas—we all have opinions about these things—and there are some areas that I also would have liked to have seen receive greater protection. There have been, for example, arguments that we should have had greater protections over the Diamantina fracture zone in Western Australia and no-take zones that are closer to the coast.

I would really like to acknowledge everyone who has put so much effort into what has been a robust and in-depth process that does not need to be compromised or duplicated or overlaid by the process that is in the bill before us. I would like to thank those in the environment movement, in the fishing industry and recreational fishers for their involvement and engagement around these issues. I have received more than 15,000 emails in favour of marine parks from Western Australian constituents alone. It is because of this high level of engagement that we will have the opportunity as a nation to be a world leader in marine protection. It has been a very robust process involving all stakeholders, with much higher levels of engagement than under the Howard
government's planning process, when they undertook a similar marine planning process under these very same laws. I think that is because of the comprehensive nature of our consultation process. On that basis, we should be far more confident of the outcome of the marine plan that is before us and its legitimacy than overlaying it with the unnecessary duplication that this half-baked process before the Senate today gives us.

However, it is precisely this robust consultation process that those opposite are attacking through the bill before us today. At the heart of this bill is an implication that the consultation process creating this network of marine parks has been flawed. There is an implication that the consultation process was not rigorous enough, that it did not take proper account of the science or that it has failed to consider the views of communities and industry. This is simply not the case. We have run a lengthy consultation process. It has been accessible to all members of the community and, indeed, it has been responsive to feedback. There has been considerable change to the plans that have been put forward and a lot of negotiation and exchange has gone on. The consultation process has been largely based on the very same process created by the Howard government during the implementation of its marine reforms.

I would add, though, that we have been far more intensive and engaged with the science and also with stakeholders. It should not be a disallowable instrument before this parliament. The stakeholders, environmentalists, fishing communities, the fishing industry, recreational fishers, the wider community, the process and the law should be the arbiters of these questions, not the parliament.

In our first term of government, Labor took the Howard government model and made it far more comprehensive. We reformed the model to have additional multiple rounds of public information campaigns and consultation, conducted as far back as 2009 to this year. That is more than three years of consistent consultation with stakeholders that the coalition is now attempting to throw out the window with the bill before us today.

To demonstrate just how comprehensive our consultation process has been, I would like to take you through some of the elements of it. I am going to reflect in detail on some of the steps that have been taken in my home state of Western Australia. There are two marine regions that cover the coast of WA: one comes around from South Australia and goes up the coast as far as Geraldton, through the Commonwealth waters; and the other is north of Geraldton, around the top of the state, through to the Northern Territory. There have been extensive consultations in both of those regions. They have been exemplary and they have led to real outcomes for both the environment and industry.

Our south-west region includes some amazing environmental features, like the Perth Canyon and the waters around Geographe Bay. Both are important resting grounds for migrating humpback whales. This region has been very thoroughly consulted. The government engaged stakeholders for further assessments as early as May 2009 in the south-west region. Following the 90-day consultation in 2011, representatives of the commercial fishing industry of the south-west region were invited to two comprehensive workshops: one in October 2011 and one in February this year. This was about going through the options for finalising the marine network reserves. The workshops were very well attended, with about 35 representatives at each, and it was a very thorough process. In
the south-west region since 2009 there have been no fewer than 59 consultation meetings, including two multisector sessions, 10 public information sessions and 47 targeted stakeholder meetings. That is the formal government consultation that has taken place, but there have also been hundreds of community meetings on all sides of this debate. So there have been very high levels of community engagement.

The meetings we are talking about stretched from Esperance and all the way up to Geraldton. In the north-west there were 62 meetings in total: two multisector sessions, six public information sessions and 54 targeted stakeholder meetings. Again, those meetings took place in towns all around the north-west coast, from Kalbarri up to Kununurra and in Wyndham. No affected coastal community in WA was denied the opportunity to participate in this consultation process. There were 245 meetings held by the department between May 2011 and February 2012, with 98 of those meetings taking place in Western Australia—the most by far—closely followed by Queensland with 67 meetings.

Why did the consultations focus so heavily on these states? I can tell you why: it is because these are the states that had not yet had the comprehensive marine planning take place in them. The Commonwealth areas in South Australia, Victoria and New South Wales were largely done under the Howard government. This is why we have had such high levels of engagement in these states. I think that the outcomes from our process have been manifestly better than those delivered under the previous consultations for the other zones.

Under these consultation processes the government received feedback from a full range of stakeholders, including the scientific community, commercial fishers, oil and gas companies, tourism operators, recreational fishers, Indigenous communities, environmental groups and members of the public. As I said, the entire process has taken more than three years, with proposals refined on the basis of stakeholder and public input. Information also produced very thorough socioeconomic evaluations—precisely the kinds of things that the bill before us is asking for. They have already been done, and the bill before us has a much narrower scope and focus for exactly the kind of work that has already taken place and been done thoroughly. The process has taken more than three years—just think about that.

I would also like to comment on what I think has been exceptional leadership by Minister Burke in this area. He has been incredibly thorough and a responsive administrator. On a number of environmental decisions, including this one, I have witnessed his willingness to meet with and to listen to all concerned parties. I know that through the consultations on the creation of marine parks the minister has ensured that everyone, even those with a passing interest, has had several opportunities to comment on the plans. The proof of that is in the changes that have been made to drive plans. These changes are evidence that the government has listened and that we have acted on community advice.

In the south-west bioregional plan, parts of the Marine National Park Zone on the continental shelf in the proposed Eastern Recherche reserve were shifted to reduce impacts on the Esperance rock lobster fishery. That is just one example of the kind of exchange and consultation that has taken place. In the north-west plan we know that there were changes to the Eighty Mile Beach reserve that have significantly decreased the impact of the marine reserves on the Western Australian Nickol Bay prawn fishery. So we know that the current north-west reserve
network has significantly reduced the potential impacts on a number of fisheries from the network proposal taken out for public consultation in August 2011. Overall, the potential impact of the reserve network has been halved from 0.2 per cent for all fisheries in the region down to 0.1 per cent. These are minimal impacts on those fisheries—really quite, quite small.

There have certainly been those who have argued that we should not have made those compromises, and that in fact we should have maintained the boundaries as they were or been even more ambitious. This just goes to show, I think, the kind of level of engagement that you need around these issues. What the coalition has before us today seeks to throw all that away—to throw the baby out with the bathwater.

I would like to comment on the concerns of recreational fishers. Ninety-six per cent of the ocean within 100 kilometres of the shore remains open to recreational fishers under this scheme. So you can see that the Commonwealth has had a very thorough consultation process, and one that I would argue has world's best practice—very much so.

But what has the coalition's response to all of this been? The bill before us today that we are debating tells us exactly that. The bill before us today has provisions that would require that the government establish a so-called independent scientific reference panel, as well as a stakeholder advisory group that would go through another process of assessment before a marine protected area could be declared. I really think that the coalition is trying to have its cake and eat it too. Ultimately, they do not want to look like they are overtly opposed to these marine parks so they have put forward this delaying model that would have massive duplication in it. But their heart is not in it; they simply do not want to support the marine parks that are before us.

I think that the coalition believes that the government has deliberately ignored feedback from industry, despite all evidence to the contrary. The coalition's answer to this charge is this baseless bill which is before us today. It is a bill that would essentially require the government do more consultations with two advisory groups. The two advisory groups that are put forward in this bill are more exclusive than the consultations that have already taken place. They are also less accessible to the public than the consultations that have already taken place and less transparent than the process the government has pursued over the last few years. This bill is their answer; it is fudging their way through what they think they have as a political problem.

This bill has been brought into this place in the final hour when the marine plans are just months away from being finalised, and following years and years of consultation. This bill essentially requires us to rip up all of that work, those detailed submissions, and go back to the drawing board. It is a bill which is entirely, I think, about the Liberals looking for a headline.

I would like to comment on the impact of the coalition's plan. There has been a great deal of dithering; the coalition wants us to believe that their proposal will not have any negative impacts. But they are completely silent on the costs of this bill. The costs are, I think, greater than you could at first imagine. There are the obvious costs of establishing new bodies and resourcing them appropriately, and then there is also the question around the types of consultation processes that they would have to go through. They are essentially asking us to redo what has been a thorough three-year process that we have just been through,
seeking to add these costs to the budget all over again.

But, in addition to these costs, there are significant opportunity costs. The tourism industry, the fishing industry and the diving industry are already gearing up around the plan that is before us, but this bill is designed to create material delay—perhaps, I would argue, even permanent delay—in the implementation of marine parks. Every day that we unnecessarily delay is another day in which our precious and unique marine biodiversity is being pushed closer to the brink. Every day that we unnecessarily delay is another day in which our fisheries are inadequately cared for. Every day that we unnecessarily delay is another day that we do a disservice to the legacy that we want to leave the children of our nation. Those delays could also cost our economy millions and detrimentally affect our environmental assets in ways that we can avoid by acting now and continuing on the good path that we have already established.

By acting now and rejecting this bill, we can also end uncertainty for industry. What the coalition has put before us does not assist industry; it simply puts yet another layer of bureaucracy over the current decision-making process. Throughout our consultation process, the government has had strong communication with stakeholders so that they know where they stand. Under the coalition’s bill, industry and local communities have no idea. They cannot know that the outcome of the processes will be any better for them, nor can they be confident that their voices will be heard in what is a much more closed and exclusive model of consultation.

Overall, I think that it is clear that we cannot afford to support this bill. It is not in the interests of the environment or industry. It is being driven by a small, vocal minority who do not support marine parks or the science behind them. That is not the legacy that I want this place to leave for the next generation. They deserve much better, as do the wonderful and beautiful marine ecosystems of our nation.

Senator WHISH-WILSON (Tasmania) (11:10): I rise to talk on the Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012, which I am very pleased to talk about today. When I was a child, my dream was to become an astronaut, which clearly I have failed on.

Senator Payne: There's still time.

Senator WHISH-WILSON: There is still time. Perhaps my little boy can carry that dream forward. But about 15 years ago I was at Cape Canaveral, at the Kennedy Space Center. While we were observing the space shuttle on the launching pad, I looked over to the ocean—because, of course, the space centre is built on the ocean. What caught my attention at the time was some fantastic surf and the fact that there was nobody on the beach or in the water, which I thought was quite unusual. So I asked the security guard why that was the case, and he said to me, ‘There’s an exclusion zone around the space station—34 miles.’ Converting that, it is around 55 kilometres. In fact, it extended to 64 miles in the period leading up to the launch of the shuttle.

What is really interesting about this is that it is how the benefits of marine protected areas were discovered, totally by accident. I will read a couple of excerpts from the Los Angeles Times about this concept. It was when the fisheries towns that were on the edge of this exclusion zone starting getting better boats, bigger houses and more money that people started to take notice. What was the logic behind this? The Los Angeles Times said:
Since the dawn of the Space Age, fishermen here have grown to accept the 15-square-mile security zone that keeps boats out of the waters surrounding rocket launching pads.

Indeed, clever fishermen long ago learned how to parlay a forbidden zone into a bonanza: If an area is set off-limits, the fishing on the perimeter can be extraordinary.

Scientists more recently discovered the same thing, carefully recording the remarkable abundance of fish in the protected waters surrounding the Kennedy Space Center and the cluster of trophy fish caught just outside the boundary.

This case study of the "spillover effect" has surfaced as a prime argument for establishing similar no-fishing zones off the California coast. State officials are planning a network of no-take zones around the Channel Islands, in addition to last week's emergency closing of—a trawling zone. It is often not understood that the benefits of marine protected areas were discovered by accident, and actually the earliest science was focused on those particular waters around the space centre as to what was causing this abundance of fish.

It makes a lot of sense to think that, if you have a biodiverse area and you leave it alone, you are going to get what we call these spillover effects where we have an increase in fecundity of fish and, of course, larger biomass numbers. Since that time there have been literally thousands of studies of marine protected areas, some of which I will go through in a minute.

The reason I am very pleased to talk in this debate is that I have had some experience with marine protected areas in the past. Four years ago I volunteered for the ACF and the Wilderness Society to brief the South Australian government and opposition on the economics of marine protected areas, which of course is a good tie between the science and the socioeconomic benefits of marine protected areas. At the time, I had to read all the latest research and a number of economic reports, and I discovered when I visited South Australia that there is actually a lot of logic in marine protected areas not just from a conservation point of view but also from a fisheries management point of view.

If you go onto the South Australian government website, in terms of promoting marine parks it says:

Scientific research from around the world is demonstrating that marine parks are a powerful tool to help protect our coastal and marine environments and maintain them in a healthy condition.

The location of and design of marine parks in South Australia will be based on scientifically informed principles and thorough and ongoing scientific studies which began in the 1990's. In fact, research on the Cape Kennedy area dates back to the 1960s. There has been a considerable body of scientific evidence that supports the conservation benefits and underpins the economic benefits of marine protected areas.

We have had a lot of debate in this chamber in recent months about fisheries, the super trawler debate having occupied this place for a number of weeks. I think what we all had agreement on in the end was that a boat like the super trawler needed our spatial fisheries management plan, a plan that will address the risks to certain ecosystems in the ocean and will take into account what scientists call 'biodiverse hotspots'. I asked a good friend of mine—I will not name him in here but he is one of the top fishery scientists in the country working in a very honourable university in Melbourne—how he would construct such a spatial fisheries management plan for the super trawler. He said, 'Peter, there already is a spatial fisheries management plan in place in Australia and it is called marine protected areas.' It is also used to assess total ecosystem effects using the same models that we wanted to see.
applied to the spatial fisheries management plan for the super trawler.

I will read you the logic behind it. This is from a report by Dr Melissa Nursey-Bray from Adelaide University, and I will use this report quite extensively in this talk because what Dr Nursey-Bray has done, very usefully for me, is an aggregate of all the science that has been written on marine protected areas put in a very simple form. I would encourage all the senators in this chamber to read it. She says:

Foley et al. suggest that ecosystem-based marine spatial planning (MSP) is a process that "informs the spatial distribution of activities in the ocean so that existing and emerging uses can be maintained, use conflicts reduced and ecosystem health and services protected and sustained for future generations". They argue the need to move away from MPA design that takes a sector by sector approach, to one such as marine spatial planning that emphasises ecological, economic, governance and social dimensions, thus bringing planning together in an integrated way.

A lot of work has been done, as I mentioned, for up to 30 years in areas such as South Australia, and a number of senators in the chamber today both from across the chamber and from this side of the chamber have talked about the work that has been done in Australian Commonwealth waters. Nobody denies that a lot of science has gone into marine protected areas.

I want to read you my quick version of the report by Dr Nursey-Bray. She has summarised 48 recent scientific reports on the science of marine protected areas, outlining all their recommendations in terms of the positive impact that they have on fisheries and in some cases where the evidence has not shown that. Right across the world, from Arabia, Spain, South Africa, the Philippines, New Zealand, South Australia, Tasmania, Great Britain, the USA—and that includes Florida, California and Maine—Kenya, Fiji, Western Australia and the Bahamas, wherever marine protected areas have been scientifically studied they have been shown to have benefits to fisheries. One specific report actually summarised 89 separate studies dating back to 1992. Funnily enough, that same report was quoted in the Los Angeles Times. It said:

In a survey of 89 scientific papers, UC Santa Barbara researchers found that 90% of marine reserves around the world had more fish, 84% had much larger fish and shellfish and 59% had a far greater variety of marine life than did adjacent waters. So far, the spillover effect hasn't won many converts amongst anglers, who disdain it as "junk science," and fear new limits on where they can fish.

I thought this was a good opportunity to perhaps talk a little bit more about recreational fishing groups, because clearly I have got to know lots of recreational fishers in recent months in my home state of Tasmania and I have come to learn just how important recreational and commercial fishing are to Tasmania. In fact, I would probably even go so far as to say Tasmania should be called a fishing state—and I am getting the thumbs-up there from some of my fellow senators. I do not claim to be an avid fisherman myself. I do fish with my children at Bicheno, where my family go quite often, but I must say I can understand why rec fishers want the utility that they get from fishing protected, with the amount of money and time that they put into this.

In an interesting way, I think the super trawler debate has introduced the idea of marine protected areas inadvertently to the rec fishing groups in Tasmania. To give you an example, TARFish, one of the main rec fishing groups, put out a media release during the super trawler debate saying that they were very concerned that they had heard that the Margiris, the super trawler, was
going to be allowed to fish in a marine protected area off Pedra Branca.

Pedra Branca, off the south-east coast of Tasmania, is one of the best fishing spots in the country for a variety of reasons. In every way it represents an ecological hotspot. It is also very diverse in terms of its other ecosystems. We are looking at a large number of seals and penguins and of course some of the biggest albatross rookeries in the world. It is where a lot of the charter fishing boats go from their port in Hobart to go fishing. TARFish expressed a lot of concern that the trawler would be able to operate in this marine protected area, the key reason being that when they go out into the ocean— and Senator Scullion from across the chamber would be very well aware of this, as an old salt himself—they look for the birds that are looking for the schooling fish, and then when you get the schooling fish you get the large fish that the anglers are targeting. So to them it was a big concern that a boat such as the trawler would be able to operate in a marine protected area. This marine protected area is a multiple-use area; it is not what we would officially call a 'no-take' zone. But at least it is a recognition by rec fishing groups that these areas serve important functions for spatial fisheries management.

My fellow Greens senator Senator Siewert also has experience with rec fishing groups in Western Australia who have come to understand the importance of marine protected areas in terms of the positive benefits they can bring to their local fisheries. When you think about the logic of spillover effects, they do make a lot of sense. Marine protected area design is very complex and requires a lot of science. I see marine protected areas as one tool in the toolbox for managing fisheries, alongside other types of fisheries management, including the quota system we have talked about a lot in the house in recent weeks. So I do not necessarily see them as a silver bullet, but they are absolutely essential not only in underpinning conservation but also in fisheries management.

Looking at the economics of marine protected areas, we tend to get different effects depending on the size of the protected areas, because that of course influences spawning biomass and its ability to spill over into other areas, and also on how depleted the existing fishing area is. But there has been so much work done on it now that I think it is pretty much unanimously accepted that MPAs have a very important role to play in conservation, in preserving fish stocks for the future and also in rebuilding our ecosystems that have been severely depleted.

One very interesting thing in the economic reports I read is that the key reason most economists supported marine protected areas was because of what we call exogenous shocks, which Senator Siewert has touched on. What are exogenous shocks? They are shocks outside the system that influence, in this case, fisheries. They are things such as climate change, changes in water temperatures, viruses and nutrient level changes because of pollution from river systems and land run-off. One thing that MPAs do is serve as an insurance premium against these shocks. The effects of heavily fishing an area that is suffering from a shock have been seen very clearly with abalone right around the country and with rock lobsters in Western Australia and Tasmania. With the best fisheries management in the world, we have seen these stocks go into very severe decline; in fact, they are not currently being fished. The key reason is not that a scientist did not do a good job but that we are coming to grips with these exogenous shocks to our systems which are extremely complex and very difficult to model. At least if we lock up areas that are biologically
diverse and have a very positive impact right across the ecosystem then we can be assured that, like a heart, they will keep pumping and keep our ecosystems alive. That is exactly what a marine protected area is designed to do.

I want to touch on what I think this bill is trying to do and also highlight this in relation to the supertrawler debate. I was criticised in this house and outside the house quite consistently for being 'anti-science' when we talked about the supertrawler. I would like to get on record again that what we wanted to see was more science and more funding for scientists. Never once did we disparage the quality of our scientists. But it is interesting that, when we put our motion to the Senate for a disallowance, the key feedback we received, particularly from the Senate, was that it was anti-science. Trying to disallow the science behind marine protected areas, which is exactly what this bill is designed to do, contradicts what I heard then in the Senate—in fact, it turns it on its head: you do not want to disallow a fishing activity like allowing a supertrawler to come to the country because that is anti-science but you are prepared to disallow 30 to 50 years of scientific work that underpins marine protected areas. That does not make sense to me. If we are talking about respecting scientists, a number of good scientists, particularly those in the Tasmanian scientific community, many of whom supported the supertrawler, have also written scientific papers supporting the positive benefits of marine protected areas. So this is an area where we are going to have to find some common ground in terms of the benefits of science and how we use science in our policy making.

I would like to finish by saying that we do not know exactly what will happen with our ecosystems. Even with the best scientists in the world, we can only do our best with the tools that we have in place. There is something as simple as leaving our ocean ecosystem alone and monitoring it. And of course there is potential for monitoring and adaptive fisheries management with marine protected areas in the future, looking at the data and conserving important marine ecosystems that we need for the health of our oceans. One of the exogenous shocks I did not talk about was ocean acidification, which has been fingered by a number of scientists as being one of the most important risks facing marine ecosystems in the future. We can learn from something as simple as the space station at Cape Kennedy: if you leave an ecosystem alone it can have very positive benefits, but not just for the so-called greenies and conservationists we have heard about in the house today but also for recreational fishing communities and for commercial fishing communities.

I understand that, in areas where marine protected areas directly conflict with commercial fishing interests and rec fishing interests, compensation packages should adequately compensate fishermen. That is something I was working on with the South Australian government, on what levels of compensation should be in place. But I think we all have a responsibility to understand the complexity of the systems we are dealing with here and realise that we do need an insurance premium. Putting in place for the long term a series of marine protected areas will provide an insurance premium to help protect our oceans and also protect the rights and interests of a lot of stakeholders across this country, including rec fishermen.

**Senator BOYCE** (Queensland) (11:28): Poor judgement and poor implementation have been hallmarks of the Rudd-Gillard governments. But if we are looking for fantastically dumb things to do, the legislation that the government has in place on marine parks in the Coral Sea is one of
the most destructive and far-reaching that they have managed to produce. The Coral Sea, which will be locked up by the proposals of Minister Burke—the Minister for Sustainability, Environment, Water, Population and Communities—is a vital and renewable food source.

Minister Burke in the overall proposal is looking to lock Australians—Australian industry, Australian recreationalists—out of 3.1 million square kilometres of Australia’s water. The government is of course not planning to lock us out because fishing is harmful to our marine environment; it is locking us out because of a deal that it has done with the Greens. Why would we be surprised? This government will do anything to stay in power even if that means Australians lose that great Australian tradition of eating wild-caught fish.

If it were fishing that was harming our waters, then fine; something should be done to protect our oceans from fishing. But fishing is not harming our waters, and Minister Burke knows that only too well. He is being incredibly negligent in pushing this proposal—one that has a high probability of damaging food security and industries, and the health ultimately of Australians.

Minister Burke knows that it is introduced organisms and run-off that are harming our waters, not fishing. In this area the reef rescue plan and other groups in Queensland are doing a sterling job in working to protect our waters from run-off. That is why the coalition has put forward this bill through the shadow parliamentary secretary for fisheries, Senator Richard Colbeck, calling on the minister to (1) commission an independent social and economic impact statement before any proclamations are made; (2) obtain independent scientific peer reviewed advice before making any proclamations and for that advice to be publicly available; and (3) to establish independent scientific reference panels and stakeholder advisory groups for each region to ensure rigorous decision making.

The one question that we do not seem to have any sort of answer to from Minister Burke or this government—or indeed from the sponsors of the government's legislation, the Greens—and one they cannot answer and have not answered is: how is it possible for the government to have produced a regulatory impact statement on the marine reserves network that does not include any costings at all and completely lacks assessment or even proper identification of the risks? When the government can answer that question perhaps we might withdraw this legislation, but not until then.

Our bill, whilst it sounds innocuous, the Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012, I believe is one of the most important bills—and I do not think I am exaggerating here—to come before the chamber. It is calling on the government not to rush in and lock our oceans up and deny Australians access to wild-caught seafood without proper analysis. We would not be asking for much at all if this government had the slightest sense of proper implementation and proper analysis. What we are asking for is a proper process, and that should be just a fundamental part of governing. But with this government it is not, and we have had so many examples of that.

Senator Whish-Wilson earlier was talking about the science in New South Wales, the science in South Australia and the science internationally that he believes would support the development of marine park reserves. I would like to point out to Senator Whish-Wilson that the Coral Sea, which is the major part that will be locked up by these
reserves, off Queensland's north coast is not an estuary in South Australia. That is where the research has been done: in South Australian estuaries with water depths of a quarter or less than that of the Coral Sea, which is the area that needs scientific analysis.

This minister needs to explain to the Australian people why he is planning to go ahead with his bill and denying them access to a nutritious food source when he knows full well that Australia is already a leader in ocean management. University of Canberra's emeritus professor of fisheries Bob Carney's assessment of the government's regulatory impact statement into extending the marine reserve network found bias and imbalance riddled throughout the statement. The bias starts right in the opening statement of the government's impact statement when they say:

Australia's oceans, like those around the world, are subject to many pressures arising from direct exploitation as well as the indirect impacts of expanding human activities across the planet.

That assertion is just wrong. Yes, Australia's oceans are under pressure from indirect impacts of expanding activities across the planet but they are not under pressure from direct exploitation. That is because of the very proud history that Australia has in oceans management. Australia's oceans are unlike other countries in that they are not under many pressures arising from direct exploitation because direct exploitation is very well managed in Australia. That is as a result of legislation introduced by ministers such as Senator Robert Hill and Senator Ian Macdonald under the Howard-Costello government.

Most of the major pressures on Australia's oceans come from indirect impacts and those are predominantly the impacts of activities on land. For Senator Whish-Wilson to suggest that it is the coalition turning common sense on its head is absolutely laughable. It is the Greens and Labor that are turning common sense on its head. Where there is science that supports the use of any type of direct exploitation of the ocean floor as there was with the supertrawler, which would have operated within quotas and in a very strict system, we will support that. When there is no direct science, as is the case with the government's proposed marine park reserves, we will oppose it. We will put in place legislation that gives us a better outcome—an outcome that would actually look at the areas that would go into this marine park.

The health of our oceans is borne out by Australia's rankings in the world. We rank fourth in the world on the UN Code of Conduct for Responsible Fisheries. The Australian Fisheries Management Authority, which I am pleased to say is an independent authority, although it appears to upset this government when it behaves like an independent authority, has demonstrated that Australian fishers have been consistently ranked amongst the world's best for resource management by—and I would like to emphasise—international experts writing in peer reviewed journals. I know using the term 'peer reviewed journals' is somewhat of an anathema to this government and to the Greens. Any sort of research that supports their idea is good enough. It does not matter that no other expert in the field agrees with them or that their research was done in conditions that are completely different from those areas that the government is seeking to lock up. They will just accept whatever they want.

Let us look at the research by experts in the peer reviewed journals. They say that Australia is one of the world's best managers of its fishery and ocean resources. There is absolutely no evidence that fishing is
harming our Australian oceans—none whatsoever. Even the green groups admit that fishing is not harming our oceans. I am somewhat bemused by Senator Whish-Wilson's comments, which were strictly around Tasmania, suggesting that marine park reserves will help commercial and recreational fishermen. I am not quite sure what 'help' stopping their activities will be for them. I have no idea how that will be helpful to them. The only appropriate approach that the government should have taken was to identify real ecological threats, and that is what the coalition is proposing in this bill.

The declaration of bioregional plans and marine protected areas has significant environmental and socioeconomic consequences, and so it must be properly assessed. In Townsville, for example, an assessment done by an independent accountancy firm suggests that the cost to Townsville and the surrounding area of this lock-out will be in the region of $1 billion. That is not covered at all in the government's regulatory impact statement on their legislation. So let us look at the real cost of what the government is planning and ask what the benefits are. The answer is that there are no known benefits to be achieved whatsoever by the government's legislation.

The Greens will not support the coalition's bill because of their misplaced priorities, in my view. They can be depended on not to look past their myopia and see that the government's proposal will actually harm our oceans. Their ideology comes at a high price when they refuse to even consider the harm that Minister Burke's proposal will do to the environment. If the government proposal goes ahead, it will have a disastrous impact on our fishing industry and related industries. I was told a story in North Queensland recently that even services such as supermarkets and doctors left town after the Bligh government's buyback of commercial contracts. This was because the chandlers and other providers such as the bait and tackle shops et cetera that relied on the commercial and recreational fishing failed and then so too did the service industries that supported them.

Let us look at the disastrous impact that the government's legislation would have were it allowed to go ahead without proper analysis and without proper cost and benefit assessment. Imagine what it will do to our tourism industry—and I am not talking about the minor issue of Tasmanian charter boats; I am talking about the multibillion dollar industries of deep sea fishing and tourism out of Cairns and North Queensland generally. Minister Burke likes to suggest that there will be no effect on recreational fishermen because these marine parks start so far offshore that recreational fishermen will never go there. Well, sorry, there will be an effect. The problem, of course, is that if commercial fishermen are restricted closer to the coast, they will become direct competitors with the recreational fishermen.

The hospitality industry, as part of the tourism industry, will also be seriously affected by the government's legislation. When eating at seafood restaurants in Brisbane—some of which include restaurants such as Gambaro's, which is associated with the current member for Brisbane, Teresa Gambaro—I know that I am going to get Australian wild-caught seafood when I order it from the menu. There are a number of other organisations such as Samies Girl that also provide Australian seafood—but they provide it at a premium. Seafood imported from primarily Asian countries does not have our environmental standards or our standards of workplace health and safety, so you have them fishing out areas, you have waters that are by no means as clean as the waters in...
which we catch our Australian fish. It is going to become almost impossible to find freshly caught Australian seafood if the government's plan goes ahead. Demand will be so high and supply so low that most Australians will not be able to afford to eat Australian seafood at all.

We already have well over 80 per cent of seafood imported into Australia. Do we want that to go to almost 100 per cent? Australian families simply will not be able to buy Australian seafood. What the government is doing is outsourcing Australia's fishing industry offshore to countries whose fishing practices are not as sustainable as ours and it is shipping jobs offshore as well. I very much hope that the Australian public will maintain their rage, as they have on the government's proposal to extend marine reserves from 27 to 60. They need to think about how it will affect them. It sounds impressive to say we will have all these marine reserves, but it is not so great when you think about how those marine reserves are going to affect the diet, the lifestyle and the livelihood of Australians.

The impact in Queensland will be huge. In Queensland alone, Minister Burke is proposing to lock up more than the equivalent of half the state—989,842 square kilometres of our ocean will be locked up. The international benchmark for marine reserves is 10 per cent. Good old Queensland will end up with 80 per cent of our coastal waters locked away. We have a comparative economic advantage as well as a comparative environmental advantage with our fishing zones and the government wants to just rip that comparative advantage away. We have the third largest fishing zone in the world and yet, in terms of our take from that fishing zone, we come in 61st. So to suggest that we are overfishing our fishing zones is incredible in my view. Where will we end up ranking if these marine reserves go ahead? We will fall even further than 61st in terms of our take from our massive and well-managed oceans.

There is also the risk of unregulated illegal foreign fishing activities replacing the legal and well-regulated domestic fishing activities. Who will police Australian waters when Australian fishers in the main are banned from fishing in our waters? Think about that, Mr Deputy President—989,000 square kilometres. We do not have the resources to use Customs or border protection or anybody else to keep an eye on an area of that size. The people who jealously guard it for us are Australian fishers who work to Australian standards, use Australian environmental controls, work on low energy efficiency and design their products so that they do not damage the ocean floors. These are the people who are also policing our fisheries right now and ensuring that other countries do not fish in our waters. When they are not there, who will save us?

It is ironic that the government is prepared to risk Australia's food security, the health of Australian people, our iconic lifestyle and our oceans and is prepared to send our fishing industry offshore so it can stay in power. Where is the logic in this? Where is the rigorous assessment one would hope a government like this might manage to produce once in a while?

Senator Thorp, you have a couple of minutes before the debate expiry, and then you will be in continuation.

Senator THORP (Tasmania) (11:48): I rise to speak against this Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012. In this country we have a huge network of national parks that protect our most pristine natural landscapes
for generations to come. Our oceans contain fragile marine life and that deserves protection too. The government is working hard to protect and sustainably manage our marine environment.

The year 2012 will go down as a landmark year for marine conservation in Australia. This year the government is finalising the largest ever addition to our national network of marine reserves, the largest marine reserve network in the world. The government's decision is the outcome of a transparent, science driven process undertaken over several years. We have engaged in meaningful consultation with stakeholders and conducted a comprehensive socioeconomic impact evaluation of the marine reserves proposal. This bill is an attempt by those opposite to grandstand and criticise improved marine planning.

Stakeholder views were considered and comprehensively addressed in the Senate inquiry held last year into the bill. The statements made in the recent media by those opposite about marine reserves and planning are incorrect and grossly exaggerate the actual impacts on commercial and recreational fishers. The claim that the government is locking out commercial and recreational fishers is false. As I have said, the government's decision is the outcome of a transparent process in which science, socioeconomic analysis and stakeholder and public consultation all play key roles in achieving a balanced outcome. Analysis undertaken by the Australian Bureau of Agricultural and Resource Economics and Sciences estimates that around one per cent of the national annual value of wild catch fisheries production in Australia will be displaced by the proposed reserves.

The DEPUTY PRESIDENT: Order! The time allotted for this debate has expired.

Debate interrupted.
Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE REPORT NO. 13 OF 2012

1. The committee met in private session on Wednesday, 10 October 2012 at 7.17 pm.

2. The committee resolved to recommend—that—

(a) the provisions of the Crimes Legislation Amendment (Serious Drugs, Identity Crime and Other Measures) Bill 2012 be referred immediately to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 19 November 2012 (see appendix 1 for a statement of reasons for referral);

(b) the provisions of the Freedom of Information Amendment (Parliamentary Budget Office) Bill 2012 be referred immediately to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 19 November 2012 (see appendix 2 for a statement of reasons for referral);

(c) the order of the Senate of 20 September 2012 adopting the committee’s 12th report of 2012 be varied to provide that the provisions of the Higher Education Support Amendment (Streamlining and Other Measures) Bill 2012 be referred immediately to the Education, Employment and Workplace Relations Legislation Committee for inquiry and report by 19 November 2012 (see appendix 3 for a statement of reasons for referral);

(d) the Migration and Security Legislation Amendment (Review of Security Assessments) Bill 2012 be referred immediately to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by the first sitting day in February 2013 (see appendix 4 for a statement of reasons for referral);

(e) the Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012 be referred immediately to the Economics Legislation Committee for inquiry and report by 29 November 2012 (see appendix 5 for a statement of reasons for referral);

(f) the provisions of the Regulatory Powers (Standard Provisions) Bill 2012 be referred immediately to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 29 November 2012 (see appendix 6 for a statement of reasons for referral); and

(g) the provisions of the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012 be referred immediately to the Environment and Communications Legislation Committee for inquiry and report by 19 November 2012 (see appendix 7 and appendix 8 for statements of reasons for referral).

3. The committee resolved to recommend—that the following bills not be referred to committees:

- Environment Protection and Biodiversity Conservation Amendment (Making Marine Parks Accountable) Bill 2012
- Federal Circuit Court of Australia Legislation Amendment Bill 2012
- Health and Other Legislation Amendment Bill 2012
- Migration Amendment (Reform of Employer Sanctions) Bill 2012
- National Health Security Amendment Bill 2012
- Protecting Children from Junk Food Advertising (Broadcasting and Telecommunications Amendment) Bill 2011
- Social and Community Services Pay Equity Special Account Bill 2012
- Social and Community Services Pay Equity Special Account (Consequential Amendments) Bill 2012
- Superannuation Auditor Registration Imposition Bill 2012.

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

- Broadcasting Services Amendment (Public Interest Test) Bill 2012
- Special Broadcasting Service Amendment (Natural Program Breaks and Disruptive Advertising) Bill 2012
• Tax Laws Amendment (Clean Building Managed Investment Trust) Bill 2012.

Ordered that the report be adopted.

BUSINESS

Rearrangement

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (11:52): I move:

That:

(a) government business orders of the day nos 3 to 5 be considered from 12.45 pm today under the temporary order relating to non-controversial government business; and

(b) government business orders of the day nos 1 and 2 be called on after the bills listed in paragraph (a) and considered till not later than 2 pm.

Question agreed to.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (11:52): I move:

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

(a) general business order of the day no. 87 (Live Animal Export (Slaughter) Prohibition Bill 2012); and

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

Question agreed to.

Leave of Absence

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (11:52): I move:

That leave of absence be granted for Senator Joyce for 11 October 2012 for personal reasons.

Question agreed to.

COMMITTEES

Environment and Communications Legislation Committee

Meeting

Senator McEWEN (South Australia—Government Whip in the Senate) (11:53): by leave—On behalf of the chairs of the Environment and Communications Legislation Committee and the Environment and Communications References Committee I move:

That the Environment and Communications Legislation Committee and the Environment and Communications References Committee be authorised to hold private meetings otherwise than in accordance with standing order 33(1) during the sitting of the Senate today from 1 pm.

Question agreed to.

NOTICES

Postponement

The following items of business were postponed:

General business notice of motion no. 980 standing in the name of the Leader of the Australian Greens (Senator Milne) for today, relating to elections in Cambodia, postponed till 29 October 2012.

COMMITTEES

Environment and Communications References Committee

Reference

Senator WHISH-WILSON (Tasmania) (11:54): I, and also on behalf of Senator Xenophon, move:

That the following matter be referred to the Environment and Communications References Committee for inquiry and report by 22 November 2012:

The pricing and revenue allocation practices of the beverage industry in the container deposit
schemes operating in South Australia and the Northern Territory, including:
(a) management of the operation of container deposit schemes in South Australia and the Northern Territory;
(b) the cost structure of the beverage industry's involvement in these container deposit schemes;
(c) the use of unredeemed deposits and unused handling and transport fees;
(d) alternative scheme structures which ensure beverage producers cannot pass on unreasonable costs from these recycling schemes if such schemes are implemented in additional states or nationally;
(e) structures to ensure schemes managed under the Product Stewardship Act 2011 do not result in producers passing on unreasonable costs; and
(f) any other related matters.

Question agreed to.

**Environment and Communications Legislation Committee Reference**

**Senator MADIGAN (Victoria) (11:55):** I, and also on behalf of Senator Xenophon, move:

That the Renewable Energy (Electricity) Amendment (Excessive Noise from Wind Farms) Bill 2012 be referred to the Environment and Communications Legislation Committee for inquiry and report by 29 November 2012.

**Senator MILNE (Tasmania—Leader of the Australian Greens) (11:51):** I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

**Senator XENOPHON (South Australia) (11:51):** I seek leave to make short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

**Senator XENOPHON:** I just want to put on the record that I do not oppose wind energy per se; I do have some concerns in relation to their location and the possible health effects. This committee process will, I hope, explore that in a forensic and balanced way that will allow both sides of view to be articulated in the committee process. I want to assure Senator Milne that I support renewable energy—I am a particularly strong proponent of geothermal energy—but I think there are some issues arising out of the location of wind farms in some locations that can have an impact.

Question agreed to.

**MOTIONS**

**Diplomatic Relations with Thailand**

**Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (11:57):** I seek leave to amend general business notice of motion No. 974 standing in my name for today relating to diplomatic relations with Thailand before asking that it be taken as formal.

Leave granted.

**Senator KROGER:** I amend the motion, omitting the figure '400,000' in paragraph (e) and substituting the figure '800,000', and seek leave to make a short statement before I
ask that the amended motion be taken as a formal motion.

The DEPUTY PRESIDENT: Leave is granted for one minute, Senator Kroger.

Senator KROGER: Thanks, Mr Deputy President. This amendment reflects a phone call that I received only last night from the office of the foreign affairs minister, Senator Bob Carr, and the office indicated that they would support this motion if I changed the figure. The figure of 400,000 was actually ascertained from the DFAT site. When we went to have a look at the actual figure yet again yesterday, we saw that the figure had actually been taken down and when we tried to ascertain the accuracy of the figure they gave us, which was 800,000, we could not do that directly from the DFAT website because there was no figure on it and we could not do it from the minister's website because there was no indication of the figure, as with the smartraveller website. The only document that indicated that there was a figure close to 800,000 was in a speech that the Governor-General made, which I think reflects on the accuracy of the department and the foreign minister himself. I move the motion, as amended:

That the Senate—
(a) notes that 2012 is the 60th anniversary of established diplomatic relations between Thailand and Australia;
(b) acknowledges the close and wide-ranging relationship between Thailand and Australia, which has developed over the past 6 decades;
(c) notes Thailand's contribution to global peacekeeping efforts, particularly during the International Force for East Timor operations in East Timor, where the Royal Thai Armed Forces provided the second largest number of troops after Australia;
(d) recognises the importance of the relationship in forums such as the Cairns Group;
(e) acknowledges that over 800,000 Australians travel to Thailand each year; and
(f) supports efforts to maximise relations and connections between the two nations, particularly through the creation of cultural study centres at key universities.

Question agreed to.

COMMITTEES
Rural and Regional Affairs and Transport References Committee
Meeting

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (12:00): At the request of the Chair of the Rural and Regional Affairs and Transport References Committee, I move:

That the Rural and Regional Affairs and Transport References Committee be authorised to hold a public meeting during the sitting of the Senate on Thursday, 11 October 2012, from 4 pm, to take evidence for the committee's inquiry into the Foreign Investment Review Board national interest test.

Question agreed to.

MOTIONS
Service of Overseas Peacekeepers

Senator WRIGHT (South Australia) (12:00): I seek leave to amend general business notice of motion No 978 relating to the service of overseas peacekeepers.

Leave granted.

Senator WRIGHT: I move the motion as amended in the terms circulated in the chamber:

That the Senate—
(a) notes that:
   (i) approximately 70,000 Australian Defence Force and Australian Federal Police personnel have been deployed on over 60 peacekeeping operations throughout the world,
   (ii) 48 Australians have died on peacekeeping missions overseas, and
   (iii) Australian peacekeepers have made a significant contribution to international peace and security; and

CHAMBER
(b) calls on the Government to ask the Council of the Australian War Memorial, in recognition of the important service and sacrifice of the 48 Australian peacekeepers who have given their lives in the service of their country, to consider including peacekeepers on the Roll of Honour at the Australian War Memorial.

Question agreed to.

World Sight Day

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:01): I, and also on behalf of Senator Di Natale, move:

That the Senate—

(a) notes that:

(i) Thursday, 11 October is World Sight Day,

(ii) over half a million Australians aged over 40 are living with some form of vision loss and approximately 75 per cent of blindness and vision loss is preventable or treatable, and

(iii) World Sight Day is an important date to encourage Australians to think about eye health and the focus of World Sight Day in 2012 is on prevention; and

(b) calls on the Government to encourage Australians to get regular eye tests to enable early detection and diagnosis.

Question agreed to.

BUSINESS

Consideration of Legislation

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (12:02): I move:

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

Australian Charities and Not-for-profits Commission Bill 2012

Australian Charities and Not-for-profits Commission (Consequential and Transitional) Bill 2012.
PAIRS
Singh, LM                        Humphries, G
Wong, P                          Johnston, D

Question agreed to.

Parramatta Female Factory Precinct

Senator RHIANNON (New South Wales) (12:09): I seek leave to amend general business notice of motion No. 969, standing in my name for today, relating to the Parramatta Female Factory Precinct before asking that it be taken as a formal motion.

Leave granted.

Senator RHIANNON: Thank you. I move the motion as amended:
That the Senate—
(a) notes that:
(i) the Parramatta Female Factory Precinct Association and the Parramatta Female Factory Friends/Action Group are campaigning to include Australia's oldest existing female convict establishment on the National Heritage List,
(ii) in August 2012, the New South Wales Government announced the development of a master plan for the Parramatta Heritage Precinct and proposed a public/private enterprise to enable the 'adaptive reuse' of the heritage sites for commercial and residential purposes, posing a threat to its heritage values,
(iii) the Community Affairs References Committee report Forgotten Australians (2004) calls for the Commonwealth and State Governments, in conjunction with the Churches and agencies, to provide funding for the erection of suitable memorials commemorating care leavers; and
(iv) the House of Representatives Standing Committee on Legal and Constitutional Affairs report Half Way to Equal (1992) recommends the establishment of a 'National Women's Place', recognising women's history and contribution; and
(b) calls on the Government to consider:
(i) including the National Heritage List nomination relating to the Parramatta Female Factory Precinct in the 2013-14 final Priority Assessment List,
(ii) supporting the establishment of a statutory authority with the expertise to conserve and interpret the Parramatta Female Factory Precinct for all Australians, in accordance with the Burra Charter guidelines, and
(iii) contributing funding to act on the recommendations of the Forgotten Australians report, including to create a memorial garden, plaque and a heritage centre at the Precinct using the buildings and grounds of the former Parramatta Girls Home, which forms part of the Precinct.

Question agreed to.

Marriage Equality Legislation

Senator HANSON-YOUNG (South Australia) (12:10): I move:

That the Senate calls on the Gillard Government to rule out a Commonwealth challenge of any state-based marriage equality legislation that is passed into law by any state parliament in Australia.

The DEPUTY PRESIDENT: The question is that notice of motion No. 970, moved by Senator Hanson-Young, be agreed to.

The Senate divided. [12:11]
(The Deputy President—Senator Parry)

Ayes .......................... 10
Noes .......................... 38
Majority..................... 28

AYES
Di Natale, R
Ludlam, S
Rhiannon, L
Waters, LJ
Wright, PL

NOES
Bernardi, C
Birmingham, SJ
Boswell, RLD
Cash, MC
Collins, JMA

Bilyk, CL
Bishop, TM
Bushby, DC
Colbeck, R
Edwards, S

CHAMBER
Question negatived.

DOCUMENTS

Data Retention Advice
Order for the Production of Documents

Senator LUDLAM (Western Australia) (12:14): I move:

That there be laid on the table by the Minister representing the Attorney-General, no later than noon on Monday, 29 October 2012, advice provided to the Attorney-General by the Attorney-General's Department or other government departments on data retention, including, but not limited to:

(a) legal advice regarding data retention in Australia;
(b) legal advice regarding data retention regimes in other jurisdictions;
(c) technical and political advice arising from meetings with experts and industry representatives;
(d) costings and methodology for reaching estimates of costings;
(e) internal departmental correspondence; and
(f) interdepartmental communications – emails and documents pertaining to data retention.

The DEPUTY PRESIDENT (12:14): The question is that the motion be agreed to.

The Senate divided. [12:15]

(The Deputy President—Senator Parry)
(c) interdepartmental communications – emails and documents pertaining to the meetings; and
(d) minutes and reports of these meetings.
I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator LUDLAM: Just so that senators are aware of what the Senate is proposing to block—I understand I do not have government or coalition support for this motion either—this is about a set of documents relating to meetings that the Attorney-General’s Department has been having for at least two years with the technology sector, with internet service providers and telephone companies and so on, about a mandatory data retention regime for all Australians. It would subject every Australian citizen, from top to bottom, to a mild but pervasive form of intrusive and real-time blanket surveillance of the entire population.

This motion seeks to have the Attorney-General table some documents on how many meetings have been held, who the attendees have been and departmental briefing notes and the usual accompanying documentation. These meetings are completely opaque. The government has now moved this invasive and I think quite dangerous proposal to the Parliamentary Joint Committee on Intelligence and Security, and the Senate deserves some answers, as does the Australian population. It is a travesty that the coalition are supporting the government in keeping this material out of the public domain.

Question negatived.

Public Interest Disclosure Bill
Order for the Production of Documents

Senator MILNE (Tasmania—Leader of the Australian Greens) (12:22): I move:

That there be laid on the table by the Minister representing the Special Minister of State and the Minister representing the Minister for the Public Service and Integrity, by 1 November 2012:
(a) all draft copies of the Government’s Public Interest Disclosure Bill; and
(b) correspondence from all government departments and agencies that support or raise concerns about the abovementioned draft bills.

The DEPUTY PRESIDENT: The question is that notice of motion No. 979 moved by Senator Milne be agreed to.

The Senate divided. [12:24]
Ayes ......................... 10
Noes ......................... 31
Majority .................... 21

AYES
Di Natale, R ................ Hanson-Young, SC
Ludlam, S .................. Madigan, JJ
Milne, C .................... Rhiannon, L
Siewert, R (teller) ......... Waters, LJ
Whish-Wilson, PS ........ Wright, PL

NOES
Bernardi, C ................. Bishop, TM
Boyce, SK .................. Bushby, DC
Cameron, DN ............. Cash, MC
Colbeck, R ................. Collins, JMA
Eggleston, A ............ Farrell, D
Feeney, D .................. Furner, ML
Gallacher, AM .......... Heffernan, W
Kroger, H (teller) ....... Ludwig, JW
Lundy, KA ................ Mcdonald, ID
Mason, B .................. McEwen, A
McLucas, J ............... Moore, CM
Parry, S ................... Pratt, LC
Russon, A ................. Smith, D
Stephens, U ............. Sterle, G
Thistlethwaite, M ...... Thorp, LE

Senator HEFFERNAN: I will only take a minute because I intend to speak later in the day on the report. Due to an administrative oversight and probably an excessive workload by a very good and professional committee, this was omitted from the printed report. It is an addendum regarding the 2,750 gigs of water that was modelled for the Murray-Darling Basin Plan. According to ABARE’s chief modeller, the differentiation of the categories of water was not fully explained to the committee. This sets that out in plain language. What it says, and what I was saying at the time, is that, if you bought 2,750 gigs of high-security water or medium-security water or terminal water or supplementary water, there would be a hell of a difference in the impact of what you would get with that water. This addendum explains that.

Debate adjourned.

Senator McEWEN (South Australia—Government Whip in the Senate) (12:28): I present additional information received by committees relating to the following estimates:

Economics Legislation Committee
Environment and Communications Legislation Committee
Foreign Affairs, Defence and Trade Legislation Committee

Senator McEWEN (South Australia—Government Whip in the Senate) (12:28): On behalf of the chair of the Publications Committee, I present the 20th report of the Publications Committee.

Ordered that the report be adopted.
BILLS

Federal Circuit Court of Australia Legislation Amendment Bill 2012
Higher Education Support Amendment (Maximum Payment Amounts and Other Measures) Bill 2012
Higher Education Support Amendment (Streamlining and Other Measures) Bill 2012
National Health Security Amendment Bill 2012

First Reading

The DEPUTY PRESIDENT (12:29): The President has received messages from the House of Representatives forwarding the following bills for concurrence:

Federal Circuit Court of Australia Legislation Amendment Bill 2012;
Higher Education Support Amendment (Maximum Payment Amounts and Other Measures) Bill 2012;
Higher Education Support Amendment (Streamlining and Other Measures) Bill 2012; and
National Health Security Amendment Bill 2012.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (12:29): These bills are being introduced together. After debate on the motion for the second reading has been adjourned, I shall move a motion to have the bills listed separately on the Notice Paper. 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.
complexity in the cases coming before it. In 2010 itself, the Court finalised over 83,000 cases across matters as diverse as family law, migration, bankruptcy and consumer protection law.

From its early days, the Court actively pursued ways to provide court services to communities that experienced difficulties in accessing justice—whether that be due to low socio-economic conditions, remoteness, or lack of other services and facilities.

Since then, the Court has remained committed to improving access to court services for people living outside the larger metropolitan areas.

During the last financial year, the Court circuited to 33 rural and regional locations and spent the equivalent of approximately 145 weeks (in judicial hours) hearing matters in these areas.

The Gillard Labor government is determined to ensure that the federal court system delivers accessible, equitable and understandable justice.

In this regard, the Court continues to meet a clear need in the community for people to be able to access a court service near to where they live and work—in places like Broken Hill and Bundaberg, Mount Gambier and Burnie—not just Sydney and Melbourne.

As the only federal court with a program of regular court circuits, the Federal Circuit Court of Australia is a name particularly well-suited to highlight this important aspect of the Court’s role.

Federal Magistrates are also clearly not ‘Magistrates’ in the traditional sense of the word. They are Chapter III judicial officers, and their nomenclature is important to ensure the community understands and respects their role in the judicial system.

The new titles of Chief Judge and Judge better reflect Chapter III status and the increasingly complex and difficult work being undertaken by the Court.

Wider court reform package

This retitling of the Court forms one part of this government’s wider federal courts reform package.

The Gillard government recently announced that it is putting the courts back on a firmer financial footing, by directing an additional $38 million over four years to the Federal, Family, and soon-to-be Federal Circuit courts. This injection of new funds, derived from a change to fee structures, will ensure our courts can continue to deliver key services, including regional circuit work, which are vital for disadvantaged litigants and small businesses.

These fee changes also provide clear price signals to court users that courts should not always be their first port of call—increases were weighted to major corporations, while reinstating exemptions and waivers for disadvantaged litigants.

The government has made it clear that our courts should cater to the small, one-off litigant as much as the major corporate player who uses the court as a regular part of business. In recognition that litigation can be costly and damaging for small businesses, businesses of under 20 employees will be treated as individuals, rather than corporations.

As the Commonwealth is one of the most frequent court users, government agencies will now also pay the corporations rate—the Commonwealth should be leading the way on these changes, so agencies will be encouraged to see if quicker and less formal methods of dispute resolution can be used.

Other important aspects of this package of reforms include:

- implementing a transparent complaints process against judicial officers – the legislative framework for which was passed by the House earlier this sitting period;
- expanding the diversity judicial appointments, to better reflect the Australian community; and
- establishing the Military Court of Australia, so that independent justice is available to Australian Defence Force members.

Other features of the bill

To return to the bill in question—in addition to renaming the Court and providing for the new titles of Chief Judge and Judge, this bill will:

- maintain entitlements currently applying to Federal Magistrates
provide for styling of Federal Magistrates under their new title
change statutory position titles, such as the Chief Executive Officer, consequential to the new name of the Court, and
provide for transitional and savings arrangements to ensure continuity of the Federal Magistrates Court and arrangements under which it operates.

This bill does not alter the remuneration or entitlements available to the Court’s judicial officers. Salaries and allowances for judicial officers across all federal courts are determined by the independent Remuneration Tribunal, and are subject to annual review. In making this name and title change, it is not the government’s intent that the usual range of factors considered by the Tribunal in making its determinations would be expanded. The newly titled Judges will also remain on the current generous superannuation arrangements. The employer superannuation contribution increased from 13.1 per cent to 15.4 per cent in July last year.

While a name change might appear straightforward to implement, the Commonwealth statute book reflects the expanded jurisdiction of the Federal Magistrates Court and contains extensive references to the Court and to Federal Magistrates.

Consequential amendments affecting these other pieces of Commonwealth legislation will be included in a separate bill to be introduced into the parliament at a later time.

It is then planned for commencement of the two bills to occur concurrently to ensure the changes are implemented consistently and effectively across all relevant legislation.

**Consultation**

The government has consulted with the federal courts and key legal organisations in selecting the new name for the Court and titles for Federal Magistrates, and is grateful for the input provided by stakeholders, particularly views and suggestions contributed by Chief Federal Magistrate John Pascoe AO CVO, on behalf of his Court.

**Conclusion**

Australia is well-served by a Court that continues to provide affordable, accessible and streamlined pathways for people to resolve their disputes.

The unique character and broad reach of the Court means it plays a vital part in the federal justice system, and is integral to assisting people in regional communities to access federal court services.

Through this bill the new name for the Court and titles for its judicial officers will serve to recognise and better reflect the Court’s role in the Australian judicial system.

It also acts as a concrete demonstration of the government’s renewed constructive relationship with the Court, which can only benefit the Australian community.

**Higher Education Support Amendment (Maximum Payment Amounts and Other Measurers) Bill 2012**

The Higher Education Support Amendment (Maximum Payment Amounts and Other Measurers) Bill 2012 amends the Higher Education Support Act 2003 (HESA) to update the maximum payment amounts for Other Grants and Commonwealth scholarships and to authorise wider use and disclosure of personal information collected for the purposes of the act.

The maximum amounts for Other Grants under section 41-45, and Commonwealth scholarships under section 46-40 of the act are being updated to provide for indexation and other variations to funding amounts and to include the next funding year.

The bill will allow the minister to determine, by legislative instrument, the maximum payment amounts for Other Grants and Commonwealth Scholarships from 2013 onwards.

There have been annual administrative amendments to the act since its enactment in 2003 to provide for indexation. The continual cycle of amendments is not the most efficient method of updating these appropriation amounts. Allowing the maximum payment amounts to be determined by legislative instrument will avoid the need for recurrent amendments to the act.
The bill would also allow my department to disclose personal information required for a range of regulatory, quality assurance and planning purposes to a limited number of bodies only.

Currently, the Higher Education Support Act (HESA) does not allow the disclosure of personal information outside of my department. Information that can be used to identify individuals is considered to be personal information as defined by the Privacy Act. However, the government’s higher education reforms have highlighted the legitimate demand from a number of bodies for unit record level data relating to university staff and students.

The government established the Tertiary Education and Quality Standards Authority (TEQSA) to provide assurance about the quality of the higher education system. TEQSA has written to my department requesting access to unit record data to assist it in undertaking risk assessments of higher education providers. This bill will enable TEQSA to fulfil its regulatory functions in 2012 without the need for a separate data collection.

The Australian Skills Quality Authority (ASQA) requires access to unit record data to assess vocational education and training providers whose students are eligible for VET FEE-HELP loans.

Higher education and vocational education and training providers, their representative peak bodies, Tertiary Admission Centres and state and territory governments require access to detailed information for the purposes of planning and quality assurance. The amendments aim to reduce the regulatory burden on providers who would otherwise have to supply the information to the department and national regulators.

In addition, my department proposes to conduct surveys for the purposes of measuring the quality of teaching and learning. This will require my department to give a third party services provider access to personal information to construct accurate and robust sample frames for surveys of staff, student and former students funded by the Australian government.

This approach has been endorsed by the Advancing Quality in Higher Education (AQHE) Reference Group in their report released in June 2012, and follows extensive consultation with the sector. Universities Australia has also advocated this approach to reduce the reporting burden on universities.

The bill includes strong provisions to ensure the personal information of staff and students is not misused or released publicly.

First, personal information will only be disclosed to organisations that have a legitimate need for access.

Second, recipients may only use the personal information for the purposes I have outlined, and they will not be permitted to ‘on disclose’ the information.

Third, recipients of personal information will remain bound by the Information Privacy Principles in the Privacy Act, HESA and by the Higher Education Data Protocols administered by my department.

All higher education and vocational education and training providers will need to ensure their privacy agreements are up to date so that students and staff are informed about potential uses and disclosure of their personal information.

In addition, the bill will include a provision that personal information obtained from a higher education or vocational education and training provider can only be disclosed to other providers and bodies with the consent of that provider. This provision will not apply to TEQSA, ASQA or state and territory governments since they require access to personal information to fulfil their regulatory or legislative functions.

Recipients of personal information will be working to enhance the standard of teaching and learning provided at all higher education providers.

This is part of the government’s commitment to maintaining the quality of our tertiary education system, while at the same time making the benefits of education and training available to an unprecedented number of Australians.

**Australian Research Council**

The bill also amends the Australian Research Council Act 2001 in order to provide administered funding to allow the ARC continue
to support the highest-quality fundamental and applied research and research training through competitive selection processes across all disciplines, with the exception of clinical medicine and dentistry.

The appropriation bill supports the ongoing operations of the ARC to fund the high-quality research we need to address the great challenges of our time, to improve the quality of people’s lives, to support the development of new industries and to remain competitive in the global knowledge economy.

The ARC is the major source of funding for the innovative, investigator-driven research that has underpinned inventions ranging from the Synchrotron, and is supporting research into tomorrow’s breakthrough technologies such as the bionic eye.

ARC funded research has and continues to play an important role in improving the lives of Australians and addressing the big issues of our time. This includes, for example, our need to transform our manufacturing industries to create greener, healthier and more resilient processes and products. The government is proud that stronger steel and cleaner, safer cars could soon be manufactured in Australia thanks to research made possible with funding from the ARC.

On-going funding for the ARC is essential to the vitality of the Australian higher education system and our commitment to strengthen Australia’s research workforce. Excellent researchers across all areas of the university system must be able to compete for funding if we are to keep world-class academics in Australia, working in our universities and teaching the next generation.

It is important to note the key role the ARC has been and is playing in attracting more Indigenous Australians to academia and keeping more women in research careers. This includes through the Discovery Indigenous scheme, the addition of two new Australian Laureate Fellowships specifically for women and the introduction of Research Opportunity and Performance Evidence (ROPE) to enable assessors to take into account any career interruptions, including those for childbirth and caring responsibilities.

Through these initiatives and through the whole NCGP, the ARC is helping us to reduce research career barriers and ensure the nation reaps the benefit of all of its research talent.

The ARC is not only supporting quality research and research careers, it is helping the government measure our research investment and assure taxpayers that their money is being invested wisely.

I commend this bill to the Senate.

**HIGHER EDUCATION SUPPORT AMENDMENT (STREAMLINING AND OTHER MEASURES) BILL 2012**

The bill will introduce a number of measures to strengthen and streamline the Higher Education Support Act 2003 (the Act), resulting in more effective and efficient administration of the Australian government's Higher Education Loan Program or 'HELP' schemes, namely FEE-HELP and VET FEE-HELP. The bill will enable the government to act on recommendations made in the Post Implementation Review of the VET FEE-HELP Assistance Scheme Final Report 2011 and its commitments made under the April 2012 COAG National Partnership Agreement on Skills Reform. It will position the government to deliver timely improvements to the HELP schemes, creating a more accessible, transparent, responsive and robust tertiary sector.

The amendments will also improve the tertiary sector's ability to deliver education and training in...
a more responsive and flexible manner by moving the census date requirements into the legislative guidelines. This will allow the sector to offer rolling enrolments and be more responsive to student and industry needs without onerous administrative requirements. The bill will also allow for a managed trial of VET FEE-HELP for specified certificate IV level qualifications by amending the definition of a VET course of study.

Further, the bill will reduce complexity and duplication through consolidating and streamlining three sets of legislative guidelines into a single set. In doing so, provider obligations and responsibilities will be clarified and information further streamlined. Delegation powers will be enhanced to allow for the minister and secretary to delegate powers to an APS employee. This will ensure that programs and funding requirements under the Act can continue uninterrupted regardless of which department holds responsibility for the schemes.

Finally, the bill will enable a streamlined approach to approvals and administrative compliance for low-risk applicants and providers already approved under the schemes. The amendments will allow the minister to determine a category of providers and financial reporting requirements for low-risk VET FEE-HELP applicants and approved providers. This approach will further reduce the administrative and regulatory burden placed on applicants and providers and encourage increased uptake of the scheme by quality providers, and ultimately students.

**NATIONAL HEALTH SECURITY AMENDMENT BILL 2012**

The National Health Security Amendment Bill 2012 amends the National Health Security Act 2007 to enhance Australia’s obligations for securing certain biological agents such as anthrax and foot-and-mouth disease virus. These agents are called security sensitive biological agents (SSBAs).

The SSBA Regulatory Scheme includes stringent requirements relating to the notification of the type and location of SSBAs, along with Standards that must be met by entities handling SSBAs. The Standards relate to matters such as the secure handling, storage and transport of SSBAs along with personnel security requirements and risk management strategies.

Over the three years that the SSBA Regulatory Scheme has been operational, the government has worked closely with entities that handle SSBAs, along with other experts in the field, to ensure smooth administration of the legislation. A number of areas have been highlighted where improvements to the regulatory scheme might be made. The bill I am introducing today enhances the SSBA Regulatory Scheme in two important ways.

First, the proposed amendments provide a streamlined reporting scheme for entities, such as hospital diagnostic facilities, that are not registered under the SSBA Regulatory Scheme and only need to handle SSBAs for less than seven consecutive days, known as temporary handlings. The entities may be sent SSBAs to perform specific tests, for example antibiotic sensitivity testing, after which the SSBAs are sent to a registered facility or destroyed.

An entity that only handles SSBAs temporarily will be required to report the receipt of the SSBA and the purpose for handling the SSBA to the Secretary of the Department of Health and Ageing (the Secretary), within two business days of starting to handle. These entities will also need to report the disposal (that is the transfer to a registered facility or destruction of the SSBA) which must occur within seven days of receipt or a longer period approved by the Secretary.

An entity that only handles SSBAs temporarily will be required to report the receipt of the SSBA and the purpose for handling the SSBA to the Secretary of the Department of Health and Ageing (the Secretary), within two business days of starting to handle. These entities will also need to report the disposal (that is the transfer to a registered facility or destruction of the SSBA) which must occur within seven days of receipt or a longer period approved by the Secretary. Specific SSBA Standards will apply to the entity during the handling period to ensure the security of the agent is maintained during the temporary handling.

Second, the amendments will allow the secretary to better manage potential security risks for entities undertaking emergency facility maintenance. Entities may be required to move the SSBA out of the registered facility and into a storage area or an unregistered facility when the
emergency occurs and may have to do so in a very short timeframe to ensure the SSBA remains viable.

Under these measures, entities will be required to inform the secretary of the emergency arrangements including security measures and proposed timeframes for completion. In order to ensure the security of the SSBA is maintained during the emergency maintenance, the secretary will be able to impose conditions such as a direction to the entity not to handle the SSBA for any purpose other than to store the SSBA, or impose a condition that if the repairs are not completed within a certain timeframe, the SSBA must be moved to a registered facility. The secretary will also be able to suspend some or all regulatory requirements including application of the relevant areas of the SSBA Standards, during the time taken to undertake the maintenance and appropriate to each unique emergency maintenance situation.

The amending bill also makes some amendments to improve the operation of the legislation and provide greater clarity for those working with SSBAs.

The first of these changes relates to the imposing of conditions to ensure the security of SSBAs is maintained in facilities required to undertake corrective actions following an inspection.

Under the SSBA Regulatory Scheme, a failure to comply with the standards is dealt with by the issue of notices for compliance which define the required corrective actions and the timeframes within which the entity is to achieve compliance. It is intended that the secretary should be able to impose conditions during the period of non-compliance on the entity's SSBA handlings based on any risks presented by the non-compliance. These conditions will assist in the reduction of risk during the time provided for corrective action to be taken.

The conditions would be guided by the general principle that when imposing conditions, the entity's circumstances are considered and the level of security applied is proportionate to the level of risk presented by the handling of the SSBA. The kinds of conditions that will be imposed will relate to the broad security areas included in the SSBA Standards of physical security, including storage, personnel security and information security.

Other measures in the bill deal with the clarification of reporting requirements by registered entities for biological agents suspected to be an SSBA. These measures will ensure that registered entities undertaking in-house confirmatory testing complete the reporting cycle for suspected SSBAs and report negative confirmatory testing results from the in-house tests. Measures will also ensure that the application of exemptions for certain entities are consistent between known and suspected SSBAs.

These changes have been the subject of consultation with agencies responsible for obtaining and assessing information about the risks and threats posed by biological agents (such as ASIO and other intelligence agencies), public and animal health laboratories, state and territory government agencies and other experts in SSBA.

I am confident that the Bill addresses the issues identified during the operational period of the scheme and from stakeholder liaison and ensures that we continue to deliver on our international commitments and the national imperative to actively improve our capacity to maintain adequate controls on security sensitive biological agents.

Senator JACINTA COLLINS: I seek leave to continue my remarks later.

Leave granted; debate adjourned.

The DEPUTY PRESIDENT: In accordance with standing order 111, further consideration of these bills is now adjourned to the first day of the next period of sittings, which commences in 2013.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (12:30): I move:

That these bills be listed on the Notice Paper as separate orders of the day:

Federal Circuit Court of Australian Legislation Amendment Bill 2012; Higher Education Support
Amendment (Maximum Payment Amounts and Other Measures) Bill 2012; Higher Education Support Amendment (Streamlining and Other Measures) Bill 2012; National Health Security Amendment Bill 2012

Question agreed to.

COMMITTEES

Foreign Affairs, Defence and Trade Legislation Committee

Reference

Senator LUDLAM (Western Australia) (12:31): I move:

That the following matter be referred to the Foreign Affairs, Defence and Trade Legislation Committee for inquiry and report by 31 October 2012:

Any proposed government amendments in relation to the Defence Trade Controls Bill 2011. I will briefly describe to the chamber why I have not sought to have this motion proceed as a procedural blip during Discovery of Formal Business but instead to describe exactly what is going on here and at least to call particularly on the opposition, if the government is steadfast in its determination to ram this bill through, to be as good as the word of the opposition senators who co-signed yesterday—not that long ago—with the Australian Greens a dissenting report urging the government to think again.

This is not a bill that the parliament will necessarily block. In fact it has been through the House of Representatives and it has been through the Joint Standing Committee on Treaties; there is quite a bit of history behind this bill, as I will describe. We have hit a very, very serious hurdle in the Senate Standing Committee on Foreign Affairs, Defence and Trade, with one of the most strongly worded committee reports you will ever see come out of this place putting up the red flag—not an orange light—and saying, 'Do not proceed. This bill is not ready to go yet.'

As recently as yesterday we had 10 pages of amendments from the government, clearly crafted in a rush. They are complex and they are confusing; in some instances I suspect that they are probably contradictory. My business of the Senate motion sought to refer those amendments back to the Foreign Affairs, Defence and Trade committee, as I thought we had an agreement to do. Let me just describe briefly what the bill does and why we are raising a red flag here and believe that this matter needs much more debate before it is blasted through this chamber.

The motion is before the Senate because the Defence Trade Controls Bill 2011 is a flawed and controversial bill. The Senate Foreign Affairs, Defence and Trade Committee was rushed to report yesterday, a full 20 days before it was due to do so. You know that something is up when a committee that has been instructed by the Senate to report by 31 October suddenly and mysteriously is demanded to report 20 days earlier. You know that some kind of fix is in.

A dissenting report has been co-signed by me and Senators Eggleston, Johnston—who, regrettably, is not here to explain the coalition's position, but I trust and hope that Senator Kroger will do that for us—and Fawcett, recommending that the amendments circulated at a very late stage be sent back to the Foreign Affairs, Defence and Trade Committee. This chamber deserves a much more thorough explanation of why this matters and why it makes sense to get this right. The motion actions the recommendations so that obvious problems can be fixed properly, as the Senate committee system is designed to do. It is such an important mechanism that we have, we should not treat it with the contempt that it is being treated with today.
Some months ago the committee sent the Department of Defence away to consult, as it should have done in the first place. At that time the committee described the bill as 'a work in progress'. That was not the dissenting view, that was the unanimous view of the Defence committee. It is still a work in progress, I submit that as evidence we do not need to look too much further than this hasty scramble of amendments that has been dropped on the table and circulated yesterday. It is still a work in progress.

It has received some media attention, and now, I submit, it is going to receive a great deal more. There is a lot of opposition to this bill. In my view, and in the view of the stakeholders that I have been in contact with, it is being rushed through so that there can be a media sound bite for the visit of US Secretary of State Clinton and Secretary of Defence Panetta to Australia next month: 'There is the photo opportunity! We have signed this fantastic collaborative effort between Australian and US defence research institutions.' The consequences are deep and profound.

Legislation of this gravity should not be turned into a media sound bite, and the Australian Senate’s committee process should not be treated with contempt and forced to report three weeks early just for a press conference. If that is not the reason this is happening then Senator Feeney, who has long association with these issues and a deep understanding of defence policy in Australia, can assure us otherwise. But I think that it is what is going on. This is just for a photo opportunity. It is an announceable, so that the government can announce that we have deepened defence research ties with the United States.

That approach may in fact bite back, as sound bites sometimes do, as the provisions of this bill will bite if they are not fixed by this chamber. We need to do our jobs and we need time to do that. The bill implements a Bush-Howard era treaty between Australia and the United States. It is similar in effect to a US-UK arrangement of the same era that seeks to increase interoperability through administratively and practically easing the two-way trade of weapons in defence technology.

There is a lot to dislike about this bill, but there are aspects of it that I think are important and necessary. The Greens will obviously need to form a voting intention when we have had time to read the amendments that were circulated yesterday. Stakeholders, particularly the universities and research institutions of this country, are not saying, 'Stop,' they are saying, 'Wait. Hold on; there is the possibility here to fix this—to negotiate, to compromise and to come to a solution that suits everybody—the defence research community, the Australian civilian research community and, perhaps—quietly, in the background—the United States government. There is a way to bring everybody together.'

But this bill has been in the making for some time—as I said earlier, since 2007. It was the subject of a Joint Standing Committee on Treaties inquiry in 2008, but the bill, for some reason, was not introduced into the House of Representatives until November 2011 and then it was referred to the Senate. That is nearly a year ago. What is the hurry? Why has this suddenly had the accelerator stomped on?

The bill is complex because it removes restrictions on certain defence exports between the US and Australia through the creation of an approved community comprising industry, particular institutes or facilities, government agencies and research or education institutions that are approved,
dispensing with the need for the usual export licences required for each item.

I can see the purpose. I can see the reason why you would want to do that: to streamline the way that these agreements occur so that they are not continually being forced through case-by-case paperwork. I understand the premise. It requires controls for a specified Defence and Strategic Goods List, the DSGL, and related goods and technology. This list is 380 pages long; it is the size of a phone book. This is not some trivial document.

It also creates a registration and permit regime for brokering in those goods and services that find their way onto that list. It obviously introduces a number of other amendments, implementing commitments that Australia has undertaken under the Wassenaar arrangement on transfers of technology by intangible means such as word of mouth, email, faxes and other electronic means. Again, you can understand the underlying principle there, because some of the context of that Wassenaar arrangement relates to proliferation and expansion of nuclear weapons capability where defence ties and ties between research institutions can lead to the proliferation of nuclear weapons technology, even in terms of informal phone calls, chats, emails and so on. So we can see the principle behind that arrangement as well. But this last aspect, if it is applied not just to nuclear weapons related research but our entire research endeavour in Australia, is going to cause massive problems, and that is what the universities are telling us.

The academic community have been in negotiation with Defence, because Defence did not conduct consultations properly—the unanimous finding of the Senate committee was that that was the case. The consultations have been held when the university community have not had amendments in front of them to examine. There is a process underway, I submit to the chamber, where the government is just waving its hands and saying, 'No, we fixed this; it's all fine; let's just quickly knock it through,' while the most important research institutes and academies in Australia are saying this is really, really problematic.

So the committee has not had amendments in front of it to examine, and I thought we had an agreement with coalition senators to give the Foreign Affairs, Defence and Trade Legislation Committee a couple of weeks—we were not necessarily proposing to block the bill or prevent it from occurring—to report when we get back in November so that the chamber can have a considered response. It is my view that, if that process is allowed to occur, the Australian Greens may still not like the bill and some of its underlying premises, but I think you will be able to get all the stakeholders on board. You will be able to get the universities on board if you give it time, but this process will be required to run its course. That means referring the amendments back to the committee so that they can be analysed.

Yesterday the Deputy Vice-Chancellor at the University of Sydney had a piece in the Melbourne Age that outlines why this is a problem, and I am going to quote from this briefly:

When our politicians line up for pictures with the US Secretary of State, Hillary Clinton, during her visit next month few Australians will be aware of the potential cost of that photo opportunity. With each handshake our research enterprise—Australia's engine of innovation—will be strangled. Our researchers may have lost their ability to freely conduct public-good research and communicate research results—simply because legislation important to the US-Australia defence trade was rushed before Clinton's visit, rather than
considered with enough time to find a solution to protect against its unintended consequences. This is strong language but also, as I indicated before, a willingness to find a way forward. I quote again:

This legislation could mean a conference speech, publication of a scientific paper or sending an email to colleagues could require a Defence permit or become a serious crime.

That is what we are dealing with here, not only in defence research but in any research that Defence might find it has an interest in. That is the terrain that we have stumbled into here, and that is why the universities are saying: 'Wrong way. Go back. Do not pass the legislation in the form that it currently sits in.' The Deputy Vice-Chancellor goes on:

What is scary is that because few Australians are engaged with this complex, technical legislation—let's face it, anything called the Defence Trade Control Bill will not make the six o'clock news—well, let us see if we can shake up that assumption—this was able to happen. What is maddening is that in our rush, Australia will potentially not have legislated comparable safeguards to protect public-good research that Americans have.

So this is an agreement on defence research collaboration with the United States that is going to place more onerous restrictions on the Australian research community than it does on the United States. Why is that? Are we a security risk? Is it because we are in the Asia-Pacific and we have friendly diplomatic and research relationships with China? Is that what is going on here? It is absolutely unbelievable. She goes on:

New controls on intangible transfers mean research activities that could result in the communication of information regarding the development, use or production of a broad range of technologies used in ordinary research would require review by, and permission from, the Department of Defence. The bill could even criminalise publication of data or information relating to these technologies.

This is likely to restrict researchers from communicating critical information to scientists abroad to prevent pandemic flu outbreaks. It would impede top scientists in developing technologies for tomorrow's high-tech manufacturing industries, new vaccines and potential cures for cancer. The Australian government worries about a brain drain in advanced technology, but is poised to pass legislation that could force our best and brightest offshore.

US researchers in accredited higher education institutions enjoy broad exclusions from export control relating to intangible transfers of dual-use technology for basic or applied research.

However, Defence will impose far more restrictive controls on researchers, disadvantaging them compared with their US peers, especially given the relative importance of international collaboration to Australia.

Yes, we are an island continent, but in fact our research endeavour is globally linked, and so it should be. We have some of the best researchers and academic institutions on the planet, and it is profoundly important to us that we are able to share that work, as has been an important part of the scientific method for several hundred years, with experts, researchers and academics in other parts of the world. It is central to the work of the scientific community. She goes on:

Consider a renowned University of Sydney physicist, whose quantum technology research, with applications for computing and development of green-energy sector materials, is not excluded from proposed regulations. He estimates 20 per cent of the equipment he purchases and uses in experiments will be affected and he might spend a quarter of his research time reviewing, assessing, seeking legal advice, applying for, or waiting for, permits. Stay in Australia? This burden just might force him to return to the US—where he would be free to carry out that kind of research unimpeded by the military. I can
understand, as I said before, why you would apply those kinds of really serious restrictions and safeguards on somebody working on uranium enrichment technology, for example. I completely get it, and I support it. But this is about any research application that Defence might have a present or future use for: 'Oh, physics? The military's interested in physics. Oh, chemistry? The military's interested in chemistry'—or any future applications of very broad research agendas going on in Australian universities. There might be future military applications for that. You'd better sign this agreement. Oh, you sent that email to a research colleague of yours in Beijing? We'll see you in court. Why on earth would we contemplate this? This is not a drafting error; it has been written to work that way.

I am deeply interested, and I hope we get some response from the coalition on this, in what they propose to do with this amendment. I would be the first to acknowledge that I have not read the amendments that we have seen yesterday. I do not know what they do or whether they fix the bill. The university community are saying, 'Just give us time to read them."

Recognising also that not a great deal of government business is debated on Thursdays, I am not suggesting that the government is proposing—as far as I am aware—to debate and pass the bill today. They are proposing to debate and pass the bill, I presume, as soon as possible in time for this photo opportunity with the US secretaries. I say: give us the opportunity to put these amendments back to the committee so that it can do its job. Submissions made just last week and the legal advice attached to them—(Time expired)

BILLS

Industrial Chemicals (Notification and Assessment) Amendment Bill 2012
Second Reading

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

Senator FIERRAVANTI-WELLS (New South Wales) (12:45): I rise to speak on the Industrial Chemicals (Notification and Assessment) Amendment Bill 2012 and indicate that the coalition will not be opposing this bill. This bill amends the Industrial Chemicals (Notification and Assessment) Act 1989. This act set up the regulatory framework for the use of industrial chemicals used within Australia and assesses their health and environmental impacts before they are released for use. The National Industrial Chemicals Notification and Assessment Scheme, NICNAS, also assesses chemicals that were already in use in Australia prior to the scheme's implementation on a priority basis. This bill amends that scheme by making a number of changes to the registration structure, to charges and fees and making other minor consequential amendments.

I would like in my contribution today to pick up on two of these changes: firstly, the change to the registration structure, which is the main amendment in this bill. NICNAS operates as a full cost recovery structure. This means that the costs of administering the industrial chemical scheme are recovered through charges imposed on entities that introduce industrial chemicals into Australia. NICNAS recently reviewed its cost recovery arrangements in accordance with the Australian Government Cost Recovery Guidelines. These guidelines were originally introduced in 2002 with the objective of improving transparency and accountability of cost recovery arrangements. The review
has resulted in the NICNAS Cost Recovery Impact Statement 2012-13 to 2015-16 which was released earlier this year and agreed to by the government in July. The proposed changes to the NICNAS registration structure were foreshadowed in the NICNAS Cost Recovery Impact Statement. The annual registration charges fund the bulk of the regulatory activities undertaken under NICNAS. The bill amends the current three-tier registration structure for NICNAS into a four-tier structure which will commence in the 2013-14 financial year. There were a number of alternative fee structures canvassed during the development of the NICNAS Cost Recovery Impact Statement process. However, the four-tier option was deemed the most appropriate during the review. As a consequence of this amendment, some 2,500 low-value introducers will pay a lower registration fee. This will lower the barrier for entry for those small businesses, with the top 400 or so chemical introducers paying more.

As we have seen frequently with this government, the accompanying changes to the regulations which will amend the registration fees associated with the changed tiers will come in later. The coalition will be ensuring that these amendments to the registration fees will receive proper scrutiny when they are introduced into the parliament.

Secondly, the bill also introduces a small fee to recover the cost of importing hazardous chemicals listed under the Rotterdam convention. Previously this cost was levied across all chargeable organisations, but it will now be recovered directly from the applicants. The coalition understands that there are fewer than 10 of these applications each year.

There are also some other consequential amendments. The bill contains a number of minor amendments to remove redundant fees that are no longer applicable. The bill also seeks to improve consistency with other regulations by standardising language. For example, ‘material safety data sheets’ have been renamed ‘safety data sheets’, with changes in this bill reflecting that. These changes do not impact on the industrial chemicals industry but go to improving regulatory consistency.

I would also like to refer to the Better Regulation Ministerial Partnership announced on 8 September 2011 by the Minister for Health and Ageing and the Minister for Finance and Deregulation. This partnership was set up with the dual objective of reviewing and evaluating the operation of NICNAS to improve competitiveness of the Australian chemicals industry and to examine health and environmental outcomes. This will be a wide-ranging review, with many stakeholders keenly awaiting its outcomes. The current Cost Recovery Impact Statement that this bill implements states that if there are material changes to the NICNAS cost recovery arrangements as a result of the partnership recommendations, the current Cost Recovery Impact Statement will be amended or a new one developed. A number of industry stakeholders expect that the partnership will recommend changes to the cost recovery arrangements of NICNAS as part of broader NICNAS regulatory reforms.

Considering the possibility, or rather apparent likelihood, of further changes to the Cost Recovery Impact Statement, the coalition questions the benefit of implementing the Cost Recovery Impact Statement through this legislation only months before the better regulation ministerial partnership review is released and responded to. As indicated, whilst the coalition will not be opposing this bill, we do question the benefit of implementing the Cost Recovery Impact Statement before the...
Better Regulation Ministerial Partnership process is concluded. In the interim, we await the response from the partnership review later this year and the recommendations on the broader review of the current structure of the NICNAS scheme.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:50): I thank Senator Fierravanti-Wells for her contribution and, indeed, thank the opposition for their support for this bill. I commend this bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Crossin): No amendments to the bill have been circulated. Before I call the minister to move the third reading, does any senator wish to have a committee stage on the bill to ask further questions or clarify further issues? If not, I call the minister.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:51): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Customs Amendment (Smuggled Tobacco) Bill 2012

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) (12:52): The coalition supports this bill, the Customs Amendment (Smuggled Tobacco) Bill 2012, but I do want to remind the Senate that this debate takes place in the wake of the Gillard government’s inconsistent and incompetent handling of this issue. While the Attorney-General is on a tobacco plain-packaging crusade and her government introduced a rushed budget measure to ban duty-free tobacco, the Attorney is unwilling to admit that illicit tobacco smuggling is a growing problem in Australia, notwithstanding this bill. She said in her second reading speech:

To date tobacco smuggling has not represented a major threat in Australia …

If there is no major threat, why then is it necessary to legislate? This is clearly an issue on which the government is in denial. The response is this measure that is made without any real conviction or action.

In the 2009-10 budget the Labor Party government cut funding for the Customs cargo screening program by $58.1 million. The result of those cuts is that the number of sea cargo inspections was cut by 25 per cent and air cargo inspections reduced by 75 per cent. With less cargo being screened there is, of course, a greater opportunity for illicit tobacco and other contraband to be smuggled across our borders.

An industry commissioned report by Deloitte in 2012, *Illicit trade of tobacco in Australia*, confirmed that illegal tobacco remains a significant problem. The report found that the illicit market in Australia for 2011 had an estimated total of 2.26 million kilograms of tobacco, equivalent to 13.4 per cent of the estimated legal tobacco market. It was estimated that this represents forgone tobacco excise revenue of approximately $1 billion, based on current excise rates. While figures on the illegal tobacco market will vary as it is impossible to know exactly what is smuggled through our borders, it provides an indication of the magnitude of the problem we are now facing.

Turning to the bill, its purpose is to amend the Customs Act 1901 to create criminal offences for the smuggling of tobacco products and for the conveyance or
The possession of smuggled tobacco products where the person conveying or possessing the goods knows they were smuggled. A smuggling offence currently exists in section 233 of the act and is punishable by a pecuniary penalty of up to five times the duty evaded. However, that offence is no longer considered a sufficient deterrent as many penalties currently imposed for tobacco smuggling are not paid. On some occasions the investigation of the smuggling offence results in the identification of sufficient evidence to warrant the pursuit of fraud offences under the Criminal Code. These offences carry penalties of up to 10 years imprisonment.

The new offences to be introduced by this bill combine the penalties of the existing smuggling and fraud offences by providing a pecuniary penalty of up to five times the duty evaded in addition to a penalty of up to 10 years imprisonment. The intention of including provisions for imprisonment is to provide a strong deterrent against smuggling. The maximum term of 10 years imprisonment and penalty units already exist under general smuggling and fraud provisions under the Criminal Code. However, the new offences under the Customs Act will presumably simplify the prosecution process, something which the coalition of course supports.

However, the government does need to answer why this measure has been introduced without any increases in resources for Customs to screen and inspect incoming cargo to stop the illegal tobacco from coming through our borders. In other words, it is all very well to tighten the criminal law and elevate the penalties, but if the agency is at the same time being stripped of resources, as Customs has been throughout the course of this Labor government, then that is not a very effective way to achieve the outcome sought by the bill. The government, indeed, seems intent on making it harder for Customs officers to detect this contraband trade.

Despite the Attorney-General refusing to acknowledge that illicit tobacco smuggling is a big problem, the statistics speak for themselves. I have already referred to some; let me give you some more. During 2010-11, Customs made 55 detections in sea cargo arriving in Australia. They detected 258 tonnes of tobacco and 82 million cigarettes with a net worth of approximately $135 million. This is just a small indication of the problem, considering that many more cargo consignments go unchecked, with large quantities of smuggled tobacco coming across our borders as a result of the government's decision to cut back on the number of inspections.

The Senate Legal and Constitutional Affairs Committee held an inquiry into the bill and recommended that it be passed. I want to draw attention in particular to the submission of the Australian National Preventative Health Agency, which stated:

Smuggling and illicit trade of tobacco undermines the effectiveness of tax increases and price policies: resulting in cheaper prices and potential increases in tobacco use. This in turn has the potential to contribute to the high incidence of smoking related morbidity and mortality.

According to the agency, the use of illicit loose tobacco has also been associated with illness over and above that caused by commercially produced cigarettes due to the use of bulking agents such as twigs, raw cotton and grass clippings. Mould, mycotoxins and bacteria have also been detected in illicit loose tobacco. Given the Attorney-General's current crusade against smoking, why hasn't there been a big push to educate people about the dangers of illegal tobacco?
In its submission Customs informed the committee that tobacco smuggling is identified as a key border risk. According to Customs, the smuggling of tobacco endangers the community and the environment as the tobacco products commonly contain dangerous contaminants and much higher levels of carcinogens than legitimate products. Customs pointed out that smuggled tobacco products also circumvent quarantine controls, thereby increasing the potential for exotic pests and diseases to be introduced through our borders. Customs advise that tobacco-smuggling offences are often committed by organised crime syndicates, who view tobacco smuggling as a high-return and relatively low-risk venture. Of particular concern to Customs is the possibility that:

The profits made by these syndicates can also be potentially used to fund other criminal activities.

In conclusion, the coalition believes that illegal tobacco smuggling is a problem that needs to be addressed rather than ignored, as it has been throughout the life of this Labor government. The coalition also strongly believes that Customs should be appropriately resourced to do the job it is tasked to do, which is to protect Australia's borders from outside threats. I urge the government at the very least to reinstate the funding it has cut from Customs cargo inspections so the legislative changes made by this bill will have some real chance of being enforced. With those words, as I indicated at the start, the coalition supports the bill.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (13:01): I thank Senator Brandis very much for his contribution on the Customs Amendment (Smuggled Tobacco) Bill 2012. I note he finished his contribution with an exhortation to this government that we give priority to Customs funding. I think his articulated commitment on that matter will be very welcome to Customs, particularly as it is an exhortation and commitment that contradicts earlier statements by Mr Hockey, who said it was impossible to give a guarantee that Customs would not receive further cuts from a coalition government. So with that welcome news ringing in our ears I commend this bill to the parliament.

Question agreed to.
Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Crossin) (13:02): No amendments to the bill have been circulated so I will now call Senator Feeeney to move the third reading.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (13:02): I move:

That this bill be now read a third time.

Question agreed to.
Bill read a third time.

National Portrait Gallery of Australia Bill 2012

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (13:02): The purpose of the National Portrait Gallery of Australia Bill 2012 and the National Portrait Gallery of Australia (Consequential and Transitional Provisions) Bill 2012 is to establish the National Portrait Gallery on a statutory basis in common with the other major national collecting institutions such as the National Library of
Australia and the National Gallery. Hitherto the National Portrait Gallery has been administered within the department. The coalition supports the regularisation of the National Portrait Gallery's statutory existence, if I may put it that way, by establishing it as its own statutory agency.

I want to take a few moments of the Senate's time, if I may, to reflect upon the National Portrait Gallery because, if I may be permitted to say so, it was when I was the Minister for the Arts and Sports in the last year of the Howard government that most of the construction of the National Portrait Gallery took place—it having been initially commissioned by a previous Howard government arts minister, Senator Richard Alston, and prosecuted by a subsequent arts minister, Senator Rod Kemp. I think there is something appropriate about the fact that arts ministers have customarily been senators, at least under the coalition government.

The National Portrait Gallery was a particularly beloved project of former Prime Minister Mr John Howard and Mrs Howard, who showed very enthusiastic interest in the National Portrait Gallery. It is in fact the signature public building of the Howard government because, although it was indeed opened during the first year of the Rudd government, there is no doubt that it was conceived, developed, largely built and brought into being by the Howard government. If I may say so, I think the clean, modest, efficient architectural lines of the National Portrait Gallery are an architectural emblem of the Howard government, just as the confused, ugly, unpleasant and gauche architectural lines of the National Museum are an architectural emblem of the Keating government.

The National Portrait Gallery contains many—not all, of course—of the great portraits of Australia. The thing about a portrait gallery is that it is the most accessible form of visual arts because there are many people who are not particularly interested in looking at paintings who will come to look at pictures of famous people. So the National Portrait Gallery is a very democratic institution, it is not a culturally elitist institution. In that respect as well, I dare say, it reflects the democratic, non-elitist modesty of the government which brought it into being.

People may view Sir William Dargie's marvellous portrait of Albert Namatjira. They may view Kerrie Lester's lovely portrait of the late Fred Hollows, who I am sorry to say was until the day he died a member of the Communist Party—and I hope this is not too obvious a segue—and Arnold Shore's portrait of Doc Evatt. There are portraits of at least two of the Hughes brothers: Robert Hughes by Bill Leak and Tom Hughes by Jiawei Shen.

The walls of the National Portrait Gallery hold marvels for all to behold.

I should not let the opportunity go past without reflecting upon the very dramatic events of early 2007, when the construction of the National Portrait Gallery was coming to completion. As you may recall, Madam Acting Deputy President, the National Portrait Gallery sits within the Parliamentary Triangle directly to the south-west of the High Court of Australia. And between those two great institutions exists a blasted heath, which was the subject of a very, very bitter territorial dispute between those two august institutions. The nation held its breath in the early months of 2007 when bewigged High Court judges in the north-eastern sector of the battlefield squared off against caftan-wearing curators in the south-western corner of the battlefield for control of this disputed territory. Theodolites at 30 paces it was.
Not since the Taiwan Straits dispute of 1958 when Red China shelled Quemoy and Matsu has there been such a bitter territorial dispute as there was between the High Court of Australia and the National Portrait Gallery, when legal reason was pitted against artistic sensibility for control of a few square metres of Canberra turf. I am pleased to say that that dispute was ultimately resolved. I think the occasion should not be allowed to pass by without paying tribute to the role of Mr Andrew Phelan, the Registrar of the High Court, in resolving that dispute—the Lafayette of Lake Burley Griffin.

So it pleases me, as the person who was in control of the arts ministry during those thrilling days, to see in more peaceful times the National Portrait Gallery of Australia at last established on a regular statutory footing and at peace with its powerful north-eastern neighbour.

The ACTING DEPUTY PRESIDENT (Senator Crossin): Thank you, Senator Brandis, for that illuminating contribution.

Senator Fifield: Top that, David.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (13:11): I move:

That these bills be now read a third time.

Bills read a third time.

Customs Amendment (Smuggled Tobacco) Bill 2012

Explanatory Memorandum

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (13:11): I table a replacement explanatory memorandum relating to the Customs Amendment (Smuggled Tobacco) Bill 2012.

Migration Legislation Amendment (Student Visas) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator CASH (Western Australia) (13:12): I rise to speak on the Migration Legislation Amendment (Student Visas) Bill 2012. Whilst the coalition will not be opposing the bill, we do have some concerns with it. The purpose of the bill is to amend the Education Services for Overseas Students Act 2000, the ESOS Act, and the Migration Act 1958 to abolish the current system of automatic visa cancellation for student visa holders who are in breach of the academic progress or attendance requirements of their student visa. The decision to cancel a student visa on these grounds will become discretionary rather than automatic.

The bill also amends the ESOS Act to provide that a registered provider of education to overseas students must advise the government of any change in a student's contact details within 14 days after becoming aware of the change. This bill arises as part...
of the government’s response to the implementation of the Knight review’s 41 recommendations, which the government has adopted, and the Strategic review of the student visa program report, which was released on 22 September 2011. Recommendation 24 of the Knight review is to abolish the automatic cancellation of student visas, and replace that regime with a system in which information conveyed by student course variations is used as one factor to be taken into account in a more targeted and strategic analysis of non-compliance.

The bill was referred to the Legal and Constitutional Affairs Legislation Committee by the Senate on 22 March 2012. The committee made three recommendations as follows:

Recommendation 1

... The committee recommends that the Department of Innovation, Industry, Science, Research and Tertiary Education modify the Provider Registration and International Students Management System—otherwise known as PRISM—to allow for the effective and secure upload of data from the databases of registered providers, while maintaining the integrity of the system. The committee recommends that this modification be completed and be made operational as soon as possible.

Recommendation 2

... Until the Provider Registration and International Students Management System has been modified as set out in Recommendation 1, the committee recommends that, in addition to their obligations under Part 3 of the Education Services for Overseas Students Act 2000, registered providers only be required to notify the Department of Immigration and Citizenship of students’ up-to-date contact information at the commencement of each semester, when students reenrol in their approved courses, or upon any variation or change to their enrolled course.

Recommendation 3

... Subject to Recommendations 1-2, the committee recommends that the Senate pass the Bill.

Submitters and witnesses to the Senate committee inquiry supported the proposal to abolish the automatic cancellation of student visas upon breach of a prescribed visa condition as proposed in new section 20(4A) of the Education Act. However, many expressed concern with the requirement for registered providers to notify the Department of Immigration and Citizenship within 14 days of any changes to an accepted student’s contact or other prescribed details, as proposed in new section 19(1A) of the Education Act which provides:

A registered provider must give the Secretary particulars of any change in the contact details or other prescribed details of an accepted student within 14 days after the provider becomes aware of the change.

As set out in the Senate committee's report, the concerns of the submitters and witnesses are focussed on two issues: compliance costs and the PRISMS. PRISMS is administered by the Department of Industry, Innovation, Science, Research and Tertiary Education and interfaces with the Department of Immigration and Citizenship's electronic system. PRISMS is a secure computer system for registered providers to manage their student enrolments, comply with the requirements of the Education Act and report student visa holders who have breached the prescribed conditions of their visa.

As stated in the Senate committee's report, at present part 3 of the ESOS Regulations 2001 requires registered providers to maintain their own enrolment records or databases. Providers are only required to update a student's address on PRISMS when reporting a change to that student's enrolment, such as a course variation, or when issuing a notice under section 20 of the Education Act.
Currently, smaller providers estimate they have an obligation to enter information into PRISMS for approximately one to two per cent of enrolled students, and larger universities estimate their current obligation to be for five per cent of students. The impact, however, of the proposed new section 19(1A) is that all registered providers will be required to enter all information into PRISMS. This means that every time a student changes address or gets a new mobile phone number, these details must be entered into PRISMS within 14 days after the provider becomes aware of the change. To facilitate this change, in the majority of cases extra administrative staff will be required to ensure compliance with the new reporting requirements. The bad news for international students—and in turn for the Australian international education industry—is that these compliance costs will in all likelihood be passed onto students or will lead to a reduction in the number and quality of services provided to students, hardly an outstanding outcome for a piece of legislation.

The regulatory impact statement for the Knight review notes that the international education sector is Australia's third biggest export industry, generating an income of $18.3 billion in 2010. One might say that as a country we must be doing everything we can to support our international education industry, in particular given the poor record of the Labor government when it comes to international education in Australia. The last thing this industry needs as it is trying to re-establish its international reputation is for providers to be layered with additional red tape forcing them to pass on the cost of compliance to international students.

As stated in the Universities Australia submission to the Senate inquiry:

The lack of consideration given to university administrative and reporting loads is reflected in the absence of any mention of the regulatory burden on providers in the Regulatory Impact Statement (RIS) for the Bill. This is extremely concerning for the coalition and shows a lack of understanding of the impact of the proposed changes on behalf of this government.

As I have stated, the increased regulatory burden for registered providers resulting from the proposed insertion of section 19(1A) is a significant one. Providers estimate they currently enter information in PRISMS for a maximum of five students in every 100 when reporting a change to the student's enrolment. Following the insertion of section 19(1A), they will be required to enter information into PRISMS for every student. Let us just look at that comparison again. They currently insert the information for five in every 100 students. If this change goes through, and the government does not take heed of what was a unanimous Senate committee's report, that is the administrative burden that will be placed on universities and providers.

The definition of 'contact details' will also be inserted into the ESOS Act as part of this bill. Contact details are defined as: the person's current residential address, the person's mobile phone number and the person's email address. Currently, registered providers already maintain their own databases containing student enrolment, course details and contact details, in compliance with part 3 of the Education Act. This proposal is therefore nothing more and nothing less than another example of what will become double handling and administrative inefficiency, something which I have to say I thought this government was trying to reduce. I also note the irony in the explanatory memorandum, which states that one of the objectives of the bill is to:

… reduce the administrative burden associated with students who attend an office of the
Department of Immigration and Citizenship to stop the automatic cancellation process or to apply for revocation of a cancellation. This will allow integrity resources to be more strategically targeted towards risk.

Ironically, there is no doubt that the bill achieves this stated objective, but whilst it may well reduce the administrative burden of DIAC—and some might argue that, given the lack of resources that the department has because of the border protection debacle, that is a good thing—the bill merely shifts the administrative burden to registered providers and that is hardly an ideal outcome, as was recognised in the Senate committee report. The Senate committee report also states that submitters and witnesses to the inquiry raised the time consuming manual data entry required to update student records in PRISMS and pointed to other existing electronic reporting systems, such as the higher education information management system, which allow information to be uploaded directly from registered providers' databases as appropriate models. Many submitters and witnesses supported the modification of PRISMS to similarly allow for the upload of bulk data.

The Department of Industry, Innovation, Science, Research and Tertiary Education, who administer PRISMS, advised the Senate committee that they are responding to the concerns of registered providers in relation to PRISMS by exploring possible enhancements to simplify and expedite data entry for providers. A claim made by the Department of Immigration and Citizenship in its submission to the Senate inquiry was that it requires immediate access to up-to-date student contact details for purposes other than student course variations advised by registered providers. In its submission DIAC stated:

The Department may consider compliance action in circumstances where outside allegations or information has been brought to the Department's attention that the provider is not aware of. For example, where adverse information is received by the Department through external channels such as the Immigration dob-in line or targeted integrity obligations. For this reason, it is important to have access to the most up to date contact details at all times, rather than just when a student course variation is made.

I do note that despite the department's position, so eloquently put, the committee formed the view that as DIAC was requesting registered providers furnish potentially large amounts of information, and taking into account possible privacy concerns, it was actually the DIAC's responsibility to facilitate the effective and safe upload of information from provided databases to PRISMS. At paragraph 2.30 the committee found as follows:

The Committee ... notes evidence presented during the inquiry, suggesting that the proposal to require registered providers to notify DIAC of any changes in students' contact or other prescribed details is unnecessary and is (within 14 days) overly prescriptive and an unnecessary burden on providers.

Again, that is the finding of the Senate Legal and Constitutional Affairs Committee inquiry, which, I understand, was a unanimous report. Paragraph 2.32 states:

The Committee acknowledges that, under Part 3 of the Education Act, registered providers are already required to maintain records and/or databases containing students' contact details. Further, if a student breaches a prescribed visa condition, subsection 19(2) of the Education Act requires providers to notify DIAC of that breach, including the student's contact details. The Committee therefore considers that existing provisions of the Education Act provide DIAC with up-to-date contact information for students who are reported for non-compliance with prescribed visa conditions. The Committee notes that there is no restriction on DIAC from approaching registered providers at any time for a student's current contact information.
The committee therefore recommended that PRISMS be modified to allow for the effective and secure upload of data from the databases of registered providers while maintaining the integrity of the system and that until PRISMS has been modified providers should only be required to advise DIAC of up-to-date contact information at the start of each semester or upon any variation to their enrolled course.

While the committee report touches on compliance costs, the PRISMS electronic reporting system and consultation with the international education sector, there is still further clarification required in relation to the thresholds, the definitions and the trigger points that would accompany the new compliance regime. As the shadow minister for immigration, Scott Morrison, said in his speech in the other place, we need to be clear about the resource requirements that this new regime will demand. The minister needs to explain how he will define whether a student visa breach has been made, and how the minister is going to make these decisions under discretionary powers once the blanket automatic cancellation of student visas has been abolished.

The coalition is supportive of efforts to streamline and better target resources towards migration fraud and noncompliance in the student visa sector; however, the circumstances under which possible compliance action will be taken are not clear at this stage. Whilst an education provider will be still required to report a visa violation, it is not clear what mechanism or circumstance will trigger an investigation or prove severe enough to prompt visa cancellation.

We are already well aware of this Labor government's failure in the Immigration portfolio, specifically in relation to irregular maritime arrivals. Given the significant contribution the international student sector makes to our economy, it is extremely concerning that the Auditor-General found last year that management of this critical industry and of the visa program was not sufficiently robust to effectively meet the challenges involved in achieving the government's objective for the student visa program of balancing industry growth and program integrity.

The ANAO found that more than 350,000 non-compliance notices issued to students had not been acted upon, prompting fears that the backlog could obscure serious cases of noncompliance. The Auditor-General's report in May 2011 also found the department was unable to effectively monitor the 20-hour work restriction on student visas or to enforce compliance because of the lack of an appropriate regulatory regime.

The report also states that DIAC's integrity and compliance units were hampered in managing the pressure associated with the increase in program growth, by the department's failure to update its national compliance program after 2008, and by the backlog of non-compliance notices—NCNs—for student visa holders. The backlog of NCNs is estimated to be in excess of 350,000, with the Knight review identifying around 35 per cent belonging to the higher risk categories.

Interestingly, though, as a result of this bill, the unbelievable and quite damning administrative backlog of over 350,000 NCNs will simply be wiped away. DIAC will draw a line under the 350,000 non-compliance notices and will merely move on. I note that this is despite the Knight review identifying that 35 per cent of 350,000 non-compliance notices are within the high-risk category.

Australian taxpayers have lost confidence in this government's ability to run an
efficient and effective migration program. It is, quite frankly, hard to see how DIAC will find the resources to manage this new discretionary regime, given the increased budgetary and staff pressures as a result of the government's mismanagement of the immigration program, particularly border protection. The coalition supports any measures that will improve and restore the integrity of the immigration system. It remains to be seen, however, whether this bill will do just that or merely add to the already existing chaos within the department.

Senator MASON (Queensland) (13:29): Firstly, I congratulate my friend Senator Cash on a typically lucid and eloquent address as always. As Senator Cash has pointed out, the coalition does support the Migration Legislation Amendment (Student Visas) Bill 2012, but with some reservations. As is so often the case with this government's legislation, we do support the policy or the policy objective but we are concerned about some details of implementation. In this case we have concerns about some compliance mechanisms of the new visa cancellation procedures.

I am happy to say that there is a political consensus within our country regarding the crucial importance of international education to our universities and other post-secondary education institutions as well as, more broadly, our economy and indeed right throughout the world in terms of diplomacy and soft power. That I think is broadly a bipartisan consensus. Australia hosts and educates the third largest number of international tertiary students in the world after the United States of America and the United Kingdom. The proportion of international to domestic tertiary students in our country is more than three times the OECD average. On a per capita basis Australia educates more young people from overseas than any other nation on earth. We are a destination of choice for young people from nearly 200 nations. It is one of our great national achievements in fact. In terms of exports, education benefits the Australian economy nearly as much as gold and a few billion dollars more than tourism. It is not our beaches, the Great Barrier Reef or the Outback that is bringing in most visitors to Australia; it is in fact our lecture halls. The most common answer to the famous tourism ad slogan 'Where the bloody hell are you?' is 'At university studying.'

Spectacular natural beauty and abundant natural resources make us a lucky country but a successful world-class education sector makes us a smart country. I think we should try to depend more on our smarts than our luck in the future. This is the only sensible and indeed the only sustainable way forward. Despite international student enrolments having fallen in the last couple of years—that is true—our higher education enrolments have in fact flattened. Some might argue that this suggests a continuing downward trend in international student enrolments in Australia. I disagree with that. In international education, just like in politics, demography is destiny, and demography favours Australian higher education—there is no doubt about that. Next door to us, throughout Asia and particularly in China and India, their middle classes are growing at a prodigious rate—the result of decades of sustained economic growth and indeed spreading prosperity. The growth of the middle class in turn fuels the demand more and more for higher education. Both China and India are very aware of that and are spending billions and billions of yuan and rupees to expand their own tertiary education system. But no matter how much they spend, it is unlikely that they will be able to expand quickly enough. So the demand is likely to outstrip the domestic supply.
Worldwide right now there are about 2½ million people studying outside of their home countries. Some estimate that their number will increase to eight million students studying overseas in the next decade or so. Australia is in a unique position, both in terms of geography and our existing infrastructure, to take advantage of this demand, particularly since we are able to offer—let's face it—a premium product. Not only are our degrees prestigious and carry a lot more weight around the world; in addition, we offer not just education but also an educational experience: a few memorable years of enjoying our lifestyle and our culture as well as building valuable contacts and connections for the future.

We should not as a country be satisfied with merely being the bread basket of Asia or indeed being just its mining pit when we could also be its lecture hall. Just as in the past Australia has ridden to prosperity on the sheep's back and is now riding on the mining conveyor belt, so too can it in the future ride on the shoulders of our scholars and our educators. Already our country is a global superpower in terms of natural resources, agriculture and usually in sporting prowess—so we are a superpower—and I tell people here and overseas that we are also an education superpower. But this is a status that we have to carefully guard and nurture. Our competitors in international education services—countries like the United States and indeed the United Kingdom—are watching and waiting all the time for Australia to stumble so that they can make inroads into our share of the international education market. That is why it is so essential to get the policy settings right, including those in the area of immigration, balancing the needs of our education industry with the need to ensure the integrity of our migration system.

This bill amends the Education Services for Overseas Students Act 2003 and the Migration Act 1958 so that a decision to cancel a student visa will be done on a case-by-case basis. The current system automatically cancels student visas when the holder of that visa breaches the academic progress or attendance requirements. Also, a change in contact details of a holder of a student visa must now be reported to the government by the education provider within 14 days of the education provider becoming aware of the change.

The impetus for this change comes from the 2011 Strategic Review of the Student Visa Program, commonly referred to as the Knight review. The review was set up 'in response to concerns about the competitiveness of Australia's international education sector and the integrity of the student visa system'. Senators will be aware that the Hon. Michael Knight was a minister in a former New South Wales Labor government. I would actually like to pay him a tribute. His report is a model of clarity, both in its expression and in its call for remedial action, and I would like to congratulate him for that. Mr Knight's review followed the review by the Hon. Bruce Baird of the Education Services for Overseas Students Act 2000.

Both the Knight review and the Baird report reflect the government's determination to decouple education and study from residency and immigration. Can I just say that I agree with the government. Whilst some students might well seek citizenship—and that is fine; some overseas students seek citizenship—for the tens of thousands of overseas students who study here, immigration is a different claim and a different process. Immigration should not be the automatic entitlement of the privilege of studying in Australia. The Knight review made 41 recommendations, and the
government gave the review in-principle support. A majority of the changes have already been implemented, and this bill seeks to implement recommendation 24 of the Knight review, which states:

Automatic cancellation of student visas should be abolished and replaced by a system in which information conveyed by SCVs—

that is, student course variations——is used as an input into a more targeted and strategic analysis of non-compliance.

This change is supported by all stakeholders and was supported by all the submissions and the witnesses when the Senate Standing Committee on Legal and Constitutional Affairs held an inquiry into this bill.

As I mentioned at the outset, the coalition supports the bill, albeit we have some concerns about the implementation and compliance issues. Among other issues, and these were addressed by Senator Cash explicitly and in some detail in her speech, the coalition is concerned that the requirement that education service providers must notify the Department of Immigration and Citizenship of any changes in student contact details may well be onerous, particularly on some of the smaller providers. There is also an issue about how education providers upload information to the database—that is, the Provider Registration and International Student Management System, PRISMS. As Senator Cash pointed out, this raises some issues of privacy. We will certainly monitor the rollout of the new procedures and the new system to ensure that it functions well, achieves its objectives and does not place an unreasonable burden on providers.

Australia is a nation of immigrants. Whether people from other nations seek to study here or live here, the integrity of our immigration system is vital to ensuring public confidence in the system and in making sure that our immigrants and our students add to our national life.

Senator IAN MACDONALD (Queensland) (13:41): I am conscious, Mr Acting Deputy President Edwards, that you hope to speak on the Migration Legislation Amendment (Student Visas) Bill 2012, but your duties to the parliament perhaps might prevent you. I am not sure that my contribution would be such that it would facilitate your speaking. I just want to support Senator Cash in the comments she has made.

Senator Conroy: What about Senator Mason and his comments?

Senator Mason: That goes without saying.

Senator IAN MACDONALD: It does indeed go without saying. It is Senator Cash's bill and Senator Cash was our lead speaker. But, of course, as always, I along with everyone else in this chamber am always impressed with every contribution that Senator Mason makes.

Senator Mason: Hear, hear!

Senator IAN MACDONALD: As a fellow Queenslander and, perhaps, a voter he is always close to my thoughts.

Senator Conroy interjecting——

The ACTING DEPUTY PRESIDENT (Senator Edwards): Order!

Senator IAN MACDONALD: Mr Acting Deputy President, you need to give me some protection from the interjections by the minister. He is diverting me from the very serious part of my speech. We in the coalition understand that we do have to have a system that is accountable and that works and a system that does not allow for some of the unfortunate incidents that we have seen in the past. Having said that, there are two things that are principally crippling this country. One is a very bad government that
is quite dysfunctional. The other thing that cripples this country, in addition to all the new taxes that have been imposed and the cost-of-living increases, is regulation.

Wherever you look these days, you find there is more and more and more regulation. It is becoming a burden. Mr Acting Deputy President, did you know—and I am ashamed to admit that I have just ascertained it—that the Abstudy application form has some 36 pages of material to fill in? Bearing in mind that many of the people called upon to complete Abstudy application forms are parents of children living in remote parts of our country, many of whom have limited, if I might say, education, if any education at all, they are required to fill in 36 pages of questions that even I as a former lawyer find difficult to understand. As a result of that, Centrelink rejects a lot of Abstudy applications, and I am told by constituents in North Queensland that, in rejecting these applications, Centrelink just says, 'rejected.'

And when the school involved asks what the reason is for the objection, it is told by Centrelink: 'There's a matter of privacy here. We cannot tell you. We can tell the student or the student's parents, but not the school who is providing the education for Indigenous people.'

That is not directly germane to this bill but it is germane to my concern about the increase in regulation and form filling, which in the case of Abstudy is quite atrocious. Because of that, there is a school in North Queensland in administration now because it has provided the tuition, it has provided the care, it has provided the sustenance, it has provided the transport from remote parts of Northern Australia into Townsville, but it has not been getting Abstudy because the parents have not filled in the forms correctly and Centrelink will not tell the school what the problem is. It is a disgrace in the instance I am talking about, as told to me by my constituents, that $5.2 million is owing to the school. The school cannot run on love—although it does exude a lot of love. That is an example of how this country is being strangled by red tape.

Finally, before I sit down—I am conscious that my colleague Senator Edwards is now able to speak and wants to speak—I want to mention something about student visas. I know that all Australian universities are very welcoming and very good, but those students from Asia should really be going to James Cook University in Townsville and Cairns, or Charles Darwin University in Darwin, or Notre Dame in Broome. James Cook is a magnificent university with a worldwide reputation for marine science, among other things. I always point out that for Asian students, you go to a place which has the same sort of atmosphere, the same sort of relaxed 'Asian style' of learning. The James Cook University has a campus in Singapore—I have just mentioned that to my guest at the Singapore luncheon today. These are schools which welcome international students and require these visas, but I know James Cook University, like any other university and any other provider, struggles under the red tape. Notwithstanding that, I will be supporting the bill.

The DEPUTY PRESIDENT: Thank you, Senator Macdonald. We should charge you for advertising!

Senator EDWARDS (South Australia) (13:47): Thank you for facilitating me being able to rise to speak on the Migration Legislation Amendment (Student Visas) Bill 2012. In 2010 the Australian government commissioned the Knight review to evaluate the student visa program to enhance the quality, integrity and competitiveness of Australia's international education sector.
The final report of the Knight review contained 41 recommendations, which the Australian government accepted. We have heard about the Knight review. Both Senator Cash and Senator Mason have referred to that report in relatively glowing terms. They having been involved in this sector much longer than I have and I accept the fact that this is good work that has been conducted.

Recommendation 24 suggests the government should act to abolish the automatic cancellation of student visas and replace that regime with a system in which information conveyed by student course variations is used as one factor to be taken into account in a more targeted and strategic analysis of noncompliance. The bill amends the Education Services for Overseas Students Act 2000—the education act—and the Migration Act 1958 and obviously, in good governance, recommendation 24 is now to be implemented. If the bill is successful, it means it is going to be a far better regime in which to manage these visas in the future.

It is important that we have the correct policy settings that encourage and promote this important export sector. According to Universities Australia it is worth over $17 billion in export dollars and is responsible for the creation of over 120,000 FTE jobs in Australia. As a South Australian senator, this sector is one of the big success stories of my home state's economy. The Australian Bureau of Statistics states that the international education industry provided $925 million to the South Australian economy in 2010-11—nearly $1 billion of a contribution to a state that is in serious need of revenue increases.

Adelaide continues to attract record numbers of international students, with more than 31,000 choosing Adelaide as their study destination in 2011. International education generates more than 6,500 local jobs and is the state's largest service sector export and the fourth-largest overall export behind wine, copper and wheat. International students pay full fees for all courses and are not subsidised by government.

The University of Adelaide—very dear to my heart—is a member of the prestigious Group of Eight universities that consistently ranks among the best in the Asia-Pacific region. In May 2006 Carnegie Mellon University opened its Asia-Pacific education base in Adelaide. University College London is offering masters degrees specific to the mining sector from its new Adelaide campus, which opened in 2010. It is therefore critical that we, in a policy sense, do what we can to support, promote and grow this sector which is so important to my home state and to Australia on the whole.

Much is made of the rise of Asia and the Asian Century—how Australia can be the food bowl for the growing middle class and, just as importantly, is providing education to millions of young people who are on our doorstep. I have only just left the reception for the Prime Minister of Singapore who, in reference to Australia, reflected fondly on the Colombo Plan, which has provided his country with so many graduates who have taken on very senior public service roles in his country.

In the next decade or so, China is likely to grow from the second largest to the largest economy in the world, while India will rise from the ninth largest to the third largest. With this growth in their economies, their middle class is likely to swell by a factor of three out to 2030 and will make up 16 per cent of the world's middle class. The Chinese recognise the importance of a good tertiary education, and the number of institutions in China has increased from 598 in 1978 to 1,867 in 2006. Similarly, the proportion of the Chinese population enrolled in tertiary
study increased from 3.4 per cent to 22 per cent between 1990 and 2008—a remarkable increase in both institutional availability and the number of people filling them. Meanwhile, India will need to build some 1,000 universities to meet the education demands of its growing number of young people. Vietnam, Indonesia and Thailand have similar stories to tell.

China is already our largest source country, with over 40,000 students coming to Australia in 2011. Around 5,000 Malaysian and Indian students came in the same year. The changing demographics and conditions I have just described represent an enormous opportunity for this country—an opportunity which we must not squander. Australia has held a competitive advantage in this area for some time. We have safe, liveable cities to accommodate international students and a university sector that is already geared towards international students. Throughout the years, Australia has built up a rich history of exchange with these and many other countries around the world.

Under this government we have seen international student enrolments decline. Enrolments are expected to reach a low of 485,000 next year. This will see the sector generate $14 billion instead of $18 billion and shed 27,000 jobs. This represents a 23 per cent drop in the number of students between 2009 and 2013, or a 22 per cent drop in the value of education as an export. That is alarming in anybody's language. I hope the minister is cognisant of these figures and this decline. We have to be vigilant and ensure that this does not continue. There has been broad support for the proposal to abolish the automatic cancellation of student visas upon breach of a prescribed visa. However, the requirement for registered providers to notify the Department of Immigration and Citizenship of students' up-to-date contact information at the commencement of each semester when students re-enrol in their approved courses or upon any variation or change to their enrolled course. We do not want layers of bureaucracy. In fact, that is not what we should be looking to do. Thirdly, on the proviso that the first two recommendations are implemented, the bill should be passed.

The coalition welcomes any opportunity to reduce bureaucracy and minimise the amount of cumbersome paperwork that students and others have to fill out in order to come to Australia. We want to make it as easy and as simple as possible for international students to live and study in Australia. As I have highlighted, this is an important industry, not only to my home state but also to the nation as a whole. I thank the Deputy President for his
indulgence in letting me speak this afternoon.

QUESTIONS WITHOUT NOTICE

Carbon Pricing

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (14:00): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Ludwig. The minister, I am sure, will be familiar with the refinery operated by Queensland Alumina Limited, at Gladstone in our home state of Queensland, which yesterday confirmed substantial imminent job cuts and in its announcement attributed the reason for those job cuts in part to ‘new taxes’. After 103 days of the job-destroying carbon tax, what is the government’s message to those workers in Queensland who are now going to lose their jobs because the Prime Minister callously and deliberately deceived the Australian people, when she said, ‘There will no carbon tax under the government I lead’?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:01): I thank Senator Brandis for, for once, having a continued interest in Queensland. Can I say that, as with other parts—

Opposition senators interjecting—

Senator LUDWIG: No, no. We share a lot of common values, I am sure.

Honourable senators interjecting—

The PRESIDENT: Order! Wait a minute, Senator Ludwig. The exchange needs to cease and I just need to have your answer, Senator Ludwig.

Senator LUDWIG: The government is assisting aluminium smelters but, first of all, let me say that, in terms of employment loss in any industry, it is always a very sad day when you hear of that news. The government, for its part, with its Jobs and Competitiveness Program, is expected to provide over $3.5 billion of assistance to the aluminium industry over the next three years. Also, to put it in context, aluminium prices peaked at around $3,300 per tonne in 2008 but are under US$2,100, a fall of some 40 per cent over that period. This collapse in aluminium prices has resulted in numerous closures of older, less competitive aluminium smelters around the world.

The government’s jobs and competitiveness package, as I said, is about supporting those smelters who are in that circumstance by providing that assistance, which is $3.5 billion, but our assistance arrangements mean that the initial average industry impact of the carbon pricing for aluminium refining is equivalent to less than half a per cent of appreciation in the value of the Australian dollar. Based on public production figures, the jobs and competitiveness package that this government will provide will deliver around $230 million of assistance to places like QAL in the first three years of operation of the carbon price and, importantly, assistance more broadly in Gladstone itself. Senator Brandis talked about the impact there. If you look at Rio Tinto—(Time expired)

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (14:03): Mr President, I ask a supplementary question. Given that the carbon tax is forcing up both household and business electricity prices, and is responsible for most of the sharp increases in electricity prices that have been suffered in recent months, isn’t the Prime Minister now compounding her deception of the electorate by now claiming that Australians are not feeling the pain of her carbon tax based on a lie?
Honourable senators interjecting—

The PRESIDENT: Order! When there is silence we will proceed.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:04): Here we have it again from those opposite: descending into the scare campaign, the miserable scare campaign, that they want to run. Then they use question time to try to promote their mistruths about this issue. What we have in terms of industry compensation—and there is no impact on the government's industry assistance—is that the majority of assistance comes through free permits which will move the price.

What the opposition do not talk about is the household assistance that we are providing. They do not talk about the industry assistance which this government are providing. All we hear from those opposite is them wanting to run up the scare campaign, over and over again. It went through from 1 July. We have had more than 100 days of experience under it, and what we now find is that they are trying to reinvigorate the scare campaign which has died out. Why did it die out? It was because this government has acted to put a price on carbon, to reduce carbon pollution, to deliver assistance and compensation for households—(Time expired)

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (14:05): Mr President, I ask a further supplementary question. Why is the minister oblivious to the fact that, as every Queenslander knows, electricity prices in our state have skyrocketed in recent months, largely as a result of the carbon tax? Why does the government remain in denial about the disastrous impact of its tax on jobs and household prices for no environmental impact?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:06): Lazy opposition: all they want to do is run that scare campaign again. The average electricity bill—

Opposition senators interjecting—

Senator LUDWIG: You have not done your homework and you have been caught out again like a truant schoolchild. The average electricity bill went up by approximately 50 per cent over the last four years. We did not hear a blink from you about that, did we? Without the carbon price, the most important driver of rising electricity prices is invested in network infrastructure, so that networks now cost an average household $51 for every $100.

Opposition senators interjecting—

Senator LUDWIG: That is why you are yelling out. You do not like the truth in this instance. What you want to do is continue your scare campaign, but it has run out of puff. Your scare campaign has completely run out of puff. That is why your leader is moving his language. He has moved his language from 'wiping out Whyalla' to now 'a python squeeze'. Why is he doing that? It is because he knows, like the community knows, that the scare campaign—(Time expired)

Honourable senators interjecting—

The PRESIDENT: Order! On both sides, I am waiting to give the call. When there is silence we will proceed.

Bali Bombings

Senator STEPHENS (New South Wales) (14:07): My question is to the Minister for Foreign Affairs, Senator Bob Carr. Can the minister inform the Senate about the
Australian government's memorial services for the 10th anniversary of the 2002 Bali bombings?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:07): It has been 10 years since the bomb struck Paddy's Bar and the Sari Club in Bali, tragically claiming 202 lives including 88 Australians—43 from my state, New South Wales. At least 100 others were injured, maimed by the horrific fires and destruction that followed. I recall vividly visiting several in the burns wards of two Sydney hospitals.

Tomorrow, the Australian government will hold memorial services in Bali and Canberra to commemorate the bombings. Those who lost their lives or were injured were innocent people going about their daily lives, many of them young people enjoying a holiday at the beach. We will never forget them.

Prime Minister Gillard will represent the Australian government at the service in Bali. The Governor-General will lead the service at Parliament House in Canberra, which is open to the public. We should acknowledge the spirit of the Australian response in those terrible hours and days after the bombing, like the team of Australian doctors and nurses who happened to be in Bali on holiday and rushed to help the victims, a burns doctor from Perth and his wife, an army medic from Darwin, and many others. It is that spirit—the refusal be cowed by evil extremists and our sense of common humanity—that we pay tribute to tomorrow.

You might recall one family from my own electorate in Maroubra, a mother and father who lost their 17-year-old son who was on his first holiday apart from his parents—his first holiday overseas. Their tragedy was to receive his bloodied bag that contained in the suitcase the present he bought for his mum and dad. I recall going to a funeral on the Central Coast of New South Wales. The family's dad—who survived the bombing and worked as a fire fighter at the Maroubra police station, just around the corner from where we live—lost his dear wife and one of his two daughters. The members of a football club at Coogee bore a great loss as well.

Senator STEPHENS (New South Wales) (14:09): Mr President, I ask a supplementary question. I thank the minister for that response. Can the minister advise what the government is doing now to support survivors and families of victims to participate in the memorial services?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:10): On 19 August the Prime Minister announced a package of assistance to survivors and the families of victims to attend services in Bali and Canberra. Direct financial assistance has been offered by the Australian government to cover the cost of air fares, ground transfers, accommodation and living expenses. The package is commensurate with assistance provided for the first anniversary in 2003. Close to 800 Australians will attend the memorial service in Bali: family and friends of the victims, the volunteers who assisted them and those who were there at Kuta Beach on that fateful night. During the service, 22 candles will be lit at a remembrance pool to represent the number of countries that lost people in that tragedy. The acquired feedback from people availing themselves of this assistance is that they appreciate it and they see it as a gesture by the Australian people to sustain them in the sorrow that will come to the fore on this sad anniversary. (Time expired)

Senator STEPHENS (New South Wales) (14:11): Mr President, I ask a further supplementary question. Can the minister also advise the Senate of the Australian government's efforts to work with the
government of Indonesia to reduce the threat of terrorism?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:11): Deserving of high praise is the response of Indonesia to terrorism. Since the Bali bombing the Indonesian authorities have laid over 700 charges against people accused of terrorism and delivered convictions in over 400 cases. That is 400 people in jail who were capable of taking more Australian lives and, of course, more Indonesian lives with bombings like this—one whose anniversary we are commemorating. Since the Bali bombings there has been a very high level of cooperation between the Australian and Indonesian police. We have helped strengthen Indonesia's capabilities in investigative techniques, forensic analysis, bomb disposal and intelligence collection. Together we have established the Jakarta Centre for Law Enforcement Cooperation for counter terrorism training, which is highly appreciated in Indonesia. Australia and Indonesia co-sponsor—*(Time expired)*

**Carbon Pricing**

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (14:12): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Ludwig. I refer the minister to Grain Products Australia, a Tamworth business that employs 68 people and has been crippled by the government's carbon tax. Over the last three months the electricity bills of Grain Products Australia have had carbon tax charges of $27,000, $28,000 and $29,000 respectively and, in the words of the owner, 'are making life very, very difficult'. Given that Grain Products Australia faces competition from cheaper Chinese imports that do not have a carbon tax imposed on them, how is this regional Australian business, providing employment for working families, expected to survive with this business-stifling tax?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:13): I thank Senator Williams for his continued interest in at least parts of rural Australia. One of the important parts is that I do not accept the premise of the question. If Senator Williams has those figures then I always encourage senators to table them. Provide them to Minister Combet's office so that Mr Combet can look at the actual figures, otherwise we end up with a scare campaign again in support of that. I would have thought Senator Williams was above that, quite frankly. I think highly of him.

Treasury modelling has shown that the carbon price will increase issues around electricity prices by 10 per cent and—

Honourable senators interjecting—

The PRESIDENT: Order! When there is silence on both sides we will proceed.

Senator LUDWIG: The Treasury modelling and the recent analysis by Big Switch Projects on larger business users demonstrated an average price rise of around 11 per cent due to the carbon price. That is why it is very important to get the facts on the table. That is why it is very important to analyse this so we do not have statements in the public arena which are unsupported and which could mislead the public about the impact of generator costs and the carbon price on electricity prices.

They found that the impact of the carbon price for most businesses is at or just over 2c per kilowatt hour, which is what the Treasury modelling predicted. What is also happening to large businesses is that many network companies have been increasing demand charges by as much as 75 per cent, which is resulting in overall bill increases of
up to 53 per cent. So it is very important to unpack that and separate that out. If you look at that issue, you will see that the network costs are by far the greater component of the electricity price. These increases have nothing to do with— (Time expired)

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (14:16): Mr President, I have a supplementary question. I refer the minister to the fact that without the carbon tax, Grain Products Australia paid 18.4c a kilowatt hour and the carbon tax has added 2.1c per kilowatt hour. This has resulted in an 11.5 per cent increase in their electricity charges. Can the minister explain why Grain Products Australia is already suffering an increase that is greater than the 10 per cent increase predicted by the government?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:17): I thank Senator Williams again. I do not accept at face value what you are saying. It is very important that you provide that and that you table it. It is important to make sure that we get this accurate. Quite frankly, it is time that those opposite acknowledged that the massive increases in network prices are the main reasons for higher electricity prices and they should ask state governments why they are not assisting households and businesses with these increases. I bet that Senator Williams’s state counterpart has not heard one peep from him on electricity prices—he could nod to confirm that if he wanted to.

We know that they want to slice electricity bills and pump up that issue to support their scare campaign over the last 100 days. It is falling flat and now they are staggering around trying to find something new to grab hold of. (Time expired)

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (14:18): Mr President, I ask a further supplementary question. With the carbon tax to go up and up under your government's estimates, will you finally admit this economy-wide carbon tax is an impediment to business in Australia and will reduce their ability to be internationally competitive?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:18): I am pleased Senator Williams now talks about business certainty. The biggest threat to business certainty is those opposite saying that they are going to withdraw it and rule out a carbon price into the future. That will create the biggest uncertainty for business. Quite frankly, it is extraordinary that Senator Williams raises the issue of business certainty when the biggest risk is the coalition ripping away business certainty because of the attitude it has adopted in relation to the carbon price. Those opposite are not going to protect business. Businesses have more certainty now than ever before with the introduction of this carbon price and with it moving to an emissions trading scheme after a fixed price period. Let us not misunderstand the significance of this announcement. We have negotiated linking in a scheme which covers 530 million over 30 countries. (Time expired)

Solar Energy

Senator HANSON-YOUNG (South Australia) (14:20): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Minister Ludwig. Is the minister aware of the overwhelming, across-the-board support in Port Augusta for transitioning from the two dirty coal fired power stations in that town to
the cleaner, cheaper and safer technology of concentrated solar thermal plants?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:20): I thank Senator Sarah Hanson-Young for her question. I am aware that Minister Ferguson has met representatives of the particular group in question. As I understand it, it is an area that Minister Ferguson has lead responsibility for. But I am happy to take it on notice and correct that if necessary. In terms of the Mr Combet's portfolio, the Australian government are firmly committed to a clean energy future for Australia.

We have increased the renewable energy target to 20 per cent by 2020 and have committed $17 billion in funding support for clean energy initiatives. This includes the new $10 billion for the Clean Energy Finance Corporation and the $3.2 billion for the Australian Renewable Energy Agency, ARENA. Most importantly, the Australian government have introduced a carbon price in the economy to achieve our long-term goal of reducing emissions by 80 per cent by 2050. Combined, these initiatives will provide unparalleled support. The Australian government continue in the direction of meeting the renewable energy target. It is important to recognise that this is why the government initiated the Solar Flagships program in 2009 and created the—

Honourable senators interjecting—

The PRESIDENT: Order! This discussion at the front of the chamber is disorderly. Senator Hanson-Young is entitled to hear the answer of Senator Ludwig.

Senator LUDWIG: The Minister for Resources and Energy, Minister Ferguson, announced on 9 June 2012 that AGL Energy has been offered approximately $130 million for a 159-megawatt photovoltaic power plant across two sites near Broken Hill and Nyngan in New South Wales, which are suspected to be operational from 2015. The minister was also referred to other Solar Flagships project proposals in ARENA, but I will take that on notice to ensure that Mr Ferguson and Mr Combet can add any additional information. (Time expired)

Honourable senators interjecting—

The PRESIDENT: Order! It is not fair to Senator Hanson-Young, who asked the question, that those in the front part of the chamber are continually at conversation across the chamber during the time when Senator Ludwig was answering the question. I remind senators that it is disorderly, and they should refrain from talking to each other across the chamber. If you wish to talk, go outside.

Senator HANSON-YOUNG (South Australia) (14:23): Mr President, I ask a supplementary question to the minister. I thank the minister for the first answer. A recent vote showed that 99 per cent of the Port Augusta community joined their local council, the current plant's employees union and several national community groups, including the Australian Youth Climate Coalition, in their support for concentrated solar thermal—and for good reason. Is the minister aware of the high rate of lung cancer in Port Augusta—twice that of the rest of South Australia?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:24): I thank Senator Sarah Hanson-Young for her continued interest in this area. It is an area, as I understand it, that falls more directly in Minister for Resources and Energy Martin Ferguson's portfolio, but I will seek to achieve additional information in answer to a
question from Minister Combet, where the question has been directed.

From Minister Martin Ferguson's area, they have committed a significant area through ARENA, which in addition is funding other large-scale solar projects including the $34 million to the 44-megawatt Solar Boost Project at Kogan Creek. The idea is that we are delivering on lowering our carbon emissions. We are looking at alternatives to increase our power consumption through these types of projects that Minister Ferguson has been working on. AGL Energy has been offered $130 million for the 159-megawatt photovoltaic power plant against two new sites—that is the type of work that we are— (Time expired)

Senator HANSON-YOUNG (South Australia) (14:25): Mr President, I ask a second supplementary question. I understand that the Minister representing the Minister for Climate Change and Energy Efficiency has made several references to Minister Ferguson, and I take that on board. However, my question was to the minister in his role representing the minister for climate change. Has the minister for climate change made any representation to the Port Augusta community and the South Australian government about what support the Commonwealth will offer to help facilitate this essential environmental, economic and social reform?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:25): It is fair to say that out of both Mr Ferguson's portfolio and Mr Combet's portfolio there are significant committed funds to assist communities. I do not want to go through and describe each one of those. I can ask both ministers to provide an update of what types of funds are available to assist communities in that area—

Honourable senators interjecting—

Senator Hanson-YOUNG: Mr President, I rise on a point of order. I appreciate that Minister Ludwig is trying to answer my question but I cannot hear the answer.

The PRESIDENT: Order! On both sides, as I pointed out, there needs to be quiet.

Senator LUDWIG: What I indicated was that I would take that on notice. As I understand it there is a range of programs that may be available out of either Minister Combet's or Minister Ferguson's portfolio. I think it fair, given the available time, to provide an answer on notice to Senator Sarah Hanson-Youn, because the community has asked, through Senator Hanson-Youn, to gain that additional information. I will also seek an answer from Minister Combet as to whether or not he has engaged with the community. (Time expired)

Carbon Pricing

Senator BERNARDI (South Australia) (14:27): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Ludwig. I refer the minister to a joint press release issued by the Minister for Climate Change and Energy Efficiency, Mr Combet, and the Parliamentary Secretary for Climate Change and Energy Efficiency, Mr Dreyfus, last week asserting that the Regional Greenhouse Gas Initiative, an emissions trading scheme operating in 10 states in the north-east of the United States, was a great success because it led to a 23 per cent reduction in greenhouse gas emissions over the last three years. Can the minister confirm that the carbon price under that scheme in 10 US states has been below $2 a tonne since the scheme started in 2009, and that this US regional scheme
specifically excludes manufacturers and other industrial plants from its application?

Further, is the minister aware that slowing economic growth and general weakening of the economy in the US has led to lower emissions without a massive price on carbon, as it did in Europe when industry shut down across Eastern Europe in the wake of the collapse of socialism?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:28): I thank Senator Cory Bernardi for his continued interest in the US. Can I say, I do not look like the US President. It is an area where—

Honourable senators interjecting—

Senator Cormann: The note from Penny! Here we go! The Penny has dropped!

Senator Wong: I am just the postie!

Senator LUDWIG: Thank you. It is very difficult. I know they used to do it to Senator Wong; I am surprised they are doing it to me, too. It must be the topic that gets them excited. But let us be clear about this. In going to the range of areas that the opposition go to, they are trying to undermine the work we are doing in the Australian economy—not the US economy—

Senator Brandis: It is apparent surely to you, Mr President, that none of this answer is relevant even indirectly to the question asked.

The PRESIDENT: There is no point of order.

Honourable senators interjecting—

Senator LUDWIG: I thank those opposite for trying not to interject. The commission looked at a report published by the Climate Commission that dispels once and for all the myths pushed by the opposition that Australia is acting alone. What Senator Cory Bernardi underpins his question with is that we are acting alone and we are not acting in unison with other countries. The commission concluded that every major economy is tackling climate change. It found that 90 countries representing 90 per cent of the global economy have committed to reduce their carbon pollution and have policies in place to achieve these reductions, and that many of these countries are relying on market based mechanisms. We have a fixed price for three years and then will move to a market based mechanism. The commission's report concluded that a carbon price is the most cost effective way to reduce emissions and is more efficient than other direct subsidy policies. That is why next year carbon trading will be operating at the subnational level in the United States. (Time expired)

Senator BERNARDI (South Australia) (14:31): Mr President, I have a supplementary question and I wonder if the minister can respond to it directly. Given that some states in the US were supposedly able to achieve a 23 per cent reduction in emissions with a $2 a tonne price on carbon, why is it that under Labor's $23 a tonne carbon tax, the biggest carbon tax in the world, domestic emissions are expected to increase from 578 million tonnes of carbon dioxide in 2010 to 621 million tonnes of carbon dioxide in 2020?

Honourable senators interjecting—

The PRESIDENT: Order! I will give the minister the call when there is the appropriate silence.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:31): Again the question is not factually correct. It is very difficult, when they start off with an
untruth, to deal with a question in a sensible way. If you look at the impact of the government's industry assistance, the majority of assistance comes through free permits which will move the price. We indicated in making this decision we would embark upon a process of consultation with the business community which we have done. Many concerns raised by business about the floor price but unheard of by those opposite are known about in the community. We have been cognisant of those concerns and we have responded to them. If you look at it in relation to—

Honourable senators interjecting—

The PRESIDENT: Senator Ludwig, resume your seat. If people wish to discuss the issue and debate the issue, the time to do that is after question time. Senator Ludwig can continue.

Senator LUDWIG: What you find from those opposite is interjections which try to undermine—

Honourable senators interjecting—

The PRESIDENT: Senator Ludwig, resume your seat. Order! I remind both sides. Senator Ludwig can continue.

Senator LUDWIG: What we can say is if you look at the assistance that we are providing to the industry, the way we are moving to an emissions trading scheme, it is far in advance of what the question suggests. This government are acting. (Time expired)

Senator BERNARDI (South Australia) (14:33): Mr President, I have a second supplementary question. Why does the Gillard government think it is appropriate that 23 million Australians are being asked to pay 20 times as much carbon tax than more than double that number of people across these 10 US states that I mentioned? Does the government really not understand that this is pushing up our cost of living and our cost of doing business by so much more than any other scheme around the world, including the one in the United States that I mentioned?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:34): What those opposite fail to appreciate is that to reduce carbon pollution and keep our economy strong in the future we need to make some changes in the way we do things. If we do not do this it will harm our economy, our prosperity and our environment. We are putting a price on the biggest polluters while we are helping households with any of the costs that are passed on with cash payments which have increased and benefits like the pension and tax cuts for workers, including tripling the tax-free threshold to $18,200. We have not been acting alone, as those opposite would have you believe. The ETS has been welcomed by the markets and the business community because of the certainty it will provide. The biggest risk is those opposite who would bring business uncertainty, reduce the opportunity for business and then provide a completely uncertain environment from which to operate. (Time expired)

Rural and Regional Services

Senator CROSSIN (Northern Territory) (14:35): My question is also for the Minister for Agriculture, Fisheries and Forestry, Senator Ludwig. Can the minister please outline to the Senate what support the government provides to Australian agriculture, particularly in Northern Australia, and what actions the government should take—

Honourable senators interjecting—

The PRESIDENT: Senator Crossin, resume your seat. When there is silence we
will proceed, if you want to chew up question time. Senator Crossin, continue.

Senator CROSSIN: Could the minister outline to the Senate what support the government provides to Australian agriculture and what actions the government should take to prepare the nation for the future, including our participation through the Asian century?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:36): I thank Senator Crossin for her continued interest in public policy in agriculture, unlike those opposite. The Gillard government is a strong supporter of Northern Australia. I have met with and support local industry about the issues that matter to them. One example is the AACo pastoral proposal for an abattoir in the Northern Territory. The government has held discussions with AACo and the Northern Territory government about this proposal and through the Northern Australian Ministerial Forum and in consultation with the industry, the Gillard government is supporting the northern jurisdiction in developing a comprehensive beef strategy for Northern Australia. This strategy has included examining the feasibility of an abattoir facility in Northern Australia. The Northern Australian beef strategy is an element of Northern Australian Sustainable Futures program, a Labor election commitment.

The government has also provided information to AACo on programs it could apply to for funding. The government has an open-door policy in dealing with industry. But I was surprised to read this morning that having an open door to the north is a rare thing for those opposite. In Queensland Country Life today, I read that when AACo went to speak to the Liberals about the project, they referred them off to the Nationals. The door from the Liberals was shut in their face. That is the Liberal approach to dealing with industry: shut in their face. AACo goes on to talk about the dangers of this approach. I quote: 'If the coalition is going to rely on the Nationals to develop Australian agricultural policy, they must demonstrate they are mature enough to lead the debate and policy development.’ But at the moment the coalition has a real problem, because you can comfortably say that the Nationals are not demonstrating those qualities at all. AACo said, ‘The Nationals do not fully understand the various demands—(Time expired)

Senator CROSSIN (Northern Territory) (14:39): Mr President, I ask a supplementary question. Can the minister inform the Senate of the importance of the ongoing support to Australian agricultural industries and what other issues are important for the government to support, particularly in agriculture?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:39): I thank Senator Crossin for her continued interest in agriculture in Northern Australia. It is to have a coherent and consistent agricultural policy that supports our producers and processors and encourages trade and regional jobs—but we are not seeing that from those opposite. For months now, I have been saying: the Nationals are the doormats to the Liberals. But maybe I have been wrong. I have discovered that the monkeys have been running the zoo all along! Time and time again lately, we are seeing that Senator Joyce is calling the shots. On wheat they are shamelessly divided and undermining their leader. You are undermining your leader!
Senator Heffernan: Mr President, I rise on a point of order as the former chairman of the Northern Development Taskforce. When the government changed, the government put a whole lot of people in there who were 'no can do' people instead of 'can do' people and it was driven by us—

The PRESIDENT: That is not a point of order. You know it is not a point of order. That is a debating point.

Senator Ludwig: I was saying: on wheat they are shamelessly divided, and it is a case where the Liberals are now being done over by the doormats. On foreign investment—this is where I was wrong—they have undermined investment in regional Australia and the doormats have done over—

(Time expired)

Senator Crossin (Northern Territory) (14:41): Mr President, I ask a further supplementary question. Finally, I would like to know: what are the risks to the government's commitment to supporting Australian agriculture?

Senator Heffernan: Mr President, I rise on a point of order. In answer to the question, the only threat to agriculture in Australia is that there is not one person on the other side who lives in rural Australia!

The PRESIDENT: Senator Heffernan, there is no point of order. Resume your seat.

That is a point of argument. If people wish to debate the issue, the time to do it is after 3 o'clock.

Senator Ludwig (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:42): I thank Senator Crossin for her continued interest in this area. If you look at the biggest risk to Australian agriculture, it is Mr Abbott being unable to settle on one policy without the doormats from the Nationals flipping the Liberals. It is a risk because he is outsourcing his leadership to Senator Joyce. The opposition are at risk because they have only one trick: aggressiveness and negativity. That is the only policy you have got. You harp on and harp on about it, but, on illegal logging, the doormats have flipped you again. You had a very sensible policy. I see Senator Colbeck looking down, because you had a sensible policy on illegal logging in 2010. You flipped on that one, you flipped on wheat, you flipped on foreign investment, and—

Union Funds

Senator RONALDSON (Victoria) (14:44): My question is to the Minister representing the Minister for Employment and Workplace Relations, Senator Wong. I refer to the findings of improper use of union funds by former HSU officials and to uncontradicted reports that the ETU has purchased a $1.5 million mansion in Sydney for one of its officials and also a house in Tasmania for another official, a former ALP candidate for the seat of Franklin, Kevin Harkins.

I ask: is the minister satisfied that Fair Work Australia has sufficient resources to investigate fully and promptly all claims concerning the improper use of union members' money?

Senator Wong (South Australia—Minister for Finance and Deregulation) (14:44): I anticipated a question about the employment figures and the increase in unemployment in Queensland but, clearly, those opposite continue not to be interested in things such as jobs.

On the specific details of two assertions which I think were made in that question, I do not have any advice, nor do I have any personal knowledge. They may have been on the public record but I do not recall seeing them. I cannot provide any information on that. If there is any relevant information from
Minister Shorten I will seek that and provide that if I can.

In relation to the issue of the powers of Fair Work Australia I would make this point: the government has amended the Fair Work (Registered Organisations) Act to improve accountability of registered organisations—

Senator Ronaldson: Mr President, I rise on a point of order—on relevance. Clearly, there was a fair bit of noise from the other side when this was being asked and the minister may not have heard my question. I asked her if there were sufficient resources to investigate fully and promptly all claims concerning improper use of union members' money.

The President: There is no point of order.

Senator Wong: I would have thought that the capacity of Fair Work Australia to act in relation to accountability, if the opposition are interested in accountability, would actually be a relevant issue. The opposition would be aware that the government's amendments included, for example, the requirement of officers to disclose personal interests, the requirement of disclosure of payments being made to related parties, new detailed rules about record keeping and what a permissible use of organisation's funds is being more clear to members.

Senator Abetz: How is this relevant?

Senator Jacinta Collins: Transparency is very relevant. They can't investigate something if there is no transparency.

The President: Order!

Senator Wong: Senator Collins is making a very important point: if you want to ensure that something is investigated then you want to ensure that the organisation responsible in fact has the powers to do so, and I am outlining the amendments that—

(Time expired)

Senator Ronaldson (Victoria) (14:47): Mr President, I ask a supplementary question. Can the minister inform the Senate what additional resources, if any, have been provided to Fair Work Australia since the publication of its report into the misuse of HSU members' funds, to enable Fair Work Australia to fully and promptly investigate claims of the improper use of union funds? Given that it took three years for Fair Work Australia to complete its investigation of the HSU, if no additional resources have been provided then why not?

Senator Wong (South Australia—Minister for Finance and Deregulation) (14:48): My recollection was that it was the government that acted to have an administrator appointed to the HSU East Branch of the Health Services Union. Minister Shorten has made clear the reasons for that, which included, obviously, the dysfunction in that branch. We did so without the support of the Liberals. The government has also acted to improve the transparency and accountability of registered organisations and the powers of Fair Work Australia to investigate.

I do not have the figures before me about the current appropriation for Fair Work Australia. I can certainly obtain those and provide them on notice to the Senate.

Senator Ronaldson (Victoria) (14:49): Mr President, I ask a further supplementary question. Given the fact that the maximum penalty for a breach of the Fair Work (Registered Organisations) Act is a mere $6,600, doesn't this paltry penalty simply encourage crooked union officials to rip off their members' funds? Why will the government not increase these paltry penalties and bring them into line with those
faced by company directors who do the wrong thing by their shareholders?

**Senator WONG** (South Australia—Minister for Finance and Deregulation) (14:49): I think that everybody knows what Senator Ronaldson is trying to do. Interestingly, after telling me that the powers of the organisation were irrelevant to this issue and that only the resourcing was, now he wants to turn to the issue of penalties. I think he is making the point by this second supplementary question that the legal framework is important. I refer to my answer in the first—

*Honourable senators interjecting—*

**Senator Ronaldson:** Mr President, I rise on a point of order. The minister should withdraw that comment. She knows full well that I only asked questions in relation to resources and made no reflection on anything else whatsoever.

**The PRESIDENT:** That is debating the point. I do draw the minister's attention to the question. She has 36 seconds remaining to answer the question.

**Senator WONG:** I am not sure which bit of the answer he wants me to withdraw.

**Senator Ronaldson interjecting—**

**Senator WONG:** Well, tell me which bit you want me to withdraw and I will withdraw! Which was the offensive bit? I pointed out that you were inconsistent between your primary question and your supplementary. My goodness! Isn't that dreadful!

I again remind those opposite that it was this government which made amendments to the Fair Work (Registered Organisations) Act to improve the accountability of trade unions, requiring officers to disclose personal interests and requiring the disclosure of payments being made to related parties, and these amendments were appropriate. *(Time expired)*

**International Year of Co-operatives**

**Senator MADIGAN** (Victoria) (14:51): My question is to the Minister for Finance and Deregulation, Senator Wong. In these closing stages of the International Year of Co-operatives, with the United Nations and other international bodies promoting the expansion and support of cooperatives across the world, can she advise what concrete support—and by concrete I do not mean the token gesture of a commemorative coin and stamp that are not even available to the general public—the government has given to Australian cooperatives that will enable them to grow and survive in what is becoming an increasingly uncompetitive free market economy dominated by multinational corporations?

**Senator WONG** (South Australia—Minister for Finance and Deregulation) (14:52): The government recognises, as does the senator, the important and valuable role that cooperatives play within the Australian economy and in particular in relation to, I think, the senator's areas of interest in regional areas, particularly in the context of agriculture and banking services. I understand the senator may have previously raised some issues about industry assistance programs. Whilst I cannot give an indication about the eligibility of every industry assistance program that the government has, obviously the government is very conscious of the importance of ensuring that the design of these programs does not unreasonably exclude any particular business structure from eligibility.

In the context of the Treasury portfolio, in the 2011-12 budget the government did announce it would establish a regulator for the not-for-profit area, which is relevant to cooperatives: the Australian Charities and
Not-for-profits Commission. Whilst only tax-endorsed charities will be regulated by the commission, the bill does establish a regulatory framework that can be extended to all not-for-profit entities, including cooperatives, in the future. This is a process that has been underway for some time. I think Senator Stephens had some role in dealing with this previously.

The government has also, through its banking reforms, taken steps to facilitate the competitive power of Australia's mutual credit unions and building societies, including through the introduction of a guaranteed deposit symbol which informs consumers that the government guarantees deposits of up to $250,000 with any ADI. This allows mutual lenders to market themselves as mutual banks. I would note that the regulation of cooperatives is in large part the responsibility of state and territory government, but the Commonwealth has supported the progression of the cooperatives national law through the COAG Legislative and Governance Forum on Consumer Affairs. (Time expired)

Senator MADIGAN (Victoria) (14:54): Mr President, I ask a supplementary question. Minister, on 15 March this year, in answer to my questions on the Enterprise Connect scheme, Senator Lundy advised that, despite the requirement for applicants to the scheme to have an ABN, any cooperative is entitled to apply for assistance under the scheme. Minister, do you have details of the number of cooperatives that have applied for assistance under Enterprise Connect since that statement and how many of those applications have been successful?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:56): With respect, I do not accept that the senator's characterisation is accurate. I have outlined some of the measures the government is taking. I understand the concerns that have been raised about the Enterprise Connect program and, through Senator Lundy, Minister Combet will be responding. I also understand that the UN International Year of Co-operatives national conference is being held—maybe the senator is attending—in Port Macquarie later this month. It will be hosted by Regional Development Australia Mid North Coast, which of course is funded by the Commonwealth government. I am advised that speakers will include chairs and CEOs of some of Australia's most successful cooperatives and mutuals, including Murray Goulburn, NRMA, CBH and a number of...
others. The discussion will focus on the role of cooperatives and mutuals.

**South Australian Economy**

Senator EDWARDS (South Australia) (14:57): My question is to the Minister for Finance and Deregulation, Senator Wong. I refer the minister to the dire set of economic data in her home state of South Australia after yet another two major home builders were placed into administration this week. We have the worst state credit rating in Australia at AA. We have building approvals dropping for 16 consecutive months, including a 22 per cent drop in the 12 months to August. We have construction work declining 7.9 per cent for the 12 months to June; South Australia was the only state to record a decline for this period. And we have a 23.2 per cent decline in dwelling commencements in the 12 months to June, with South Australia having the lowest number of dwelling commencements in 11 years. When will the government accept responsibility for the catastrophic state of the South Australian economy, caused by a double whammy of federal and state Labor governments' economic policies?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:58): If Senator Edwards is so interested in dealing with the South Australian political issues, I do understand that. There are a few preselections which might be available on his side of politics for the South Australian campaign. There might even be an opposition leadership position available in South Australia, which he might want to put his hand up for.

The PRESIDENT: Order, Senator Wong! Come to the question.

Senator WONG: Thank you, Mr President. I do not accept the premise of the question, as per normal from this senator. I suggest he has a look. If he wants to talk about federal and state policies, it is interesting that he glosses over the fact that the employment figures released today actually show an increase in jobs in South Australia but over 20,000 jobs being lost in the state of Queensland, the largest drop that has been seen. In South Australia we have seen a small rise in the most recent monthly figures. If the senator is really concerned about the economic issues in our state, he might want to explain why it is that he is part of a party that wants to take $1 billion away from South Australia, because they want to change how the GST is allocated. He ought to go back to Adelaide and fess up that Mr Abbott wants to take $1 billion from South Australians.

Honourable senators interjecting—

The PRESIDENT: Order! Order on both sides! Senator Brandis, you need to be heard and you are entitled to be heard in silence and there are people discussing this on both sides. Wait a minute, Senator Brandis. Senator Brandis, you have the call.

Senator BRANDIS: On a point of order, Mr President, apart from not being relevant to the question asked and aside from the fact that she is lying to the chamber—

The PRESIDENT: Order! No, no, you have got to withdraw that. There is no point of order.

Senator BRANDIS: I withdraw.

Opposition senators interjecting—

The PRESIDENT: Order! I am not getting into an argument. There is no point of order. The minister has 38 seconds remaining.

Senator WONG: I might respond to Senator Brandis, because he can explain to me why it is that Mr Abbott said that he likes a per capita distribution. The truth hurts, doesn't it, George?
Opposition senators interjecting—

The PRESIDENT: Order, Senator Wong! Order on both sides! Wait a minute, Senator Brandis, you will get the call. Senator Brandis.

Senator Brandis: It cannot be relevant to a question asked by Senator Edwards for the minister to say, 'I am going to respond to an interjection from Senator Brandis.'

Opposition senators interjecting—

The PRESIDENT: Order! I do remind the minister of the question. The minister has 31 seconds remaining.

Senator WONG: It is disappointing that the senator in his question yet again joined in the chorus that the opposition like to engage in talking down the economy. That is not good for Australians. That is not good for South Australians. Talking down the economy might be something that is in your political interest; it is certainly not in the national interest—and the senator would know. If he wants to make a constructive contribution to the economic debate—(Time expired)

Senator EDWARDS (South Australia) (15:02): Mr President, I have a supplementary question for the minister. Does the minister agree that, given that South Australians already pay the highest state taxes in Australia and are burdened with the nation's most expensive and worst-performing workers' compensation scheme, the people of the state do not need the carbon and mining taxes smothering any potential economic growth for South Australia? Shouldn't the most senior federal Labor minister for South Australia be beside herself with worries about the dangers to this economy?

Honourable senators interjecting—

The PRESIDENT: Order! When there is silence on both sides, we will proceed.

Senator WONG (South Australia—Minister for Finance and Deregulation) (15:03): I think I have previously said to Senator Edwards that if he is concerned about the economy and jobs in South Australia I hope that after this question time he will publicly call upon Mr Abbott to match the government's contribution to GMH, to the car industry. I look forward to him standing up and defending the jobs of vehicle workers, because I suspect he will not. But until he does something like that, I suspect everybody will understand what his motivation is in here. I suggest to the senator that if he thinks he can do a better job than Isobel Redmond, maybe he should just go there and tell her that.

Senator EDWARDS (South Australia) (15:04): Mr President, I ask another supplementary question. Given the shelved Olympic Dam expansion, recent closures of major electrical and book retailers in South Australia, and the increasing numbers of builders and foresters going into administration in that state with now the loss of 30,000 full-time jobs since June 2011, when will you call your state Labor mates and give them the heads-up on the critical condition of the South Australian economy before more businesses close and more South Australians lose their jobs?

Senator WONG (South Australia—Minister for Finance and Deregulation) (15:05): I do not know why my making a phone call is somehow something in my portfolio. There was a reference in the question to Olympic Dam, and I think that everybody recalls the disgraceful way in which the announcement of that project was used and misused by the opposition to try to press their political point and run a politically motivated campaign to try and suggest that a tax that would not apply to Olympic Dam—the MRRT—was somehow responsible for the project being shelved.
Other than some of the Greens, who at least had the honesty to oppose the project, the only people who were happy about the Olympic Dam extension being shelved were those opposite. It was an absolute disgrace.

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

DOCUMENTS
Carbon Pricing
Tabling

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (15:07): Mr Deputy President, I seek leave to table the electricity invoices from Grain Products Australia, all six of them over the three-month period, as I stated in a question during question time.

Leave not granted.

Opposition senators interjecting—

The DEPUTY PRESIDENT: Order!

Senator WILLIAMS: I intend to copy this and circulate it around the chamber so everyone can see it. The government called for these very documents, these electricity invoices, during question time. The government called for them and we have them here. Let us see if this is the open and transparent government under Ms Gillard that we were told about on 21 August 2010. Mr Deputy President, I will have these...
copied. I will circulate them around the chamber and then between the hours of 4 and 5, when I am on whips duty, I will move to have them tabled, as requested by the government, who wanted to see these invoices and see that the question I put in question time is true, honest and factual.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Union Funds

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (15:09): I move:

That the Senate take note of the answer given by the Minister for Finance and Deregulation (Senator Wong) to a question without notice asked by Senator Ronaldson today relating to the inappropriate use of union members' money.

Trade unions play a vital role in our community, but the members of many of those trade unions have been betrayed by the union bosses who are involved in a web of corruption, a web of self-enrichment and a web of self-aggrandisement. When the Craig Thomson issue and the Health Services Union matters came to light, we were promised it was an isolated incident. Over $500,000 had been ripped off from some of Australia's lowest paid workers. Then we had the exposure of former ALP president Michael Williamson's $20 million rip-off of Australia's lowest paid workers. Now we have the Electrical Trade Union scam, which goes back for some time.

In 2000 the ETU set up a fund known as Protect—what an ironic name—to provide income protection insurance for electrical industry employees. Mr Mighell told employers the insurance premium would be $14.50 per employee. The actual cost was in fact only $10.75. The balance was funnelled into the Electrical Trade Union trust funds, or slush funds, and the Electrical Trade Union simply kept the moneys. And who kept these moneys? None other than Tony Mokbel's accountant, Michael Heiner, with trustees including Mr Mighell and the now senator Gavin Marshall. And the field officer for the project, for Protect? The now member for Deakin, Mike Symon, was to sign up as many employers as possible with, of course, the inflated premium.

According to the Cole royal commission: 'Unknown to the employers who contributed to the premiums for the income protection insurance, and NECA, the employer organisation, a private arrangement was made whereby large sums of money were paid by a company to the ETU as commission either directly or through a trust. Over a little more than two years, a sum exceeding $2.5 million was paid or became payable in this way, yet producing no additional benefit in respect of income protection.' And guess what? The funds included purchasing a home in Tasmania for former ALP candidate Kevin Harkins whilst he was Tasmanian ETU secretary. And if that is not bad enough, having got away with the Tasmanian purchase, they then moved to the harbourside of Sydney and bought a mansion for over $1 million for an ETU official national assistant secretary. None other than Dean Mighell has alleged that there was an attempt to disguise this purchase of the mansion by using the New South Wales branch 'so they didn't have to go through the books of the union nationally in order to get approval for it'.

So we have the Health Services Union. We have the Electrical Trades Union, And, of course, we have the Australian Workers Union, which, since 1989, has been engaged in the defrauding of its members, and that has now been well documented by the activities of Mr Wilson and Mr Ludwig and those that have brought it to the public's attention, including the former Attorney-General, which has shown that $672,925
from 13 separate bank accounts was taken away from the hard-working membership of that union. We ask: where is Paul Howes in all this? Where are the Australian Workers Union officials that are now in this parliament—what are they doing to represent the interests of the low-paid union members that they claim to protect?

Put simply, trade union members have nothing to fear from the coalition and everything to fear from trade union bosses. The coalition has a strong policy of rooting out the rorting, whereas Labor has a strong policy of protecting the perpetrators. To protect the role and reputation of true trade unionism, trade unionists can only rely on the coalition to clean up their once proud movement with penalties applicable to company directors. (Time expired)

Senator CROSSIN (Northern Territory) (15:15): What a surprise to have another debate on behalf of the coalition about the role of the trade union movement in our society.

Senator Brandis: Corrupt trade union officials.

Senator CROSSIN: I will take that interjection, Senator Brandis. I stand here as a very proud trade union official, having worked for the National Tertiary Education Union and the Australian Education Union for a number of years and having been a very proud and active member of my original union, which is the teachers union. There is a reason people belong to a trade union and need to belong to a trade union—because their rights at work need to be protected from the likes of the people opposite us, who want to have a debate about the trade union movement in this country because it assists their purposes to always attack workers' rights, to always attack the benefits people enjoy in their workplace, to drive their wages down, to drive the conditions of employment down, to make the places in which they work unsafe, to make the profits bigger and to make the outcomes for the workers much cheaper. Of course they do not like the trade union movement because we are there and will continue to be there to defend the rights of workers to get a decent day's pay for a decent day's work and to do it in an environment that is safe.

I know of nobody in the business—none of my trade union colleagues and no members of the trade union movement I have ever met, worked with or associated with—who supports or wants to see some of the activities we have seen happening in the trade union movement. None of us support that action at all. We will do and say whatever we need to to make sure that those who are misappropriating trade union funds and who are using their positions in the wrong way are brought to justice. I stand by my colleagues as a trade union member who wants to ensure that the membership fees that are paid are used appropriately. As a government we have done a number of things to ensure that the regulation of the trade union movement in this country is as good as it possibly can be. The regulation of registered organisations has never been stronger. Trade unions are accountable and will continue to be accountable. The financial accountability and the transparency standards for unions and employer organisations have never been higher.

I notice we never stand here in this chamber and debate employer organisations that might seek to not perform so well. It might be an opportune time for me to mention what is going on with the Northern Territory Chamber of Commerce at this point in time. The Chamber of Commerce in the Northern Territory are struggling to pay their current workers at this point in time. Maybe we should turn the spotlight on what is actually happening with employer
organisations, particularly in the Northern Territory at the moment.

Also Fair Work Australia's powers to investigate breaches, particularly in the trade union movement, have never been tougher. When I worked for the trade union movement I wanted to ensure that the members that I recruited and represented got best value for their dollar, that there were stringent negotiations and consultations on their behalf and that the dollars they invested in their union were actually expended to their benefit. Nobody on this side of this house or in the House of Representatives would support the misappropriation of funds and the misuse of those funds on behalf of their trade union members.

Every single chance you get you try to drive a wedge between the worker and the trade union movement. You try to make the trade union movement not an acceptable or important component in our society. Trade unions are there and they do a very valuable job. Trade union organisers do a very valuable job for workers who desperately need them, sometimes on a day-by-day basis.

Senator Abetz: We are talking about the corrupt ones.

Senator CROSSIN: I will take that interjection, Senator Abetz. Nobody on this side of the chamber supports trade union officials who misuse trade union funds. There are courts to deal with that and Fair Work Australia deals with that, and that is where the matter should be dealt with, is being dealt with and will continue to be dealt with, particularly under this government.

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (15:20): The coalition strongly support honest, well-governed unions, but we are deeply concerned at the culture of corruption which has emerged in a number of trade unions. I want to deal in the time available to me with the Australian Workers Union. It has been known for some time now that the Prime Minister, Ms Gillard, in her former capacity as a lawyer at Slater & Gordon was responsible for documenting the incorporation of the AWU Workplace Reform Association, a vehicle that was used for the theft of members' funds, the funds owned by honest trade union members.

What has recently come to light, though, in particular in an article by Mark Baker in yesterday's Melbourne Age is the extent of Ms Gillard's involvement as a lawyer at Slater & Gordon in a property transaction at Kerr Street, Fitzroy, the beneficiary of which was her then partner Mr Bruce Wilson. The consideration for the conveyance of that property came from two sources: $67,722.20 came from the AWU Workplace Reform Association—

Senator Wong interjecting—

The DEPUTY PRESIDENT: It is a point of order, Senator Wong?

Senator Wong: I understand that Senator Brandis wants to put this on the public record in here because he probably will not do it outside.

The DEPUTY PRESIDENT: Senator Wong, what is your point of order?

Senator Wong: My point of order is relevance, Mr President. There was no question that related to something which occurred decades ago in relation to the Prime Minister and on which she has answered questions on the public record for some time. If Senator Brandis wants to make a contribution, there are appropriate circumstances where he can do that. This is hardly relevant to anything in question time.

The DEPUTY PRESIDENT: Senator Wong, I believe Senator Brandis is being relevant to the topic. The topic has covered the areas that Senator Brandis is touching
upon, and I remind all senators in the chamber of the matter before the chair. Senator Brandis, you have the call.

Senator Cameron: Mr Deputy President, I rise on a point of order. I would invite you to have a look at Hansard from yesterday when you drew my attention to the relevancy of my contribution. On several occasions you were extremely tight in your assessment of what was relevant. This ruling goes completely opposite to that, and I would ask you to reconsider that ruling now.

The DEPUTY PRESIDENT: Senator Cameron, if you recall and if you go back to Hansard, you will find that I reminded you of the question, which is different from the response that I just gave to Senator Wong. Senator Brandis, you have the call.

Senator BRANDIS: Thank you, Mr Deputy President. As I was saying, $67,722.20 of the consideration from that transaction came from the AWU Workplace Reform Association set up by Ms Gillard in her capacity as a solicitor. But we learned yesterday that the balance of the purchase price, $150,000, was funded by a mortgage with a Slater & Gordon loan and that the solicitor who documented the mortgage was none other than Julia Gillard. Furthermore, we learned from Mr Baker's article in yesterday's Melbourne Age that the property was bought in the name of a Mr Blewitt on behalf of Mr Bruce Wilson, under a power of attorney. Who do you think drew up the power of attorney? None other than Ms Julia Gillard. We also learned that, when the conveyance was effected of that property, it was effected by a lawyer at Slater & Gordon. And who was the lawyer at Slater & Gordon who effected the conveyance of that property? Ms Julia Gillard.

We also know that Ms Julia Gillard left Slater & Gordon after these matters were revealed in unusual circumstances. We also know that Ms Julia Gillard did not create a file or otherwise disclose these transactions to her partners, which, as anyone who has worked in a law firm, as I have done, knows, is highly irregular and is only consistent with deliberate concealment.

I am not saying that Ms Gillard was a party to a fraud. What I am saying is this: every aspect of this transaction, whether the power of attorney, whether the securitisation of the transaction with the loan through Slater & Gordon, whether the conveyance of the property was documented and conducted as a solicitor by Ms Julia Gillard, it was done by Ms Julia Gillard on behalf of her then partner in circumstances in which the entire transaction was concealed from her partners.


Senator Brandis interjecting—

Senator McEwen: What did you say then, George? They all look alike? Charming.

Senator BILYK (Tasmania) (15:26): You are a charming man, Senator Brandis. And I say that with no sincerity.

The DEPUTY PRESIDENT: Order! Senator Bilyk, you have the call and direct your comments to the chair.

Senator BILYK: As Senator Crossin stood and said that she was very proud to be an ex-union official, so do I. Having worked for a number of years for the Australian Services Union, I can say that nobody I know in the union movement or in this
government condones any bad behaviour or any illegal activity, whether it be by a trade union, by the Chamber of Commerce and Industry or by business. I would like to make it very clear that nobody on this side condones that sort of behaviour.

But, having said that, I say as an ex-union official that I was involved in the anti Work Choices campaign. I suggest to anybody listening that, if they believe in any way, shape or form that those on the other side are friends of the workers, they are seriously mistaken. It is pretty apparent from the Work Choices campaign that was run and that we expect will be run again, even though we have heard that it is dead and buried, I think it will come back—

**Senator Abetz:** And cremated.

**Senator BILYK:** And cremated. I think it will come back like a phoenix. It will come back under another name. I have yet to see any proof that those on the other side really care at all about working people. It is this side of the chamber that has planned to help families. When you are talking about working people generally, that is what you are talking about. So it is this side of the chamber that has the plan to help families with the cost of living. We have the plan, and we are putting it into action to build a strong economy. We intend to do that, and we have started doing that in a number of ways.

I have to say that I find the constant negativity about unions appalling.

**Senator Abetz:** No, corrupt unions.

**Senator BILYK:** No, Senator Abetz. I will take that interjection. It is about all unions. You demonise all unions. You demonise all union members. By default, you demonise those working people who are members of unions. I remember recently—I did not hear one question on it in this chamber—that there was quite a lot of media activity recently in Tasmania, my home state, about the Tasmanian Chamber of Commerce and Industry and the $800,000 black hole that they seem to have developed. I am not quite sure the question of what happened to that $800,000 was ever resolved.

For those on the other side to stand up and demonise unions as though they are the worst thing possible is just immoral, and it is not genuine—except that you dislike unions, and the coalition's previous activity in trying to get rid of unions proves that. You know that this government has appointed an administrator to the HSU issue, and we did that without the support of those opposite. You also know that this government has acted to improve the transparency and accountability of registered organisations, including trade unions and employee groups, and to improve the powers of Fair Work Australia to investigate.

This government has worked to improve the regulation of registered organisations, including unions. I am very proud to be part of the union movement, part of that group of people that does get out and do the hard yards for those who cannot necessarily even afford lawyers. I notice that the coalition side of the chamber has lots of ex-lawyers or people who still think they are acting in the High Court or the House of Lords, but on this side we are actual workers—workers who have been there and done that. I worked my way up through the ranks—as I think most people in the union movement have done, and they are very proud to stand tall and be members of the trade union body.

This government believes very strongly in a free and independent trade union movement, as opposed to those on the other side who would like to have no trade union movement whatsoever. This government believes in the advocacy of employer
organisations on behalf of their members. I do not understand why the coalition constantly harp on and on and misrepresent facts by standing up for four minutes as the previous speaker did talking about alleged activities of the Prime Minister but then covering himself a bit by saying, 'I am not alleging fraud.' (Time expired)

Senator BACK (Western Australia—Deputy Opposition Whip in the Senate) (15:32): I am delighted to refute resoundingly the comments of Senators Bilyk and Crossin. When it comes to questions about support for unions from this side, I stand very proudly as the grandson of a gentleman, Tom Back, who was the secretary of the Lumpers Union on the Fremantle wharves during the Depression years. So pleased were his members by the actions he took over that time that they paid for his tombstone.

More recently, when managing and directing my company in Tasmania, I was the person who had to stand up to the Australian Transport Union and go to the industrial court to protect the jobs of my fuel drivers. I negotiated what I believe was the first ever EBA for the fuel industry in south-eastern Australia. It was a Labor appointed industrial advocate who actually said to me, 'Dr Back, if you can't get agreement from the union, I will allow you to undertake a non-union EBA.' So I will not stand here and be lectured by Senator Bilyk, Senator Crossin or senator anybody else on our support for the role the unions play.

What I will stand here and condemn is the activity of those union officials who misuse and abuse the funds that are entrusted to them by union members. I speak particularly, as Senator Brandis has, in terms of the AWU. I go back to a 1989 flyer promoting none other than Mr Bruce Wilson, as general secretary of the Australian Workers Union, and Mr Bill Ludwig as its president. The promo said: 'Bruce Wilson and Bill Ludwig have had enough, enough of luxury homes purchased with $395,000 of your union fees for an executive mansion for the union hierarchy.' The same flyer said that the Sydney head office had been sold for $1.9 million to only be sold a week later for a figure of $2.8 million and then not long afterwards for $9.85 million. This is the same Bruce Wilson who in 1993 was associated with the formation in my home state of Western Australia of the AWU Workplace Reform Association. This was after the 1989 brochure promoting Mr Wilson and his apparent honesty.

Why do I have the link back to WA? It is because this was the era of the evil, perverted Labor WA Inc.—that shocking period under then Premier Brian Burke that led to such an incredible cost to the Western Australian community. In a subsequent royal commission—which then Labor Premier Carmen Lawrence was forced to call—it was revealed that there was a loss of at least $600 million of public moneys as a result of WA Inc. under then Premiers Brian Burke and Peter Dowding and others associated with them. It was in this era that Mr Wilson and his cronies were able to con some $673,000 out of businesses in WA.

I remember only too well the actions of those people. Nobody could get a government contract in WA in the late 1980s or the early 1990s unless they contributed to a slush fund. Even more disturbingly at that time, the lawyer for the group in setting up the AWU Workplace Reform Association advised the Western Australian department responsible for incorporating the organisation that its role was for the development of change to work to achieve safe workplaces. Who was the person who wrote that document allegedly? It was none other than the now Prime Minister of this
country, Ms Gillard. It was in a discussion not long ago afterwards with her own associates at Slater and Gordon that she said to them that in fact it was ostensibly for workplace reform as a union election slush fund. She said she regretted that particular comment. I bet she regretted it, because the money was in fact to be used to fund election campaigns.

We want to see a removal of corruption in the union movement where it exists. We want to see penalties coming into line with those for company directors, not $6,600 but the same penalties that company directors face—$220,000 and five years in jail. (Time expired)

Question agreed to.

**DOCUMENTS**

**Department of the Senate**

**Annual Report 2011-12**

The DEPUTY PRESIDENT: I present the 2011-12 annual report of the Department of the Senate.

Ordered that the report be printed.

**Access to Unpublished Committee Documents—Report to the Senate**

The DEPUTY PRESIDENT: I present a report on access to unpublished committee documents of the Joint Select Committee on Certain Family Law Issues.

*The report read as follows—*

**RELEASE OF RECORDS OF JOINT COMMITTEE—REPORT TO THE SENATE**

For the information of honourable senators, in accordance with the resolution of the Senate of 6 September 1984 relating to the disclosure of joint committee documents, I advise the Senate that on 10 October 2012 the Presiding Officers granted access to a record of the Joint Select Committee on Certain Family Law Issues, held by the National Archives of Australia.

The Senate resolution of 6 September 1984 enables the Presiding Officers to authorise persons to access and copy previously unpublished committee evidence and documents which have been in the custody of either chamber for at least 10 years.

The committee report on the inquiry lists the record as an exhibit. The exhibit is a collection of documents prepared by the organisation known as the Parent Inquiry into Children Under Protection. It was provided to the committee in relation to its reference to examine the funding and administration of the Family Court of Australia. The report was presented to both chambers in November 1995.

The record will be provided to Mr David Smith of the *Sunday Times Magazine* (UK).

**COMMITTEES**

**Corporations and Financial Services Committee**

**Report**

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (15:38): On behalf of Senator Boyce, the deputy chair, I present the report of the Parliamentary Joint Committee on Corporations and Financial Services on the Corporations Legislation Amendment (Derivative Transactions) Bill 2012 together with the *Hansard* record of proceedings and submissions received by the committee.

Ordered that the report be printed.

**DOCUMENTS**

**Tabling**

The Clerk: Documents are tabled pursuant to statute. Details will be recorded in the *Journals of the Senate* and on the Dynamic Red. Letters of advice are tabled in response to the continuing order relating to departmental and agency appointments and vacancies and grants.

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

Economics Legislation Committee

Environment and Communications Legislation Committee

Membership

The DEPUTY PRESIDENT (15:39): The President has received letters from party leaders requesting changes in the membership of committees.

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:39): by leave—I move:

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

Economics Legislation Committee—

Appointed—

Substitute member: Senator Milne to replace Senator Xenophon for the committee’s inquiry into the Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012

Participating member: Senator Xenophon

Environment and Communications Legislation Committee—

Appointed—Substitute members:

Senator Furner to replace Senator Singh for the consideration of the 2012-13 supplementary Budget estimates on 15 October 2012

Senator Hanson-Young to replace Senator Waters for the committee’s inquiry into the provisions of the Water Amendment (Long-term Average Sustainable Diversion Limit Adjustment) Bill 2012.

Question agreed to.

BILLS

Clean Energy (Charges—Excise) Amendment Bill 2012

Clean Energy (Charges—Customs) Amendment Bill 2012

Excise Tariff Amendment (Per-tonne Carbon Price Equivalent) Bill 2012

Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Per-tonne Carbon Price Equivalent) Bill 2012

Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Per-tonne Carbon Price Equivalent) Bill 2012

Clean Energy (Unit Issue Charge—Auctions) Amendment Bill 2012

First Reading

Bills received from the House of Representatives.

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:40):

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 LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:41):

I present the explanatory memoranda and 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—

Clean Energy (Charges—Excise) Amendment Bill 2012
This bill is part of a package of bills that amend the Clean Energy Act 2011 and related acts.

The bill facilitates the removal of the price floor by removing the requirement for a minimum auction reserve charge from the Clean Energy (Charges—Excise) Act 2011.

Clean Energy (Charges—Customs) Amendment Bill 2012

This bill is part of a package of bills that amend the Clean Energy Act 2011 and related acts.

The bill facilitates the removal of the price floor by removing the requirement for a minimum auction reserve charge from the Clean Energy (Charges—Customs) Act 2011.

Excise Tariff Amendment (Per-Tonne Carbon Price Equivalent) Bill 2012

This bill is part of a package of bills that amend the Clean Energy Act 2011 and related acts.

At present the equivalent carbon price imposed on certain liquid fuels after 1 July 2015 is based on the average auction price of domestic carbon units.

The Clean Energy Amendment (International Emissions Trading and Other Measures) Bill 2012 introduces a ‘per-tonne carbon price equivalent’. This provides an estimate of the effective carbon price faced by liable entities when the carbon pricing mechanism links to the European Union Emissions Trading Scheme.

This bill amends the synthetic greenhouse gas legislation so that the per-tonne carbon price equivalent is applied to the import of synthetic greenhouse gas, instead of the benchmark average auction charge.

Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment Bill 2011

This Bill is part of a package implementing the carbon pricing mechanism and related reforms.

The Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Act 1995 (the Manufacture Levy Act) together with the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 (the Ozone Act) provide the framework to apply levies to the manufacture of ozone depleting substances and synthetic greenhouse gases.

This Bill provides that the manufacture of Kyoto Protocol synthetic greenhouse gases, namely hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride, will be subject to the carbon price by way of the existing levy structure. The carbon charge will be calculated based on the carbon dioxide equivalence of the gas, multiplied by the applicable charge. The carbon price will be in addition to the existing levy imposed by the Manufacture Levy Act.

This Bill also enables the Minister to determine that a licensee is exempt from paying the levy where the Minister is satisfied that the circumstances prescribed in the Manufacture Levy Act, or circumstances prescribed in regulations made for the Manufacture Levy Act, have been met. These circumstances include the manufacture of medical equipment, or if it is impracticable to impose the levy.
Clean Energy (Unit Issue Charge—Auctions) Amendment Bill 2012

This bill is part of a package of bills that amend the Clean Energy Act 2011 and related acts.

The bill facilitates the removal of the price floor by removing the requirement for a minimum auction reserve charge from the Clean Energy (Unit Issue Charge—Auctions) Act 2011.

Debate adjourned.

Ordered that further consideration of the second reading of these bills be adjourned to the first sitting day of the next period of sittings, in accordance with standing order 111.

Social and Community Services Pay Equity Special Account Bill 2012

Social and Community Services Pay Equity Special Account (Consequential Amendments) Bill 2012

First Reading

Bills received from the House of Representatives.

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:42): 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 LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:42): I present the explanatory memoranda and I move:

That these bills be now read a second time.
removed the barriers to pay equity claims in the Commonwealth jurisdiction. Previously, the legal test to prove discrimination allowed consideration only of ‘equal work’, rather than the new, broader test of ‘equal or comparable’ work. As a result, it is only with this case that an equal remuneration claim has succeeded under Commonwealth workplace relations law.

And around $3 billion in funding is being provided to meet the Commonwealth share of the costs of these pay rises for social and community sector workers in Commonwealth-funded programs, including programs funded under agreements with and payments to States and Territories, such as National Partnership Payments and National Specific Purpose Payments.

This bill will establish a Special Account under section 21 of the Financial Management and Accountability Act 1997 to allow delivery of this funding.

The Commonwealth supplementation will be delivered through funding drawn from the Special Account by eight Commonwealth agencies and allocated to assist employers, who are directly and indirectly funded by the Commonwealth for the purposes of a program prescribed under the new legislation, and who are required to make payments to their employees under the pay equity arrangements.

This includes Commonwealth-funded service providers who are subject to the transitional pay equity order made by the Queensland Industrial Relations Commission on 12 June 2009. These Queensland social and community sector services workers will be transitioned over time to the Fair Work Australia equal remuneration order.

The pay increases are to be phased in over eight years, in nine equal instalments from 1 December 2012 to 1 December 2020.

The phased introduction recognises the complex funding arrangements in the sector, which involve local, State and Territory governments, not-for-profit organisations, commercial providers, and the Commonwealth. This approach will allow community sector organisations delivering Commonwealth-funded programs to pay the new rates without reducing services to the community.

A significant amount of Commonwealth funding will be provided to the sector through State and Territory governments for agreements with and payments to States and Territories, such as National Partnership Payments and National Specific Purpose Payments. This bill will enable funding to be paid to the COAG Reform Fund established under the COAG Reform Act 2008 for this purpose. The Gillard Government expects State and Territory governments to pass on the full amount of funding and to meet their obligations by also committing their share of funds.

Every day, the social and community services sector delivers vital services to hundreds of thousands of vulnerable Australians. We want to make sure the sector is strong and productive into the future.

In coming years, we will need to attract and retain more workers in this sector of the economy, and especially in ‘caring’ work, which has historically been performed mainly by women.

Not only are these workers deserving of a fair day’s pay for a fair day’s work, but properly valuing caring work and providing decent wages in industries dominated by women is an important part of keeping our economy strong and resilient.

Social and Community Services Pay Equity Special Account (Consequential Amendments) Bill 2012

This is a companion bill to the Social and Community Services Pay Equity Special Account Bill 2012.

That bill will establish a Special Account under section 21 of the Financial Management and Accountability Act 1997 to fund the Commonwealth’s contribution to the historic pay rise awarded by Fair Work Australia earlier this year to our social and community services sector workers.

The Commonwealth supplementation will be delivered through funding drawn from the Special Account by eight Commonwealth agencies and allocated to assist employers, who are directly or indirectly funded by the Commonwealth for the
purposes of a program prescribed under the new legislation, and who are required to make payments to their employees under the pay equity arrangements.

This includes Commonwealth-funded service providers who are subject to the transitional pay equity order made by the Queensland Industrial Relations Commission on 12 June 2009. These Queensland social and community services workers will be transitioned over time to the Fair Work Australia equal remuneration order.

A significant amount of Commonwealth funding will also be provided to the sector through State and Territory governments for agreements with and payments to States and Territories, such as National Partnership Payments and National Specific Purpose Payments. The Social and Community Services Pay Equity Special Account Bill 2012 will enable funding to be paid to the COAG Reform Fund established under the COAG Reform Act 2008.

This consequential amendments bill makes one minor amendment to existing Commonwealth legislation to complete the new arrangements. This amendment will insert into the COAG Reform Act 2008 a note pointing out that an amount may be credited to the COAG Reform Fund under the new Social and Community Services Pay Equity Special Account Act 2012.

Debate adjourned.

Ordered that further consideration of the second reading of these bills be adjourned to the first sitting day of the next period of sittings, in accordance with standing order 111.

**Dental Benefits Amendment Bill 2012**

**Social Security and Other Legislation Amendment (Further 2012 Budget and Other Measures) Bill 2012**

**First Reading**

Bills received from the House of Representatives.

**Senator LUNDY** (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:42): I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the Notice Paper. 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 LUNDY** (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:43): I present the explanatory memoranda and 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—

**Dental Benefits Amendment Bill 2012**

Since 1998 I’ve been talking in this place about the importance of doing something better for the dental care of Australians. We know that many low income Australians miss out and a number of those missing out are children.

For many decades the dental health of children was improving, but since the 1990s we’ve seen a reversal of that improvement.

Since the late 1990s, the prevalence of child caries and the mean number of teeth affected by dental disease in children has increased. A recent Australian Institute of Health and Welfare report showed that 45 per cent of 12 year olds had decay in their permanent teeth and almost 25 per cent of 12 year olds had untreated decay. If a decline in oral health of children becomes established, children will require increased services in the future.
Investment in our children’s teeth is an investment in the future. We know that poor childhood oral health leads to poor adult oral health, and has wide-ranging impacts on general health and wellbeing, including increasing the demand on our health and hospital system.

So today, I’m very proud to begin the legislative process that will make more than three million children eligible for government-subsidised dental care. The Child Dental Benefits Schedule is one part of the Dental Health Reform package: an unprecedented package of initiatives to address increasingly poor oral health amongst Australians including children, low income adults and those living in outer metropolitan, rural and remote areas.

The six-year package I announced on 29 August includes:

- $2.7 billion for around 3.4 million Australian children who will be eligible for subsidised dental care;
- $1.3 billion for around 1.4 million additional services for adults on low incomes who will have better access to dental care in the public system; and
- $225 million for dental capital and workforce will be provided to support expanded services for people living in outer metropolitan, regional, rural and remote areas.

While Medicare and free hospital care have been a basic right for Australians for decades, millions of people in this country still go without adequate dental care.

I believe we have a responsibility to ensure Australians who are least able to afford to go to the dentist, and particularly children, should be given access to taxpayer supported oral health care.

As I’ve travelled around Australia to discuss the Dental Reform Package with parents, young people, and the dental profession, I’ve listened to stories of children in need of dental care, and the great work that dentists, public and private, are doing to repair young mouths, prevent further harm, and keep them healthy. This bill will see the Commonwealth Government taking its share of this important work.

This bill will establish a Child Dental Benefits Schedule for children from the age of 2 until they turn 18. Access to the schedule will commence on 1 January 2014 and will effectively see the Commonwealth assume primary responsibility of funding basic dental services for children in families receiving Family Tax Benefit Part A. Funding will be targeted in line with current Medicare Teen Dental Plan eligibility. This will target expenditure to children in low and middle income families.

This means that benefits will be available for children who receive (or in households that receive) payments under:

- Family Tax Benefit Part A,
- Abstudy,
- Carer Payment,
- Disability Support Pension,
- Parenting Payment,
- Special Benefit,
- Youth Allowance,
- Double Orphan Pension,
- the Veterans’ Children Education Scheme, or
- the Military Rehabilitation and Compensation Act Education and Training Scheme.

Currently a family of 2 parents and 2 kids can be earning $112,000 and be eligible for this scheme—obviously eligibility varies depending on the number of kids and is indexed.

The Child Dental Benefits Schedule will provide a benefit for basic dental services including prevention and treatment. Subsidised services will include, for example, checkup, fillings and extractions. However, items such as orthodontics will not be included.

This proposal would provide a Commonwealth funded capped benefit entitlement of $1,000 over two years for basic dental services for children that could be used for services in the private sector, where most dentists practice. The states and territories would also be able to provide services as they currently do under the Medicare Teen Dental Plan, as long as they bulk bill services.
This means that parents and independent teens will be able to continue to visit their usual dentist, provided that dentist participates. Including the public system will leverage existing state resources, provide a guaranteed no-cost pathway for those who really need it, and allow states to continue to provide services to children if they choose to do so.

Benefits would be available for services provided by dentists and para-dental professionals such as oral health therapists and dental hygienists, as currently provided for by the Medicare Teen Dental Plan. The level of this $1,000 cap is designed to allow coverage for a higher needs child, but the average amount spent per child is expected to be lower.

This bill is a first step in implementing the Government’s reforms. Further detail on the scheme, including the schedule of services and fees, will be contained in subordinate legislation. In designing the fee schedule under the Child Dental Benefits Schedule, I will consult with the oral health professions to ensure that it contains an appropriate mix of basic dental services. I will also seek to ensure that the access to the schedule by professions and the fee structure will encourage appropriate levels of servicing and the matching of workforce capability with oral health need.

Although states and territories currently provide services to children through the public sector, eligibility and service availability is not consistent across all territories. The introduction of a Commonwealth funded Child Dental Benefits Schedule would build a unified national system for patient eligibility and service delivery, replacing disparate state and territory public dental schemes for children.

Focusing Commonwealth funding on children through the Child Dental Benefits Schedule will address declining child oral health and will be a cost-effective longer-term strategy to deliver improved population-wide oral health into the future.

As part of the Dental Reform Package, the Gillard Government is providing $1.3 billion to states and territories under a National Partnership Agreement to expand public dental services for low income adults including pensioners and concession card holders, and those with special needs. This funding will depend on the states and territories at least maintaining their current level of dental care services.

In addition, $225 million in funding for dental infrastructure in outer metropolitan, rural and regional areas will assist more Australians, regardless of their location, in gaining access to high quality dental care.

As part of implementing the Dental Health Reform package the Howard Government’s Chronic Disease Dental Scheme will be closed. Unlike the initiatives in the Dental Reform Package, the Chronic Disease Dental Scheme is poorly targeted and fails to address the problems in the existing dental system.

This Dental Reform package is in addition to the $515 million announced in the 2012-13 Budget, which includes a blitz on public dental waiting lists and additional dental training and support for people in rural and remote areas. Together with these measures the Dental Reform Package will deliver a better and fairer system of dental health care for Australians that is accessible, affordable and focuses on prevention to deliver future improvements to Australia’s oral health.

Social Security and Other Legislation Amendment (Further 2012 Budget and Other Measures) Bill 2012

This Bill introduces several measures from the 2012 Budget, along with some non Budget amendments that clarify current Government policies and improve the operation of existing legislation.

Extending Cape York Welfare Reform Trial

In the 2012 Budget, the Gillard Government provided $11.8 million to extend the Cape York Welfare Reform Trial for 12 months to 31 December 2013.

The trial is a partnership between the communities of Aurukun, Coen, Hope Vale and Mossman Gorge, the Australian Government, the Queensland Government and the Cape York Institute for Policy and Leadership. It aims to restore local Indigenous authority, encourage positive behaviours, and improve economic and living conditions.
To date, the trial has made a real and lasting difference in the lives of Indigenous people in the Cape. Since it began in July 2008, the Cape York Welfare Reform communities have seen improvements in school attendance, care and protection of children, and community safety.

The Family Responsibilities Commission, which is established under Queensland Government legislation, is a key plank of Cape York Welfare Reform. Local Family Responsibility Commissioners hold conferences with community members, refer people to support services and, when necessary, arrange income management.

Currently, a person can be subject to income management under the trial only after a decision by the Family Responsibilities Commission made before 1 January 2013.

This Bill extends that date to 1 January 2014. The extension provides an opportunity to build upon the success of the initiatives already underway.

I am pleased that the Queensland Government has agreed to continue funding for the Family Responsibilities Commission, and will extend the Queensland legislation governing the operation of the Commission.

An evaluation of the trial is currently underway, and will help inform future efforts in Cape York.

Indigenous education payments

In a significant boost to Indigenous education, the Bill also amends the Indigenous Education (Targeted Assistance) Act 2000 to increase the Act’s legislative appropriation – by around $16 million combined for the 2012 and 2013 calendar years.

The increase to the 2012 and 2013 appropriations reflects the continuation of existing initiatives and new initiatives announced in the 2012-13 Budget.

The increase in the appropriations for 2012 and 2013 will continue existing initiatives and provide funding for several new initiatives, including expansion of the Sporting Chance program, Teach Remote Stage Two, Student Education Trusts delivered as part of the Cape York Welfare Reform Trial, and initiatives that support teachers, professional development and front-line services to improve Aboriginal children’s access to quality education.

The existing Sporting Chance program uses sport and recreation to increase the engagement of Aboriginal and Torres Strait Islander students in their schooling. Students are rewarded for good school attendance or engagement through participation in sporting teams or access to certain intensive, high quality, sports focused learning and development. New school-based sports academies will now be established and operated to deliver the program for secondary school boys, and there will be additional programs for secondary school girls.

Additional funding under the Teach Remote Two initiative will expand Commonwealth-funded assistance with building a high status, high quality, committed and competent teacher workforce in remote Indigenous communities that are under the National Alliance of Remote Indigenous Schools.

Additional funding will also extend for 12 months the Student Education Trusts measure that forms part of the Cape York Welfare Reform Trial. The Student Education Trusts are a financial management service whereby parents and care givers from the remote Indigenous communities in the Cape York area are supported and encouraged to save for their children’s education costs from their early years through to tertiary education.

Non-Budget amendments

The Bill also introduces some non-Budget amendments to clarify current Government policies and improve the operation of existing legislation.

These include a package of minor amendments to improve the operation of the Social Security Appeals Tribunal in the social security, child support, family assistance and paid parental leave jurisdictions. For example, some amendments will enable Social Security Appeals Tribunal members to release protected information to relevant authorities in certain circumstances where there is a risk to the life, health or welfare of a person.
Amendments also improve privacy protections for information and documents. The Social Security Appeals Tribunal Principal Member will be able to issue a non disclosure order that applies to any information or documents obtained by a person at any time during the review process. Amendments also extend confidentiality obligations to all people providing services at the hearing of the review.

The objective of the Social Security Appeals Tribunal is to provide a mechanism of review that is fair, just, economical, informal and quick. Amendments clarify that this objective is to be pursued by the Principal Member in performing his or her functions and powers under the legislation.

Amendments are made by this Bill to the child support legislation to confirm the longstanding policy and administration where the amount payable under a parent’s child support assessment is reduced because a court decides that the payer is not a parent of one of the children in their assessment, but the payer remains liable for another child in the assessment.

The policy is that the total amount previously paid for the period (including amounts paid for the child that was found to be not theirs) would be applied to their child support liability for any remaining children in the case, and any child support debt for those children. Any excess child support they paid may be recovered from the payee by applying for a court order under the existing child support legislation.

Lastly, minor clarifications are made to portfolio legislation, including the Schoolkids Bonus legislation and the family assistance clean energy legislation – consistent with existing policy.

Debate adjourned.

Ordered that further consideration of the second reading of these bills be adjourned to the first sitting day of the next period of sittings, in accordance with standing order 111.

Ordered that the bills be listed on the Notice Paper as separate orders of the day.

COMMITTEES

Foreign Affairs, Defence and Trade Legislation Committee
Reference

Debate resumed.

Senator LUDLAM (Western Australia) (15:44): As senators will perhaps recollect, I was just getting warmed up on this committee reference. I want to remind the chamber of exactly why I have taken the decision to tie up a little more time than is usually devoted to committee references being nobbled. Recommendation 1 of the dissenting report was signed by me and coalition Senators Eggleston, who is the deputy chair of the committee, Johnston, who is the shadow spokesperson on defence for the coalition, and Senator Fawcett, who knows a great deal about these issues and has a background in the area. Yesterday the four of us co-signed a brief dissenting report, which effectively reflects on the majority report and says, 'Can somebody please read this document?' Recommendation 1 says: … The Committee undertake a further inquiry into the government's amendments to the bill, to ensure that serious concerns raised throughout the inquiry have been addressed, and that until this has occurred, the bill should not be debated.

This morning we were told by whips that the three signatories had mysteriously disappeared. I would like to know what happened last night. I would like to know whose arms got twisted. These three coalition senators know what they are doing in this portfolio space. Senator Johnston has joined us now, so I am looking forward to some kind of explanation. Suddenly this motion will fail; it will not prevail. The government will vote against it and the coalition will vote against it, which means that the chamber effectively is going to be flying blind. We will shortly be debating 10 pages of hastily cobbled together
government amendments against the express opposition of a number of extremely important stakeholders, including the Australian academic community.

Earlier today, Universities Australia issued a press release effectively congratulating the work of the committee and saying that, if the work of the committee is undertaken and if the amendments reflect the unanimous recommendations of the committee, probably there is a way forward. That is what I was emphasising in my contribution this morning. I was emphasising that there probably is room for a compromise here and that I believe there is some way that can be found that would at least keep the university and the research sector happy. But it is not going to happen unless these amendments are given the thorough airing that they deserve. That means calling witnesses, over probably a half-day or a day's hearing, to identify issues and put the blowtorch on the government. This has been a flawed process from the beginning and I am not confident at all, from my brief reading of the amendments since the first time that this was debated earlier today and now.

It is very clear from the submissions made to the committee that some of the agreed outcomes from the roundtable discussions are not reflected in the amendments to the bill put forward by the government. I have had the opportunity to take a look at what has been circulated by the government and it is not up to scratch. I would much prefer if the coalition would reconsider its voting intention on this matter. I am not going to get much comfort from Senator Johnston but I can hope. If that were to happen, the committee would be able to do its work, have a half-day hearing, call some of the key witnesses who presented before, call the department and perhaps call the Chief Scientist or the Chief Defence Scientist—I do not even mind what the witness list is—and subject these amendments to the rigorous scrutiny that they deserve.

What we find in the amendments is a whole new offence for the publication or other dissemination of DSGL technology to the public or sectors of the public by electronic or other means. That was not even in the original bill. We have a new offence. The publication or a wider concept of dissemination is now to be a criminal offence. This is what we are talking about. We are talking about putting some kind of a freezing effect on basic, applied or pure research right across all the different disciplines in the Australian research community.

The amendments do not provide for any exclusions other than those that are already incorporated into the Defence Strategic Goods List—this is the 300- or 400-page piece of work that I was referring to earlier in the day—which have been known to the university sector since the commencement of discussions with the Department of Defence. The consequence of the new definition of DSGL technology does not alleviate the concerns that were voiced as part of the consultation process. The definition of DSGL technology and what is controlled as part of the export control regime is defined as 'technology or software as defined in the Defence Strategic Goods List and within the scope of that list'.

The amendments note that the DSGL contains exemptions relating to technology or software in the public domain and to basic scientific research. It looks to me that was it is occurring is that Defence are trying to blanket the whole research space just in case things may end up having defence applications—and many things do and I guess I can understand why they would do. Many elements of basic research will
eventually have some kind of defence application. Defence operate across such a vast space of research, applications of technology and so on that it is perhaps not surprising to see Defence wanting to do this. But the chilling impact that this will have on the entire research community is that a set of strictures designed, in effect, to prevent the spread of extremely sensitive nuclear weapons technology—and I put on the record before that I thoroughly support the mindset that, if people are going to be researching nuclear weapons technology we would want the spread of that information to be restricted as much as possible—is now going to be applied to basic research across all kinds of different areas. The exclusions from the regulatory net that the sector was concerned to achieve, as part of the initial consultation process with the DoD, for applied research and information that is ordinarily published and shared within the scientific community are not contained in these latest amendments.

The DEPUTY PRESIDENT: Order! Senator Ludlam, your time has expired. The clocks were set with a 10-minute error initially but you have had your full allocation of time.

Senator JOHNSTON (Western Australia) (15:50): I want to agree with everything Senator Ludlam has said but the coalition have more broad considerations than the matters that he has raised. We will not be supporting his motion. I take no comfort from that. We filed a dissenting report. The ground has moved since then. There have been imperatives brought to my attention and I have spent some many hours reviewing 20 pages of amendments that were lobbed in my office yesterday morning.

The situation is this. Australia is confronted with one of the most incompetent, ignorant governments in our history. This legislation is a disgrace. It is inadequately prepared and it is inadequately thought through but the fact is it contains a very important diplomatic tool for Australian defence industry participants, and that is a treaty with the United States.

Having bolted that onto the defence export control legislation, the coalition is bound to support it. It is wanted by industry, notwithstanding that it is extremely poorly drafted. As I have said, it is ambiguous. All of those problems were highlighted in evidence to the committee by various industry players. The fact is that the ITARS provisions, which have existed for Australian defence industry participants, are still available to be used in the event that the provisions are not adequate or are vague and uncertain.

Insofar as the second part of this legislation is concerned, the defence export control legislation, it is typical of this government—a really sloppy, poor piece of legislation. We are bound to support it for the reasons I have set out. I have no doubt we will be moving some amendments. I am working my way through 20 pages of amendments in the hope that we can see some daylight in having a workable regime in order to comply with the Wassenaar agreement.

The politics of this have been dictated by a government which has cynically and quite stupidly sought to bolt these two pieces of legislation together. There is nothing the opposition can do about it other than to highlight to this chamber the fact that this is poor legislation. We will endeavour, I think on 29 October, to repair it as best we can, but I do not hold out much hope. The fact is that the government is incompetent and we have to live with it.
The DEPUTY PRESIDENT: The question is that the motion moved by Senator Ludlam be agreed to. I think the noes have it.

Senator Ludlam: The ayes have it.

The DEPUTY PRESIDENT: I will reluctantly grant the division, but there was no original call. A division is required; ring the bells.

The DEPUTY PRESIDENT: The question is that business of the Senate notice of motion No. 3, moved by Senator Ludlam, be agreed to.

The Senate divided. [15:58]

(The Deputy President—Senator Parry)

Ayes.......................9
Noes.......................30
Majority...............21

AYES

Di Natale, R
Ludlam, S
Rhiannon, L
Waters, LJ
Wright, PL

NOES

Back, CJ
Bilyk, CL
Boyce, SK
Cameron, DN
Crossin, P
Fawcett, DJ
Furner, ML
Johnston, D
Lundy, KA
McKenzie, B
Moore, CM
Pratt, LC
Smith, D
Sterle, G
Thorp, LE

Question negatived.

BILLs

Live Animal Export (Slaughter) Prohibition Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator RHIANNON (New South Wales) (16:01): Events of recent weeks involving the cruel treatment of the live export shipments from Australia and the failure of the Exporter Supply Chain Assurance System highlight yet again why it is time to ban the live export trade. The Greens' Live Animal Export (Slaughter) Prohibition Bill 2012 would achieve that.

Relevant to this issue are some of the reports on the live export trade that have come out over the past six weeks. On 6 September we saw images on ABC's Lateline of the cruel slaughter of Australian sheep in the Kuwait market. The footage showed practices that represent flagrant contempt of Minister Ludwig's supply chain assurance system. Now remember this system, ESCAS, was what the government based their promises on, that they were confident that they could clean up and control this trade so that the cruelty would end. The Kuwait footage gives further support to the growing belief that ESCAS was in fact designed to provide the government with a political fix and is actually a bankrupt solution to the suffering of Australian livestock. Both the exporter involved and the government failed to inject the resources on the ground necessary to ensure the sheep were sold, handled and slaughtered in accordance with the minister's own new system.

Around the same time that this story broke, we were starting to hear about the tragedy unfolding for about 20,000 sheep shipped out of Western Australia. This was
the shipment that ended with the brutal killings in Pakistan. In early September two ships were stranded off Bahrain for many days and the sheep were suffering under sweltering summer temperatures. We know about this not because the ESCAS was able to provide information back to Australia, or the minister's office informed the animal welfare groups, but because Animals Australia picked up a brief media report in a Bahrain newspaper that these ships were stranded and the sheep were not allowed to be unloaded. Throughout this whole appallingly cruel saga it has been the welfare groups that have brought the story to the public's attention. They are the ones doing the job that most would expect the government's department should be doing.

What we have seen is that at every step there has been a failure of the ESCAS and the memorandum of understanding. With regard to this shipment—again, it is the shipment that ends up in Pakistan—those sheep should have been unloaded, according to the memorandum of understanding, once the ship docked. They should have been unloaded within 36 hours, but that did not happen; they sat there for a number of days. What we are starting to gather is that the government and the exporter were looking around for a country to take them because the news had come through that they could not land them in the Middle East. This story has not been told, but it needs to come out.

On 17 September I called on Minister Ludwig to come clean about the fate of the 21,000 sheep that we were now hearing were waiting in Pakistan. There were conflicting reports coming through that all of the sheep would be, or maybe had been, killed and that they had been positively tested for salmonella. At that time there were no clear statements from the minister and one had to conclude that either the minister had no idea of the fate of these 21,000 sheep or was deliberately staying tight-lipped and was refusing to publicly disclose what he knew. Whichever way it was, it was clearly an embarrassment for the government and again shows the breakdown of the ESCAS. The supply chain just does not work.

The images coming out of Karachi at that time showed holding pens that were so crowded the sheep would have had to struggle to reach food and water. What we said at the time was that if the cull went ahead it was unclear how the sheep would be killed and whether it would occur in facilities approved under the ESCAS. This was particularly important because by then we knew that the sheep were not destined for human consumption. We understand that sometime during the next 10 days thousands of those sheep were brutalised, were slaughtered cruelly and some were buried alive.

There is a very important statement that was given by the exporter, Wellard. This was reported on ABC Radio, and I will read the statement. It said:

The sheep—
this is referring to the sheep that ended up in Pakistan—
have been discharged into a state of the art, modern, Australian-designed supply chain, which is ESCAS compliant and meets World Animal Health Organisation standards.

That is Wellard's statement about how the sheep would be handled when they got to Pakistan. But gradually news is coming out that, indeed, something quite shocking was happening.

We know so little from the authorities in Australia. This report comes from the International Herald Tribune of 11 October. It reports on the independent inquiry committee that was set up by the Pakistan Ministry of National Food Security and
Research. It looked at the import of what they have now named as 'possibly diseased' Australian sheep. The committee found that the rules laid down under the Pakistan Animal Quarantine Act 1979 were violated. It is a concerning report. It identifies that the importer had most likely concealed the fact from the Pakistani ministry that the consignment had already been rejected by the veterinarian authorities of Bahrain. Further, it questions the authenticity of the certificate of health issued by the Australian veterinary authorities. Clearly, now that the report is in the public domain, it is the minister's absolute responsibility to disclose what he knows about it and to get to the bottom of these very worrying developments.

The report from the independent committee states:

The certificate of health, bearing No 612-000891, signed by the authorised Australian veterinary officer on September 1 at Perth—about 27 days after the ship had left Australia—seems to be fake and bogus …

That is the end of their quote. The report adds:

… a thorough examination and verification of documents, such as the health certificate and the commercial invoice, had not been carried out on the vessel.

Further, the report said:

… the premises where the sheep were stationed were not approved by the competent authority.

Committee members said they found that the sheep were kept in the open without—and this is a direct quote from the report—'the basic facility of shade or shelter'.

There are so many aspects to that report, particularly what it states about possible abuses of the reporting system in Australia. It clearly needs to be urgently investigated and reported on in a very transparent way. As this is such an ongoing process, it is very relevant to share with members that I also understand that the High Court of Sindh is expected to hold an urgent hearing of this case tomorrow. So there are many aspects to this story that are clearly bad news—bad news for Australia's livestock and bad news for Australia's reputation in this trade.

The Greens' bill that we have before us would ban live export, and that can turn this bad news story into a very good story. We can have a win-win here. We can have a win to reduce animal suffering and a win for regional Australia. There would be more jobs and a boost to Australia's economy. These advantages, these improvements, have been set out often by the meatworkers union and most recently by the World Society for the Protection of Animals. The WSPA have identified that building one or two large abattoirs in Northern Australia—interestingly, there are currently none north of a line drawn from Townsville to Perth—would more than double the profits for local cattle producers.

In this debate we have often heard about huge job losses and farmers losing immense amounts of money. Those statements are baseless; in fact, the reverse is the case. Economic consultant, ACIL, commissioned by the WSPA, found that 1,300 full-time jobs would be created if 400,000 head of cattle were slaughtered locally rather than being shipped live to Indonesian feedlots, and this would add $204 million a year to the economy in Northern Australia. Interestingly, the ACIL report also found that Indonesia this year increased its purchases of processed frozen beef from Australia to avoid meat shortages. This is a theme that you see coming through this trade when you look at the details. There is a shift going on internationally with more countries moving over to processing meat in their own country and then boosting their trade in the export of chilled and frozen boxed meat.
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What is significant here is that in 2009 Indonesia announced its own aim to move to self-sufficiency in livestock production by 2014. Again, this country is moving away from importing livestock and is looking to be self-sufficient. When our neighbours can move to ensure that they are strengthening their own food security, it is something to be congratulated, and it is a timely message to Australia that this trade has to change. It is changing and Australia needs to be part of that change. Importing countries, as I said, are shifting away from the live export trade, and a responsible Australian government should be working with industry on the transition from live export to the export of chilled and frozen boxed meat.

The World Society for the Protection of Animals have put forward the actions the government should take to facilitate this transition. The government should undertake to work with the governments of live animal importing countries to negotiate an end to tariffs, subsidies, quotas and other market-distorting actions that favour the live trade—governments whose arbitrariness creates great uncertainty for Australian farmers. Further, the government should assist potential investors in a Northern Australian processing facility by adopting a broad economic development plan that encourages investment and employment in Northern Australia.

And then there is the all-important aspect of marketing; marketing initiatives to promote Australian meat exports in response to the world's growing demand for protein need to be stepped up. Again, this is how we can boost the trade enormously.

I did want to give more emphasis to the expansion of jobs that can occur if the government takes a wise course of action and helps the transition that this industry is crying out for. It is often claimed that the jobs would be lost if the live trade were to end. There is no question that many jobs have been lost in the meat-processing industry over the past 20 years due to plant closures and industry rationalisation; to blame everything on the live trade would clearly be wrong, and I am not doing that. But we need to note that a 2010 report by SG Heilbron Economic and Policy Consulting Pty Ltd claimed that the live export trade could be costing Australia around 10,500 jobs.

This is where we need the government to be working with the industry to ensure that we achieve these benefits in our own country. Otherwise Australia will be left behind, as too often happens when we have a government that does not accept its responsibilities. In 2012 ACIL Tasman estimated that the construction of an abattoir in northern Australia, which would provide Australian cattle producers with an alternative market for their cattle, could create up to 107 jobs directly and 1,300 jobs indirectly in the region. Further, this consultancy's research indicates that the domestic processing of sheep has a higher multiplier effect than that associated with the live sheep trade. In other words, for every dollar spent on domestic processing expenditure, elsewhere in the economy there will be greater than that for every dollar spent on the live trade. The value added per sheep processed locally—that is the difference between the sales price and production costs—will be greater, and the overall contribution to, for instance, WA's regional economy, and hence Australia's national economy, will be greater. These benefits need to be acknowledged and they need to be acted on before we lose them.

It is also interesting to compare the benefits from the chilled meat trade with the live export trade. Last year chilled meat exports earned some $5.7 billion while the
export of livestock earned $845 million. Those are very telling figures that come from ABS and ABARES.

It is also worth noting that in fact many beef cattle farmers have already diversified and that they are not completely reliant on the live export trade. Working on the transition here will not really be hard but it certainly needs government involvement in terms of those points that I raised before about negotiating with overseas countries, assisting with marketing and encouraging investment. ABARES projects that northern Australian beef cattle farm incomes would increase from an average of $122,720 per farm in 2010-11 to an average of $161,900 in 2011-12. I share those figures with my colleagues because they underline that this trade is healthy at the moment and that the tough times are not occurring, but that the benefit could be even greater with the transition.

The recent cruel treatment of Australian sheep has distressed so many Australians. By far the majority of Australians want this trade to change. Seeing sheep stranded at sea and slaughtered in such a cruel way has caused many people considerable angst. What we have seen, and I think it has added to the concern and the public distress—particularly from many of the emails and messages that I have received—is that the government had promised that they could clean up the trade, but we now see that the supply chain mechanism is worthless. No amount of regulation can end the cruelty that is inherent in the live export trade. The transport alone of sheep and cattle puts these animals under enormous stress. Thousands die every year just in the transport alone. The Labor government must respond to the mounting public concern over the cruelty involved in the live export of Australian livestock. It does need to move quickly to end the trade. That is why we have brought forward this bill.

I do urge government and coalition MPs to look closely to these many detailed reports that are now available from very respected economic consultancy groups that have detailed the benefits, because the public is right behind the need for change here. The big rallies that occurred around Australia last week were called within less than a week and attracted thousands of people. Sam Mclean, the director of GetUp!, reported at those rallies that their petition has attracted more than 350,000 supporters. Support from organisations is very varied; as well as GetUp! there is the AMIEU—the meat workers union—Animals Australia, the RSPCA, Animal Liberation, the World Society for the Protection of Animals and so many other community groups that are backing this call.

It is time that it changed, and the Greens bill will achieve that. I commend the Greens bill to the Senate.

Senator STERLE (Western Australia) (16:21): I too want to contribute to the debate on the Live Animal Export (Slaughter) Prohibition Bill 2012 put up by the Greens. Before I do, I listened intently to Senator Rhiannon's input. I also listened intently to her reasons, on behalf, no doubt, of the Greens and a lot of other people, why the live export trade should be banned. Before I go into challenging some of Senator Rhiannon's figures and her views, I think it is very important that we take a couple of steps back, and I think it is very, very important that Australia gets the full story.

Not one of us, and I say that without caucusing colleagues from either side of the chamber or the House, supports cruelty to animals.

Every single one of us—and I speak for the nation—was appalled at that video footage
that Animals Australia had given to Four Corners. The sad part is that there are some people in this building that knew about that footage—certainly not from the government side, but that is another story.

I also feel absolute abhorrence at the thought that all live animal exports are about cruelty to animals. Unfortunately, we have had some very high-profile video footage, but let us take another couple of steps back. This is not the first time. Let us go back to 2003. At the time the Howard government were in power, and we had another shocking piece of footage put out in the public arena about cruelty to animals in Egypt. I have travelled to Egypt, and I have witnessed the closed loop Sokhna facility that is being built there now to change those terrible, terrible practices. But let us not avoid the truth here. Under the previous Howard government, the live export trade to Egypt was banned for four years. So for four years nothing was done to correct it and get the trade moving again. The Labor government came in in 2007 and we opened up the trade again.

So I want to say to you, Senator Rhiannon, and your supporters that while you are out defending animal rights—and quite rightly; that is not an issue—you have to realise that there are two sides to this argument. Let us take on board what you said about the win-win being what we all want. But your reason for the win-win, unfortunately, is flawed. I do not say that because I am having a crack at you, Senator Rhiannon, but I spend a lot of time in the Kimberley. If it were not for the live export trade of cattle, the Kimberley economy would be in a lot of strife, because if the Kimberley economy tried to survive on tourism then they would be absolutely ruined. There are a number of reasons why, including the high Aussie dollar and everything that goes with it, not to mention—to Senator Rhiannon and those who might not think about what else is going on at the Top End of Australia—that the window of opportunity for tourism is only seven months. If we have a big wet as we did two years ago—the wet season went from December through to May—they do not even have that long. If it is not tourism, do we think that the Kimberley could survive on the pearl trade? My goodness me! That is another depressing story.

So, whether people want to acknowledge it or not, live export and cattle are the big issue in the Kimberley. They are not blessed with a plethora of iron ore mines or coalmines. They have the opportunity for natural gas, but we all know where you stand on that. And everyone should know where I stand on that: if it delivers far better living conditions, education conditions and job opportunities to the people of the Kimberley, I am supporting that, because it is the decision of the traditional owners.

Let us get back to the win-win. Let us not forget for one minute that there is an industry out there with good, decent, hardworking people who are out there in regional and rural Australia in very, very trying conditions: extreme heat, flooding and the whole lot. They commit 12 months of the year to that part of the world, every year, year in, year out. They are not Johnny-come-latelies; most of them are first, second and sometimes even third generation. Let us also not forget that there are a host of other industries that rely on the live cattle trade: transport, mechanical, truck sales, feed—it goes on and on and on.

You would have us believe with your contribution, Senator Rhiannon, that if somehow—I wish it were possible—we could get abattoirs back into the north and we could get a boxed meat market going in place of the live export market then everything would be tickety-boo and it
would create all these jobs. Up until I came off the road in 1991, we did have abattoirs in the north-west—I say that to Senator Rhiannon and to those listening. We had abattoirs in Carnarvon, we had an abattoir in Broome, we had an abattoir in Derby, we had an abattoir in Kununurra—only a little one—and there was a very active abattoir in Katherine. What has happened is that all those abattoirs have closed, and you have to ask yourself why they have closed. I will tell you that unfortunately they have closed because the producers have a live export market and, quite frankly, no-one wants to be in the business of reopening an abattoir. There is some talk about AACo wanting to open an abattoir—this has been around for a while. At this stage, what I have learnt from my travels through the Kimberley and the Pilbara and my work on the Rural and Regional Affairs and Transport Committee is that people want abattoirs but no-one wants to put the money in to build them.

But, Senator Rhiannon, we also have to look and really dig in. I want everyone to listen before I get bombarded by a GetUp! campaign. Feel free to do it, by all means. You will do it. But you do not realise out there the pressure that I have coped personally as the chair of the Rural and Regional Affairs and Transport Legislation Committee in my support of a live export trade with conditions that eliminate animal cruelty. I am not talking about a campaign from GetUp!; I am talking about the campaign from my own wife and my daughter. I stand there too: nobody supports animal cruelty. But you are completely wrong, Senator Rhiannon, to think that we have the ability to shut down the live export trade and shut down where we supply meat. As we know, our biggest trading partners are Indonesia, China, Turkey, Israel and the Philippines for cattle and also for sheep—and I am still appalled at what is going on in Pakistan. You are wrong to think we can cut off our trade to Bahrain, Jordan, Kuwait, Qatar and the UAE and it can all be done overnight if we build some abattoirs.

Part of your reasoning, Senator Rhiannon, in defence of banning the live export trade was that we could just put it all in boxes, create jobs here and send it off to Indonesia. Let us also look at what actually happened in Indonesia up until the ban on the live export of cattle—which I fully supported and which Senator Ludwig, as painful as it was, had to do. We had to do something.

Doing nothing was not an option. I know that is still creating a lot of bad blood in the Top End of Australia, but it had to be done. People had to be responsible, and we had to have a system in place so that we could track it back so that we could say loud and clear that it is not acceptable and will not be tolerated and, more importantly, that there could be a system there that could identify where the breakdown is.

Just one thing on the sheep in Pakistan: there is an inquiry going on. I am not going to comment any more and we will wait to hear what comes out of the inquiry. And that is not ducking for cover. I do not know the full story yet and neither does the government.

But you are right in talking about Indonesia wanting to create their own market. Let me help you out, Senator Rhiannon. The Indonesians for a number of years now have had a limit on Australian cattle, a weight limit of 350 kilos. They take our cattle up to 350 kilos. The reason they will not take anything over 350 kilograms is because they want to support their domestic farmers, the 220 million Indonesians and those who rely on Australian cattle for their iron and protein intake. The Indonesian government does this because they want to fatten the cattle in their own lots to give their
very small domestic farmers an opportunity for an income. It would be silly to think that on those 2,200 islands around the Indonesian archipelago that if we shut down all our grazing land over there and the Indonesians started all their own that they could supply all their meat on the limited land that they have got. In my view it is just not going to happen.

But you also have to understand, Senator Rhiannon—and those supporters of the bill who do not think about the detriment it will deliver to those people who rely on the live export market of cattle and sheep—that it is not as though Indonesia is blessed with a Coles supermarket, or a Woolworths store, or an IGA on every corner like we are. The Indonesians do not have the pleasure of fridge and freezer facilities that we have. The Indonesian meat intake is consumed normally on the day of slaughter, so it is very disingenuous, Senator Rhiannon, to put the message out there that all of the sudden you are an expert in this trade, that you are an expert in the north-west of Australia on the Kimberley and Pilbara, and that you have this fantastic simplistic solution.

Senator Rhiannon interjecting—

Senator STERLE: You had your turn, Senator Rhiannon, and I listened intently, and the more I listened I thought you were coming from a good heart but, sadly, you have very little understanding of what actually happens out there in rural and regional Australia. And may I reiterate that if it is an animal cruelty issue, everyone supports you on your measures to reduce animal cruelty—none of us want to see that—but you cannot just lead a charge and with your colleagues in the Greens say that you have this fantastic solution and you do not know why anyone is not listening, and you can solve the problem tomorrow.

Senator Rhiannon: I didn't say that.

Senator STERLE: But I also note, Senator Rhiannon, that you have a webpage and you have started a campaign—well, we know that, and you are not the only one, as some of my colleagues support you too. I believe you have been contacted by a lady, a northern cattle producer, a Ms Jo-Anne Bloomfield from Hodgson River Station. Ms Bloomfield, I believe, has challenged you to a debate about the live trade, or banning the live trade industry and export markets. I believe that she has put 25 questions to you of which you have answered 13, and you said you look forward to that debate. I look forward to it too, Senator Rhiannon.

Senator Rhiannon: Mr Acting Deputy President, I rise on a point of order. It would be useful if the information that was shared was accurate. I had accepted to do the debate and Ms Bloomfield, unfortunately, now has declined.

The ACTING DEPUTY PRESIDENT (Senator Furner): There is no point of order.

Senator STERLE: I have obviously touched a nerve, Senator Rhiannon. All I am saying is that I support anyone who will do anything to eliminate animal cruelty. But, Senator Rhiannon, you owe it to a legion of people who are following your every move to provide the truth and to provide the correct facts. It is honourable of you, Senator Rhiannon, to think that you have—

The ACTING DEPUTY PRESIDENT: Order, Senator Sterle! I will have your comments through the chair.

Senator STERLE: As I say, Senator Rhiannon and the Greens need to get out there and get a handle on what they are arguing about. If they can differentiate between their wonderland of ideas that will fix an industry or change an industry overnight and we can dictate to the Indonesians what they will do and what they
will not do, while at the same time mischievously misleading those poor devils out there in regional Australia who are very decent hardworking people too and who have a passion for eliminating animal cruelty, the world will be a better place.

But get the facts right. You have no idea. It is typical of the Greens—through you, Mr Acting Deputy President. You do not spend an inordinate amount of time in remote and rural Australia. I know that under your new leader all of the sudden the Greens are becoming the champions of the farming industry, the champions of farmers around Australia. I have seen the Greens' position on agriculture. God help us if they ever do get to make the decisions on where Australia's agricultural industry goes. They are not friends of agriculture. They like to whip up the hysteria—they love that and they wallow in that. They are a marginalised group of people who are anti-employment. They talk about green jobs—yes, fantastic. They talk about all these wonderful other things we can do that will support rural and regional Australia. It would not do you any harm to get off your backsides—if I am allowed to say that, Mr Acting Deputy President—and get out in the regions and talk to the people of rural Australia, talk to rural industries, talk to the agricultural industry. Go out into the bush and talk to the people who rely on this trade and you tell them that you have got this magic solution that will fix it up. It will be a win-win for them and a win-win for all the animal lovers in Sydney and Melbourne—the latte set, the professional protesters—without taking away those people who absolutely love animals, and I am one of them, make no mistake about that.

I will tell you what has disappointed me, and I have said this before. For Animals Australia to get this footage, in one way thank goodness: they were able to get it to highlight to us that the system could not go on the way it was going—we had to do something to fix it. But to deviously sit on that footage for quite a period of time; to deviously make sure that the ABC had it, not the government; and to deviously make sure they ran off to an opposition senator, who is no longer here, to give her a copy of the footage, which she did not deny when she was asked—you tell me if you are fair dinkum about eliminating animal cruelty. In your heart of hearts, could you have sat on that vile footage while you built a political campaign to do everything you could to destabilise government action to try and promote an industry that is important to this country?

I can hear all the chatter going on up the end of the chamber here, and I would challenge you to a debate too. I would love it, and while we are up there we will talk about a host of things. We can talk about the gas plant and whatever you want to talk about, it doesn't worry me! I am up there all the time. In fact, it is easier to get me up there than it is to get me in Perth. But I also make sure I attend the PGA conferences in the Kimberley at every opportunity. I do not run from it, because I want to hear from the people what their challenges are.

I cannot support the Greens bill. I do not support the Greens actions. I think the Greens, as I said, are being very mischievous, and Senator Rhiannon is leading the charge about how she has got the fix. She has not got the fix. It is all very well to run your campaigns against an industry from afar in some trendy part of Sydney or Melbourne or wherever you are doing it. But you have to tell the truth, Senator Rhiannon, because in this business you will get found out. If you have an idea that will eliminate animal cruelty and we can still sustain a very important part of our economy and a very important part of Northern Australia, please bring it forward. If there is a win-win, if it is
not smoke and mirrors, or chimes and fairy floss, or whatever you do with it, I will be standing next to you. But this bill is just another example of the Greens having a little issue that they can fluff up without telling the truth because it is so emotive.

It is emotive for me too. I live not far from Fremantle. I am on Leach Highway, which Senator Rhiannon and Senator Ludlam know, and I have been going to and from work on Leach Highway since 1978, so I know, constantly, those sheep carters going backwards and forwards with legs hanging out of the side of the crates. It is not a good look. And I know that many people do not look behind what is the live animal export trade. I know there are many, many people who just see it as cruel. They do not think about the amount of people who rely on this industry and who are absolutely appalled by the images that we have seen on TV.

I want to use the last minute of time I have now to also say that it would be disingenuous of the opposition to use this debate to have a crack at the federal government. We have stood shoulder to shoulder to reject it.

This is about one of those times you remember: where were you when? I can certainly remember when the cessation of the trade happened. I was at Sydney airport and I remember viewing both Julia Gillard and Paul Henderson being interviewed, and I knew in my heart that this was going to have a real impact on the Territory. Whatever the good reasons of the movement were, it was just going to be a big deal. I certainly was not wrong. It had a huge impact, and that impact continues to this day. I know it is not on the news every day and we do not talk about it here every day, but the men and women and their families and communities right across the north of Australia who rely on the live cattle export trade are still in real strife.

We all accept that the vision we saw on the Four Corners program was very disturbing for many Australians. We have just heard from the government and I think they acknowledge that perhaps that decision was not the best possible one. I have undertaken to Senator Sterle that I will not dwell on that too much and I will stick to that undertaking. But we are certainly joined in the notion that we do not tolerate the mistreatment of animals. Everybody has accepted that.
I would encourage the Greens to think about why that is, why in Australia we have a particular affection for animals. It is good to see a couple of kids up in the gallery here and they will certainly know. It is not everywhere in the world that people are brought up with horses that talk. It is not everywhere in the world where kids are brought up with cartoons where all the animals are Disneyfied, where everything we met there is humanised—they talk, they drive cars. It is all part of our affluent upbringing, where we have access to television, movies, comic books and all those sorts of things which characterise a very affluent community, and this Disneyfication of how we see animals has affected our culture. We have an affection, of course, for the animals we live with, whether they are dogs or cats or budgies or whatever. It is a very close affection.

We can afford to feed a dog or a cat. That is how they stay with us. We love them. In this country we spend quite a lot of money on feeding our pets because we are a very affluent community. In these places we often export to, that affluence just is not there. They cannot afford to have a cat or a dog. They are doing it pretty tough just feeding themselves. People in places like Indonesia, which I know well and visit, are quite astounded to hear that we spend as much as we do on pets, because it is just not part of their culture. But as they and other countries around the world gain more affluence their culture will change. In my life I have seen cultures change. People who thought democracy was so far away now enjoy democracy. So cultures do change.

It is interesting to see how cultures change. Cultures change because they are affected by other cultures. When you talk to other people you are influenced. When you are exposed to your mate next door, another country, another view or another idea, your mind is open to change. The world is changing all the time. Of course animal welfare is going to change in the future. It is behaviour in Australia that has changed much of the attitudes towards animal welfare right across the world.

Whilst I have been pretty critical and not particularly supportive of the move to stop the exports, I suppose in some ways it was associated with being able to demonstrate that we really needed to lever some change with regard to the treatment of cattle, particularly in Indonesia. I am talking not only about welfare, because there are other practical benefits. You would generally describe the people who work in agriculture and the processing sector as practical people—I do not know why I use that term; probably everyone is pretty practical—so we have other things we can sell. It is not only about how the animal feels. If they are not all that interested in animal welfare at the moment you can say to them: 'When an animal is calm, well looked after and you have the infrastructure to move the animal smoothly to the point of processing then that is really good for people because you do not get as many injuries. It is a very practical process.'

You can also explain what we know from our processing. We know that, if an animal is calm, moves calmly and safely and its welfare is looked after, at the point of processing it is not upset, annoyed and full of adrenaline. We know about adrenaline but perhaps we do not know a lot about lactic acid. You know you are a bit sore the next day when you have used your muscles. Lactic acid is what you are trying to get rid of. When lactic acid is not out of the animal's system before it is processed, the carcass temperature is actually increased by up to 10 per cent. You might think that is pretty interesting but for a processor who has to chill that meat that means a significant
increase in the cost of power. Welfare is not just a story about exchanging our culture and trying to change the way we do business in other countries; it is also about pointing out the experiences of Australia. Because we have the animal welfare process there is a whole range of benefits.

I can recall pretty much straight away after the cessation of the trade—it was pretty important to us in the Northern Territory—I skipped over to Indonesia. I went through the wet markets in Indonesia with only a smattering of Bahasa. It was not a really good place to be. It was not that people were angry; they just could not understand. There were lots of racks from which meat used to hang. The housewives and the people involved in food production with little stalls around Indonesia arrived in the morning and there was no meat. They do not stay tuned constantly to Sky News so all they knew was that when they got there the meat that their livelihoods depend on was not there. They were asking me: ‘Why do you not want to send meat to us? You have always done it. We have always bought it. It is all part of the process. Your nation supplies our nation with protein. We rely on it. We are dependent on it.’ It was a very difficult situation.

When I left there, there was a certain feeling in Australia that every time we send one of our live animals to Indonesia it is beaten around the head with a chain and it is all pretty horrible. I will not go into the footage that was shown. I just do not think it is necessary. When I visited some of these processors, what we saw on the footage certainly was not the norm. You do have places where culturally people will allow things to happen. We had been exporting animals to Indonesia for a very long time. By and large it had been done pretty successfully. Clearly, there were those abattoirs and processors that were not recognising the need to ensure that our standards were adhered to. I understand now that, as a consequence of the changes in the Australian culture that we have provided for at least 85 per cent of the cattle, there have been significant changes made.

We need to see the opportunity that this bill does not allow. I know the Greens are pretty keen to stop all live animal exports. I would like people to see the opportunity of animal exports. We are not only exporting animals. Let us start thinking about the export of our culture, about how we go about business and about sharing the technology, as we have done in Indonesia and are now doing in Egypt.

I understand that all those who are passionate about the welfare of animals are also passionate about the welfare of animals all over the world—not only in their backyard. As an Australian I applaud that. I have to acknowledge that I was not brought up in Australia. I saw most animals with a built-in lead and a telescopic sight at their head, but Africa was a different place to be brought up in than here. We saw it as food.

In Indonesia we can really change the culture by going down the road we have gone down.

We have a full chain of procedures that is now scrutinised by everybody to ensure that when the animals leave the farm in Australia, we are able to measure how they are transported on the truck, how they are transported on the boat, the potability of the water, how many times the air changes in the boat every minute. They are all able to be measured and they all meet a very, very high standard of animal welfare. Having been on the vessels, having been in Indonesia, having spent a lot of time on the farms and having spent a lot of time on the trucks, I can personally validate that myself. It is not something that someone has told me, and it is something which the industry is
completely focused on. At a time when we are seeing the adoption of our cultural approach to animal welfare and the adoption of significant regulation and assistance not only in Indonesia but anywhere in the world that receives Australian animals, this would seem to the worst possible piece of legislation at the worst possible time.

As I said, I applaud all those people who say, 'Listen, let's look after the animals not only here but everywhere.' But if we stop the trade, if this piece of legislation is enacted and we say, 'Okay, no more live export,' what future are we condemning those animals overseas to, if that is what we believe? We are condemning them to much of the same, which is not our cultural approach or our welfare approach. I think this legislation has been poorly thought-out. Sadly, this involves not only Animals Australia but also the RSPCA. The RSPCA is an organisation that I used to support and that my children used to support as they grew up. Sadly, they do not do so now for a number of reasons. My son is principally involved in duck shooting and my daughter has other reasons. For me it is because the RSPCA has become a subscriptions driven organisation. As with all subscription driven organisations, I have become more and more cynical about why they get involved in processes. If you go onto their website and have a look, the first thing they will tell you is how you can give them money. Sadly, I have far less confidence in their motivation.

I will just touch on the wonders that Senator Rhiannon referred to about how much money we are all going to make in the Northern Australia if only we knocked up a couple of abattoirs. Senator Rhiannon, you can commission reports that can tell you maybe not pretty much anything but they will say: 'I don't know what you're doing this for. All you have to do is knock up some abattoirs and kill 400,000 animals a year. We'll have a couple of hundred thousand left over. I'm not sure what you'll do with them. And we're all going to make another $104 million, and we're going to have another 1,600 employees.' As Senator Sterle indicated, we have had abattoirs. We have had them in Broome, Derby and Katherine. They all went broke. They went broke simply because of the cost of labour and a whole range of other issues. There is one being proposed at the moment just outside Darwin by AACo, and we will see how that goes. If the price of the dollar remains the same, I suspect that that will also not be a goer.

People who notionally say that the unions and the RSPCA really support building abattoirs and stopping this trade need to understand that this trade is based on producers and systems in these extensive places. I can drive 100 kilometres along one fence line of one paddock. You only see the cows once a year—'Hi. How ya' going, girls?' They all come in. All the girls have their babies with them. They do a bit of running around. We swap them over. Those that we saw last year will get on the boat. We sort them out. And it is: see you all later. It is not a particularly personal experience. Those are the rigours of the Territory. All that country can do is breed. We can turn over animals; we can produce plenty of animals. But that country will not fatten one animal, because by the time we get to November, the old cracker cows have to struggle through that terrible time between November and December. You cannot fatten them there. So the only way to fatten them is to send them away to a feedlot or to put them somewhere where there is some grass. Whilst it might look wonderful and green in the Northern Territory, it does not have particularly good fodder for cattle. It does not have particularly good feed. It is important to understand that. The abattoirs that are supposed to kill cattle
are not killing them. They have not been finished. There is no money in that; there is no profit in that; and there is, frankly, no sense in that.

I will just touch briefly on the issue of self-sufficiency which Senator Rhiannon spoke about. Because there is no trade now and there has been a substantial diminution in the trade, the price has gone up with demand. Local cattle used to make up 10 per cent of the cattle going into the feedlots but that has now increased to 60 per cent. In terms of self-sufficiency, building a herd, this is working in the exact opposite direction. The Indonesian herd is now getting eaten. This is what is happening: it is in reverse. In terms of self-sufficiency, this move has actually made them go backwards. And if we were to accept your legislation in this place, it would make it go further backwards at a greater rate of knots.

I will just touch on some of the damage from the last decision but only in relation to what is being proposed by the Greens. It was not only a personal relationship which I reflected on during my time in the wet market but also what it did to our relationship with Indonesia as one of our strongest, nearest and dearest neighbours. For those of you who do not know who I am or where I come from, I come from the Northern Territory, which is actually South Asia. I go for a weekend to Singapore because it is two hours closer than Sydney. So we live in a place where that relationship is very close and very strong. For the Indonesian government to suddenly hear that we were doing this was a pretty appalling process. I am not sure that Senator Rhiannon has actually spoken to the Indonesian government about what the Greens are proposing, but I think it would add insult to injury if we were to pursue this without reference to the Indonesian government. I suspect that that has in fact been the case.

Senator Sterle very articulately touched on a number of the issues associated with some of the people who really need help and who are emerging as a very vital force in the live cattle export trade, and they are our first Australians—Indigenous Australians. The Indigenous Land Corporation is a great success story in Indigenous affairs. I slap them around a bit from time to time but, by and large, they do a fantastic job. They actually own a herd of about 100,000 cattle. That is on eight properties located from Queensland through the Northern Territory right across to Western Australia. They own Roebuck Plains Station—massive yards; the most modern yards anywhere. There is a fantastic amount of infrastructure.

That is just one holding with eight properties. They have a workforce of 150 people of which some 60 per cent is Indigenous. There are 50 other Indigenous owned properties across the Top End where we are seeing real reconnection. Instead of disconnection from country, they are reconnected with country. They are reconnected with employment and they are reconnected with all the benefits of life—particularly what a constant stream of income will provide. Now, sadly, they have had a bit of a knock. I have promised not to go into that knock, but that has given a knock to all of us, including government, I suspect. You do these things and you have to learn from these things.

It knocked us off our feet in Northern Australia to hear, 'By the way, it is all gone, there will be no more export of live cattle.' Next time you are up there, Senator Siewert—I know you spend a lot of time up there and I have a lot of time for you—you might want to point out to some of the Indigenous stockmen you know and have a fair bit to do with why you want to stop their industry. You might want to point out to
them some alternative. I am not sure what it will be—combing trees or something. I think it is a really important responsibility you need to take for this. The Greens need to take responsibility for the consequences of the legislation that I suspect they bring before this place knowing that it will never succeed, to somehow say to those who support the RSPCA and other subscription organisations, 'See, we look after animals. We love animals, so perhaps you should send us some money.' I am not really sure of that.

I will just conclude by saying this is an absolutely shocking piece of legislation that could never be supported. What we really need to do is to ensure that we work together to make sure no further piece of legislation like this appears. (Time expired)

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:01): I of course rise to support this piece of legislation, the Live Animal Export (Slaughter) Prohibition Bill 2012. I am glad I am a little down the speaking list because it gives me an opportunity to respond to some of the claims that have been made from both sides of the chamber. The reason we are having this debate is that the government and the industry have not been able to demonstrate that they can deal with the consistent cruelty we see in this trade. Last year we had a very substantive debate about export of live cattle—and I will go into some of the details of that in a minute. As a result of that debate, changes were made that were supposed to ensure that these sorts of things do not happen again. Yet playing out just recently we have seen the extremely cruel and tragic images of sheep being subjected to cruelty. The fact that those sheep have been subjected to that cruelty shows very clearly that the processes the government has put in place to supposedly ensure that this trade is no longer cruel have simply failed.

This bill will put an end to the horrific treatment of Australian livestock that are currently transported overseas and processed in overseas abattoirs. We are the ones that prompted the wide-ranging inquiry into the live export industry that was carried out by the Rural and Regional Affairs and Transport References Committee last year that did open up the trade to parliamentary scrutiny.

There have been a number of claims made during this debate about organisations that have held onto images and supposedly planned this attack on the industry. The likes of Animals Australia and the RSPCA have for years and years been trying to highlight the cruelty of this industry. They have looked at the numbers of sheep and cattle that have died while being transported overseas—and I will go into some of those numbers shortly. For years these organisations have taken images that they have managed to get to ministers on both sides—both previously under the coalition but also under the ALP—and for years ministers and governments have ignored those images. Of course, organisations like Animals Australia and the RSPCA took those images elsewhere to try and get somebody to pay attention because governments and industry would not.

Senator Scullion says, 'Senator Siewert, you go and explain to the Northern Territory pastoralists and to Aboriginal pastoralists why the ban was put in place and why you are seeking to change this.' Well, I put it back to the industry. Industry had responsibility to make sure that their industry was not cruel and that these measures were put in place, and they simply have not been able to do that.

This sort of legislation is needed because there is an ongoing failure by both industry and government to be able to ensure, control and maintain welfare standards. The
appalling treatment of animals in Kuwait markets, the stranding and the repeated filming and vision of mistreatment highlight yet again that we are not able to ensure welfare standards. The recent stranding of the 22,000 sheep offshore from Bahrain and then their subsequent treatment in Pakistan are the most recent and graphic examples of the failures of the new Exporter Supply Chain Assurance System, the ESCAS. I understand we still do not know what has happened to the remaining animals. We know that about half of them were killed in what is reported to have been very cruel circumstances. We actually cannot find out what has happened to some of those remaining animals.

It just shows that we cannot control what happens in other countries. We cannot guarantee that animals are treated humanely, that the process is cruelty free and that we are maintaining welfare standards. In other words, we cannot trust that the Exporter Supply Chain Assurance System is working. We have to continue to rely on investigations and revelations by animal welfare groups like Animals Australia, the RSPCA and investigative journalists to reveal this cruelty. Their work highlights what is going on. It gets back to my point that is these organisations that are highlighting it. If government will not listen then of course organisations are going to go elsewhere and show this footage and highlight what is going on.

On that vision that we saw last year, people have been trying to raise this issue for years and years to no avail. I do get extremely frustrated when there are scurrilous attacks made on these organisations that are unfounded, when it is those organisations that have raised awareness and succeeded in getting adequate—no, not adequate they are still inadequate, but at least better—controls put in place than would have previously been there. Yet it is those organisations that get attacked. If those organisations had not got that footage and shown that footage those practices would still be happening right now. And we are still seeing cruelty. The Exporter Supply Chain Assurance System was put in place as a quick fix. Really it was about saving face rather than significantly improving the conditions for Australian animals.

We said at the time we had very, very strong concerns. We said at the time that this would not fix the issue. We expressed very strong concerns, for example, that it did not include preslaughter stunning. The assurance system is based on OIE standards, which are basic standards essentially prepared for developing countries. With that in mind, they are the minimum basic standards. The OIE guidelines offer significantly less protection than animal welfare standards enforced in Australia. They allow practices to take place in foreign markets that would be illegal in Australia. These guidelines do not require animals to be stunned before slaughter and do not prevent the roping, tripping and casting of animals.

Ultimately the Australian Greens believe that there is no way to implement safeguards that can guarantee the humane transport and slaughter of animals in overseas markets and we do not believe that the implementation of a traceability system will adequately prevent Australian animals from cruel treatment. We can see this in the latest debacle that has unfolded before our eyes, where sheep are sent over, claims of disease are made and then what we do we do? 'Oh, we'll take them to Pakistan; we can guarantee the safeguards there, can't we?' No, we cannot—we have seen that.

My office certainly received a huge number of phone calls and emails from
people expressing their concern—and I know
the export company concerned did. Well, I
am relying on media for that. We have seen
media reports where they also received a
large number of concerns. I am sure they
were very frustrated, because they could not
control what was going on. They could not
guarantee the sheep under their control were
being appropriately treated. We cannot
guarantee that.

We need to look at how to improve and
increase processing in Australia. We should
be able to support local producers and jobs.
The community benefits of processing meat
in Australia have been underestimated for
too long and have been talked down by the
live export industry. Live exports compete
and undermine Australia's ability to look at
domestic processing, both in the beef and
sheep markets. This leads to lost processing
opportunities in Australia. Senator Rhiannon,
when she was opening the debate on this
legislation, referred to some work that was
done by ACIL Tasman on the opportunity to
do processing in Australia. A report in 2009
by ACIL Tasman reported that WA sheep
processors estimated that the number of jobs
in meat processing would increase to about
4,000 from the 2,000 then employed in WA
if sheep were processed domestically rather
than exported live.

Taking into account multiplier effects, it is
likely that the increase in employment would
in fact be much higher than that. In 2012
ACIL Tasman estimated that the
construction of an abattoir in Northern
Australia, which would provide Northern
Australian cattle producers with an
alternative market for their cattle and
eliminate their reliance on the live cattle
trade, would create about 160 to 170 jobs
directly and an estimated 1,300 jobs
indirectly in the region.

Senator Sterle touched on this issue and
was implying that we had rocks in our heads
if we thought that that sort of thing was
going to happen and also highlighted the
importance of jobs in the Kimberley. I could
not agree more with him about the
importance of jobs in the Kimberley. But if
you look at where the jobs are being
generated in the Kimberley, if you look at
where the highest employment rates in the
Kimberley are, the four biggest industries by
employment in the Kimberley are healthcare
and social assistance, public administration
and safety, education and training and the
retail trade. Followed closely behind retail
trade is accommodation/tourism and food
and construction. So food is in there but
lower down. That is where the job
opportunities are.

My point here is that we should be
investing in alternatives to live cattle exports.
If we did we would generate more jobs. Why
isn't the government looking at the tariffs,
subsidies, quotas and other distortions of the
market in the countries to which we export
that actually distort the market, so it is more
favourable to them to import live cattle or
sheep rather than meat? The government
need to be reviewing barriers in the countries
that we export to and start discussing with
these countries removing those barriers to
the meat trade so that there are not the
inappropriate distortions which favour live
export rather than the chilled meat trade.

Where the recent debate started of course
was over the appalling treatment of cattle
that we saw last year. The debate has focused
heavily on that trade to Indonesia. A couple
of years ago, as was very quickly touched
on, the Indonesians brought in a rule that you
could no longer trade in cattle over 350
kilograms because they wanted to take those
cattle and fatten them up in Indonesia.
Around that time they clearly said that they
wanted Indonesia to be self-sustaining and
they would then base their decisions, on live imports or on bringing cattle in, on that. Of course, this year they made that announcement and the industry seems to be shocked by it. We need to be looking at how we can be processing our meat in Australia rather than being shocked every time the Indonesians think about how they make their own trade sustainable. That is why we believe government needs to be doing more to look at what are the barriers to our being able to improve our exports of chilled meat or processed meat, which would generate jobs in Australia rather than exporting those jobs overseas. There is some work that has been done on that and we need to be doing more.

I would also like to touch on the issue of the Greens and agriculture. I find in particular Senator Sterle's comments rather a joke, quite frankly, coming from the government, coming from Labor, who do not understand agriculture, do not understand the bush, have wrecked Caring for our Country funding, have moved away from a sustainable approach, are moving away from a planning approach, are moving away from a landscape scale planning approach and landscape scar repair, have moved away from funding research that is absolutely critical to agriculture if it is going to move into the future and have moved away from funding extension officers—all the very things that are going to keep our agriculture sustainable into the future. They are not adequately addressing the need for research which is going to be absolutely critical in the future.

I am really sick of arguments that try to denigrate the Greens rather than actually deal with the issue at heart: a truly sustainable agriculture that is competitive. We need that research so that our agriculture is competitive, but it has to be sustainable. It has to have that leading edge. Where is the money for investment in that research? That has been cut and I have had a lot of farming organisation representatives at my door talking about the need for improved research and about the need to make our agriculture sustainable and competitive. We do understand that clearly and we also understand about generating jobs in Australia and not exporting them overseas, which is what the live export trade does. We believe we need to be processing much more in Australia and we need to be focusing on how we can support further processing facilities in Australia.

Articulated economic analysis shows how we can improve job prospects in Australia and we can benefit producers if we can do more processing in Australia, and that, of course, will help regional communities. We support the development of these facilities that are sustainable, meet environmental development standards and are supported by local communities. We believe we need support across the board for this to happen and for investment to be made in the long-term future of the livestock industry. We believe that we can build up a market that demands high-quality frozen meat and that Australia needs to be able to step up and help generate and meet that demand. Processing animals in Australia protects them from inhumane treatment that we would otherwise continue to see because we cannot guarantee that welfare standards are met. We have seen that we cannot rely on the Exporter Supply Chain Assurance System. We have now seen that we cannot rely on that. Yes, the government is carrying out an investigation but it cannot adequately enforce these standards overseas.

We need to be moving to ensure that the cruelty that happens to these animals does not continue to happen. There needs to be a multipronged approach to this. I accept that the processing market needs significant
Senator FURNER (Queensland) (17:21): I firstly rise to indicate that I concur wholeheartedly with the comments of my good friend Senator Sterle in his contribution to this debate on the Live Animal Export (Slaughter) Prohibition Bill 2012. In his contribution he made the relevant point that in this chamber love animals. I love animals so much that at one stage, when all my children were at home, I was fearful that, rather than having a home, we were looking at having a zoo because of the number of animals we had at our place. No-one in this chamber would have been unmoved or untouched by those significant and horrific scenes that Four Corners aired not long ago or by the recent media about what occurred with sheep in Pakistan.

I also rise to speak against Senator Lee Rhiannon's bill to introduce a complete ban on the live export trade. We need to look at some of the factors involved in this. It is not an opportunity to say, 'We stop live export trade and we fix this problem.' There is a multitude of issues. The contributions made both by Senator Sterle and by Senator Scullion this afternoon were relevant and touched on the important parts of why this is such a problem.

Our government is committed to live export trade where acceptable animal welfare outcomes can be achieved. It supports jobs, which was focused on this afternoon—certainly Senator Sterle and Senator Scullion reported on the number of jobs in this industry. The figures that I am aware of relate to 13,000 Australian jobs, which contribute $1.8 billion to Australia's GDP each year. I think it was Senator Scullion who reflected on Indigenous employment in the north of Australia. I can relate to that with regard to employment in North Queensland. As you would be aware, Madam Acting Deputy President Boyce, in North Queensland there are numerous Indigenous stock men and women who work in the meat processing industry. If we do away with live exports, what will happen to those jobs across that industry? What will happen to the Indigenous jobs in those areas and to the training for them? The list goes on in respect of what will occur in those rural areas.
communities across Northern Australia that rely on the live export trade for income and employment.

Then, of course, there is the flow-on. What will happen to the flow-on, incidental, areas that rely upon this trade in some of those small remote towns in northern Australia should you wipe out this industry? Does it come about that you wipe out those towns as well? We know what happens when you take major industries out of some of those small locations in the country: some of those towns become ghost towns.

The government's reforms have placed animal welfare at the heart of the livestock export trade by seeking to ensure that adverse animal welfare incidents are minimised. We acted decisively when we became aware of the footage that showed what was occurring in the abattoirs in Indonesia. The reforms have provided for a regulatory process to address incidents if they do arise in order to minimise the disruption to trade and improve animal welfare outcomes. The Australian government does not support action such as that proposed by this bill, which will restrict agricultural trade and undermine both the flexibility of our industries and the food security of our partner countries. The Australian government also plays a role in opening up new markets and in maintaining market access to all agricultural exports, including boxed, beef and other livestock exports.

Australia supports animal welfare, with capacity building for importing countries. Some markets prefer to import livestock. Some of the comments made this afternoon have referred to cultural and religious parts of livestock exports. I had time this morning to get hold of a friend of mine who came from the Middle East, a Muslim, Moustefa Obeid. I rang him and said: 'Moustefa, what is the issue about live exports? What is your opinion on this subject?' He indicated to me one of the processes in the Middle East. I asked him: 'If you were still in the Middle East—because he is now an Australian citizen—what would happen if you were going to market this morning to pick up your meat for this evening's meal?' He said that his preference would be to purchase meat on a day when he could buy fresh slaughtered meat in the market. The main reason for this, and it is indicative across the board in many locations, is that in some of the small towns and villages they do not have capacity for refrigeration or storage of frozen or chilled meat.

They also have a preference for fresh, slaughtered meats. In fact what will soon happen in the Middle East is an event that Moustefa explained to me is called Eid al-Adha, which means in English 'sacrifice day'. That will occur soon, and around 3,000 Muslims will slaughter sheep, goats and cows. Who are we as Australian citizens to judge what should occur in a different culture or what should occur in a different country? Who are we to cast upon them our opinions, our beliefs, our culture that they should accept only frozen or chilled meat as their choice for their meal? It is not our position to do that. We should be learning from their culture and be understanding that what they wish to have is from a different culture, and we should accept that. I think that is a point we need to recognise. It is not just a case of changing their diet, their culture or their position on how they wish to have their meal of an evening, whether it be in the Middle East or whether it be in Indonesia, our closest Muslim neighbour.

After that horrific event in Indonesia, the government's position on stunning became quite clear. We believe that stunning delivers better animal welfare outcomes when used appropriately. That is one thing we acted
upon decisively, to ensure that animals were slaughtered humanely and appropriately in those abattoirs in Indonesia at the time that the *Four Corners* footage was aired. Also, the government must be sensitive to cultural and religious needs both domestically and internationally.

I want to raise another point about the Middle East. I have been fortunate enough to travel there on a couple of occasions. In fact, I was in Afghanistan last year. You look at the environment, you look at the markets when you are going through the capital of Afghanistan, Kabul, and you accept that that is their position, that is their culture—that is, how they kill their meals, how they kill animals to supply their meals for the day. Once again, we should not cast aspersions or create legislation dealing with how we control the way their culture should occur or should change. The other point goes to the Muslim culture. It is a growing population across the globe. We need to recognise that this is going to be a growing industry, the live export industry, for the Muslim religion and for Muslim communities across our globe. I forget the figures in respect of Indonesia, but the number of Indonesians up in that region who no doubt rely upon this particular trade is quite significant.

With regard to Indonesia, I make these points. Once again, the demand for beef is growing. They do not have enough local cattle to meet their requirements, so really Australia is ideally placed to supply Australian cattle, such as Brahmins, and we are well-suited to the tropical conditions of Indonesia. In 2010, 521,002 head, or 60 per cent, of all Australian cattle were exported to Indonesia. We need to be aware of what our environment is and what our neighbours need. As an appropriate trading partner, we need to make sure that we do not disadvantage them or disadvantage the trade we have between Australia and Indonesia.

On that note, I will stop there because I am aware that Senator Gallacher is wishing to make a contribution to this debate.

**Senator BACK** (Western Australia—Deputy Opposition Whip in the Senate) (17:31): I am delighted to contribute to this debate on the Live Animal Export (Slaughter) Prohibition Bill 2012, and obviously I will oppose the legislation that has been put before the chamber. I wish to speak on three or four issues: the sheep in the Middle East, the cattle in North Australia, the economics, the welfare and the risks for Australia.

Let me start with the sheep situation. I can correct some of the misapprehensions and I can alert the Senate to the facts with regard to questions raised by Senators Rhiannon and Siewert this afternoon. First of all, the animals that left Fremantle in early September on the two ships—the *Al Shuwaikh* and the *Ocean Drover*—were of the highest quality. And I can assure Senator Rhiannon that the veterinary services and those over seeing those livestock were of the highest order; they were highly reputable people with many, many years experience. I can also assure the chamber that it is a time of year, particularly in a year when we have not had the best of late winter and early spring rain conditions, that produces fantastic quality sheep for the market.

The first of the vessels, the *Al Shuwaikh*, was offshore at Bahrain for seven hours. It became apparent to Kuwait Livestock, who operate the vessel, that because of political and other market opportunities in Bahrain, the shipper had no opportunity to sell sheep and so they went straight on to Kuwait and the sheep were offloaded in Kuwait. This allows me to make the point that the Kuwaitis have been purchasing livestock from us for 42 years. They are not fools. If the quality of the product that arrives at the
other end is poor, there are plenty of other buyers in the market.

Let me now come to the Ocean Drover. The Ocean Drover, run by Wellard, first of all offloaded sheep in the port of Mina Qaboos in the city of Muscat in Oman. The condition of the sheep? Excellent. The ship then went on to Qatar, where the second consignment was offloaded. The condition of the sheep? Excellent. The losses on board were negligible and minimal, and in fact the shipper was very, very proud of the consignment. I have been into both of those ports over the years, and I know the value of the product regarded by those buyers. The sheep got into Bahrain and there were certain circumstances, beyond the control of the shipper or the exporter, associated with what I would call political and market institutions in Bahrain. The decision was taken to not send the sheep into Bahrain, so the Ocean Drover went on to the port of Karachi. I do give DAFF and the minister credit for the work undertaken for that port to be accredited.

Let me assure the chamber that the sheep were offloaded. They were in perfectly good condition. They went into the feedlot via a very trusted buyer, PK Importers, and at no time were those sheep of any concern. That particular organisation, ironically, runs an abattoir beside the feedlot built to Australian and international conditions of the highest order. What this chamber must understand is that those sheep—this was days after the Ocean Drover had left to come back to Australia—were hijacked from Wellard and from the buyer, PK. They were hijacked and the Australian and Pakistani overseers of those animals were driven out of the feedlot at gunpoint. So we are not talking about a breakdown of ESCAS or anything else; we are talking about an illegal activity.

To help Senator Siewert and answer her question: as recently as 5.25 this afternoon, not 10 minutes ago, I spoke to the senior manager of Wellard, who assures me that all of the sheep—he was standing in the middle of the sheep when I spoke to him 10 minutes ago—were fine. He said to me: 'The sheep are in excellent condition. All feeding, all drinking and all established.' There was a period of five to six days when illegal activities took place, until such time as a veterinary panel examined the sheep and found them to not have any signs of disease. Samples have gone on to Pirbright in England. I am not in a position at this point in time to alert the Senate as to what the results of those particular tests have been, but I do not have any cause for concern.

I do want to note that it is no different to the human circumstance. As we all know, we have terrible circumstances with hijackings and kidnappings around the world. We deal with them but we do not look to try to close something down. We did not try to close down our involvement in the International Criminal Court in Libya when Melinda Taylor in July was unfortunately detained until such time as we were able to get her out, or when Pippi Bean, an aid worker in Libya, was detained in September. This is no different to that circumstance. These animals were illegally taken away from those responsible.

Let me go onto the question of the live export trade and trade in the north of Australia. Abattoirs in the north of Australia all closed well before the live export trade started. The first shipment to go out of Darwin was in early December 1991, regrettably the day of the Dili massacre. By that time the abattoirs, as listed by Senator Sterle—in Broome, Derby, Wyndham, Kununurra and Katherine—had all long closed. Because of
the quality of the animals and the economic circumstances and the seasonality of the industry in that place, they could not be sustained.

As a result of the brucellosis and TB eradication program of the 1970s, all of the old Bos taurus cattle, the British breed cattle, in that area were removed and replaced by the Bos indicus animal. Features of the Bos indicus, or Zebu or Brahman type animal, include surviving well in tropical conditions, tolerating heat, and looking after their calves tremendously well. But, more importantly, the young animal does not fatten in the shortened season in the north of Australia. Therefore, across the Territory, across the Kimberley or across North Queensland, we are not going to see a plethora of abattoirs re-established. If AAco can set up an abattoir to kill old bulls and cows, that is fantastic. If others can set up abattoirs in limited areas, that is fantastic.

But let me dispel the myth that seems to be around this place that all that pastoralists and farmers want to do is produce a product for the live export trade. We all know that farmers, pastoralists and graziers want to produce a product that realises the best possible return to their operation. If that happens to be putting them through the meat chain, that is all well and good. If it happens to be putting them through the live export trade, that is all well and good. My point is that, because of limited seasonality, because of the very short supply of labour in abattoirs across Australia generally, we are not going to see, economically, abattoirs being re-established in the north of Australia. So, for the purposes of breed, for the purposes of economics, we are not going to see it.

Mention has been made here today and in other places about Indonesia wanting to be self-sufficient. Agriculture Minister Suswono said in Darwin in 2011 that he saw Indonesian self-sufficiency being the breeding of the cattle in the north of Australia and the fattening of the cattle in Indonesia. Unfortunately, as a result of the banning of the trade last year and as a result of the halving of quotas this year, what have we seen? Senator Siewert would understand this as well as I do because she has studied animal breeding and animal production. The animals that should have been put into the reproduction and breeding programs were, in fact, put through the meat chains. Therefore, we have seen cows and heifers that should have been used to build up their breeding herds being slaughtered because we did not have the supply.

Through you, Madam Acting Deputy President, to Senator Rhiannon: I do not know where you got your figures from that say we have seen a significant increase in the export of meat to Indonesia this year. You may have heard a question I asked Senator Ludwig only in the last sitting period where I asked him to explain why it was that the number of live animals halved since last year and the supply of beef halved since last year. That brings me to the point associated with the question of meat versus live exports. It is not meat versus anything. The simple fact of the matter is that much of our trade in meat, particularly to the Middle East markets over years, has followed and been complementary to our live export trade. When, for political reasons in Saudi Arabia in the 1980s, when I was involved in this trade, we lost the live export trade to Saudi Arabia, the simple thing that happened was that our sale of meat to Saudi Arabia also stopped. We have seen it in Indonesia this year, we have seen it in the Middle East in the past, and that will be the circumstance.

If I may, let me address the question about meat and live exports. The simple fact I learnt this afternoon in my inquiry is that, at one of our biggest sheep abattoirs in Western
Australia, at the moment you have to wait six to 12 weeks to get animals into the meatworks in Katanning. So, the assertion that we have the circumstance that abattoirs are sitting around with nothing to do because animals are being exported is simply not the case.

I heard Senator Rhiannon in her contribution talk about the fact that chilled meat exports were $5.7 billion versus $845 million for live exports. Of course, that is the case for a couple of reasons. The first is that the live export sales are right down because of the problems that we have encountered. The $5.7 billion of chilled meat exports are not to the markets that we might otherwise have been providing, such as the Middle East and Indonesia; that is the increase in beef sales to places like the United States of America, Korea and Japan, and let us hope that goes on.

I could show any number of graphs to this chamber which show emphatically, particularly now that we have the figures out of Queensland, that over a long period of time, the number of animals exported live do not impact on the number of animals that are sent to slaughter. These are points that must be addressed in this particular debate.

I turn to the quoting of the infamous ACIL Tasman report, which some of our colleagues have mentioned here this afternoon. Let me tell you about the ACIL Tasman report very simply. First of all, it was a desktop exercise done on a computer. There was no consultation at all with any Western Australian sheep producers, who were apparently going to be far better off. There was no acknowledgement of the fact that for 40 years the competition between the live export trade and the meat trade—underpinned pricing. At a committee hearing last year, at which Senator Siewert was a participant, the President of the Pastoralists and Graziers Association, Mr Gillam, gave us evidence. In that very week he sold live sheep to the live trade and to the meat trade—the same line of sheep—and the price was 18 per cent better for those that went to live export. Therefore, there is no case to say that the ACIL Tasman study has any credibility.

If I may, let me debunk completely the credibility of that study. This is what they surmised and assumed: if you have two buyers in a market—in this case, the meat trade and the live export trade—and remove one of those, that being the live export trade, there will not be a change of price from the butchers buying for the meat trade.

Well, I do not know how much ACIL Tasman know about the meat trade, but it has always been said that the butcher is one of the best dressed and best conditioned people in the town. The simple fact of the matter is that there would never have been a commodity in which, when pricing is competitive, when one competitor moves out of the market, the buyer continues to pay at the same level.

In the time available to me, I wish to go back to the question of welfare, because it is critically important to this whole debate and discussion. You have heard me say it in this place and I will go on saying it—that is, of the 109 countries which export live animals around the world, there is one country, and that is Australia, that has invested time, money, people and effort for donkey's years in our target markets to try and improve standards of nutrition, husbandry, management, welfare, housing and transport. There is one country that has done that over time. Why is it that this is the country that is being vilified so damningly in this circumstance?

If I go back to feedlot conditions, the quality of the feedlots in Indonesia today is
world's best. Why? It is because Australian expertise helped them. When you look at the ship transport, the country that leads the world in standards of ship design, ship maintenance, is Australia, and one of my pleas and hopes over time, as the oil industry has moved to double-skinning of their ships to avoid leakage and to avoid contamination, has been that, using the guidelines of AMSA, the Australian Maritime Safety Authority, and others associated, we may be able to do what we have done in the rest of the live export world, and that is to be the catalyst for improvements in standards of shipping around the world.

I have heard Senator Rhiannon refer to an accident which occurred offshore Brazil this year with a ship. But, of course, it was not a ship that had anything to do with Australia. It was not registered in Australia, it did not come to Australia and they were not Australian stock. Senator Rhiannon was probably quite right to draw attention to the fact that an accident had happened with livestock on a Brazilian ship. I would have hoped that Senator Rhiannon might have gone on and said, 'But it wasn't anything to do with Australia.'

That brings me to the point of mortalities at sea. The figures that have been presented each six months in this place indicate that 0.2 per cent mortalities occur with cattle in transport around the world from Australia—

Senator Rhiannon interjecting—

Senator BACK: I am about to give you the sheep figures, thank you very much, Senator Rhiannon. It is 0.8 per cent. I can assure you, Madam Acting Deputy President, because I have done the figures often enough, that the mortality rate of sheep in the paddock is no different to that on the ships. Senator Rhiannon, through you, Madam Acting Deputy President, I have travelled on the ships. I have watched the increase in body weight of the consignment of these particular animals. You must accept an invitation, get on a ship and go and experience this for yourself.

It is probably the only issue I will take with Senator Sterle, as a matter of fact. He mentioned the circumstance with Egypt when the previous Howard government banned the trade. It took a veterinarian to come into this Senate and to have a look at that footage from 2007 to realise that neither were they Australian cattle. They had no link to this country. They were Friesian bulls. We do not export Friesian bulls. I then made my inquiries to find out that in that year of 2007 we had not exported a single animal to Egypt. Yet, at that time, the decision was taken.

Have we been able, with others, to increase standards? Of course we have. Do we need to continue increasing standards? Of course we need to increase standards. But is this going to happen if Australia exits the trade? Of course it is not going to happen. As Senator Furner just said, what sort of an insult would it be to any of us if we went to buy a commodity or a product and someone said, 'You will have that product as we see fit.' We just would not buy it. And let me address this question about frozen and chilled meat, and the question of subsidies and tariffs, as I have heard them mentioned this afternoon. Why is it that these Middle Eastern countries subsidise the live product? It is because it goes to low socioeconomic families in the Middle East and in Indonesia—those who do not have refrigeration. So there are two good reasons. One is their own preference and the second is the lack of refrigeration.

Let me assure the chamber that we are not the only supplier of product into these markets. We now find Sudan has taken away Australia's market. We find that Georgia is
now in there selling. South Africa is in there selling. The Argentine is in there selling. Hungary is in there selling. Does anyone think for one minute that if we are caused to exit the live export trade we are going to see anything other than a diminishing of standards in those countries? I can assure you, Madam Acting Deputy President, if we lose the live export trade, we lose any opportunity for the boxed meat, be it frozen or be it chilled. I can assure you that that is the case. We will lose that particular trade.

One of the most disturbing things I have learned in the last few days is that the country of India has now become the world's biggest exporter of beef. It happens also to have the world's largest number of animals. You might ask me: 'Why is that important, Senator Back?' The reason is simple: India is endemic for foot-and-mouth disease, and we know from our own research going back many, many years—and if you are interested or concerned, I can show you the information and the evidence—that, when meat goes into a target market from a country that has foot-and-mouth disease, the risk and the fear is that foot-and-mouth disease will follow, that foot-and-mouth disease will go from India and back into Indonesia, where it was until the 1980s, and that it will not be long before it is in this country.

If anyone is concerned about animal welfare, animal cruelty and the impact of a disease on animals, one day I will come into this chamber and I will explain to you the clinical signs of foot-and-mouth disease in cloven-hooved animals. We do not know what the impact would be. We do know, however, that the estimation in the first year alone would be a $16,000 million direct impact on this economy. That is nothing to do with tourism, incidentally. That is the direct cost.

I oppose the bill for the reasons I have stated.

Senator GALLACHER (South Australia) (17:52): I have listened with great interest to this continuous debate on the Live Animal Export (Slaughter) Prohibition Bill 2012 and applaud the comments from both sides of the argument. But I go back a bit in history to the First Fleet, which arrived here with a bull calf, four cows, a number of pigs and chickens and sheep. Since then, our civilisation has grown alongside a livestock industry. We will note that in 1894 the Queensland herd was reduced to 2½ million from seven million. They had a drought.

If you want to talk about animal cruelty you have to look at the implications of not being able to export your product, to get your stuff to a market where there is a demand. Can you imagine the catastrophic vision if we were to see two or three million cattle or sheep dying in a drought in this country because we had closed off a viable market? It would be absolutely catastrophic. If we are really on about animal cruelty, and if we really do care about feeding the populations to the north of us and the population of Australia, we need to be a little bit fair dinkum about this bill.

I do not doubt the integrity of the people who want to change the world in terms of the way civilisation deals with cattle, sheep, pigs, chickens. I took my granddaughter down the backyard the other day to pick some peas and carrots, and she was thrilled. A generation ago you might have plucked a chicken out of the coop and chopped its head off. That does not happen anymore. Society has changed its view about slaughtering. Most of us would be appalled if we went to an Australian abattoir—and we have the highest standards. As Senator Furner said, we do get our food—our meat and produce—from a Coles or Woolies on
almost every corner. As he very eloquently said, that is not available to the populations to the north of us where they struggle to get the proteins necessary to survive the day.

This is absolutely well intentioned legislation but in my humble view catastrophic in its effect. Senator Back is a man of great experience in this area. I chaired the investment committee of the TWC, a fund which had an investment in the Colonial Agricultural Company which was overseeing the production, if you like, of 125,000 to 128,000 head of cattle. They only knew how many cattle they had when, after the wet season, they would do a muster and count them. Very quickly they would take those low-weight cattle that were so lean they were not really fit for slaughter at an abattoir and the production of boxed meat. They would take the cattle on the safest and quickest route to a port and, in those days, export them to the Philippines, Indonesia or whatever market was available.

The reality is that we have coexisted with agricultural husbandry for the whole length of Australian settlement. We have not always had a great record in it but we are the world's leaders. Were we not to export to Indonesia or any of our northern neighbours then that void would be quickly filled. Argentina and Brazil are two countries. It is unlikely there would be protests in Argentina or Brazil against the export of their cattle. We have put in place systems which are world class. We know through the contribution of Senator Back and the contributions to a number of inquiries that we are world leaders in this space.

If we were to go to the economic impact, I have spent a reasonable amount of time in the Northern Territory, long enough to have witnessed the Gurindji strike at Wave Hill where Aboriginal stockmen struck for the right to get award wages. They were good, efficient pastoral workers. Unfortunately, that strike did not give them the ultimate outcome that they wanted, but we do see increasing numbers of Aboriginal stockmen. We see increasingly Indigenous employment in this area being a successful life-changer in Indigenous communities. We all know that the day a person gets a job is the day that the household changes. Were we not to export in the northern half of Australia, as Senator Sterle and others have said, it would be absolutely catastrophic for Indigenous employment.

On top of that, what about the people who came to the livestock inquiry in Darwin and who poured out their heartfelt tales to the inquiry? They were people who spent their lives in the pastoral industry, who had a great commitment to animal husbandry, had a great commitment to world's best practice and had great relationships with Indonesia. Are we to throw generations of work, and the opportunity for future generations of Indigenous people, away because we cannot enforce our standards on another market? We do not attempt to do that in any other area. We do not attempt to tell anybody how they should buy their product or in what shape it should be.

We have a good, genuine, progressive responsibility to ensure there is maximum animal safety, that there is maximum productivity through that chain being efficient, to enable those animals to be transported safely. I know that every livestock carrier in the north of Australia is paid on the basis that he gets the cattle there in a good shape. They do not just get in a truck and roar off. You do not transport animals that way. You are paid on the basis of getting everything in full in one piece to the appropriate place. As we speak there are probably hundreds of trucks transporting cattle around the rural parts of Australia and they do it very efficiently. Would we throw
all of those people out of work—people who supply the tyres and the oil, and those who work as mechanics on those trucks?

It is an integral part of rural Australia. We do very well from slaughtering cattle. We do very well from boxed meat. Where it is the appropriate type of animal for that product to be boxed and exported then we do that. The latest statistics from August 2012 say that we slaughtered 597,000. (Time expired)

**The DEPUTY PRESIDENT:** Order!
The time for this debate has expired.

**DOCUMENTS**

**Grain Products Australia**

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (18:00): I table the electricity accounts for Grain Products Australia, as requested by the government and people like Senator Evans during question time today.

**The DEPUTY PRESIDENT:** Order!
The Senate will now proceed to the consideration of government documents.

**Australian Security Intelligence Organisation**

Senator BUSHBY (Tasmania—Deputy Opposition Whip in the Senate) (18:00): I move:

That the Senate take note of the document.

Leave granted; debate adjourned.

**Department of Broadband, Communications and the Digital Economy**

Senator IAN MACDONALD (Queensland) (18:01): I move:

That the Senate take note of the document.

The *Report on digital transmission and reception* dated October 2012 is a document which any senator who has an interest in rural and regional Australia should really have a look at. It is tabled by the minister because the parliament requires that he table a document giving information on the action taken to identify and rectify transmission infrastructure that would otherwise prevent the transmission of free-to-air television broadcasting in standard definition television and local market areas and regions where transmission issues have been identified and how many households would be affected. The document does contain a lot of information. I regret that I and other colleagues in this chamber perhaps might not get to have a close enough look at this, because there are clearly a number of gaps in regional areas of Australia.

Recently, I did my annual western Queensland road trip—3,000 kilometres in seven days, speaking to people in remote areas who rarely see a politician on the ground, particularly one who travels along the sorts of roads which are anything but premium. In central Queensland in the Barcaldine Regional Council area there is a huge issue about the transmission of signals and what the government is requiring councils to do—and this issue is duplicated elsewhere, particularly in the south-west of Queensland. The couple of minutes I have available will not allow me to go into this fully but suffice it to say that there is a means of transmission called MPEG4, which I am told by those who know a lot more about this technically than I do is the right transmission facility to have, particularly in these remote areas. It is a new process and I am told by the Barcaldine Regional Council that if this were used in their area, it would give far better coverage and provide far more economical coverage for constituents in that relatively remote area. Yet the government is insisting that the Barcaldine Regional Council use an old technology called MPEG2, which is more expensive and does not provide the same sorts of services.
The Barcaldine council—and one would hope that the Labor Party might have taken some notice of that council, not that it is a council that is terribly enamoured to the Labor Party these days but it does have the historical name that the Labor Party should at least take notice of—and others in the south-west have been trying for months to get it through the head of our communications minister that what he is insisting upon is simply not the way to go. It is more expensive, it does not deliver the best service, and the councils are at their wit’s end. They have indicated to the minister that the councils will assist with the councils’ own money to provide some of the necessary infrastructure, but the minister’s department has threatened the councils with prosecution, and I presume jail, if they use this MPEG4 process, which would work and they want to use, rather than the MPEG2 process which the government is insisting upon.

I wish the minister or someone from the Labor Party were here to explain why they are insisting upon this because I can tell the government that these people, and they are not a big voting bloc, are seriously inconvenienced and angry because of this situation. I seek leave to continue my remarks.

(Time expired)

Leave granted; debate adjourned.

**Australian War Memorial**

Senator BACK (Western Australia—Deputy Opposition Whip in the Senate) (18:06): I move:

That the Senate take note of the document.

Leave granted; debate adjourned.

**Air Passenger Ticket Levy (Collection) Act 2001—Report for 1 April 2011 to 31 March 2012**

Senator IAN MACDONALD (Queensland) (18:07): I move:

That the Senate take note of the document.

I seek leave to continue my remarks.

Leave granted; debate adjourned.

**Tabling**

Letters of advice are tabled in response to the continuing order relating to departmental and agency appointments and vacancies, and grants.

Letter of advice (appointments and vacancies)—Defence portfolio

Letter of advice (grants)—Attorney-General’s portfolio

Details of the documents also appear at the end of today’s Hansard.

**COMMITTEES**

**Rural and Regional Affairs and Transport References Committee Report**

Senator McKENZIE (Victoria) (18:08): I present the interim report of the Rural and Regional Affairs and Transport References Committee on the management of the Murray-Darling Basin Plan, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator McKENZIE: I move:

That the Senate take note of the report.

The report highlights the concerns and shortcomings of the existing Murray-Darling Basin Plan. This is an interim report and some of the issues contained within it will be fully addressed when the final report is handed down. I think it is crucially important that the Senate takes note of this committee’s interim report.
In the limited time available, please let me say how important the basin is to regional Australians, and paint a picture for those struggling to understand why so many people are—rightly so—up in arms over the decisions being made by Labor and their coalition colleagues, the Greens, on this issue. To start, the basin is home to 2.1 million people, more than 900,000 of whom are employed within the basin—33 per cent in manufacturing, with a lot of that in food processing, and 11 per cent in agriculture. About a quarter of the basin's residents live in Victoria, the state I am so proudly representing in this place, with about 27,000 people employed in agriculture and other sectors dependent on it.

The dairy industry in northern Victoria, where we have a lot of irrigated country, produces 74 per cent of the basin's milk. The Goulburn Murray irrigation district dairy industry is the region's largest user of irrigation water, so any loss of access to water would have serious ramifications when it comes to the viability of dairy businesses and processing facilities.

It is not only dairy that relies heavily on irrigation water; Mildura has a thriving horticulture sector producing nearly all of Australia's dried fruit, 75 per cent of table grapes and 94 per cent of our citrus. The Mildura Development Corporation expects the region has a great future in food production but says:

…we will see impacts from some of the issues that are coming out of the current draft of the Murray-Darling Basin Plan—

in our own communities. Those directly affected, such as those in Mildura and Shepparton and throughout the Southern Basin in my home state of Victoria, find it very difficult to understand how this is being played out. I am talking about your lovely report, Senator Heffernan.

The committee travelled to Mildura and heard evidence, and Cheryl Rix from Western Murray Irrigation Ltd told the Rural and Regional Affairs and Transport Committee hearing in April this year:

In terms of the basin plan … you can't even get across the technical information that they are putting out, and it is all hidden anyway—it is like a treasure hunt trying to work out what it means for you.

Treasure hunting is the right phrase to use, because for those communities along the Murray the great treasure that they have built their entire existence on is the treasure of the water that flows from the great Murray River and how it is used in those irrigation systems. If the people who live and work on the irrigation systems cannot work it out then we have some real issues.

I am sure Ms Rix is not the only person to be confused by the government's multiple Murray-Darling Basin Plan drafts; we are now on the fourth version. Perhaps Mark McKenzie, of Murray Valley Winegrowers, put it best when he said:

We believe there quite clearly needs to be some balancing … we are all vitally interested in the health of the basin…

Farmers are the great conservationists and environmentalists of our nation—

Our lifeblood depends on it. We are absolutely dependent here.

These are the people, products and profit of the Murray-Darling Basin. Each is vitally important and together they ensure that Australia's food bowl is strong and prosperous. Given the government's commentary on Australia being Asia's food bowl, and the growing food scarcity projected, we need to be ensuring that we give Australia's farmers the water they need to do what they do best, which is produce the cleanest, greenest produce on the planet, and to continue to do it in a sustainable manner.
The people of the basin have an acute understanding of the need to look after it and do not want to see its health jeopardised. At the same time, they must be able to continue to make a living from the region. You need to make a dollar to stay in business, and farms are not social projects; they are small businesses. All of these industries underpin towns such as Shepparton, Cobram and Swan Hill, right throughout my home state.

The interim report points to various effects that could weaken the basin should the current plan be fully implemented. I draw the Senate's attention to recommendation 7. The committee recommends that the MDBA "clearly and publicly explain the socioeconomic impacts of the 2,750-gigalitre target and any subsequently modelled target" because we want to know (a) that the river is healthy and (b) that there will still be the people and the industries along the river to produce the food for our nation and the world and to continue our way of life. People are important in this conversation, and sometimes I think that is lost.

One aspect of the report that was raised is something that has severely impacted the Victorian irrigators: the Swiss cheese effect. This goes to an issue where the government, in buying water for the environment, has done it in a very unstrategic manner and this has resulted in some—I hope—unintended consequences in some irrigation districts in my home state. The loss of water or sale of water back to the Commonwealth stops irrigation districts shrinking because the loss of water has been taken randomly across the district. Someone at the end of a channel is having to pay all the costs for the upkeep of that channel because the government has decided to indiscriminately purchase high-security water from Victoria's irrigators.

This effect not only impacts irrigators but also irrigation authorities when the price of water increases and the rest of the community that services the irrigation businesses suffers. This is what we are seeing right across the Goulburn Valley now. These are the issues that need to be addressed for a successful plan to be implemented. A successful plan means a healthy river going forward and it also means healthy and successful local regional communities.

In Victoria we are proud of our irrigators, who have always been at the forefront of adopting new technologies to become more efficient—and they are. It is evidenced by our tomato growers in the Goulburn Valley, who went from producing 30 tonnes per acre to 90 tonnes per acre by moving from flood irrigation to subsurface irrigation. This is as efficient as you get, dripping water as it is needed at the most environmentally proactive time of the day to decrease evaporation et cetera. You cannot get any more efficient than that. These tomato growers as well as the horticulturalists right around the Goulburn Valley have permanent plantings. They cannot afford to swap to another commodity in drought. They cannot afford to swap to another commodity when water prices differentiate, the way some other producers and commodity growers are able to do in other sections of the basin. Technology is really great at solving our environmental problems, which you will see is a theme of mine if you look at my comments on the carbon tax legislation. The advent of subsurface irrigation is also indicative of our irrigators' adaptability. If this Murray-Darling Basin Plan goes too far it will stifle this innovation and put it under enormous pressure. Once again science and innovation in new and efficient use of new technologies will drive the efficient use of water, and that is something to get excited about. My Senate colleagues and I are consistently working towards ensuring that
issues which impact viability are addressed. We have a tough task ahead of us.

This was not the only report handed down about the Murray-Darling Basin Plan. There was also a report from the minister about the hydraulic modelling of the relaxation of operational constraints in the southern connected systems. This report was implemented stating 3,200 gig of environmental water would be recovered without constraint. I am aware of many farms, caravan parks and the like that would suffer from undue environmental watering leading to greater flooding along the river channels. That would be a totally unacceptable outcome for the people of Victoria. The report makes some really fantastic commentary and I look forward to contributing to the final iteration.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (18:17): I rise to make some remarks on the tabling of the report of the Rural and Regional Affairs Transport References Committee and I will be brief because I know that many of my colleagues want to make a contribution. Firstly, I thank the secretariat for the work that they are continuing to do in relation to the Murray-Darling Basin. It is indeed a very complex issue, and I take my hat off to them for the work they are doing in support of the committee by putting the information and our views forward. While we on this committee may not always agree, we all have a very genuine interest in ensuring that we get a better environment for the future and we are absolutely prepared to put in the time and the effort to look at the detail of all of the issues before us when it comes to the Murray-Darling Basin Plan and its impact on our community and on the environment. I have to say this is in stark contrast to the Standing Committee on Regional Australia inquiry into the recent amendments, the bill coming forward changing the sustainable diversion limits. This committee is chaired by Mr Tony Windsor. It held no hearings and has tabled a report based on no submissions from the stakeholders. While we on this committee may not always agree, I believe we are very genuine in our attempt to properly consider the detail that relates to these issues.

One of the things that concerns people out in the community is the fact that the government simply does not understand the potential impact of permanently removing water from these rural communities. People genuinely think that this government does not understand, and I support them in that belief. The government simply does not understand what impact that is going to have and not only what it is going to have but what it is currently having. The uncertainty that this has created—and we have already seen a significant amount of buyback—and the very negative impact that it has had on our rural communities cannot be understated. Another of the concerns of those in our rural communities is the fact that equal weighting has not been given to the impact on the environment and the social and economic impact. Again, we have seen that in a report this week on recovering the additional environmental water, looking at 3,200 gigalitres, for which only the environmental effects were modelled. The government has failed to look at an equitable environmental, social and economic impact when it comes to our rural communities. When talking about the constraints, there was no modelling or assessment of whether the constraints tested in the study could be relaxed.

I think this contributes to making this whole process an absolute dog's breakfast. When we look at the target of 2,750 gig—and colleagues on the committee will be well aware of this and support me in saying this—there is simply no evidential basis for the
proposal of that figure. When we tried to get figures out of the Commonwealth Environmental Water Holder for the water that they already had bought back, and I think it is about 1,400 gig, and where there had been potential environmental benefit from the reclaiming of that water, they simply could not give us an answer. What they did do was to give us a response of 3,451 pages expecting that miraculously we could turn that into an answer for the committee. That is simply not good enough. Indeed, we asked for a summarised brief which to date—and I stand to be corrected—has not arrived back at the committee.

It is no wonder people in the community have no confidence that the government can get this process right. At the end of the day—and I concur with the comments made by my very good colleague Senator McKenzie—this is about impact on people; the very human impact of these decisions and what is happening has to properly be taken into account. With this report, we have tabled a number of recommendations. There were a variety of views among the committee on the report and the recommendations that should go forward, but I believe they are very sensible recommendations that really do highlight the lack of proper process that has been in place, from this government and from the Murray-Darling Basin Authority, to try to determine a proper outcome. It seems that every time we turn around there is yet another dog's breakfast moment of something that has, again, not been done properly.

Finally, one of the things that really concerns people out in the community, that we are very well aware of, is the fact that the government has focused so strongly on water buyback and not nearly so much on improving water efficiencies, infrastructure, the environmental works and measures work that needs to be done. It is $1.9 billion, I think, on water buybacks compared with about $494 million on investments in the infrastructure—which we know can make a real difference to the sustainability of water usage into the future without the impact on our communities of permanently removing that water through buyback.

I am conscious that other colleagues want to make a contribution and I just note that out in our rural communities there is so much concern—not only about the end point of permanently removing that water but about the dog's breakfast process that we have seen to date from the government, from the Murray-Darling Basin Authority, in trying to get to an end point. I commend our committee—while we do have different views—for being prepared to properly and diligently look at this process, look at the outcomes, and try to assist in the process of getting the right outcomes for rural communities.

Senator HEFFERNAN (New South Wales) (18:23): I rise to speak on the tabling of the interim report on the Murray-Darling Basin. We will be, as a committee, analysing the final plan when it is put down by the government.

All governments of all persuasions, throughout the history of Australia, have managed to muck up the management of water. It is a bit like the railways. It took them a long time to work out that you did not have to get off the train at Albury; you should have the same gauge to Melbourne. The same sort of thinking has occurred in water. The attempt in recent years, by the previous government and this government, to come to terms with that is commendable. But I have to say that part of what we have discovered in this inquiry is that this solution really is not a scientific solution; it is a political compromise. I further say, as the
previous speakers have mentioned, that we do have to bring irrigation into the modern age with technology and efficiency. The most efficient irrigation in Australia is the Israeli-Spanish technology—which is comparable to your tomato people, Senator McKenzie—of root zone irrigation, which is 40 times more efficient than furrow cotton on the use of water for the production of income.

Sadly, the science prediction, at 40 per cent accuracy for 2050, means that in most river systems in the lower Murray-Darling Basin, if that science—which has vagary attached to it—is 40 per cent right, there will be zero allocation in most seasons for general purpose water. That will be quite a challenge and it really does mean that we have got to go to more efficient use of water. The minimum prediction for the loss of run-off from a two per cent increase in temperature and a 15 per cent decline in run-off from the Murray-Darling Basin, which has 6.2 per cent of Australia's run-off, 23,400 gigalitres of run-off and 14,000 odd of extraction—bear in mind that the killing sentence in all of that is that 38 per cent of the run-off comes from just two per cent of the landscape—is 3,500 gigalitres by 2050. While this is a plan, it is an interim plan and we are going to have to learn to do a lot more with a lot less in the future if we are to manage the global food task.

I am grateful to the committee and to the secretariat—for putting up with me, especially, but for the input they have had into it. I would not let this occasion go by without mentioning that this is a seriously difficult job, because of the politics involved. Once again I would like to raise the prospect of the difficulty of the politics involved and of coming to terms with the various states—a bit like the gauge of the railway line. New South Wales at the present time is attempting to sell water from the lower Murrumbidgee to the Commonwealth, as part of the buyback plan for this plan. One of the tricks that they are employing is trying to con the Commonwealth into using water money, which as previous speakers have mentioned has been used mainly for water buybacks rather than water-saving infrastructure. They are actually saying to the lower Murrumbidgee irrigators, 'We'll give you 2¼ times the value for your water,' having issued the licence last Thursday but having determined the price months ago, before they even issued the licence to buy it back. The licence is issued for nothing, by the way. Something like $200 million is involved in the deal, which is all commercial-in-confidence: various people, including Mr Harris in New South Wales and the government of New South Wales and the federal government, do not think the taxpayers are entitled to know the details of it. So it is all commercial-in-confidence. They will not tell us what the market value is so that we can determine what 2¼ times the market value is. The trick behind it all—in New South Wales saying that they have got agreement and the Commonwealth has now got the plan before them to buy water at 2¼ times its real value—is to get the Commonwealth to put money in so that New South Wales can not only buy the water licences back but buy the land back that goes with the water, because the landholders have said, 'You can't have our water unless you buy our land.' So it is almost political blackmail.

These are difficult issues and a lot of due diligence and a lot of hard work will be required by the Rural and Regional Affairs and Transport References Committee that I chair, and it will require the patience of the secretariat and witnesses to come to a sensible resolution as to not only what we know now but also what we have got to figure out that the future holds for us. It is a
great pleasure to speak to this motion, and our work is only part done.

Question agreed to.

Legal and Constitutional Affairs
References Committee
Report

Debate resumed.

Senator WRIGHT (South Australia) (18:30): I move:

That the Senate take note of the report.

As Chair of the Legal and Constitutional Affairs References Committee I rise to speak on the committee's report into the detention of Indonesian minors. This matter was referred for inquiry on 10 May 2012 to examine the detention of Indonesian minors in Australia and, specifically, whether there are currently any Indonesian minors detained or imprisoned in Australia and whether such detention has occurred in the past. The committee received 29 submissions and held a public hearing in Canberra on 24 August 2012. We heard evidence from a range of lawyers, legal bodies, academics, health professionals and individuals who had direct knowledge of the issues raised and, in some cases, had acted on behalf of minors in detention.

The committee agrees with the findings of the Australian Human Rights Commission in its recent report *Age of Uncertainty*—on a similar subject—that many Indonesian nationals, some of them likely to have been as young as 14, were detained or imprisoned for inappropriate periods in Australia between 2008 and 2012. The committee supports the Human Rights Commission's key recommendation in that report that all individuals detained on suspicion of people-smuggling offences who claim to be minors should be treated as minors until they are determined by an Australian court to be an adult.

The Legal and Constitutional Affairs References Committee's majority report makes seven recommendations in relation to individuals suspected of people-smuggling offences who claim to be minors. These include: removing from the Crimes Act and Crimes Regulations the use of the discredited wrist X-ray as a prescribed procedure to determine age—given evidence raising serious doubts about their accuracy and reliability—subject to advice from the Office of the Chief Scientist; formalising arrangements between the Indonesian and Australian governments to speed up the gathering of evidence in Indonesia relating to the age of individuals detained in Australia under suspicion of people-smuggling offences who claim to be minors; providing consular assistance and notification to the Indonesian Embassy and relevant consular officials as soon as practicable when an Indonesian individual in detention claims to be a minor; informing Indonesian crew members who claim to be minors of their right to contact family and actively assisting them to do so; and reversing the burden of proof in age determination hearings so that the prosecution must establish that the person was an adult at the time of the offence.

It is clear that between 2008 and 2012 a significant number of young Indonesians detained in Australia were subjected to arbitrary detention; housed in adult facilities with people convicted of murder and, in some cases, paedophilia; and separated from their families for significant lengths of time. And, despite organisations and individuals raising these concerns, the government and its agencies failed to act in a timely way, leaving these children in prison. In my view and in the view of my Greens and committee colleague Senator Sarah Hanson-Young, this represents a shameful failure by the Australian government, over a period of
years, to apply the same legal protections to Indonesian minors that we would, in all righteousness, demand for young Australians.

In light of the compelling evidence before the committee my colleague Senator Hanson-Young and I made a further 14 recommendations, including the appointment of a legal guardian to represent those claiming to be minors and the provision of legal protection in the form of a full-time independent legal aid representative stationed on Christmas Island. In order to make proper amends, the Australian Greens recommend that the government undertake a review of all cases since 2008 where Indonesian minors have been detained on suspicion of people-smuggling charges and that a full apology be offered to those individuals and appropriate compensation be provided. In order to achieve this, those individuals must be apprised of their right to receive compensation, and appropriate administrative measures must be set up to enable that to occur.

Due to the conditions in which some of these minors were held—they were in adult prisons, they were among adult prisoners, they were far from their families and, in many cases, their families had given them up for dead and had no idea that they were alive and detained or imprisoned in Australia—many of these young people have experienced psychological trauma and have returned home, or will return home, with enduring scars. The Australian Greens recommend—and, in my view, both justice and compassion demand—that the Australian government provide culturally appropriate support for these young people to help them heal, to overcome the experience that they have had and to re-integrate with their communities when they return home.

Finally, on behalf of the committee I would like to take this opportunity to thank all those persons and organisations who made submissions to the inquiry. We are grateful for their input and generosity. The quality of our findings and the quality of the end report rely on the generosity and input of those people who are willing to assist us with their submissions. I would also like to thank the staff of the secretariat for their usual diligence, patience and careful work. I commend the report to the chamber.

Question agreed to.

Foreign Affairs, Defence and Trade Legislation Committee
Report
Debate resumed on the motion:
That the Senate take note of the report.

Senator FAWCETT (South Australia) (18:36): I rise to address the Foreign Affairs, Defence and Trade Legislation Committee final report on the Defence Trade Controls Bill 2011. The coalition has dissented from the majority report in this case. There are a number of reasons we have done that. I would like to state up-front that we support unconditionally our relationship with the United States. We think it is a vital part of our national security strategy, but we are concerned at the process that has been adopted by the government in this case.

The House passed the legislation, and threw it across to the Senate. The reason they passed it so quickly, they said, was so that the Senate would have a chance to look at it through the legislation committee. Having given us that task the government then sought to expedite this bill, to the point where this tabling is a full 20 days earlier than requested by the Senate. The government have not allowed the committee time to review their proposed amendments which, at the time of the submission of this
report, had not been viewed by any of the members of the committee. That is really significant, because what the committee has uncovered, throughout this inquiry, is that there is deep concern in the Australian community—in both the academic and research communities as well as parts of the defence industry—about the implications of this report.

So, whilst we support the principle of the treaty—and this legislation is aimed to give effect to the 2007 Australia-United States Defence Trade Cooperation Treaty and reduce administrative burdens that have hampered our relationship: the ability of companies to share information and classified products that fall under the ITAR scheme—the legislation, because of the government's lack of effective consultation, has raised concerns in sectors such as research because the terms of the legislation go to things such as intangibles. So it is no longer a piece of equipment that is controlled. Even discussion about the concepts or the enabling research behind something that may be on the military list, or even the classified commercial list, can land universities or research establishments in trouble.

Now, in an era where we are seeking to have Australia become a smart country, with smart manufacturing—and everyone is talking about the fact that the future of manufacturing is going to be in areas of high technology—the last thing we should be doing is placing a restriction on the ability of people who are working in universities, industry and research establishments to develop high technology, and partner with other people who are developing high technology.

The University of Sydney has brought in legal advice showing that Australian research will be at a comparative disadvantage to universities in the United States, for example, under this legislation. Yet the committee has not had a chance, yet, to consider that advice in terms of the report. That is why the coalition has dissented.

Defence industry is a crucial part of our national defence capability. Right at the moment it is under significant stress. That is partly driven by an attitude of the government which sees the defence industry at an arm's length, and thinks that the government should not be concerned, necessarily, about that industry's viability because we operate in a free market and want the best value for money. But that ignores the fact the industries onshore do play a vital part. They play a huge part in the through-life support and the sustainment of our capabilities. And they also play a vital role in making sure that Australia can remain an informed and intelligent customer, even for those things that we buy offshore, but particularly when there is either an opportunity or, as often is the case, a need to develop, modify, certify and use equipment here in Australia.

One of the reasons defence industries are under stress at the moment is the $5.45 billion in budget cuts that occurred this year. That was despite the comments of the government that sound a little bit like Baghdad Bob. As the tanks rolled behind him in Baghdad he said, 'We're still winning this war.' The government is saying, 'This will not affect capability; it will not affect operations,' yet in a blog today ASPI came out and yet again highlighted that this completely misses the point.

The CEO of Raytheon came out recently and highlighted the impact of these deferrals in spending on industry, with a loss of some 5,000 jobs in the sector. In South Australia in particular we have a number of firms which have been encouraged to invest in capital
equipment and build up their capability in the expectation of the need for capabilities that government were promising through the defence capability plan, just to be given a double whammy of (a) deferrals, and then (b) government decisions around acquisitions being driven by a very short-term agenda of looking for the best value for money in terms of the cash price rather than looking at the longer-term implications of where we invest the taxpayer dollar.

I argue that where there is a small price differential in relative terms for defence equipment, it is counterintuitive, on the one hand, to provide funding—taxpayers' money—against what the government would call strategic or priority industry capabilities, but then, on the other hand, to decide to buy equipment offshore when there are viable Australian options. Why would you not sustain those priority and strategic industry capabilities by making a decision to purchase that equipment here in Australia, so you are investing the taxpayer dollar in growing skills and capability with industry?

As I have said in this place before, it is an issue of sovereignty. Australia will never be able to be a superpower like the US, where they can design, make and maintain everything they need. But nor do we wish to be at the other end of that spectrum, which is being like a third-world country that has no option but to accept the things that somebody else at some point may choose to sell us to the standard that they choose, without the ability to understand it, where necessary modify it, repair it, certify it and use it. That is one of the capabilities that differentiates a first-world country from a third-world country, and we do not want to be at that left-hand end of the spectrum.

What that means is that at some point governments of either persuasion need to put a stake in the sand and say, 'This is where we will maintain the investment in our indigenous capability—in our own industry, in our own uniformed people, to have the technical competence.'

The delays that we are seeing at the moment through these budget cuts and that are putting so much stress on industry are having the impact that we hear about again and again of causing the peaks and troughs in workload. It is those peaks and troughs that industry cannot sustain without a regular cashflow. They cannot sustain the workforce and the skills. That directly drives up risks and costs to the taxpayer because, as sure as night follows day, they will at some point, whether it is in the near future or in the medium term, require those skills from industry again. And guess who will pay for the mistakes that will be made? We have seen just recently that the Warfare Destroyer blocks at the BAE shipyards have been allowed to run down because there was no work. Who pays for that? The taxpayer pays for that.

So it is very short-term to be saying, 'We'll just defer projects, we'll buy things offshore', as opposed to taking a long-term view and asking: where is it smart and sensible for us to keep a workflow going so that we actually drive down cost and drive down risk to the taxpayer? Choosing to invest here means that we are supporting the development of capability and jobs here in Australia that directly contribute to the resilience of our own national defence capability.

The Defence corporate plan for 2012-2017 that has just been released highlights that with this decreasing budget there will be decreasing capability and a decreasing scope of operations that the ADF can be engaged in. That directly contradicts the rhetoric that has been coming from the minister. It also highlights that at exactly the same time that we are decreasing spending—and therefore
we must, logically, decrease our capability and scope of operations—countries in the region are increasing their spending. Their economies are growing. They are increasing their spending and getting more capability. The Defence corporate plan goes on to say that we must fund the ability to have a self-reliant defence force. Obviously that scope will vary, but key to that is making decisions that work for people in terms of research, development and industry. That goes to the heart of not rushing through legislation like this, which is why the coalition has chosen to dissent on this report so that we can get it right in the interests of Australia's national security. I seek leave to continue my remarks.

The DEPUTY PRESIDENT: In accordance with my statement at the commencement of this segment in relation to documents, reports and responses, we deem that all those items, apart from number 8, are discharged from the Notice Paper on page 6. Are there any items on page 7?

Rural and Regional Affairs and Transport References Committee Report

Debate resumed on the motion:

That the Senate take note of the government response to the report.

Senator IAN MACDONALD (Queensland) (18:47): The Live Animal Export (Slaughter) Prohibition Bill 2012 was debated earlier today, although I understand that the debate has not yet been concluded. That is a bill that was brought forward by the Greens, seeking to effectively stop the export of live animals. This bill was referred to the Senate committee, and the Senate committee made a number of recommendations, nine in all. The document before the chamber at this moment is the government's response to those recommendations of the committee.

I want to just briefly refer to the government's response to recommendations 8 and 9. In recommendation 8, the committee recommended to the government that it develop a package of further assistance, or that the government should relocate existing packages of assistance, to address those identifiable and otherwise irrevocable financial costs incurred as a result of the temporary suspension of live cattle exports to Indonesia. The government's response was simply that it had already provided a range of assistance measures to support affected pastoralists and businesses and that it considers these measures sufficient.

Just before going into what detail there is of the government's response, and having heard the debate this afternoon, I again, with others, congratulate Senator Back on his expertise in this area and his ability to clearly demonstrate that the bill presented by the Greens and the subject of this committee report and response is clearly untenable, contrary to Australia's interests and not even in the interests of the humane treatment of animals. Not only was this bill opposed by the coalition but, strangely and almost uniquely, the Labor Party joined the coalition in opposing this bill in the debate this afternoon. That begs the question, of course: if the Labor Party is now backtracking on its approach to the export of live animals, why did it acquiesce in the absolutely ridiculous and tragic decision of the minister back last year to completely ban the export of live cattle to Indonesia?

We all recall that the minister initially made a decision that exports would be banned to those few abattoirs in Indonesia where cruelty had been demonstrated. But because of the dysfunctional nature of this government, because this government is held in place only with the support of the Greens, and because people to whom the Greens are responsible or accountable created such a
fuss—and some members of the Labor Party also created such a fuss, promising to support Kevin Rudd in a leadership ballot if Ms Gillard did not change her mind—Ms Gillard told the hapless minister for agriculture to reverse his decision and to completely ban all exports.

I say the 'hapless' minister for agriculture: poor Senator Ludwig seems to be, these days, the fall guy for the Labor Party. How he can continue with any dignity in the portfolio amazes me. Here was a case where he made a decision, and it was the right decision, but within a couple of days he had to reverse it and make a decision which has proven to be not only inappropriate but also disastrous to Australia.

The same minister, you might recall more recently, Mr Deputy President, first of all made the right decision and defended the rights of five fisheries quota-holders to join their quotas together and bring in an efficient vessel to harvest those five quotas, but within 24 hours changed his mind again. So there are two instances where this hapless minister, as I say, makes the right decision initially and then is forced by a dysfunctional government reliant upon Greens support to completely contradict the decision with another decision later.

The government response to recommendation 8 lists some of the compensations that were available. But can I tell the minister—although he does not need to be told, because he knows this himself—most people could not fit the guidelines for any of the assistant packages provided. One of the assistance packages generously given by the government was to provide a subsidised rate of interest of up to $36,000 on business loans of $300,000 over two years. These people were struggling anyway, but had arrangements with their banks to pay off the interest and some principal by the sale of their cattle but, with the overnight cessation of the industry, they could not meet their requirements—and the government is suggesting they should borrow another $300,000, and if they did the government would give them a subsidised rate of interest. Anyone who had any idea of the industry and what was happening in the Gulf country of North Queensland, the Northern Territory and the north-west of Western Australia, would realise that the last thing these people could do would be to borrow another $300,000. Very few banks or financial institutions would have lent them the money in any case. So it is a government that is completely out of touch with the reality of the situation on which it is making decisions.

One of the other issues was when the government said that rural financial counselling services had been available to primary producers and small rural businesses suffering financial difficulties. I am told by those in the area that, whilst the rural financial counselling services are good, the counsellors are totally overworked these days attempting to get rural Australians and Australian rural businesses out of difficulties—particularly difficulties caused by decisions of this government in relation to, just to name two, the carbon tax and inflexible working conditions; and, with all this additional work imposed upon them as a result of the stupid and tragic decision of the minister to totally ban the live cattle export, they had absolutely no chance to be effective at all.

Recommendation 9 of the committee—a very good recommendation—asks the government effectively to use its influence to impose upon the banks and financial institutions to be a bit lenient. That is not what the recommendation says, but that was the underlying theme of that recommendation. But, again, the government's response to that says it agrees
that dialogue is important and that it has already been undertaken. Then it got in a consultant and had a teleconference, and spoke to the Queensland and Northern Territory governments—then Labor governments, which would have been no assistance at all. Again, talk to people up in these areas, people who are really doing it tough, many of whom have had the banks foreclose on their properties, many of whom have lost properties that have been in their families for decades, if not centuries. The government has not taken up the spirit of the recommendation and actually put a bit of pressure on the banks to be more lenient. So, in the end, we have a complete failure from a dysfunctional government that has absolutely no interest in anyone outside the capital cities of this country. If nobody else wants to speak now I seek leave to continue my remarks.

Leave granted.

COMMITTEES
Consideration

The following orders of the day relating to committee reports and government responses were considered:


Legal and Constitutional Affairs References Committee—Report—Detention of Indonesian minors in Australia. Motion to take note of report moved by Senator Wright and agreed to.

Rural and Regional Affairs and Transport References Committee—Interim report—Inquiry into the effect on Australian pineapple growers of importing fresh pineapples from Malaysia. Motion of Senator Bushby to take note of report agreed to.

Community Affairs References Committee—Report—Palliative care in Australia. Motion of the chair of the committee (Senator Siewert) to take note of report called on. Debate adjourned till the next day of sitting, Senator Moore in continuation.


Intelligence and Security—Joint Statutory Committee—Report—Review of the re-listing of five terrorist organisations. Motion of Senator Faulkner to take note of report agreed to.


Community Affairs References Committee—Report—The factors affecting the supply of health services and medical professionals in rural areas. Motion of the chair of the committee (Senator Siewert) to take note of report called on. Debate adjourned till the next day of sitting, Senator Back in continuation.


Rural and Regional Affairs and Transport References Committee—Interim (2) and final reports—Australia’s biosecurity and quarantine arrangements. Motion of Senator Back to take note of reports called on. Debate adjourned till the next day of sitting, Senator Back in continuation.

Orders of the day nos 2 and 5 relating to committee reports and government responses were called on but no motion was moved.
AUDITOR-GENERAL'S REPORTS
Report No. 3 of 2012-13

Senator IAN MACDONALD (Queensland) (18:58): I move:

That the Senate take note of the report.

This is a performance audit on the design and conduct of the first application round of the Regional Australia Development Fund. I will not keep the Senate too long; again, I simply urge senators to have a look at the Auditor-General's report No. 3.

I want to direct the attention of the Senate to paragraph 39 of the shortened version of the audit report that the Audit Office conveniently puts out. Paragraph 39 is in relation to grants made by Regional Development Australia. I should perhaps by way of explanation remind senators and those listening that the Labor government have a fund with which they support projects supposedly in regional Australia. It is not part of my comments today, but many senators and those listening will remember that the Labor Party's definition of regional Australia includes the Perth airport. I love Perth and I am pleased that the airport got some funding from the Labor government. But how can anyone say that a fund established to assist regional Australia could be spent at the Perth airport? It simply shows that this program of the Labor Party, like many of the so-called initiatives they bring, is just fraudulent and nothing to do with regional Australia. It is not part of my comments today, but many senators and those listening will remember that the Labor Party's definition of regional Australia includes the Perth airport. I love Perth and I am pleased that the airport got some funding from the Labor government. But how can anyone say that a fund established to assist regional Australia could be spent at the Perth airport? It simply shows that this program of the Labor Party, like many of the so-called initiatives they bring, is just fraudulent and nothing to do with regional Australia. It is not part of my comments today, but many senators and those listening will remember that the Labor Party's definition of regional Australia includes the Perth airport. I love Perth and I am pleased that the airport got some funding from the Labor government. But how can anyone say that a fund established to assist regional Australia could be spent at the Perth airport? It simply shows that this program of the Labor Party, like many of the so-called initiatives they bring, is just fraudulent and nothing to do with regional Australia.

Senator Farrell: They saw the light.

Senator IAN MACDONALD: Let me restrain myself from saying what the light might be. What is the light? They saw the most dysfunctional government that this nation has ever seen, and, if I might say, not only dysfunctional but morally and, others might say more widely, corrupt. In the minister's words, the Independents involved did respond to inducements to support the Labor Party and the current Prime Minister—the Prime Minister who was elected on the basis of a lie. Perhaps they did get something out of it. I notice they seem to chair quite a lot of committees. That is good stuff; we all do that. They seem to chair more than their fair share of committees. Of course it pays fairly handsomely to chair a committee. Maybe Senator Farrell was correct when he said 'they saw the light'. Perhaps the light was burning a hole in their pockets. I am not quite sure if the minister at the table was making that suggestion.

I return to paragraph 39 which says:

In terms of electoral distribution, applications for projects located in an electorate held by the ALP were more successful. That is, projects located in ALP-held electorates had an approval rate of 22 per cent, compared with the approval rate of 14 per cent for projects located in an electorate held by the Coalition parties …

That is a bit surprising when most electorates in rural and regional Australia are represented by members of the Liberal Party or the Nationals, yet those few regional electorates held by ALP members at the
present time—I emphasise 'at the present time'—seem to get additional or preferential funding.

In this booklet is a case where the minister ignored the advice of the advisory panel and did not bother to give any recorded reason why this one project that he selected himself was identified as more meritorious than the 40 other projects that were ranked equally or the 76 projects that were ranked more highly by the panel in the sustainable funding categories. There were 40 projects in a group where the panel said to the minister, 'You could fund any one of these if you had a bit of spare money,' but there were 76 projects that were ranked more highly by the panel as suitable for funding. So there were 76 more suitable but the minister did not pick any of those 76. He went to the next category and of the 40 he picked one. Which one was it? It was the Geelong Library and Heritage Centre. I am glad for Geelong and I am glad their library and heritage centre is going to get some money. But why did they get the grant when there were 40 other projects equally as good—I am sure most of them in coalition electorates—and there were 76 other projects signified by the panel as being ranked more highly? I am not quite sure who represents Geelong in the federal parliament. Could it be a Labor member on a very slim margin? Would I be remiss in making that estimate?

Perhaps one of the Labor Party senators might be able to follow me in this discussion and advise me why the Geelong library—and they might tell me who represents Geelong in the federal parliament and how big his margin is—was picked from 40 which were ranked equally and 76 which were more highly ranked. In this program, as with others developed by this dysfunctional government, one has every right to be suspicious of the honesty and veracity in which the program is administered. I seek leave to continue my remarks.

**AUDITOR-GENERAL’S REPORTS**

**Consideration**

The following orders of the day relating to reports of the Auditor-General were considered:

Auditor-General—Audit report no. 2 of 2012-13—Performance audit—Administration of the Regional Backbone Blackspots Program—Department of Broadband, Communication and the Digital Economy. Motion of Senator Back to take note of document called on. Debate adjourned till the next day of sitting, Senator Back in continuation.

Auditor-General—Audit report no. 3 of 2012-13—Performance audit—The design and conduct of the first application round for the Regional Development Australia Fund—Department of Regional Australia, Local Government, Arts and Sport. Motion of Senator Bushby to take note of document debated. Debate adjourned till the next day of sitting, Senator Macdonald in continuation.

**ADJOURNMENT**

The DEPUTY PRESIDENT: The time allocated for this debate has now expired. I propose the question:

That the Senate do now adjourn.

**Infrastructure**

Senator GALLACHER (South Australia) (19:08): I note Senator Ian Macdonald's contribution and rise, ironically, to deal with significant infrastructure spending in a very safe Liberal seat. I had the honour of representing Minister Garrett under the Local Schools Working Together pilot program, in which this Labor government has invested $62.5 million over three years. The aim of the program is to fund innovative collaborations between schools and other partners to address shared infrastructure. I understand this is a pilot program, but from what I saw in the Southern Flinders Regional Sports Complex
in Gladstone, South Australia, it is already on the way to being a great success.

Senator Farrell: Which seat is that in?

Senator GALLACHER: It is in the seat of Grey, which is a 12 per cent Liberal seat. Very importantly, the federal member for Grey was there to support this initiative and was ecstatic about the outcome, as were all of the participants. A key objective of this program is to get schools which are located closely together in regional and rural Australia to form partnerships, enabling them to apply for funding. The types of facilities which could be delivered include, but are not limited to, gymnasiums, performing arts centres, libraries, language facilities, swimming pools and music schools. It is not only schools which can form partnerships but also local government authorities, businesses and community organisations.

The program will assist and promote partnerships between schools, particularly those operating in growth areas with poor infrastructure or important educational facilities which are not able to be funded by individual schools. The program provides funding for up to 25 projects, up to $2.5 million per project. The initiative is directed towards the sharing of facilities, which are not provided through the Trade Training Centres in Schools Program, the Digital Education Revolution or the Capital Grants Program. The rationale for this project was to address the challenge and to find new ways to resource schools to ensure they provide high-quality and stimulating educational experiences for our students.

A further aim is to encourage government, Catholic and Independent schools to work together in ways which will broaden the benefit of Australian government expenditure on educational infrastructure, particularly in low socioeconomic communities. One way to provide infrastructure support for more students is clearly by sharing infrastructure resources. In new schools and in existing schools in close proximity to one another, gains can easily be made through the pooling of resources and, very importantly, sharing the cost of maintaining the infrastructure. It is also expected that the program will foster relationships with local communities and businesses which may seek involvement in the projects. In such cases, the wider community—as it is in this particular case—directly benefits from this infrastructure build. The Ewart oval, where cricket and football is played in regional South Australia and attracts quite a large following, is immediately adjacent to this new infrastructure spend.

A couple of South Australian projects were successful but the one I am talking about is the Southern Flinders Regional Sports Complex, with $2.13 million. I was privileged to open this facility. It is important to pay tribute to the people who put together these bids. The clerical workers, the office staff and the technical people behind the lead partner operators are extremely skilled and able to get all of the projects defined in such a way as to gain the funding. The Northern Areas Council, Gladstone High School and Saint Joseph's Parish School were awarded $2,134,377 under this project. The complex is situated in Gladstone, South Australia, which in the 2006 census had a population of 629 people.

The complex's facilities will ensure that all students, no matter what their level, are enjoying lives enriched by the participation in sport and staying active. It will target breaking down the barriers for young people to participate in sports education and deliver a big boost to the region with the potential to introduce new sports and sporting clubs. The complex includes two new sports courts,
change rooms, a function room and a commercial kitchen, which, importantly, is used for trade training. The complex is available for hire for local community groups to put on all manner of events, whether a wedding or any sort of community gathering. The kitchen is state of the art and the catering capabilities are right up there, so it will be a self-funding project. Immediately, as you walk through the entire project, you can see that there is value for money.

I want to share with those listening and also with the Senate some of the comments. Councillor Ben Brown, Chairman of the Northern Areas Council, when asked what this means to the community, stated: 'It means a huge amount for the community. The result was simply fantastic, with infrastructure ensuring the community will be served by the complex for another 50 to 60 years. Our thanks must be expressed to the federal government. Without this funding, this would never have come to realisation.'

Tom Humphris, Chairman of the Southern Flinders Regional Sports Complex, stated: 'I would like to thank everyone involved, especially those who were part of the tendering process. This is a complex that has absolutely got value for money—not a cent wasted. The benefits to the community are immense, and already the complex has been used every day of the week. The benefits of the complex are already flowing into schools and sporting bodies and it has become the central focal point for the community. For the younger generation, the facility will also bring new sports into this community.'

Brett Czechowski, Acting Principal of St Joseph's Parish School while Principal Ros Oates is on leave, stated: 'This is a fantastic complex for the students. The complex serves as a useful extension of the curriculum in the areas of health, science and physical education. For the young students, the sports complex is a great source of excitement. In respect of the community, it has become a central exchange, especially when the town revolves around sports. This complex is a model of its type for many communities in the mid-north of South Australia.'

Clearly, these are resounding third-party endorsements of the successful initiative of this Labor government in regional South Australia in a seat held by a considerable margin by a federal coalition member, who also attended the event and expressed his satisfaction and delight at this investment. When I arrived there, five or 10 minutes before the schedule time for me to speak, there were 500 students on the oval. The police band was fully active. There were representatives from the Paralympics. There were representatives from the community. It was a really great show and the community were all coming together to celebrate their achievement.

The top of the bar of the facility is made of wood taken from the grandstand which was torn down. John Hennessy and Tim Zander took the seats out and painstakingly varnished, polished and restored that wood and put it on the bar to retain some connection with the historic grandstand which had been on that oval. It was a source of immense pride, not only for the students and the principal. Bishop O'Kelly had travelled up to bless the facility. It was a real gathering of the community, the community's leaders and all of the people, putting together and having an enjoyable day on what was a remarkable outcome.

My experience in Grey is getting to be more and more varied and widespread, but I would say that this facility achieved more than value for money. The community
involvement had driven an outcome that was quite remarkable and far exceeded the investment in dollar terms by the Labor government.

Australian Capital Territory Election

Senator HUMPHRIES (Australian Capital Territory) (19:18): I rise to intervene in a debate which is happening around the ACT at the present time, a debate which I am sure members of the Senate could not be unaware of. It is a debate about an issue in the ACT election, the extent to which under a re-elected Labor government there will be an increase in residential rates. Today a former Treasurer of the ACT, Mr Ted Quinlan, was behind an article that appeared in the *Canberra Times* headed 'Quinlan: Tax reform won't mean rates slug', in which he argued—or appeared at least to be arguing; perhaps it was the author of the newspaper report itself—that the tax reforms proposed by the local Labor government will not translate into a tripling of the rates. I am also a former Treasurer of the ACT and I would like to indicate my views about the issues that have been raised by Mr Quinlan.

The ACT government announced tax reform in this year's budget. It issued a fact sheet at the time of the budget in which it announced that it is going to abolish a range of six different taxes and duties, including conveyancing duty and insurance taxes, and, according to this fact sheet, is going to replace that revenue through increasing general rates and adjusting utilities network facilities tax. I will put aside the utilities network tax for the moment because it raises just $3 million a year, so clearly it is irrelevant for this particular exercise. General rates are obviously what are principally proposed to be increased in order to pay for the government's abolition of this range of taxes.

What is the value of the taxes which the ACT government is proposing to abolish? In last year's budget, the 2011-12 budget, the last budget before 'tax reform' began, conveyancing duty accounted for $294 million approximately; duties on insurance, another $44 million; duties on life insurance, another $2.3 million; and the payroll tax proportion that is to be abolished under the proposals put forward by the government with their tax reform is another $6.8 million, making a grand total of $347,424,000. That, plus the rates being collected at the moment, about $173 million a year, leads to a total of what will need to be collected from rates in the future of over half a billion dollars per annum in 2011-12 figures—$521,148,000.

What will that mean for rates in the territory? Again, we have an answer to that question. The ACT government commissioned a rates review written or at least led by none other than Mr Quinlan, the former Treasurer of the ACT. In that review, the papers that were tabled clearly indicate, on page 148, that increases in household rates over a period of 10 years will provide for the replacement of the lost revenue that arises from the abolition of the said taxes. That takes, for example, the average rates paid by a person in the first quintile, the lowest level of rates, from $1,056 to, in year 10, $2,932. As any senator can easily see, that is approximately a tripling of rates. In the fifth quintile, the highest level, it rises from $1,546 per year to $5,322 per year—again, in fact more than a tripling of the rates that a person will pay. In every category, a similar outcome ensues. But the ACT government maintains that somehow this shift into general rates will not lead to the very tripling of rates which the government's own review suggests would be the consequence of making this policy decision.

On the radio a week ago, the ACT Treasurer, Mr Barr, tried to explain how that
could possibly be and he made a number of postulations as to how this might occur. He said it would not necessarily triple because the increase in population over the next 20 years would provide an increase in revenue and a broader base. Of course, that is true. It also provides for more people living in the territory who need services and therefore the cost of providing those services goes up. So, you do not get the benefit of an increase in the population. He did go on to say that you get better economies of scale with a larger population. Again, that is true but not to the tune of $350 million. Patently, you could not get economies of scale at that level.

He also suggested in the same interview on ABC Radio that the increase might not all be in residential rates; it could be partly in commercial rates. But bear in mind again that before these so-called reforms began, 83 per cent of total rates in the territory were raised from residential rates. If there is going to be a shift into commercial rates, there is going to be a massive increase, clearly, to make up that half-a-billion dollars to achieve that level of replaced revenue. Mr Barr went on to suggest that the GST would be rising in line with population and therefore GST revenues for the ACT. That is also probably true, but again the cost of services also rises as more people come into the territory to make up for that increase in population.

You cannot possibly expect an increase in the GST to the tune of $350 million. In fact, in recent years the GST revenues seem to have been falling. He said that there was a five-year plan to explain how this revenue would be replaced. The five-year plan is publicly available but it does not explain how they replace the $350 million in lost revenue from the abolition of these taxes. He does make it clear that the ACT government will abolish stamp duty over 20 years and, as a Liberal, I am very happy to see taxes abolished, but I am not quite so happy when I see them simply moved over into other forms of taxation and other forms of taxation going up.

Real tax reform is when you take the tax burden lower, not when you simply transfer it elsewhere. If the ACT government wants to abolish stamp duty on conveyancing and other things—which brings in a huge amount of money—over 20 years or some other period of time, then it has to fund the shortfall over a similar period of time—unless, of course, you want to run up a debt and deficit to bridge the gap between your decision to decrease revenue in one area and not increase it in another area at the same time.

It boils down to this: the ACT government clearly intends to abolish a very large amount of taxation in the territory. It equally intends to transfer that burden into rates—that is its clear published policy—but it cannot explain exactly how that will occur and exactly what the extent of household rate increases will be, even though it has published a document which explains under this preferred option what that would mean for rates. What that would mean for rates is unarguably, according to this document, a tripling of people’s rates.

If that is not what is intended, then the government needs to explain to the people of the ACT exactly how that is going to be achieved. The government here has studiously avoided offering any such explanation. In these circumstances I put to the people of the ACT that not only is the claim sustainable that rates in the ACT will treble under a re-elected Labor government, supported by the Greens, but also that that is the only reasonable supposition to make based on the evidence available to the people of the ACT.

The Labor Party could clarify this by explaining where else the $350 million will
come from. It has failed to do so. It has eight
days in which to do so and I invite it to clear
up this matter. If it fails to do so, however,
my party will insist on continuing to bring
this matter to the attention of the ACT
community because the claim that rates will
treble is absolutely sustainable and clear.

Mental Health

Senator WRIGHT (South Australia) (19:28): I rise to speak tonight in relation to
the consultations I have been conducting
throughout country Australia about the
delivery of, and access to, mental health
services in rural, regional and remote areas.
As the mental health spokesperson for the
Greens, I am undertaking these consultations
to talk to real people on the ground about
the state of mental health services in their
region. It has been a thoroughly enjoyable
process so far, although the news is not all
good by any means.

This consultation process will inform the
development of the Australian Greens policy
on country mental health services. So far, I
have toured country Western Australia, Newcastl
in New South Wales, South
Australia and Tasmania and over coming
months I will be continuing my further
consultations in New South Wales, in
Victoria and in Queensland. Previously,
I have spoken about the engaging discussions
I have had with many consumers and
organisations in Western Australia. Tonight I
would like to report back on recent
consultations in my home state of South
Australia and my meetings last week in
Tasmania. But before providing that report
back I just want to revisit the reason that the
Greens are focussing on the mental health
services in country Australia.

The Australian Greens believe that access
to quality health care in Australia, including
mental health care, is a basic human right.
With approximately 45 per cent of
Australians aged between 16 and 85 years
experiencing mental ill health at some stage
in their lifetimes and 20 per cent of
Australians experiencing mental health
issues in any particular given year, mental
health policy does go to the heart of our
nation’s wellbeing and touches all of us one
way or another. So it is vital that adequate
funding and attention are given to all aspects
of mental health in all parts of Australia.

One of the Greens key priority areas is
developing a policy response to the unique
mental health issues faced by people living
in regional, rural and remote Australia.
Approximately seven million Australians, or
32 per cent of our population, actually live
outside our major cities in regional and
country towns of varying sizes and varying
remoteness. Rural Australia makes a
significant contribution to the nation's social
and economic development. For example, in
2005 the gross value of agricultural and
horticultural production was $35.6 billion.
Despite this, over recent years, rural
communities have been neglected through a
lack of investment in infrastructure and
essential services. A damaging consequence
of this lack of support is a considerable
health investment deficit in rural Australia
which equates to approximately $2.1 billion
a year. An aspect of this health deficit that is
of particular concern to me, with my mental
health cap on, is the limited access people
living in country Australia have to mental
health services.

People living in country Australia
generally experience mental ill health at
levels equivalent to people living in urban
areas. But the harsh reality is that they
encounter higher risk factors for mental ill
health, including unemployment, lower
socioeconomic status, poorer levels of
education and reduced access to the very
mental health services they need. The lack of
available mental health services and limited
access to existing services in rural areas is particularly challenging and this tends to exacerbate the situation so that the burden of mental ill health is proportionately higher for people living in country Australia.

So we have a situation where people living in regional, rural and remote Australia have at least an equal need for health care, including mental health care, but their access to these services is substantially less than for those in major cities. It is essential that we develop effective and strategic public policy to address these issues, and the Australian Greens are committed to doing this. My consultation process has been an opportunity to shine a light on these issues and it has certainly been worthwhile, enabling the Greens to develop a strong and collaborative dialogue with country communities so that we can work together to find solutions and create better outcomes for everybody living in those communities.

On my tour of my home state of South Australia, I visited mental health service providers, advocates, consumers and carers in Barmera, Berri, Renmark, Murray Bridge, Whyalla, Port Lincoln, Port Augusta and Mount Gambier—all over the state. These meetings were extremely worthwhile and each time I learn a great deal from people who are working on the ground and people with direct experiences of mental illness.

In Renmark, Murray Bridge and Whyalla, I heard from stakeholders, both service providers and consumers, about the important role that neighbourhood centres play in creating connected and socially inclusive communities in country towns. While these centres are not a mental health service as such, they play an exceptionally important role because they actually promote individual and community wellbeing.

For example, in Whyalla the Joan Gibbons Neighbourhood Centre operates five days a week and provides essential assistance to families and individuals, and a place to belong for anyone who appreciates that. Some people attend the centre to volunteer or receive help in financial management and budgeting, cooking skills, knitting, assisting kids with homework, and teaching or learning reading and writing skills. A computer room and community garden provide opportunities for visitors or participants in the centre to work, share their skills and passions, and to connect with each other. They offer shared meals and exercise and sports programs.

These neighbourhood centres or community centres provide people with somewhere to get support, to contribute their own strengths and skills and feel good about that, and to experience connection and relationships within their community. They bring together members of the community on a shared footing.

A continuing theme throughout these consultations was the lack of flexibility in funding and service delivery. A number of organisations and consumers have raised this with me. In particular, there is the absence of and difficulty in providing outreach services, and that is a significant issue for country people. A number of people also expressed concerns that many services in their towns are based on models developed for urban areas and are not appropriately tailored to rural areas and the needs of rural communities.

I was in Tasmania last week and had the privilege to meet with people in Launceston, Hobart and rural Tasmania. In my Launceston meetings, I heard about the need for specialised mental health workers such as mental health nurses and peer support workers in the hospital emergency department, which is currently turning away too many people in need or forcing them to
wait long hours, exacerbating the condition that brought them there in the first place and increasing their distress.

I also heard about community based services like Aspire and the Richmond Fellowship, who provide inspiring peer support workers to share their experiences of mental ill health in a positive way to empower others. They are working tirelessly to provide essential mental health services to the Launceston community. I also visited the Melton-Mowbray district and met with Rural Alive and Well Tasmania, which is currently providing an excellent mental health service focused on suicide prevention. RAW Tas, as it is known, made a conscious decision not to sit back and wait to be contacted but has a proactive approach to service delivery, with mental health workers visiting people in their homes often on the basis of concerns raised with them by others. They have undoubtedly saved lives and are rarely turned away.

In Hobart, I attended two forums hosted by the Mental Health Council of Tasmania and Mental Health Carers Tasmania. At those forums, I heard a great deal of support from key stakeholders for the expansion of outreach services throughout Tasmania due to the uniquely regional nature of that state. I also heard about how important it is to create community connectedness and to focus on nonclinical community based treatment. In this regard, as in South Australia, there was significant support for community neighbourhood centres as a great model for enhancing community connectedness for people who are experiencing disadvantage or marginalisation.

One continuing theme that I have come across throughout my consultations around Australia is the need to address the social determinants of mental ill health. That means that in addition to providing clinical and non-clinical based care we must, as a community, also address the underlying issues that contribute to mental ill health, such as homelessness, joblessness, poverty and low educational outcomes.

I will be continuing my tour until the end of this year and I look forward to talking and listening more to people in rural, regional and remote Australia about mental health services in their community. By the end of these consultations I will be identifying gaps in service delivery so we can determine what is needed to build healthier, more resilient communities, where people with equal need have access to equal services.

Abortion

Senator URQUHART (Tasmania) (19:37): Women should have the right to a legal, accessible and affordable abortion in Australia. Women should have the right and the opportunity to make decisions about their bodies. According to a survey by the Australian National University, over 80 per cent of Australians support a woman's right to a safe and legal abortion.

The campaign recently took a leap forward with the Therapeutic Goods Administration registering the drug mifepristone—better known as RU486—and a second drug, misoprostol, for wider use in Australia. The drugs provide for the medical termination of a pregnancy and are permitted for use up to a maximum of 49 days gestation. This is a landmark decision for reproductive rights in Australia and will give many more Australian women greater control over their lives.

RU486 is available and widely used in the United Kingdom, most of Europe, the United States, China, Israel and much of the Middle East, New Zealand and many other countries. While RU486 was legalised in 2006, it has only been available in Australia under an 'authorised prescriber' process set up by the TGA. This meant that there were...
only around 187 doctors who were approved by the regulator to import and prescribe the drug to bring about medical terminations. These doctors are predominantly concentrated in urban areas in mainland Australia and, as far as I am aware, none are located in Tasmania. This severely hampered access to the drugs for Tasmanian women, and lessened opportunities for them to make decisions about their own bodies. The recent decision to place it on the Australian Register of Therapeutic Goods will enable Tasmanian women to have the opportunity to consider a medical termination with a support network around them.

The application to the TGA was made by the reproductive health group MS Health, a not-for-profit pharmaceutical subsidiary of Marie Stopes International. I congratulate the Marie Stopes organisation for its leadership on this issue—it is a world-leading not-for-profit sexual and reproductive healthcare provider. Its members work in 42 developing countries to deliver reproductive and maternal healthcare services to reduce maternal deaths and ensure that women and men are able to reduce the impact of poverty by managing their family size.

The drugs will now be able to be prescribed by a doctor who has completed a Marie Stopes training course specific to medical terminations. The training course will cover issues including the appropriate selection, counselling, patient consent, risks and adverse effects, and follow-up requirements. Comprehensive information will be available to women, including: counselling on the likely signs and symptoms she may experience, as well the risks; the need for follow-up within 14 to 21 days after intake to confirm the abortion is complete; that the medical termination may fail; other methods of termination if needed; direct access to 24-hour telephone aftercare provided by registered nurses located in Australia; and further reminder SMS messages with call centre details and warnings about symptoms of concern.

This measured and thorough approach will see more women now being able to sit down with their local doctor and discuss their options. The TGA said its decision to register RU486 had 'followed the TGA process for all new registrations—assessment for efficacy, safety and quality for its intended indications'. Too many people have been forced to travel long distances and to face new doctors at a time of great stress. Now more women will be able to have these conversations and make these important decisions closer to their homes.

We would not be in this position today without the brave stances of four female senators during 2005 and 2006 to cosponsor a bill to lift a ministerial veto on the importation into Australia of the abortion pill RU486. Senator Claire Moore from the Labor Party, Senator Judith Troeth from the Liberal Party, Senator Fiona Nash from the Nationals and Senator Lyn Allison from the Democrats sponsored the successful bill. Successful cross-party sponsorship of legislation is extremely rare. This was an historic event in Australian parliamentary history for both women's rights and parliamentary procedure. I thank all four for their courage in the face of intense lobbying from those opposed to the bill.

There was also tremendous lobbying in support, and I need to make note of Dr Caroline De Costa, who is the Professor of Obstetrics and Gynaecology and Director of the Clinical School at James Cook University School of Medicine in Cairns. Dr De Costa is deeply involved in improving outcomes for Indigenous maternal health and has been a strong advocate for reform of abortion law.
Since 2006, over 20,000 Australian women have used RU486 to medically terminate their pregnancy. These women would not have had this option if it were not for the courage of these four senators, the support provided to them by other parliamentarians and the support of the wider community. The vote in the Senate was 45 for and 28 against, such a significant majority that it was permitted to pass through the House of Representatives 'on the voices'.

While many thousands of women have been able to access RU486 in Australia's major centres, women in rural and regional Australia have not had the same choice between a surgical or medical abortion. For many of them surgical abortion meant being hundreds and sometimes thousands of miles away from their families, but many also had concerns about the risks associated with surgery. Enabling greater access to RU486, thanks to the decision of the Therapeutic Goods Administration, will give women in rural and regional Australia this choice.

I stress that the evidence from across the world shows that providing the option to take RU486 does not increase the number of abortions. The decision to have an abortion is difficult and not to be taken lightly. It is about giving women the choice.

Recently, a young woman from a rural community presented to a doctor in a small country hospital some distance from her home requesting termination of pregnancy. She was the mother of two children aged under three years, both delivered before 32 weeks gestation because of severe pre-eclampsia. Her partner was unsupportive. At presentation she was eight weeks pregnant. The doctor was sympathetic to her request but was unable to arrange surgical termination in the country hospital. He advised her that she would need to travel, by bus and at her own expense, several hundred kilometres to the nearest large town where an abortion could be performed in a private clinic. The cost would be more than $700. This was completely beyond this woman's resources. At 26 weeks of pregnancy she presented again to the country hospital, severely ill with pre-eclampsia. She was transferred by air to the town in which she might have had the pregnancy terminated, where she underwent emergency caesarean section in a public hospital. The infant died within 24 hours, and the woman spent several days in a high-dependency unit. The cost of her transfer and hospitalisation was covered from the public purse. This woman's story could have been very different if Australian women had better access to medical abortion.

Unfortunately, in six of eight jurisdictions, abortion is controlled under the criminal code and federally RU-486 is not covered under the Pharmaceutical Benefits Scheme. It is only in Victoria and the ACT that abortion is not in the criminal code. In Tasmania, under sections 134 and 135 of the code, women and doctors are liable for criminal charges for unlawful abortion. From 1925 to 2001, there was no definition of unlawful abortion and no criteria for lawful abortion. While it had never actually been prosecuted, it had been held that interstate rulings were applicable for Tasmanian law. This was amended in 2001, through the efforts of Labor Attorney-General Judy Jackson, to provide for criteria under which abortion could be carried out and therefore define 'unlawful abortion'.

We must acknowledge that with abortion sitting in the criminal code it represents a risk to practitioners and a risk to the patients that they may be prosecuted if they do not follow the specific criteria. The message is that you are not able to make a decision about your own body purely for health reasons. The message is that you may be a
criminal, you may be doing something wrong, just because you do not feel that you can proceed with the pregnancy. Regulations must be in the correct place in the realm of the health experts, not in the realm of criminal lawyers.

At the recent Tasmanian Labor conference, a motion was passed urging the state government to act immediately to remove abortion from the criminal code. I understand that the Tasmanian Labor caucus are looking to bring this legislation to the Tasmanian parliament in coming months. I support them in their efforts because removing abortion from the criminal code should mean that abortion is offered in public hospitals in Tasmania, significantly lowering the costs and increasing the accessibility.

Now that RU486 is registered by the TGA, the next step for the federal government must be to list it on the Pharmaceutical Benefits Scheme. Women have the right to health care and women must have the right to choose.

Senate adjourned at 19:48

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.]

Defence Act—Determinations under section 58B—Defence Determinations—


2012/54—Overseas relocations, education assistance and benchmark schools – amendment.

2012/55—Military instructor on temporary duty and unpaid leave – amendment.

2012/56—Leave, settling out and overseas education assistance – amendment.

Environment Protection and Biodiversity Conservation Act—Amendments of lists of—

Exempt native specimens—EPBC303DC/SFS/2012/55 [F2012L02004].

Threatened species, dated 20 September 2012 [F2012L02009].

Foods Standards Australia New Zealand Act—

Food Standards (Application A1045 – Bacteriophage Preparation P100 as a Processing Aid) Variation [F2012L02011].

Food Standards (Application A1065 – Packaging Size for Phytosterol-enriched Milk) Variation [F2012L02013].

Food Standards (Proposal P1018 – Companion Dogs in Outdoor Dining Areas) Variation [F2012L02012].

Food Standards (Proposal P1021 – Code Maintenance X) Variation [F2012L02014].

Higher Education Support Act—

Higher Education Provider Approvals Nos—

9 of 2012—Kaplan Higher Education Pty Limited [F2012L02006].

10 of 2012—Tabor College Incorporated [F2012L02007].

Other Grants Guidelines (Research) 2012 [F2012L02010].

Migration Act—Migration Regulations—

Instrument IMMI 12/112—Class of persons [F2012L02005].

Sydney Airport Curfew Act—Dispensation Report 05/12.


Departmental and Agency Appointments

The following documents were tabled pursuant to the order of the Senate of 24 June 2008, as amended:
Departmental and agency appointments and vacancies—Budget estimates—Letters of advice—
Agriculture, Fisheries and Forestry portfolio.
Broadband, Communications and the Digital Economy portfolio.
Defence portfolio.
Regional Australia, Regional Development and Local Government portfolio.

**Departmental and Agency Grants**
The following documents were tabled pursuant to the order of the Senate of 24 June 2008:
Departmental and agency grants—Budget estimates—Letters of advice—
Attorney-General’s portfolio.
Defence portfolio.
Regional Australia, Regional Development and Local Government portfolio.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Employment and Workplace Relations
(Question No. 1983)

Senator Abetz asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 3 August 2012:

With reference to Budget estimates hearings of the Education, Employment and Workplace Relations Legislation Committee in May 2012:

(1) In regard to the answer to question no. EW0042 13 taken on notice during the hearings, and given that Senator Abetz is aware that the department is unable to comment on the Minister’s views on the policies of the Australian Council of Trade Unions (ACTU) or the Australian Greens, does the Minister agree that the ACTU has adopted a number of Australian Greens’ policies.

(2) In regard to the answer to question no. EW0005 13 taken on notice during the hearings, what amount was paid to Mr Phillip Adams AO for his duties during the Pacific Seasonal Worker Pilot Scheme Conference 2011.

(3) In regard to the answer to question no. EW0045 13 taken on notice during the hearings, and specifically in relation to paragraph 3, did the Minister discuss the amendments with any stakeholders prior to the amendments being passed; if so, which stakeholders.

Senator Wong: The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator’s question:

(1) The Minister has not conducted an analysis of the policies of the ACTU compared with the policies of the Australian Greens.

(2) The Department of Education, Employment and Workplace Relations entered into an agreement with Celebrity Speakers for the Master of Ceremonies for the Pacific Seasonal Worker Pilot Scheme Conference 2011, Mr Phillip Adams AO. The amount paid to Mr Adams by Celebrity Speakers is not known, however, the total cost to the Department was $17,531.00 (GST inclusive) which included Mr Adams’ fee, meals and airfares.

(3) The Government consulted with a number of stakeholders prior to the amendments being circulated. Details of those consultations remain a matter between the Government and the stakeholders.

Regional Australia, Regional Development and Local Government
(Question No. 2012)

Senator Whish-Wilson asked the Minister representing the Minister for Regional Australia, Regional Development and Local Government, upon notice, on 14 August 2012:

With reference to the $300,000 research grant provided to Smart Viticulture under the Tasmanian Forests Intergovernmental Agreement $20 million Economic Diversification Package:

(1) Was the Tasmanian wine industry, including its peak body Wine Industry Tasmania, consulted directly in relation to:

(a) Tasmanian wine industry research, or other priorities and funding opportunities under the Economic Diversification Package; and

(b) their views on the Smart Viticulture research project, study of vineyard sites and climate.

(2) What was the exact process that led to the granting of $300,000 funding to Smart Viticulture under the Economic Diversification Package.
(3) Was this specific study to be undertaken by Smart Viticulture as a part of the Economic Diversification Package put out to tender; if not, why not.

Senator Conroy: The Minister for Regional Australia, Regional Development and Local Government has provided the following answer to the honourable senator's question:

(1) The Tasmanian wine industry, including its peak body Wine Tasmania was consulted with directly by both the Tasmanian and Australian Governments in relation to the proposed Wine Industry Research and Industry Development Project. The feedback provided by the industry on the initial project proposal enabled governments to refine the project to meet industry needs.

(2) In accordance with Clause 41 of the Tasmanian Forests Intergovernmental Agreement (TFIGA), the Australian and Tasmanian Governments worked collaboratively and came to agreement on the design, criteria, joint assessment procedures, and monitoring and evaluation of the $16 million package.

The Australian Government contracted the Australian Innovation Research Centre (AIRC) at the University of Tasmania to conduct socio economic research and provide initial investment options to shape the $16 million package.

In accordance with this requirement, research from the Australian Innovation Research Centre outlined a set of five criteria to ensure that projects contribute to economic diversification, are sustainable, utilise a place-based approach, build capability in regions, and promote collaboration.

Project proposals were identified through extensive consultation in Tasmania including with Regional Development Australia, Regional Reference Groups, Ministerial Forums, Community Consultation and the work of the AIRC. The recommendations of the AIRC included a project to identify optimal seasonally frost-free sites for cool-climate wine production.

Each of the economic diversification projects identified for 2011-12 was evaluated for consistency and alignment with the objectives of the TFIGA economic diversification funding and was provided in accordance with the Financial Management and Accountability Act (Cwlth) 1997.

Major regional development projects under the TFIGA were agreed by a joint Ministerial council, comprising the Tasmanian minister responsible for economic development and the Commonwealth Minister for Regional Australia.

(3) The project was not put out to tender as consultation with industry and research experts determined that Smart Viticulture was the leading expert to conduct the research.

Employment and Workplace Relations

(Question No. 2098)

Senator Abetz asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 23 August 2012:

With reference to the answer provided to question no. EW0290_13, taken on notice during the 2012-13 Budget estimates hearing of the Education, Employment and Workplace Relations Legislation Committee: If it was not necessary to refer the document to the Australian Taxation Office, why did the Minister promise to do so.

Senator Wong: The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator's question:

The Minister did not promise to refer the document to the Australian Taxation Office. Rather, the Minister said during question time on 19 March 2012, in relation to the report of the Fair Work Australia investigation into the Victoria No 1 Branch of the Health Services Union, that ‘we are going through it and we are certainly drawing it to the attention of the regulatory authorities to which we can’. The Minister further said that he ‘would draw it to the attention of the ATO’.
Ministerial Staff: iPad and iPhones
(Question No. 2101)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 23 August 2012.

How many:
(a) iPad 2 or equivalent tablet devices have been provided to Defence related personnel in ministerial offices since 1 July 2011?
(b) iPad 3 or equivalent tablet devices have been provided to personnel in Ministerial offices since 1 April 2012?
(c) iPhones have been supplied to personnel in Ministerial offices since 1 November 2010?

Senator Bob Carr: The Minister for Defence has provided the following answer to the honourable senator's question:

(a) Since 1 July 2011, a total of five iPad 2 devices have been provided to Departmental staff and Advisers employed in the ministerial offices.
(b) As at 23 August 2011, no iPad 3 or equivalent tablet devices had been provided to any Departmental staff or Advisers in the Ministerial offices.
(c) Since 1 November 2010, the Department has provided one iPhone to the Minister for Defence. This iPhone was to replace an earlier iPhone model.

Defence: Consultancy
(Question No. 2106)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 23 August 2012:

(1) Given that there are 356 senior officers within the department, why was it necessary to spend $61 million on consultants in the 2011-12 financial year?
(2) Who determines, on a case by case basis, the specific need to engage consultants, and who signs off on the engagements?

Senator Bob Carr: The Minister for Defence has provided the following answer to the honourable senator's question:

(1) The Department of Defence engages consultants where it lacks specialist expertise or when independent research, review or assessment is required. Consultants are typically engaged to:
   • Investigate or diagnose a defined issue or problem
   • Carry out defined reviews evaluations
   • Provide independent advice, in formation or creative solutions to assist in the Department's decision making.
(2) Prior to engaging consultants, the Department takes into account the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise. The decision to engage a consultant is made by Defence delegates on a case by case basis in accordance with the Financial Management Accountability Act 1997 and related regulations including the Commonwealth Procurement Guidelines.
Defence  
(Question No. 2109)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 23 August 2012,

Can the Minister provide a relevant response as to why the Middle East Area of Operations contract has been extended by a further 12 months, thereby requiring personnel to use a sub standard aircraft, and what provision is there to cancel this contract at short notice.

Senator Bob Carr: The Minister for Defence has provided the following answer to the honourable senator’s question:

The Middle East Area of Operations (MEAO) Air Sustainment Contract is for an initial two-year term which expires 21 November 2012. There are two single year options to extend the contract and Defence has recently determined to exercise the first of these options. The decision to extend the contract took into account the continuing need for the service, contractor performance and the considerable cost savings to Defence.

The aircraft has not been deemed to be substandard and the safety of our ADF personnel travelling by air remains the paramount consideration. Civil Aviation Safety Authority (CASA) is the appropriate regulatory authority responsible for ensuring that foreign aircraft operators holding Foreign Aircraft Operator’s Certificates conform to Australian civil aviation operating standards, including safety. The aircraft operator, HIFLY, is required to meet European Aviation Safety Authority operating standards and CASA has approved HIFLY to operate specified aircraft utilised under the contract. The contractor, Adagold Aviation, and the aircraft operator, HIFLY, continue to safely and successfully operate the MEAO Air Sustainment Aircraft service. Regular and continuing customer surveys across a range of key criteria demonstrate consistently high Customer Service Satisfaction levels approaching 99%.

Defence has contracted for the provision of a minimum number of flights up to November 2013. If Defence determines a need to cancel the contract unilaterally, at short notice, there will be financial implications. Based on the continued requirement, satisfactory service delivery and value for money, there is no intention to cancel the contract.

Homelessness  
(Question No. 2115)

Senator Payne asked the Minister representing the Minister for Housing and the Minister for Homelessness, upon notice, on 24 August 2012:

(1) Can specific figures be provided on the reduction in the number of people experiencing homelessness, and the number of people at risk of homelessness, as a result of the Government’s claim to have increased homelessness funding by $5 billion since 2008.

(2) With reference to the method used to determine the $5 billion figure, as stated in the answer to question no. 42, taken on notice during the Community Affairs Legislation Committee’s 2011-12 Budget estimates hearings, can a breakdown be provided indicating how many people are no longer homeless, or at risk of homelessness, as a result of the funding allocated under each nominated spending commitment.

Senator Chris Evans: The Minister for Housing and the Minister for Homelessness provides the following answer to the honourable senator’s question:

(1) The reduction in the number of people experiencing homelessness will be able to be assessed after the Australian Bureau of Statistics publishes its 2011 Census estimates of the homeless population in November 2012. The ABS will not be the only data the Government uses to determine levels of homelessness. The Government will also use the more dynamic and timely information collected from
the specialist homelessness services by the Australian Institute of Health and Welfare, as well as Journeys Home, the first national longitudinal study of homelessness in Australia. Combined, these facts and figures will provide the most accurate picture of homelessness we have ever had.

(2) Homelessness is a complex and dynamic issue. A homeless person may have a number of issues that contribute to homelessness. The homeless person may be helped under one or more homelessness programs. The reduction in the number of people experiencing homelessness will be able to be assessed after the Australian Bureau of Statistics publishes its 2011 Census estimates of the homeless population in November 2012.

**Housing Assistance and Homelessness**

*(Question No. 2116)*

**Senator Payne** asked the Minister representing the Minister for Housing and the Minister for Homelessness, upon notice, on 24 August 2012:

(1) Can a full breakdown be provided of the expected allocation of administered and departmental expenses in relation to Program 2.1: Housing Assistance and Homelessness Prevention, including the: (a) number; (b) level; and (c) location, of all departmental staff employed under the program, up to the most recent date for which this data is available.

(2) Can a full breakdown be provided of administered and departmental expenses for the 2011-12 financial year.

(3) Can the full departmental structure for Program 2.1 and Program 2.2 be provided, including the number and level of staff in each relevant section.

**Senator Chris Evans:** The Minister for Housing and the Minister for Homelessness provides the following answer to the honourable senator’s question:

(1) and (2) The administered budget for Outcome 2.1 in 2012-13 is $33.58 million; comprising $24.16 million for Youth Homelessness (Reconnect) and $9.42 million for HOME Advice, National Homelessness Strategy, National Housing Priorities and Homelessness Research Strategy.

Total departmental staffing resources devoted to Outcomes 2.1 and 2.2 are provided in the Department’s 2011 12 Annual Report. These resources include an attribution of corporate, network and other departmental support. Total staffing in the Housing, Homelessness and Money Management Group allocated to programs 2.1 and 2.2 are provided in response to Question 3 below. The Department and Group use resources flexibly across the programs and do not separately allocate resources to each program. In addition to managing the administered appropriations, the Group undertakes a range of activities in support of the broader objectives under Outcomes 2.1 and 2.2. A summary of these activities can be found in the Department’s Annual Reports.

Departmental staff under Outcome 2.1 are located in Canberra.

(3) Outcome 2.1 and Outcome 2.2 are managed by the Housing, Homelessness and Money Management Group. The structure of the Group, numbers and levels of staff for the relevant housing and homelessness elements is in the table below.

<table>
<thead>
<tr>
<th>Branch/Section</th>
<th>Level</th>
<th>Actual FTE at 3 September 2012</th>
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Treasury: Official Hospitality
(Question No. 2118)

Senator Bushby asked the Minister representing the Treasurer, upon notice, on 24 August 2012:

With reference to the answer provided to question no. BET 601 608, taken on notice during the 2012 13 Budget estimates hearing of the Economics Legislation Committee, for each event that incurred costs over $1,500 can the following information be provided:

(a) a complete list of attendees, including their associated departments or occupations;
(b) the basis on which attendees were selected;
(c) what fees were charged to attend, including the:
   (i) amount charged, and
   (ii) budget area or objective to which the received amounts were allocated; and
(d) the total amount spent on: (i) food, and (ii) alcohol.

Senator Wong: The Treasurer has provided the following answer to the honourable senator's question:

(a) and (d)

<table>
<thead>
<tr>
<th>Event Date</th>
<th>Description</th>
<th>SES Treasury Attendees</th>
<th>Non-SES Treasury Attendees</th>
<th>Non-Treasury Attendees</th>
<th>Organisations</th>
<th>Food Ex GST</th>
<th>Beverages (including Alcohol) Ex GST</th>
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<tr>
<td>27-Jul-11</td>
<td>Boathouse - ACT, Official Dinner</td>
<td>5</td>
<td>2</td>
<td>7</td>
<td>IMF, World Bank, AusAID, Foreign Delegation, Treasurer's Office</td>
<td>$1,155.95</td>
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<tr>
<td>23-Aug-11</td>
<td>Parliament House Catering - ACT, Bank Liaison Dinner</td>
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<td>0</td>
<td>6</td>
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<td>$1,977.95</td>
<td>$244.32</td>
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</table>
Many official hospitality events involve packages for beverages which may be alcoholic or non-alcoholic. The beverage package items are not split by these categories.

(b) Attendance at these functions was directly related to their roles.

(c) Treasury does not charge participants for attending official hospitality events.

Professor Ian Chubb

Senator Bushby asked the Minister for Tertiary Education, Skills, Science and Research, upon notice, on 30 August 2012:

(1) Since being appointed as Chief Scientist, in a public forum has Professor Ian Chubb ever directly criticised:

(a) the Prime Minister; if so, when and on what grounds; and

(b) former Senator Bob Brown or Senator Milne; if so, when and on what grounds.

(2) With reference to the Health of Australian Science report, which shows that the level of Australia’s international science collaboration has essentially plateaued:

(a) what information has been formally provided to Professor Chubb by the Government regarding the process of responding to, and acting upon, the report, and on what dates was this advice provided; and

(b) what specific recommendations has Professor Chubb made to the Government, either in the report or in other forums, regarding measures to help address the issues raised.

(3) What will Professor Chubb’s role as an ex-officio member of the Climate Change Authority (CCA) board entail, and will any remuneration be provided for this role; if so, what will the remuneration be.
(4) Will the department have any other association with CCA, either through its membership or by contributing, in any way, to its work; if so, what work will it specifically undertake.

(5) With reference to the answer provided to question no. AI 16, taken on notice during the 2011 12 Additional estimates hearing of the Economics Legislation Committee, is there any scientific validity to the statement that one particular area of New South Wales faces a higher risk of inundation from sea-level rise than other parts of the state; if so, which area.

(6) What was Professor Chubb's rationale for excluding significant organisations, such as the Defence Science and Technology Organisation and Science and Technology Australia, from membership of the Prime Minister's Science, Engineering and Innovation Council.

(7) With reference to media reports relating to alleged death threats made to Australian climate scientists, and statements made by Professor Chubb at the 2012 13 Budget estimates hearing of the Economics Legislation Committee held on 28 May 2012, can Professor Chubb confirm that he had not seen, or had not been alerted to, any articles of this nature.

(8) Can Professor Chubb confirm whether death threats were received by Australian National University (ANU) climate scientists during his time as Vice Chancellor, either in late 2010 or early 2011; and if such threats were not received, does this mean that the continued assertions by the ANU are false.

(9) If Professor Chubb maintains that 'there were no alleged death threats except when journalists picked up the story', does Professor Chubb accept that reporting of the alleged death threats was based, in each case, on comments made by Professor Ian Young and/or other university representatives or staff.

(10) Can Professor Chubb specifically name any journalist and/or media outlets that invented, misreported or overinflated allegations of death threats against ANU climate scientists in any report in June 2011 or at any time subsequently; if so, what precisely was reported inaccurately.

(11) Does Professor Chubb consider that any of his own comments or views about this issue, either at the time of the original public reporting in June 2011 or at any time subsequently, were relayed or presented in an inaccurate or misleading way; if so, which specific comments or views.

(12) Has Professor Chubb contacted any media outlets at any time to seek to correct or clarify factual inaccuracies in any reports regarding this issue, including in relation to any comments or views that may have been falsely attributed either to him or the ANU, or were presented in a potentially misleading way; if so, for each case, which outlets and on what dates.

(13) With reference to statements made by Professor Chubb at the 2012-13 Budget estimates hearing of the Economics Legislation Committee held on 28 May 2012, relating to:

(a) emails received by ANU staff members, can details be provided of: (i) the date of the event to which he was referring, (ii) in which area of the ANU that person was based at the time, (iii) whether that person has also been interviewed by any of the reporters who have filed stories on the 'death threats' issue from June 2011 onwards, and (iv) whether that person has been named in any of the reports; and

(b) the relocation of ANU climate scientists to a different physical location on the campus in 2010, can details be provided of: (i) the date of the move, (ii) whether the move was made solely in response to a threat of physical violence, or for another reason, (iii) whether the same group of people had ever previously asked to be moved to a new location for any reason other than in relation to death threats.

(14) Does Professor Chubb agree that the 'death threat' issue has had a political element in relation to climate change and matters such as the carbon tax.

(15) Does Professor Chubb now regret his involvement in the story, and using words such as 'appalling' and 'outrageous' to refer to threats and e-mails which he now admits he had not seen.
Senator Chris Evans: The answer to the honourable senator's question is as follows:

(1) (a) and (b) No.

(2) This is not an accurate representation of the issue. Australian international collaboration has been growing over the past decade, as measured by the number of Australian publications with international co-authors (see Health of Australian Science report, Chapter 6).

   (a) No advice was received
   (b) None as yet.

(3) In general, the same as a role on any other Board. The Climate Change Authority Act 2011 stipulates that:
   
   the Chief Scientist will be one of nine members of the CCA;
   the Chief Scientist holds office on a part-time basis; and
   the Chief Scientist will not be paid a remuneration or allowances.

(4) As the Australian Government's provider of measurement science expertise and infrastructure, the National Measurement Institute (NMI) within DIISRTE will provide policy and services and/or technical advice to the CCA. NMI is working with the Department of Climate Change and Energy Efficiency (DCCEE) to ensure that there is a sound measurement basis to the emissions reporting that is required for Australian carbon pricing mechanisms to work locally and as part of international systems.

(5) Two reports from the DCCEE were released in 2009 and 2011 respectively, providing comprehensive assessments of the risks of sea-level rise and other climate change impacts to Australia's coasts and coastal infrastructure. These reports are the definitive references for climate change impacts in Australia and by inference in NSW.

   The reports do not single out any one area as facing the highest risk from projected sea-level rise and flooding. Rather, in the framework used by DCCEE to assess coastal vulnerability, each coastal state and territory has a range of vulnerabilities depending on observed and projected sea-level rise, coastal landforms and ecosystems, tides, storm surge risk, infrastructure and population.

   The Antarctic Climate & Ecosystems Cooperative Research Centre, with support from the Department of Climate Change and Energy Efficiency, provides a set of tools for assessing the risk of marine inundation at any given area of the Australian coastline. These tools would allow the assessment of the risk of coastal flooding due to sea-level change along different areas of the New South Wales coast.

(6) Professor Chubb was consulted on proposed membership and operations as part of a review of PMSEIC arrangements undertaken by the then Department of Innovation, Industry, Science and Research, following which recommendations were made to the Minister and the Prime Minister.

   The membership is not one based on organisations but individuals. Members are appointed for their expertise and the complementarity of that expertise overall.

   The membership number should be small enough to allow substantial exchanges of view.

   There is provision to invite those with particular expertise to any meeting – including Ministers. And that also includes, for example, the head of DSTO, when a defence-specific matter is before the Council. The same applies to other organisations.

(7) Professor Chubb has seen 'articles' relating to death threats to Australian Climate scientists.

(8) Professor Chubb cannot confirm that ANU scientists received death threats. He has no recollection of ever having been told that they did, nor having said that they did.

(9) Professor Chubb would not know.

(10) No.
(11) No.
(12) No.
(13) (a) (i) No.
(ii) Coombs Building.
(iii) Not known.
(iv) Professor Chubb cannot recall.
(b) (i) Not by Professor Chubb.
(ii) The staff were in a part of a building accessible by the public. They were unsettled by emails and visits 'off the street.' Professor Chubb agreed to their move at that time. He does say that moving staff is not a novel concept, and is done whenever and for whatever purpose thought necessary. Professor Chubb always took his responsibilities as an employer seriously.
(iii) Not that Professor Chubb is aware.
(14) Not as far as his involvement is concerned.
(15) No.

**Agriculture, Fisheries and Forestry**

(Question Nos 2125 and 2126)

**Senator Rhiannon** asked the Minister for Agriculture, Fisheries and Forestry, upon notice, on 31 August 2012:

With reference to the advice provided on 22 May 2012, that Government responses to the 5 yearly review of Regional Forest Agreements (RFAs) in Victoria and New South Wales were being finalised and that discussions were continuing about whether changes to state laws met the required standards:

1. Are the responses now complete; if not, why not and when will they be complete.
2. When will the responses be made public.
3. Given that a function of RFAs is to deliver equivalent protection to that provided under the Environment Protection and Biodiversity Conservation Act 1999, what process is used to assess changes to state forest management systems accredited under RFAs.
4. What specific standards are applied when assessing changes to state forest management systems accredited under RFAs, including the: (a) information required; and (b) methodology used.
5. Since 2007, what changes to state forest management systems accredited under RFAs have been assessed and, for each case, can details be provided of the: (a) change; (b) date on which it was proposed or made; and (c) date on which the Commonwealth agreed to the change.
6. For each state and each RFA, what is the process for deciding whether the agreement should be extended.
7. Has any consultation been undertaken with each state about extending RFAs; if so, for each state and each RFA, on what dates did consultation take place and what issues were discussed.
8. What steps are required to extend an RFA, at what point does the process begin and what is the timeline.

**Senator Ludwig:** The answer to the honourable senator’s question is as follows:

1. The Joint Government Responses for Victoria and New South Wales are not yet complete. The Commonwealth and New South Wales Governments have made significant progress on the Joint Government Response and have scheduled a meeting to discuss final comments on the draft.
The Commonwealth and Victorian Governments have made significant progress on the Joint Government Response and expect to meet to discuss final comments on the draft.

It is expected that the Joint Government Responses for both States will be finalised by the end of 2012.

(2) The Joint Government Responses will be made publicly available once the ministerial approval process has been finalised.

(3) The RFAs aim to implement ecologically sustainable forest management; establish a Comprehensive, Adequate and Representative (CAR) reserve system; and provide certainty of investment in forest businesses.

As part of the five-yearly review of RFAs, each state outlines its improvements and enhancements to the RFA accredited forest management system over the intervening period since the RFAs were signed or an earlier five-yearly review was completed. The Independent Reviewer evaluates the information provided by the State, and aided by public comments, makes appropriate findings and recommendations on the implementation of the forest management system as well as suggested improvements for the forest management system.

(4) As part of the five-yearly review of RFAs, each State outlines its improvements and enhancements to the RFA accredited forest management system over the intervening period since the RFAs were signed or an earlier five-yearly review was completed. The Independent Reviewer evaluates the information provided by the State.

(5) The information on changes to a State’s forest management system is presented holistically in the Report on Progress with Implementation of each State’s RFAs. These documents are available for each specific agreement at http://www.daff.gov.au/rfa/regions.

(6–8) All RFAs contain a clause to allow the Parties to each RFA (the Commonwealth and each RFA State) to jointly determine a process to extend an RFA for a further period.

High level discussions with Tasmania and Victoria have commenced on the timing for the 3rd five-yearly reviews. The third five yearly review provides for discussion on the process of RFA renewal.

**Defence**

(Question No. 2129)

*Senator Rhiannon* asked the Minister representing the Minister for Defence, upon notice, on 31 August 2012:

(1) Does the department or any of its agencies have an option or arrangement to purchase all or part of the Eden wood chip mill owned by South East Fibre Exports Pty Ltd, most of which is situated within the purple, yellow or green safety zones that are required around an explosives facility?

(2) Can details be provided of any payments made by the department or any of its agencies since 2000 to South East Fibre Exports Pty Ltd, in compensation for loss of value of the land on which the Eden wood chip mill is situated, or for a diminution in its resale value as a result of having an explosives facility constructed at the adjacent Eden multi purpose wharf?

(3) What contracts or other arrangements does the department have with South East Fibre Exports Pty Ltd to share activities, such as security surveillance, in the vicinity of the Eden wood chip mill and the Eden multi-purpose wharf?

(4) Has the department purchased any paper products manufactured by Nippon Paper Industries, or awarded any contracts to printers that use paper manufactured by Nippon Paper Industries in 2008, 2009, 2010 or 2011; if so, can details be provided?
**Senator Bob Carr:** The Minister for Defence has provided the following answer to the honourable senator’s question:

1. Neither Defence nor its agencies have an option or arrangement to purchase all or part of the Eden wood chip mill owned by South East Fibre Exports Pty Ltd.

2. In 2005, Defence paid compensation, in accordance with the Lands Acquisition Act 1989, to South East Fibre Exports Pty Ltd for restrictions Defence placed on the use of their land. The amount of compensation paid by Defence to South East Fibre Exports Pty Ltd is commercial in confidence.

3. There is no formal contractual relationship between Defence and South East Fibre Exports Pty Ltd for security. Surveillance cameras are owned, installed and monitored by South East Fibre Exports Pty Ltd to primarily monitor the woodchip mill's wharf. The cameras have a 'pan function' and can also monitor the Explosive Ordnance wharf. There is a camera isolation switch within the Explosive Ordnance wharf office and the cameras covering the wharf are turned off whenever the wharf is in use by Defence. When the Explosive Ordnance wharf is not in use by Defence, it is open to the public and is managed and monitored by the Eden Port authority. South East Fibre Exports Pty Ltd is able to use the cameras to view any public fishing (or other public activities) from the wharf.

4. There are two paper suppliers on Defence's Standing Offer Panel for provision of Office Supplies; Corporate Express and OfficeMax. Corporate Express provides 80% of general office copy paper to Defence, and has so for the last six years. Corporate Express purchase paper from Australian Paper (Australian Paper brands include: Reflex, Australian Copy 10% Recycled, Optix). Whilst the paper purchased is not manufactured by Nippon Paper Industries directly, it is noted that in June 2009 Nippon Paper Group acquired Australian Paper. Corporate Express advise that the Australian Paper predominately purchased by Defence is manufactured at the Maryvale Mill in the Latrobe Valley, Victoria.

OfficeMax provides the other 20% of general office copy paper to Defence. OfficeMax’s paper is predominately the OfficeMax brand which is manufactured in Germany.

**Agriculture, Fisheries and Forestry**

*(Question No. 2130)*

Senator Rhiannon asked the Minister for Agriculture, Fisheries and Forestry, upon notice, on 31 August 2012:

Under what circumstances and in accordance with which legal instrument would compensation be payable in the event of a suspension, amendment or cancellation of the Regional Forest Agreements for Eden and Southern Regions, and how would the amount payable be calculated.

Senator Ludwig: The answer to the honourable senator’s question is as follows:

I refer the Honourable Senator to Part 3 of the Regional Forest Agreements (RFA) for an answer to her question.


**HRL Dual Gas Pty Ltd**

*(Question No. 2132)*

Senator Milne asked the Minister for Resources & Energy, upon notice, on 31 August 2012:

With reference to the answer provided to question no. SR11, taken on notice during the 2011-12 Supplementary Budget estimates hearing of the Economics Legislation Committee, in which the department confirmed that a component of the Commonwealth funding provided to the Victorian
Government under the Carbon Capture and Storage Flagships Program, for the pre feasibility stage of the CarbonNet project, was granted by the state government to HRL Dual Gas Pty Ltd:

1. What was the total amount provided to HRL Dual Gas Pty Ltd by the state government.
2. Was the Commonwealth aware of this on payment to HRL Dual Gas Pty Ltd prior to it occurring.
3. Will the Commonwealth attempt to reclaim this money if the HRL Dual Gas Project does not proceed.

**Senator Chris Evans:** The Minister for Resources & Energy has provided the following response to the honourable senator’s question:

Funding of a pre-feasibility study into the application of carbon capture technology to HRL’s integrated drying gasification combined cycle project (IDGCC) under the CarbonNet project was made through an agreement with Syngas Plus Pty Ltd. This is a separate company to HRL Dual Gas Pty Ltd which was progressing the Dual Gas Project chosen for funding under the Low Emissions Technology Demonstration Fund (LETDF).

1. The Australian government contributed approximately $612,500 (GST inclusive) through the CarbonNet project to Syngas Plus Pty Ltd for a pre-feasibility study on carbon capture. This amount was matched by the Victorian State Government and the HRL Group.
2. Yes, the Australian Government was aware of the components and costs of the work program under the CarbonNet Project.
3. No, the Australian Government will not reclaim the expenditure because the payment was not for the Dual Gas project which is no longer receiving funding under the LETDF. The carbon capture pre-feasibility study was delivered by Syngas Plus Pty Ltd as commissioned and in accordance with the Australian Government’s deed of agreement with the Victorian Department of Primary Industries.

**Browse Joint Venture**
*(Question No. 2134)*

**Senator Siewert** asked the Minister for Resources and Energy, upon notice, on 5 September 2012:

With reference to the proposed Browse liquefied natural gas (LNG) precinct at James Price Point and the recent comments made by the Premier of Western Australia that the Woodside led joint venture "may lose their gas rights" if they do not develop an LNG plant at James Price Point:

(1) Does the Western Australian Government have the power to remove retention leases from the joint venture partners; if so, (a) is such a decision required to be jointly made with the Federal Government; and (b) what other conditions must be satisfied before the removal of retention leases can take place.

(2) Which ministers or entities have the power to make a decision to remove retention leases from the Browse joint venture partners and under what conditions.

(3) Has a unitisation agreement been determined regarding the amount of royalties Western Australia would receive from the proposed Browse LNG joint venture gas fields.

**Senator Chris Evans:** The Minister for Resources and Energy has provided the following answer to the honourable senator's questions:

(1) The Browse Joint Venture holds seven offshore petroleum retention leases, five of which are located in Commonwealth waters offshore of Western Australia and two of which are located in Western Australian state waters.

The Western Australian Government has responsibility for decisions in relation to the two offshore petroleum retention leases that are located within Western Australian state waters.
In respect of the five offshore petroleum retention leases in Commonwealth waters, the Commonwealth-Western Australia Offshore Petroleum Joint Authority, comprising the Western Australian Minister for Mines and Petroleum, the Hon Norman Moore MLC, and the Commonwealth Minister for Resources and Energy, the Hon Martin Ferguson AM MP, is the decision-maker in relation to the management (grant, renewal, suspension, variation or cancellation) of offshore petroleum titles. Decisions in relation to these titles are made jointly between the two Ministers. Where disagreement occurs between the members of the Joint Authority, the Commonwealth Minister may decide the matter and the Commonwealth Minister's decision has effect as the decision of the Joint Authority.

The Joint Authority may consider cancelling an offshore petroleum title under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (the Act) where the titleholder has not complied with:

- a condition to which the title is subject;
- a direction given to the titleholder by the Commonwealth Minister, NOPSEMA or the Joint Authority;
- a provision of the Act or regulations; or
- the payment of royalties.

The Joint Authority must take into account any action taken by the titleholder to remove the ground(s) of cancellation or to prevent the recurrence of similar grounds. The titleholder must be consulted in the course of the Joint Authority's decision-making process.

(2) See response to Question 1 above.

(3) No.

**Fair Work Building Industry Inspectorate**

*(Question No. 2137)*

**Senator Abetz** asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 5 September 2012:

With reference to the Office of the Fair Work Building Industry Inspectorate (FWBII) Contract Notices CN717252, CN758001, CN758041, CN760931, CN760961 and CN762541:

1. Can a breakdown be provided of the total amount spent by FWBII on advertising, promotion and information materials, including the: (a) cost; (b) date ordered and date received; (c) authorising officer; (d) type of material and its contents; and (e) quantity.

2. Can copies of all advertising, promotion and information materials be provided, including those relating to the listed Contract Notices.

**Senator Wong:** The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator's question:

(1)

<table>
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<tr>
<th>CN Number</th>
<th>Cost</th>
<th>Date Ordered</th>
<th>Date Received</th>
<th>Authorising Officer</th>
<th>Type of material and contents</th>
<th>Quantity</th>
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<td>7 May 2012</td>
<td>7 June 2012</td>
<td>Executive Director, Industry &amp; Public Affairs</td>
<td>USB drives containing fact sheets, guidance notes, copies of legislation and other material</td>
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Right of Entry – Federal Union Officials: what to do when visiting a site
• Right of Entry – What to do when a union official comes on your site
• Drink bottle proof (750ml) FWBC
• Documents and video contained on USB devices. (Video also at http://www.youtube.com/watch?v=qzVIp0YWIRA)
• FWBC introductory brochure
• FWBC folder

Education, Employment and Workplace Relations
(Question No. 2143)

Senator Abetz asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 7 September 2012:

With reference to the answer provided to question no. EW0015.13, taken on notice during the 2012–13 Budget estimates hearing of the Education, Employment and Workplace Relations Legislation Committee: was the submission approved as drafted by the department.

Senator Wong: The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator’s question:

There is not a simple ‘yes’ or ‘no’ answer to your question, as the Australian Government’s 2012 Annual Wage Review submission was a government submission.

Although the submission was jointly drafted by DEEWR and the Treasury in consultation with the Department of the Prime Minister and Cabinet, my office in consultation with the Office of the
Treasurer and the Prime Minister’s office had the responsibility to ensure the submission fully reflected a whole of Government view.

**Small Business**  
(Question No. 2145)

**Senator Abetz** asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 7 September 2012:

With reference to an article in the Australian Financial Review dated 15 August 2012, in which the Minister is quoted as stating ‘the challenges to small business are real but not from industrial relations’:

(1) What are the challenges to small business if not the result of pressures from industrial relations.

(2) Do the challenges include: (a) the 18 000 additional regulations imposed by the Government; if not, why not; and (b) the Carbon Tax; if not, why not.

**Senator Wong:** The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator’s question:

(1) The Government understands that Australian firms, especially small to medium size businesses, face a range of challenges in a competitive and continually changing economic environment. The Australian economy is undergoing structural change resulting from the ongoing demand for Australia’s key commodities exports, the sustained high dollar, cautious consumer behaviour since the global financial crisis, and changing patterns of domestic spending, including the shift towards services and a clean energy future. While representing opportunities for many businesses, these changes represent challenges for others. Some particular pressures that businesses are facing include gaining access to global supply chains and major investment projects, obtaining sufficient access to business finance and building the capabilities to adapt and drive change.

(2) The OECD’s review of Australian regulatory practices describes Australia as ‘one of the front-running countries in the OECD in terms of its regulatory reform practices’ and observes that ‘in general the Australian States demonstrate regulatory management practices that are among OECD best practice’. In further improving regulatory settings and reducing red-tape, the Government is continuing to implement an ambitious and comprehensive deregulation agenda.

Through COAG, the Commonwealth Government is pursuing a comprehensive deregulation and harmonisation agenda under the National Partnership to Deliver a Seamless National Economy (SNE). Forty-five separate reforms are being progressed under this National Partnership, comprising of 27 deregulation priorities in driving competition, boosting productivity, improving labour mobility, and reducing business compliance costs by removing unnecessary or inconsistent regulation. The Productivity Commission estimates that this comprehensive reform agenda could reduce costs to business of around $4 billion per year.

The Government’s Clean Energy Future Plan will cut pollution and drive investment, helping to ensure Australian businesses can compete and remain prosperous in the future. It will create new opportunities for a range of small entrepreneurs and business owners, across various industries. For example, opportunities will open up for businesses to develop services and products in new clean industries such as renewable energy generation, carbon farming and sustainable design.

No small businesses will have to pay a price on carbon pollution directly or deal with new red tape. Only the biggest polluters, around 300 businesses nation wide, have to directly pay for their carbon pollution. The Household Assistance Package is giving extra assistance to eligible households to help with increased costs. The Government is committed to supporting small business in making the transition to Australia’s low-pollution economy in the future.

- The Government has increased the small business instant asset write-off threshold to $6,500 from 1 July 2012. This will assist small businesses by improving their cash flow and making it easier to
invest in more energy efficient equipment. There is no limit to the number of items that can be written off in a financial year. It is estimated that this will be worth more than $1 billion to small business in 2013-14 alone.

- The Government has also established the $40 million Energy Efficiency Information Grants program, providing grants to organisations with an established relationship with small businesses, to deliver targeted and industry specific information on practical measures they can take to reduce their energy costs. The Government has announced the successful applicants under Round One of the Program, meaning that $20 million will be distributed to 28 organisations across a range of sectors.

- The Australian Government is further supporting small business by promoting investment in innovative clean technology through the $1.2 billion Clean Technology Programs, which provide grants to help manufacturers improve their energy efficiency and to support investment in clean technology innovation across industry.

- The Government has also announced a Clean Energy and Other Skills Package which will invest up to $32 million over 4 years to enable tradespeople and professionals in key industries to develop the skills needed to deliver clean energy services, products and advice to Australian communities and businesses.

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**Defence**

(Question No. 2146)

Senator Humphries asked the Minister representing the Minister for Defence, upon notice, on 10 September 2012:

In regard to each department and agency within the Minister’s responsibility:

1. Has there been a reduction in the number of plants in departmental and agency offices; if so:
   a. by what percentage;
   b. on what date did it come into effect;
   c. what was the reason for the reduction; and
   d. how much will each department and agency save as a result?

2. What is the budget for the facilities management branch (or equivalent) in the:
   a. 2011-12; and
   b. 2012-13 financial years?

3. What is the name of the organisation contracted to supply plants to departmental and agency offices?

4. If a reduction in the number of office plants has taken place, when was the contracted organisation first made aware of the decision?

5. Were staff consulted regarding a possible reduction in plants prior to it taking place?

6. Have any complaints been registered from staff in relation to reductions in office plants?

Senator Bob Carr: The Minister for Defence has provided the following answer to the honourable senator’s question:

1. (a), (b), (c) and (d)
The information sought is not readily available, and an unreasonable amount of departmental resources would be required to develop a response.

(2) (a) and (b)

Defence has 72 major bases, and the budget to run and maintain them was approximately $1.3 billion in 2011-12 (this does not include provision of office plants which are provided under local arrangement in some locations). In 2012-13, the budget allocated to running and maintaining Defence bases is around $1.0 billion.

The budget to run and maintain Defence facilities includes utilities (power, water etc), estate maintenance (repairs and minor upgrades but not major capital facilities projects), and garrison support such as cleaning, grounds maintenance, waste management, and pest and vermin inspection/advisory services.

(3) There is not one single organisation contracted to supply plants to Departmental and agency offices.

(4,5,6) The information sought is not readily available, and an unreasonable amount of Departmental resources would be required to develop a response.

**Health and Ageing**

(Question Nos 2150 and 2151)

Senator Humphries asked the Minister representing the Minister for Health, upon notice, on 10 September 2012:

In regard to each department and agency within the Minister's responsibility:

1. Has there been a reduction in the number of plants in departmental and agency offices; if so: (a) by what percentage; (b) on what date did it come into effect; (c) what was the reason for the reduction; and (d) how much will each department and agency save as a result.

2. What is the budget for the facilities management branch (or equivalent) in the: (a) 2011-12; and (b) 2012-13 financial years.

3. What is the name of the organisation contracted to supply plants to departmental and agency offices.

4. If a reduction in the number of office plants has taken place, when was the contracted organisation first made aware of the decision.

5. Were staff consulted regarding a possible reduction in plants prior to it taking place.

6. Have any complaints been registered from staff in relation to reductions in office plants.

**Senator Ludwig**: The Minister for Health has provided the following answer to the honourable senator's question:

Responses relate to the Department only for the 2012-13 financial year unless otherwise specified. To collate and compile the requested information for the whole portfolio would involve a significant resource effort that the Department is not currently in a position to undertake.

(1) No.

(2) Within the Department the repairs and maintenance budget is considered the equitable measure for reporting the facilities budget:

(a) 2011-12 financial year - $1,286,753.

(b) 2012-13 financial year - $1,172,153.

(3) 'Instyle Indoor Plant Hire'.

(4) Not applicable.
(5) Not applicable.
(6) Not applicable.

**Human Services**

(Question No. 2152)

Senator Humphries asked the Minister for Human Services, upon notice, on 10 September 2012:

In regard to each department and agency within the Minister’s responsibility:

1. Has there been a reduction in the number of plants in departmental and agency offices; if so: (a) by what percentage; (b) on what date did it come into effect; (c) what was the reason for the reduction; and (d) how much will each department and agency save as a result.

2. What is the budget for the facilities management branch (or equivalent) in the: (a) 2011-12; and (b) 2012-13 financial years.

3. What is the name of the organisation contracted to supply plants to departmental and agency offices.

4. If a reduction in the number of office plants has taken place, when was the contracted organisation first made aware of the decision.

5. Were staff consulted regarding a possible reduction in plants prior to it taking place.

6. Have any complaints been registered from staff in relation to reductions in office plants.

Senator Kim Carr The Minister for Human Services has provided the following answers to the honourable senator’s question:

1. There has been a small reduction in the number of plants in departmental offices as sites have been refurbished and existing contracts have ended and not been renewed. Site refurbishments do not include plants in areas other than large common or public areas.

(a) Due to the size of the department’s property portfolio, it is not possible to calculate the percentage reduction in actual numbers of plants.

(b) End dates for various pre-existing arrangements occurred across the 2011-12 financial year and will continue to occur across 2012-13.

(c) The Department’s current accommodation guidelines do not provide for plants to be included in general work areas of existing sites or refurbishments. To bring existing sites into line with the guidelines, the Department is gradually reducing the overall number of indoor plants in general work spaces by allowing existing arrangements to lapse at the end of their current terms. Some larger sites will continue to have indoor plants provided in large common or public areas.

(d) The quantum of the forecast reduction in plant costs is still being determined. Any reduction in costs will be expected to be realised in 2013-14.

2. The Department does not have a facilities management branch. Due to the size and complexity of the property portfolio, management of the Department’s property and facilities functions spans two branches. The total combined budgets of the branches were $23,266,744 for 2011-12 and $22,391,742 for 2012-13, however, it should be noted that a number of other, non-property, corporate support functions are also delivered from within the allocated budget.

3. The Department has an outsourced property management services provider - Jones Lang La Salle (JLL). JLL contracts with individual service providers for the provision of plants and has contracts with six providers – Oasis Plant Hire, Ambius Indoor Plants, Instyle Plants, Botanic Plant Hire, Jindalee Indoor Plant Service and Red Cedar Plant Hire. Head Office sites in the ACT are supported via direct contractual arrangements with Living Simply and Instyle Indoor Plant Hire.
(4) The relevant service providers are provided notice in accordance with the respective contract conditions.

(5) Wherever possible, staff are provided with an opportunity to view and comment on the proposed floorplan at the planning stage of a refurbishment. Informal consultation is undertaken with staff in network offices when changes are proposed.

(6) The Property areas of the Department are not aware of any recorded complaints associated with reductions in office plants.

**Commercial Horse Assistance Payment Scheme**

**(Question No. 2155)**

**Senator Williams** asked the Minister for Agriculture, Fisheries and Forestry, upon notice, on 10 September 2012:

Given that, under the Commercial Horse Assistance Payment Scheme introduced in 2007, horses were required to be in training and ready to race, or at least fit and healthy and in their stables, in order to qualify for compensation:

(1) Was an inspection ever undertaken at any racecourse or stable to verify that the returns provided by trainers matched the numbers claimed?

(2) Were racing clubs contacted in order to verify that the claimed number of horses were in fact being trained on that track; if not, how were the numbers verified?

(3) Was the scheme ever audited by a body such as the Australian National Audit Office?

**Senator Ludwig:** The answer to the honourable senator’s question is as follows:

(1) Yes. The Commercial Horse Assistance Payments (CHAPs) program was delivered by six organisations under guidelines that allowed for on-site inspections to verify claims being made, or to verify claims being made by a third party. I am advised that site visits were made by all six delivery organisations.

(2) CHAPs delivery organisations included racing clubs in New South Wales and Queensland. Each delivery organisation was required under their funding deed to implement appropriate governance practices and maintain records to enable an independent review at the completion of the program. To ensure racehorse trainers did not claim payments for more horses than they had, applicants were required to:

- complete and sign an initial application form that included a declaration that all information in the statement was complete and accurate;
- provide evidence of stable returns detailing horses under their care that were in work but unable to generate an income; and
- complete a Statutory Declaration.

(3) The Australian National Audit Office has not audited CHAPs. However, each delivery organisation was subject to an independent third-party financial and performance audit at the completion of the program. The reports on individual delivery organisations were provided to the Department of Agriculture, Fisheries and Forestry and informed the findings of a final report. The final report is available on the Department of Agriculture, Fisheries and Forestry's website.