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SITTING DAYS—2008

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RADIO BROADCASTS
Broadcasts of proceedings of the Parliament can be heard on the following Parliamentary and News Network radio stations, in the areas identified.

- CANBERRA 103.9 FM
- SYDNEY 630 AM
- NEWCASTLE 1458 AM
- GOSFORD 98.1 FM
- BRISBANE 936 AM
- GOLD COAST 95.7 FM
- MELBOURNE 1026 AM
- ADELAIDE 972 AM
- PERTH 585 AM
- HOBART 747 AM
- NORTHERN TASMANIA 92.5 FM
- DARWIN 102.5 FM
FORTY-SECOND PARLIAMENT
FIRST SESSION—SECOND PERIOD

Governor-General
His Excellency Major General Michael Jeffery, Companion in the Order of Australia, Commander of the Royal Victorian Order, Military Cross

Senate Officeholders

President—Senator Hon. Alan Baird Ferguson
Deputy President and Chair of Committees—Senator John Joseph Hogg
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. Nicholas Hugh Minchin
Deputy Leader of the Opposition in the Senate—Senator Hon. Eric Abetz
Manager of Government Business in the Senate—Senator Hon. Joseph William Ludwig
Manager of Opposition Business in the Senate—Senator Hon. Christopher Martin Ellison

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. Nicholas Hugh Minchin
Deputy Leader of the Liberal Party of Australia—Senator Hon. Eric Abetz
Leader of the Nationals—Senator Hon. Nigel Gregory Scullion
Deputy Leader of the Nationals—Senator Hon. Ronald Leslie Doyle Boswell
Leader of the Australian Democrats—Senator Lynette Fay Allison
Leader of the Australian Greens—Senator Robert James Brown
Leader of the Family First Party—Senator Steve Fielding

Government Whips—Senators Kerry Williams Kelso O’Brien, Ruth Stephanie Webber and Dana Wortley
Liberal Party of Australia Whips—Senators Stephen Parry and Judith Adams
The Nationals Whip—Senator Fiona Joy Nash
Australian Democrats Whip—Senator Andrew John Julian Bartlett
Australian Greens Whip—Senator Rachel Siewert
Family First Party Whip—Senator Steve Fielding

Printed by authority of the Senate
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(1) Chosen by the Parliament of Queensland to fill a casual vacancy vice Hon. Santo Santoro, resigned.
(2) Chosen by the Parliament of Victoria to fill a casual vacancy vice Hon. Richard Kenneth Robert Alston, resigned.
(3) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.
(4) Chosen by the Parliament of Tasmania to fill a casual vacancy vice Susan Mary Mackay, resigned.
(5) Chosen by the Parliament of South Australia to fill a casual vacancy vice Hon. Robert Murray Hill, resigned.
(6) Chosen by the Parliament of South Australia to fill a casual vacancy vice Jeannie Margaret Ferris, died in office.
(7) Chosen by the Parliament of South Australia to fill a casual vacancy vice Hon. Amanda Eloise Vanstone, resigned.
(8) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Hon. Ian Gordon Campbell, resigned.
(9) Chosen by the Parliament of Tasmania to fill a casual vacancy vice Hon. Paul Henry Calvert, resigned.
(10) Chosen by the Parliament of Victoria to fill a casual vacancy vice Hon. Robert Francis Ray, resigned.

PARTY ABBREVIATIONS
AD—Australian Democrats; AG—Australian Greens; ALP—Australian Labor Party; CLP—Country Liberal Party; FF—Family First Party; LP—Liberal Party of Australia; NATS—The Nationals

Heads of Parliamentary Departments
Clerk of the Senate—H Evans
Clerk of the House of Representatives—I C Harris
Secretary, Department of Parliamentary Services—A Thompson
RUDD MINISTRY

Prime Minister
Hon. Kevin Rudd, MP

Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion
Hon. Julia Gillard, MP

Treasurer
Hon. Wayne Swan MP

Minister for Immigration and Citizenship and Leader of the Government in the Senate
Senator Hon. Chris Evans

Special Minister of State, Cabinet Secretary and Vice President of the Executive Council
Senator Hon. John Faulkner

Minister for Trade
Hon. Simon Crean MP

Minister for Foreign Affairs
Hon. Stephen Smith MP

Minister for Defence
Hon. Joel Fitzgibbon MP

Minister for Health and Ageing
Hon. Nicola Roxon MP

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

Minister for Finance and Deregulation
Hon. Lindsay Tanner MP

Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House
Hon. Anthony Albanese MP

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

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

Minister for Climate Change and Water
Senator Hon. Penny Wong

Minister for the Environment, Heritage and the Arts
Hon. Peter Garrett AM, MP

Attorney-General
Hon. Robert McClelland MP

Minister for Human Services and Manager of Government Business in the Senate
Senator Hon. Joe Ludwig

Minister for Agriculture, Fisheries and Forestry
Hon. Tony Burke MP

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

[The above ministers constitute the cabinet]
**RUDD MINISTRY—continued**

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<td>Hon. Chris Bowen MP</td>
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<td>Minister for Veterans’ Affairs</td>
<td>Hon. Alan Griffin MP</td>
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<td>Minister for Housing and Minister for the Status of Women</td>
<td>Hon. Tanya Plibersek MP</td>
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<td>Minister for Employment Participation</td>
<td>Hon. Brendan O’Connor MP</td>
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<td>Minister for Defence Science and Personnel</td>
<td>Hon. Warren Snowdon MP</td>
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<tr>
<td>Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation</td>
<td>Hon. Dr Craig Emerson MP</td>
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<td>Minister for Superannuation and Corporate Law</td>
<td>Senator Hon. Nick Sherry</td>
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<td>Minister for Ageing</td>
<td>Hon. Justine Elliot MP</td>
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<td>Minister for Youth and Minister for Sport</td>
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<td>Parliamentary Secretary for Early Childhood Education and Childcare</td>
<td>Hon. Maxine McKew MP</td>
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<td>Parliamentary Secretary for Defence Procurement</td>
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<td>Parliamentary Secretary for Defence Support</td>
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<td>Parliamentary Secretary for Regional Development and Northern Australia</td>
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<td>Parliamentary Secretary for Disabilities and Children’s Services</td>
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<td>Senator Hon. Ursula Stephens</td>
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<td>Parliamentary Secretary to the Minister for Trade</td>
<td>Hon. John Murphy MP</td>
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<td>Parliamentary Secretary to the Minister for Health and Ageing</td>
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<td>Parliamentary Secretary for Multicultural Affairs and Settlement Services</td>
<td>Hon. Laurie Ferguson MP</td>
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</table>
SHADOW MINISTRY

Leader of the Opposition

Deputy Leader of the Opposition and Shadow Minister for Employment, Business and Workplace Relations

Leader of the Nationals and Shadow Minister for Infrastructure and Transport and Local Government

Leader of the Opposition in the Senate and Shadow Minister for Defence

Deputy Leader of the Opposition in the Senate and Shadow Minister for Innovation, Industry, Science and Research

Shadow Treasurer

Manager of Opposition Business in the House and Shadow Minister for Health and Ageing

Shadow Minister for Foreign Affairs

Shadow Minister for Trade

Shadow Minister for Families, Community Services, Indigenous Affairs and the Voluntary Sector

Shadow Minister for Agriculture, Fisheries and Forestry

Shadow Minister for Human Services

Shadow Minister for Education, Apprenticeships and Training

Shadow Minister for Climate Change, Environment and Urban Water

Shadow Minister for Finance, Competition Policy and Deregulation

Manager of Opposition Business in the Senate and Shadow Minister for Immigration and Citizenship

Shadow Minister for Broadband, Communications and the Digital Economy

Shadow Attorney-General

Shadow Minister for Resources and Energy and Shadow Minister for Tourism

Shadow Minister for Regional Development, Water Security

Hon. Brendan Nelson MP

Hon. Julie Bishop MP

Hon. Warren Truss MP

Senator Hon. Nick Minchin

Senator Hon. Eric Abetz

Hon. Malcolm Turnbull MP

Hon. Joe Hockey MP

Hon. Andrew Robb MP

Hon. Ian Macfarlane MP

Hon. Tony Abbott MP

Senator Hon. Nigel Scullion

Senator Hon. Helen Coonan

Hon. Tony Smith MP

Hon. Greg Hunt MP

Hon. Peter Dutton MP

Senator Hon. Chris Ellison

Hon. Bruce Billson MP

Senator Hon. George Brandis

Senator Hon. David Johnston

Hon. John Cobb MP

[The above constitute the shadow cabinet]
Shadow Minister for Justice and Border Protection; Assisting Shadow Minister for Immigration and Citizenship
Hon. Chris Pyne MP

Shadow Special Minister of State
Senator Hon. Michael Ronaldson

Shadow Minister for Small Business, the Service Economy and Tourism
Steven Ciobo MP

Shadow Minister for Environment, Heritage, the Arts and Indigenous Affairs
Hon. Sharman Stone MP

Shadow Assistant Treasurer and Shadow Minister for Superannuation and Corporate Governance
Michael Keenan MP

Shadow Minister for Ageing
Hon. Bob Baldwin MP

Shadow Minister for Defence Science, Personnel; Assisting Shadow Minister for Defence
Luke Hartsuyker MP

Deputy Manager of Opposition Business in the House and Shadow Minister for Business Development, Independent Contractors and Consumer Affairs
Hon. Bronwyn Bishop MP

Shadow Minister for Veterans’ Affairs
Andrew Southcott MP

Shadow Minister for Employment Participation and Apprenticeships and Training
Hon. Sussan Ley MP

Shadow Minister for Housing and Shadow Minister for Status of Women
Hon. Pat Farmer MP

Shadow Parliamentary Secretary Assisting the Leader of the Opposition and Shadow Cabinet Secretary
Don Randall MP

Shadow Parliamentary Secretary Assisting the Leader of the Opposition in the Senate and Shadow Parliamentary Secretary for Northern Australia
Senator Hon. Ian Macdonald

Shadow Parliamentary Secretary for Health
Senator Hon. Richard Colbeck

Shadow Parliamentary Secretary for Education
Senator Hon. Brett Mason

Shadow Parliamentary Secretary for Defence
Hon. Peter Lindsay MP

Shadow Parliamentary Secretary for Infrastructure, Roads and Transport
Barry Haase MP

Shadow Parliamentary Secretary for Trade
John Forrest MP

Shadow Parliamentary Secretary for Immigration and Citizenship
Louise Markus MP

Shadow Parliamentary Secretary for Local Government
Sophie Mirabella MP

Shadow Parliamentary Secretary for Tourism
Jo Gash MP

Shadow Parliamentary Secretary for Ageing and the Voluntary Sector
Mark Coulton MP

Shadow Parliamentary Secretary for Foreign Affairs
Senator Marise Payne

Shadow Parliamentary Secretary for Families and Community Services
Senator Cory Bernardi
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**THURSDAY, 26 JUNE**

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Thursday, 26 June 2008

The PRESIDENT (Senator the Hon. Alan Ferguson) took the chair at 9.30 am and read prayers.

PETITIONS

The Clerk—Petitions have been lodged for presentation as follows:

Savannah Cats
To the Honourable President and members of the Senate in Parliament assembled.

The petition of the undersigned shows:

Stop the importation and breeding of ALL new hybrid cats such as the Savannah Cat.

The petitioners request that the Senate:

• Stop the importation and breeding of ALL new hybrid cats such as the “Savannah Cat”. As can be seen from the damage currently being done by feral cats, a bigger, stronger cat bred from an already wild cat breed can only lead to the decimation of even more of our native, fauna. The fact that animals like these can come into the country without going through the usual quarantine processes or risk assessments urgently needs to be addressed. The current quarantine laws urgently need to be modified to stop these animals from entering Australia. Yours sincerely,

by Senator Milne (from 987 citizens)

Iraq and Afghanistan
Troops Out of Iraq & Afghanistan
To the Honourable the President and Members of the Senate in Parliament assembled:

The Petition of the undersigned shows:

• That using the pretext of pursuing terrorists successive governments have attempted to impose a ‘pro-western’ government on the people of Afghanistan;
• That using the pretext of ‘weapons of mass destruction’ Australia engaged in an ‘aggressive war’ against Iraq, in violation of international law;
• That the Australian Government aids and abets in the occupations of Iraq and Afghanistan to maintain their preferred regimes contrary to the 1945 UN Charter, the 1960 Declaration of Decolonisation and the 1966 International Bill of Rights;
• Foreign military occupations have never imposed ‘democracy’ on any nation.

Your Petitioners ask that the Senate should demand that:

• The Australian Government immediately withdraw ALL Australian troops from Iraq;
• The Australian Government immediately withdraw ALL Australian troops from Afghanistan;
• The Australian Government recognise the right of the Afghan and Iraqi people to self-determination, as noted in the first article of the International Bill of Rights.

by Senator Nettle (from 804 citizens)

Australian Broadcasting Corporation
To the Honourable President and members the Senate in Parliament assembled:

The petition of the undersigned electors of the state of New South Wales, draw to the attention of the Senate, the uncertain and rapidly changing world of information and communication with reference to the Australian Broadcasting Corporation.

Your petitioners therefore request that the Senate maintain the integrity of the Australian Broadcasting Corporation by ensuring that:

• No commercial advertising is allowed;
• The Corporation is properly funded;
• Funding is untied;
• Independence of the ABC from government is maintained;
• Appointments to the ABC Board are based on merit;
• The staff elected representative is re-instated to the Board.

by Senator Nettle (from 499 citizens)

Petitions received.

NOTICES

Presentation

Senator Moore to move on the next day of sitting:

That the Senate endorse the recommendation contained in paragraph 1.10 of the Community Affairs Committee report on the 2008-09 Budget estimates that:

Future estimates hearing programs include a separate time to conduct an estimates hearing on In-
digienous matters that would include all the portfolios with budget expenditure or responsibility for Indigenous issues.

Senator WORTLEY (South Australia) (9.31 am)—On behalf of the Senate Standing Committee on Regulations and Ordinances, following the receipt of a satisfactory response I give notice that on the next day of sitting I shall withdraw business of the Senate notices of motion Nos 2, 3, 4 and 5 standing in my name for 10 sitting days after today for the disallowance of Instrument No. CASA 222/07, Instrument No. CASA 364/07, Instrument No. CASA 445/07 and Instrument No. CASA 450/07. I seek leave to incorporate in Hansard the committee’s correspondence concerning these instruments.

Leave granted.

Instruments Nos. CASA 222/07, 364/07, 445/07 and 450/07
13 March 2008
The Hon Anthony Albanese MP
Minister for Infrastructure, Transport, Regional Development and Local Government
Suite MG43
Parliament House
CANBERRA ACT 2600
Dear Minister
On 20 September 2007 the Committee wrote to the former Minister for Transport and Regional Development, the Hon Mark Vaile MP, seeking advice on certain matters relating to CASA Instrument No 222/07 made under regulation 208 of the Civil Aviation Regulations 1988. The Committee was awaiting a response when the Parliament was prorogued for the last federal election and owing to the change in government at that election; the Department requested that this matter be referred to you.

This instrument, which permits Jetstar Airways Pty Ltd to operate certain aircraft with a reduced number of cabin attendants, is in similar terms to previous instruments which make the same provision for other airlines (CASA Instrument No 321/06, which relates to Virgin Blue Airlines Pty Ltd, and CASA Instrument No 172/07, which relates to Pacific Blue Airlines (NZ) Ltd.)

The Committee has received advice from professional associations involved in the aviation industry expressing concern at the level of consultation undertaken prior to the making of these instruments.

Instrument No 321/06 refers to consultation both “within CASA and with Virgin Blue”, with consultation concluded by the signing of a document outlining agreements and undertakings. Instrument No 172/07 states that no consultation was conducted because the direction “is in terms identical to one previously issued to another operator in respect of the same type of aircraft” and that “any other operator requesting a direction in the same terms would have to meet the same or an equivalent standard”. This Standard seems to involve briefing passengers seated in the over-wing emergency exit rows on emergency evacuation procedures. Instrument No 222/07 simply states that consultation was not undertaken “because the instrument is similar to a previous instrument issued to another operator”.

No wider consultation seems to have been undertaken on these instruments. The Committee has been advised that wider consultation with specialist stakeholders may have led to the canvassing of a number of significant technical issues including evacuation efficiency, crew member redundancy and effective security oversight, and have led to a more complete analysis of the safety of the proposals.

In addition, the Committee has been advised that these instruments run counter to a statement made to the Parliament by then Minister John Anderson on 2 June 2003. This statement, which was made following a review of Notice of Proposed Rule making (NPRM) 0211 OS, affirmed that Australian cabin crew ratios would not be altered.

Finally, could you advise whether the Office of Best Practice Regulation was consulted about the need for a Regulation Impact Statement?

The Committee notes that since it last wrote to the former Minister further instruments have been made that reduce the number of cabin attendants across a variety of aircraft types — CASA Instrument No 344/07 with relates to Macair Airlines
Pty Ltd, CASA Instrument No 364/07 with relates to Capiteq Limited, CASA Instrument No 445/07 with relates to Qantas Airways Ltd and CASA Instrument No 350/07 with relates to Tiger Airways Pty Limited. The explanatory statements that accompany these instruments also advise that consultation was not undertaken.

The Committee would appreciate your advice on the above matters as soon as possible, but before 28 April 2008, to enable it to finalise its consideration of this instrument. Correspondence should be directed to the Chair, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely
Senator Dana Wortley
Chair

Response received 26 June 2008

Senator Dana Wortley
Chair
Senate Standing Committee on Regulations and Ordinances
Room SG49
Parliament House CANBERRA

Dear Senator Wortley

I refer to your letter of 13 March 2008 (your reference 45/2008) about the Civil Aviation Safety Authority’s (CASA) Instrument No 222/07 made under Regulation 208 of the Civil Aviation Regulations (CAR) 1988, regarding cabin crew ratios on Jetstar aircraft. I also refer to the Committee’s recent motions to disallow similar instruments for Qantas, Tiger Airways and Capiteq Limited (Airnorth).

Your letter raises important questions regarding these instruments, primarily relating to the safety outcome, the consultation undertaken and whether the Office of Best Practice Regulation (OBPR) was consulted with regard to the need for a Regulation Impact Statement (RIS).

I understand that CASA has conducted thorough assessments of the safety cases provided by the operators in question. In each case the application process included a comprehensive review of the application and the applicable standards, meetings with the operators to resolve issues, and practical demonstrations including evacuation efficiency and crew member redundancy issues.

Given the complexity of the proposals, the safety cases put up by the operators generally take CASA months of detailed review, consultation and testing.

The regulation against which these instruments were issued is now almost 50 years old and does not consider the numerous advances in aviation technology over that time.

As part of the evaluation process, CASA has considered the certification standards for the aircraft and standards applied in other advanced aviation countries including the US, UK and NZ. It is worth noting that, in these countries, similar judgments have been made, effectively based on the type certification of the aircraft types for which CASA has now also provided exemptions in these four cases.

With regard to consultation, under section 17 of the Legislative Instruments Act 2003 (L1A), my understanding is that the rule-maker must be satisfied that any consultation it considers to be appropriate, and that is reasonably practicable to undertake, has been undertaken.

I am advised that CASA considers that appropriate consultation has been undertaken in this case.

In relation to your concerns regarding RIS, the OBPR was not consulted. As you would be aware, RISs are not required when business compliance costs and other impacts are considered to be low. CASA produces hundreds of legislative instruments annually and is currently discussing with OBPR the policy related to legislative instruments such as these.

With regard to safety, you would be aware that, under section 9 of the Civil Aviation Act 1988, CASA’s functions are all essentially safety-related, and a central feature of that responsibility involves making a range of safety-related judgements. In the context of cabin crew ratios, I believe that CASA has made appropriate safety judgements and that these instruments should not be disallowed.

I acknowledge that the development and implementation of aviation regulations is a complex process for the regulator and industry and there is
an opportunity for this matter to be addressed as part of the forthcoming aviation white paper.

Yours sincerely

Anthony Albanese
Minister for Infrastructure, Transport, Regional Development and Local Government

BUSINESS

Rearrangement

Senator LUDWIG (Queensland—Minister for Human Services) (9.32 am)—I move:

That the following government business orders of the day be considered from 12.45 p.m. till not later than 2 p.m. today:

No. 3 Australian Energy Market Amendment (Minor Amendments) Bill 2008
No. 4 Veterans’ Affairs Legislation Amendment (International Agreements and Other Measures) Bill 2008
No. 5 Military Memorials of National Significance Bill 2008–
No. 6 Customs Amendment (Strengthening Border Controls) Bill 2008
No. 7 Customs Legislation Amendment (Modernising) Bill 2008
No. 8 Lands Acquisition Legislation Amendment Bill 2008
No. 9 Governance Review Implementation (AASB and AUASB) Bill 2008
No. 10 Civil Aviation Legislation Amendment (1999 Montreal Convention and Other Measures) Bill 2008
No. 11 Protection of the Sea (Civil Liability for Bunker Oil Pollution Damage) Bill 2008
No. 12 Sydney Airport Demand Management Amendment Bill 2008
No. 13 Governor-General Amendment (Salary and Superannuation) Bill 2008

Question agreed to.

Rearrangement

Senator LUDWIG (Queensland—Minister for Human Services) (9.33 am)—by leave—I move:

That at 5.30 pm today, Senator Webber may make a valedictory statement for not longer than 20 minutes.

Question agreed to.

NOTICES

Postponement

The following item of business was postponed:

General business notice of motion no. 123 standing in the name of the Leader of the Family First Party (Senator Fielding) for today, relating to an amendment to the reporting date for the Joint Standing Committee on Electoral Matters inquiry into the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008, postponed till 26 August 2008.

COMMITTEES

Membership

The PRESIDENT—I have received letters from party leaders seeking variations to the membership of committees.

Senator LUDWIG (Queensland—Minister for Human Services) (9.33 am)—by leave—I move:

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

Agricultural and Related Industries—Select Committee—
Appointed—Participating member:
Senator Siewert

Economics—Standing Committee—
Appointed—
Substitute members:
Senator Cormann to replace Senator Joyce for the committee’s inquiry into the Excise Legislation Amendment (Condensate) Bill 2008 and a related bill
Senator Cormann to replace Senator Bushby for the committee’s inquiry into the Tax Laws Amendment (Medicare Levy Surcharge Thresholds) Bill 2008
Participating members: Senators Bushby and Joyce

Fuel and Energy—Select Committee—
Appointed—
Senators Bushby, Cormann, Fierravanti-Wells and Joyce

National Broadband Network—Select Committee—
Appointed—
Senators Birmingham, Fisher, Ian Macdonald and Nash
Participating members: Senators Abetz, Adams, Barnett, Bernardi, Boswell, Boyce, Brandis, Bushby, Colbeck, Coonan, Cormann, Eggleston, Ellison, Ferguson, Fierravanti-Wells, Fifield, Heffernan, Humphries, Johnston, Joyce, Mason, McGauran, Minchin, Parry, Payne, Ronaldson, Scullion, Troeth and Trood

Rural and Regional Affairs and Transport—Standing Committee—
Discharged—Senator Siewert, from 23 August 2008
Appointed—
Senator Milne, from 23 August 2008

Question agreed to.

WORLD YOUTH DAY

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion) (9.34 am)—I move:

That the Senate—

(a) notes that:

(i) Australia will host the visit of Pope Benedict XVI for World Youth Day 2008 from 15 July to 20 July 2008, in Sydney,

(ii) the Catholic Archdiocese of Sydney, with the support of the New South Wales and Australian Governments were successful in bidding for the World Youth Day 2008 celebrations and all have worked tirelessly to ensure the event showcases Australia to the world,

(iii) more than 225,000 young pilgrims are expected to take part in the World Youth Day celebrations, including more than 125,000 overseas pilgrims and up to 500,000 are expected to participate in the final mass celebrated by the Holy Father at Randwick Racecourse on 20 July 2008,

(iv) 40,000 Sydneysiders have opened up their homes as home stay accommodation for pilgrims, and

(v) 8,000 volunteers will assist in ensuring that this celebration of spirituality and youth is a safe and successful event;

(b) welcomes the Holy Father for his first visit as Head of State to Australia;

(c) congratulates him on his commitment to interfaith dialogue whilst in Australia; and

(d) wishes all involved in World Youth Day 2008 a successful and uplifting week of celebration.

Question agreed to.
COMMITTEES

Education, Employment and Workplace Relations Committee
Reference
Senator MARSHALL (Victoria) (9.34 am)—I move:
That the following matter be referred to the Education, Employment and Workplace Relations Committee for inquiry and report by 20 March 2009:
Developing Australia’s capacity in the area of climate change, with particular reference to:
(a) the ability of universities and other research and training institutions to meet current and future demand for climate change professionals; and
(b) measures to assist understanding of climate change in the Asia-Pacific region, including provision of training and skills assistance.

Legal and Constitutional Affairs Committee
Reference
Senator CROSSIN (Northern Territory) (9.35 am)—I move:
That the following matter be referred to the Legal and Constitutional Affairs Committee for inquiry and report:
The effectiveness of the Commonwealth Sex Discrimination Act 1984 in eliminating discrimination and promoting gender equality, with particular reference to:
(a) the scope of the Act, and the manner in which key terms and concepts are defined;
(b) the extent to which the Act implements the non-discrimination obligations of the Convention of the Elimination of All Forms of Discrimination against Women and the International Labour Organization or under other international instruments, including the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights;
(c) the powers and capacity of the Human Rights and Equal Opportunity Commissioner and the Sex Discrimination Commissioner, particularly in initiating inquiries into systemic discrimination and to monitor progress towards equality;
(d) consistency of the Act with other Commonwealth and state and territory discrimination legislation, including options for harmonisation;
(e) significant judicial rulings on the interpretation of the Act and their consequences;
(f) impact on state and territory laws;
(g) preventing discrimination, including by educative means;
(h) providing effective remedies, including the effectiveness, efficiency and fairness of the complaints process;
(i) addressing discrimination on the ground of family responsibilities;
(j) impact on the economy, productivity and employment (including recruitment processes);
(k) sexual harassment;
(l) effectiveness in addressing intersecting forms of discrimination;
(m) any procedural or technical issues;
(n) scope of existing exemptions; and
(o) other matters relating and incidental to the Act.

Rural and Regional Affairs and Transport Committee
Reference
Senator SIEWERT (Western Australia) (9.35 am)—I move:
That—
(a) the Senate notes the significant natural resource management and conservation challenges faced by Australia; and
(b) the following matters be referred to the Rural and Regional Affairs and Transport Committee for inquiry and report:
Developing Australia’s capacity in the area of climate change, with particular reference to:
(a) the ability of universities and other research and training institutions to meet current and future demand for climate change professionals; and
(b) measures to assist understanding of climate change in the Asia-Pacific region, including provision of training and skills assistance.

Question agreed to.
Committee for inquiry and report by 27
November 2008:
(i) the lessons learned from the successes
and failures of three decades of Com-
monwealth investment in resource
management including Landcare, the
National Heritage Trust, the National
Action Plan for Salinity and Water
Quality, and other national programs,
(ii) how we can best build on the knowl-
edge and experience gained from these
programs to capitalise on existing net-
works and projects, and maintain
commitment and momentum among
land-holders,
(iii) the overall costs and benefits of a re-
gional approach to planning and man-
agement of Australia’s catchments,
coasts and other natural resources,
(iv) the need for a long-term strategic ap-
proach to natural resource management
(NRM) at the national level,
(v) the capacity of regional NRM groups,
catchment management organisations
and other national conservation net-
works to engage land managers, re-
source users and the wider community
to deliver on-the-ground NRM out-
comes as a result of the recent changes
to funding arrangements under the new
Caring for our Country program, and
(vi) the extent to which the Caring for our
Country program represents a compre-
hensive approach to meeting Austra-
lia’s future NRM needs.

Senator Faulkner—Mr President, I rise
on a point of order. It is unusual to have a
situation where there is no opposition duty
minister in the chamber. I am pleased that,
by raising this point of order, I have given an
opportunity for Senator Ellison to come into
the chamber to assist the acting Opposition
Whip. This does provide an opportunity for
you to perhaps put this question again, as I
slowly complete what I think is an important
point of order that I hope you are going to, in
your wisdom, find considerable favour with.

The PRESIDENT—Thank you, Senator
Faulkner. You are very generous. The ques-
tion is that Senator Siewert’s motion be
agreed to.

Question agreed to.

GT LESTE BIOTECH

Senator BOB BROWN (Tasmania—
Leader of the Australian Greens) (9.37
am)—I move:

That the Senate asks the Minister for Foreign
Affairs (Mr Smith) to assess the memorandum of
understanding between the Government of Timor
Leste and GT Leste Biotech for a 100,000 hectare
sugar plantation and ethanol plant to ensure Aus-
tralian funds are not involved if there are adverse
social or environmental consequences.

Question put.

The Senate divided. [9.42 am]
(The President—Senator the Hon. Alan
Ferguson)

Ayes…………… 8
Noes…………… 50
Majority……… 42

AYES
Allison, L.F.     Bartlett, A.J.J.
Brown, B.J.      Fielding, S.
Milne, C.        Murray, A.J.M.
Nettle, K.       Siewert, R. *

NOES
Abetz, E.         Adams, J.
Barnett, G.      Bernardi, C.
Boyce, S.        Bishop, T.M.
Brown, C.L.      Brandis, G.H.
Carr, K.J.       Bushby, D.C.
Colbeck, R.      Chapman, H.G.P.
Conroy, S.M.     Collins, J.
Cormann, M.H.P.  Coonan, H.L.
Eggleston, A.    Crossin, P.M.
Ferguson, A.B.   Faulkner, I.P.
Fifield, M.P.    Fierravanti-Wells, C.
Humphries, G.   Hogg, J.J.
Hutchins, S.P.  Hurley, A.
Kemp, C.R.       Johnston, D.
Ludwig, J.W.     Kirk, L.
Lundy, K.A.
Senator FAULKNER (New South Wales—Special Minister of State and Cabinet Secretary) (9.46 am)—Mr President, I seek leave to make a short statement in relation to the motion the Senate has just dealt with.

Leave granted.

Senator FAULKNER—I note that Senator Brown’s notice of motion relates to a memorandum of understanding between the Timor Leste government and an Indonesian company. The Australian government is not in a position to assess memorandums of understanding between other parties. I can say to the Senate that the government is not currently aware of any Australian Commonwealth funding for this project.

Leave granted.

Senator FAULKNER—I note that Senator Brown’s notice of motion relates to a memorandum of understanding between the Timor Leste government and an Indonesian company. The Australian government is not in a position to assess memorandums of understanding between other parties. I can say to the Senate that the government is not currently aware of any Australian Commonwealth funding for this project.

Leave granted.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.46 am)—I seek leave to make a short statement.

Leave granted.

Senator BOB BROWN—I thank Senator Faulkner for that information. The motion sought to ensure that no Australian government funding does go into this very contentious proposal for 100 hectares of food producing land in Timor Leste to be taken over by a company for the production of ethanol. I will be further seeking to ensure that Australian public funds are not given to that purpose.

Question negatived.

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Question negatived.
time of the International Whaling Commission meeting; and
(d) calls on the Australian Government to press the Japanese Government to take action on the alleged embezzlement of whale meat, and to either charge the Greenpeace activists with an offence or release them.

Question agreed to.

BUDGET
Consideration by Estimates Committees

Additional Information

Senator O’BRIEN (Tasmania) (9.50 am)—At the request of the chairs of the respective committees I present additional information received by committees relating to estimates as follows:
Community Affairs Committee—4 volumes
Economics Committee—6 volumes
Education, Employment and Workplace Relations Committee—1 volume
Environment, Communications and the Arts Committee—2 volumes
Finance and Public Administration Committee—2 volumes
Foreign Affairs, Defence and Trade Committee—1 volume
Legal and Constitutional Affairs Committee—3 volumes
Rural and Regional Affairs and Transport Committee—1 volume

COMMITTEES

Publications Committee

Report

Senator CAROL BROWN (Tasmania) (9.51 am)—I present the third report of the Publications Committee.

Ordered that the report be adopted.

Community Affairs Committee

Report

Senator MOORE (Queensland) (9.51 am)—I present the report of the Senate Standing Committee on Community Affairs, A matter relating to the Positron Emission Tomography (PET) Review 2000, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator MOORE—I move:

That the Senate take note of the report.

I will speak very briefly to allow some other senators to make comments, and I know there will be some interest in this report. When my friend Kay Denman asked me to ask questions on this issue in Senate estimates in 2003, I did not realise just how much of an interest I would be taking in the issues around PET in Australia. In respect of this report, we have received complaints from a number of people, particularly Dr Ware and Professor Hicks, who are particularly concerned about the process that went on around the introduction and the assessment of PET during the MSAC process in 2000. You may ask why we are taking note of this issue in 2008. The reason is that there was never a formal completion of the discussion around this process, and it should have happened much earlier.

The committee became immersed in correspondence going backwards and forwards between a range of people. The key element that came out for some of us on the committee was that there was genuine confusion, lack of closure, lack of openness in communication and also deep hurt caused—I do not believe deliberately—to a couple of people who had dedicated their lives to developing PET and making sure that it was valued not just in Australia but also internationally.

People had a range of views, and I think one of the real issues we struggled with was that all this went on in 2000 and we were trying to come to grips with a trail of communication that was clouded, at best, and made worse by the fact that all the officers in
the Department of Health and Ageing who were originally dealing with this issue were no longer in the employ of the department. We received information at several hearings from a series of officers who were reliant on documents which were not up to scratch.

One of the issues that has come out of this particular report is that we must do better. There is no doubt about that. I think the department has accepted that. There have already been changes made to the way the MSAC process operates and the way documentation is maintained. I think Dr Ware and Professor Hicks particularly deserve an apology and I am giving that now, even though it is not a formal recommendation from our committee. I am sorry that they have gone through the last seven to eight years of concern, legal expenses, doubt and, I believe, ill health as a result of this process. This may well apply to other people but I particularly wanted to name those two gentlemen.

We believe that the system has been flawed. We believe it can do better. One of the good things to come out of this is that PET, the technology to which so many people are dedicated, particularly Dr Ware and Professor Hicks, has been strongly vindicated through the years of testing and exploration. This is a great technology. It provides services to many people. We should be proud of it. The way this process went ahead was a blot. Our committee became deeply involved. I do not think a single member of the committee was left untouched after working through this process. I want to leave it to other senators to make their contributions.

Senator HUMPHRIES (Australian Capital Territory) (9.55 am)—The Chair of the Senate Standing Committee on Community Affairs indicated that there were a range of views on the evidence that the committee was presented with on this matter. I have to say that my view will be very different to that of other senators who sat through that inquiry. I want to bring closure to a very long inquiry that the committee engaged in on this matter. This inquiry took two years. It conducted three public hearings. There were at least eight private meetings of the committee that I counted to do with this matter. There were hundreds of documents. The Department of Health and Ageing received well over 100 pieces of correspondence on the issue. There were questions at the estimates committee. There was enormous vexation about this issue.

The issue, in my view, boils down to a single word that appeared in a report prepared by what was called an inferior committee in a process designed by the department of health to answer a question about whether Australian medicine should be allowed to have access to this new technology—positron emission tomography. The question is why that one word had been added to a report of the committee charged with a professional review by the department of health in 2000. I should point out that this was not the drafting of a recommendation about to go to the minister for health. The process was much more attenuated than that. It started with a consultancy and then went through a supporting committee, a steering committee and the Medical Services Advisory Committee process and then it went to the minister for health to see whether this particular technology should be approved for general use.

The stage we are talking about was a fairly early one in this review process—the report of the so-called supporting committee, which was making recommendations to the so-called steering committee. The chair of that supporting committee, Professor Richard King, a respected academic and clinician, had the task of preparing the report of his supporting committee to present to the next committee up the line, which was the steering committee. The issue was whether posi-
tron emission tomography should be funded by the taxpayer for general or restricted use in Australian medicine.

The meetings, I gather, had been difficult. Members of the committee took different views about this particular technology and there were some arguments in the course of the committee. Eventually Professor King, as the chair of the committee, had to prepare a report. The report, I should say, was not the minutes of this committee; it was a draft of a report which was to be handed up to the next stages until it finally reached the minister. The minister, on the basis of the recommendation from that process, makes a determination.

Professor King felt that he needed to present a report which was cohesive, which logically hung together and which would be useful to the superior stages of the review process. Professor King made a number of editorial changes to the document that he was charged with editing. He did it, as he put it, to make 'the document read logically'. He made quite a number of changes. Some of these changes were to rearrange the order of sentences, to restructure recommendations and to make the flow of the text read generally better than it had previously. One change he made, however, was to attract in due course the furious ire of one doctor who was not a member of the committee, Dr Robert Ware, and an only slightly less vociferous objection from someone on the committee, Professor Rodney Hicks.

What was the change that was made? I want to read to the Senate the version which was seen by the supporting committee and the version of the relevant paragraph which was handed up to the steering committee. The first version reads:

While the Committee agree that unrestricted funding is unwarranted at this time, the evidence suggests that PET is safe, clinically effective, and potentially cost effective in the indications reviewed.

This was changed to read:

While the Committee agree that unrestricted funding is unwarranted at this time, the evidence suggests that PET is safe, potentially clinically effective and potentially cost effective in the indications reviewed.

I am sure most senators listening to the debate today, and most other people listening, would have failed to grasp the difference between those two paragraphs. The difference is that the word 'potentially' has been inserted before the words 'clinically effective'. Professor King made that addition because he felt that the version that was being handed up did not logically hang together unless that change was made. He went back to another section of the report, which was agreed on by all the parties to the supporting committee, and it read:

Based on the results of the NHMRC Clinical Trials Centre’s evaluation and the clinical experience of committee members, the MSAC Supporting Committee concludes that there is insufficient evidence of PET’s clinical or cost effectiveness with respect to the six indications reviewed to warrant unrestricted MBS funding.

Those words were modified in being passed over to the next stage—the steering committee—in ways which I invite members to read and to try and understand. I would suggest to them that they will find very little difference in the meaning of the way the words are used from one version to another.

I come back to this central issue about the insertion of the word 'potentially'. Professor King’s point was that it was very difficult to justify proceeding with the text as it stood without the insertion of the word ‘potentially’. He said, in the agreed text, that the committee ‘has concluded that there is insufficient evidence of PET’s clinical effectiveness’.
If the committee concludes that there is insufficient evidence of PET’s clinical effectiveness, how could it go on to say that the evidence suggests that PET is clinically effective? He said that you cannot do that; that it is a contradiction: ‘If we say that there is insufficient evidence of PET’s clinical effectiveness, we cannot in turn say that it is clinically effective.’ He decided that, to make this document clear and logical, the word ‘potentially’ should be inserted.

That unleashed a storm of protest. He was accused of being corrupt, of trashing the reputation on an international level of the scientists involved in this process, of engaging in scientific fraud and of pursuing a political objective. Incidentally, Professor Brendon Kearney was also caught in this flack. He was also a member of both the steering committee and the supporting committee, which handed up these amended recommendations. The fact is on any objective reading of these two versions there is very little difference indeed. The change that Professor King made to the earlier document is an entirely logical and understandable change made by a person who wanted to do a competent job as the chair of that committee to deliver to the next stage of this review process a document which stood on its own strengths and was logical and coherent.

In asking some of the members of those committees to reflect on differences between the two versions, a number of academics and clinicians had different points of view. Professor Brendon Kearney saw no substantive difference between the two versions, for example. Dr John Primrose said:

I can see no difference in meaning between the two versions of the recommendations contained in appendix A of Senator Humphries’ letter. The second is merely an expanded and clearer version of the first.

Although it is different to those of other members of the committee—some took a more harsh view about the differences between the two—I think that comment reflects an accurate and fair reading of what occurred in this matter.

I will not have time today to make comments about other allegations that were made, particularly a hysterical comment about criminal fraud alleged about Professor King. I will use an adjournment speech in the future to make comments about that and set the record straight. I think this has been an enormous fuss about nothing. It has been a storm in a test tube. (Time expired)

Senator MILNE (Tasmania) (10.05 am)—I could not disagree more with Senator Humphries. Frankly, I find it offensive that he should stand here and say it is a storm in a test tube. We are talking about the treatment of cancer patients around Australia and their ability to access a technology which gives more accurate diagnosis and is a more focused diagnostic tool than anything that was available at that time or since. As Senator Moore, the chair of the committee has said, we have had evidence and have concluded as a committee that over the years PET technology has come into its own more and more. In fact, it has been demonstrated not only to be safe and clinically effective but also to be cost effective because it avoids unnecessary and costly treatments and, in many cases, operations.

I went to the Peter MacCallum clinic with Senator Moore and Senator Polley, and we saw for ourselves exactly how good this is as a diagnostic tool. In part, our Senate committee inquiry was to look at whether the Department of Health and Ageing had obfuscated or misled the Senate committee and the Senate over time in relation to information on this. The inquiry was also to look at the significance of what occurred. I think it has been highly significant. The impact of the changed supporting committee report—and I
will come to that—has been that this technology has not been rolled out around Australia as fast as it would otherwise have been. That means the long delay in getting the best information to vulnerable cancer patients has, in my view, been likely to have diminished their ability to help themselves and has caused a great deal of needless suffering, irrespective of the Medicare funding decision. That sort of outcome is the opposite of what was promised with MSAC.

Let me go back to how it happened. The former Minister for Health and Family Services, Dr Michael Wooldridge, had been involved in a massive scandal in the late 1990s—a scandal known as 'scan scam'. It was around the magnetic imaging machines. At the time they were being rolled out there was a massive scandal as a result of a budget leak and as a result of alleged links between Dr Wooldridge, people in the industry and so on. So when, shortly after the scan scam, an approach was made to the government of the day to assess the PET technology, what the minister of the day did was to add into the MSAC a special committee. They had set up a process by then to assess new technologies so that the minister would not be involved in apparent scandals like that in the future and to try to set up an arms-length process. What happened with this one, though, was that there was a special committee added in, which had not happened before. It was a unique event in the history of MSAC assessment. It was a steering committee, and this process was established at the request of the minister because of concerns over the potential expense of PET to the Commonwealth.

So this committee was added in with the significant purpose of looking at the cost to the Commonwealth, because the implications were that, if this had been found to have been safe and clinically effective, it would have had to have been rolled out and a Medicare rebate would have had to have been provided. These scans cost somewhere between $800 and $1,000 per scan, so you can imagine the cost to the Commonwealth if a finding had come out saying that they warranted unlimited Medicare funding. That would have been a massive hit on the health budget at the time, especially because at that time there was agreement—and everyone agreed—that it was only potentially cost-effective. It certainly would be helpful to cancer patients, but would it be cost-effective? We now know that it is more than cost-effective because it saves money, as it saves unnecessary treatments and things, but at the time that was not as clear as it has become since.

So this special steering committee was inserted. It was ministerially appointed. Its chair, Professor Kearney, in October 1999, at the first meeting of the steering committee, noted:

... should the technical evaluation of PET prove inconclusive, some sort of data collection regime would be a reasonable condition for wider introduction of PET.

So he was already saying that the technical evaluation might prove inconclusive. Then, at the second meeting of the steering committee in January 2001, he was minuted as saying:

The committee should prepare itself for the possibility that the MSAC supporting committee report would find that the evidence for PET is not sufficient to warrant widespread dissemination of the technology, in which case it is likely that the status quo would be retained or a very minimal rollout may be recommended.

He was already saying that before the expert doctors committee, the supporting committee, had even met. So here was the chair of the ministerially appointed steering committee to oversee how much money, effectively, the Commonwealth would wear already warning what the likely result would be, be-
fore the experts could meet. Then the supporting committee met and it found that PET was safe, clinically effective and potentially cost-effective.

That is what the experts found. However, their report was changed and not only was the word ‘potentially’ inserted before ‘clinically effective’—therefore implying that it was unproven, which was certainly not found—but an additional primary finding, which Senator Humphries chose not to mention, was inserted at the front of the report, which took away the statement in connection to whether it warranted unlimited funding. That was removed and a straight-up statement was inserted to say: ‘There is insufficient evidence at this time from which to draw definitive conclusions about the clinical effectiveness and cost-effectiveness of PET.’

That is completely wrong. That is not what the supporting committee found. That was inserted in there and the expert doctors, who had found something different, were never told that their report had been changed. The only people who knew it had been changed throughout the whole process were Professor Kearney and Professor King. They were on every single committee. They were on the steering committee, ministerially appointed, they were on the expert doctors committee and they were on the MSAC itself and on the MSAC executive. So they knew through the process, but they never, ever told MSAC, when it made its decision about what to recommend on how much funding should go out there, that the experts had found something different.

As a result, those experts on that supporting committee for the past eight years have had to put up with the fact that they are out there advocating for this technology and people have been throwing in their face, ‘Well, if you really think it’s so good, why did you find all those years ago that it was only potentially clinically effective?’ That is why they have fought so hard over these years to get the record put straight, to say that that is not what they found. They did find that it was clinically effective.

We have at least fixed that up. I am really pleased that the committee has recognised that the expert doctors report was changed, that it did matter, that it has compromised the reputation of people such as Professor Hicks and others who have advocated for it, such as Dr Ware. I am really pleased to endorse the apology to them because not only has Professor Hicks suffered because his name was on the report but also Dr Ware was insulted throughout by the health department, which in the end had instructed people not to continue with correspondence with him, not to provide FOI and to absolutely obfuscate and frustrate any attempts to get to the truth.

So does it matter? Does it matter that a finding came out in 2000 that justified the Commonwealth not rolling out the funding? Yes, it does, because what happened was, even though the doctors said it was safe and clinically effective, the result was that the Commonwealth funding was restricted and a few centres around Australia were designated as data collection centres. If you got the PET scan done at those centres, you got a Medicare rebate but, if you had the PET scan done in any other place in Australia that was not one of those contracted centres, you did not get a Medicare rebate—except for three indications of cancer, whereas the main data collection centres were collecting for 22. The result was that this technology was not made available to cancer patients around Australia and those expert centres were collecting data for something they already knew was effective.

I think there was a deliberate change to this report. I do not believe it was editorial, and I do believe that there is a case to answer
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from the people who changed it and who failed to tell people that it had been changed. If Senator Humphries wants to stand up and say that is not the case, I am happy to stand up to say quite the contrary. I think there was a political agenda to change the report with respect to funding, at the expense of cancer patients. (Time expired)

Senator POLLEY (Tasmania) (10.15 am)—I seek leave to have incorporated in Hansard my speech on the Community Affairs Committee report entitled A matter relating to the Positron Emission Tomography (PET) Review 2000.

Leave granted.

The speech read as follows—

Mr Acting Deputy President, I rise today to speak on the report A matter relating to Positron Emission Tomography (PET) Review 2000.

Firstly though I should once again extend my thanks to Elton Humphrey and all the members of the Community Affairs Secretariat. They must surely rank as one of the busiest Committees in the Senate—I think there are currently five inquiries coming under their jurisdiction—and under that workload, the quality of their work is just staggering. They truly do an outstanding job.

PET is a technology that is widely used in the diagnosis of cancers and is now coming to also be used in investigating cardiac and other conditions. It has been in use in Australia for a number of years now, and during the course of this inquiry we visited the scanners at the Peter MacCallum Centre in Melbourne to see exactly how the technology works, and to meet patients for whom this technology has been extremely beneficial.

These stories were truly moving, and really gave those of us in the Committee an appreciation of the benefits of the technology.

Firstly I would like to commend the Rudd Government for listening to Tasmanians and setting aside $3.5 million in the Budget for the establishment of a PET scanner in Tasmania at the Royal Hobart Hospital.

This is something that I pushed for repeatedly while we were in Opposition—to no avail unfortunately as the previous Government was too busy pork barrelling in short term solutions like the Mersey takeover to look into the long term health of Tasmanians.

Thankfully this situation has been resolved and Kevin Rudd and the Minister for Health, Nicola Roxon have come through with a PET scanner, which will save Tasmanians from having to fly to Melbourne to use this incredible diagnostic tool.

Of course this is just one of many initiatives that were put forward under the Government’s Tasmanian Health Plan before the last election—a plan that has been delivered in full, as has every other election promise. A stark contrast to other administrations.

For those in this chamber who are unfamiliar with PET, it is probably appropriate that I explain a little bit about it. The way PET works is by producing a three dimensional map of what’s going on inside the body, user a radioactive tracer that is introduced into the body.

From scans of the body after the tracer has been introduced, a three dimensional representation is recreated that allows doctors to locate tumours and other medical problems within the body.

The uses of this are many and varied—as I stated earlier, initially it has been used to help find cancers throughout the body, but I understand that in more recent times the usefulness of PET has been extended to include diagnosis of cardiac and other conditions. So it should be obvious to all just how useful this technology can be for doctors.

The Community Affairs Committee report gave me a good understanding of just what is possible using PET scans, and how it can be superior to other diagnostic tools that are out there.

That’s why I’m proud that the Rudd Labor Government has come through on its promise of a PET scanner for Tasmania and, as I understand it, work on rolling this out will start in August this year. It can’t come soon enough for Tasmanians.

I also understand that work on the Launceston Integrated Care Centre is also expected to start reasonably soon—another example of how seriously the Rudd Labor Government is taking the health of Tasmanians. After 11 long years of neglect, it appears that we now have a Federal Gov-
ernment that is serious again about health care, and investing in the health system.

Moving on to the reasons behind this inquiry, and the recommendation put forward by the Committee: we recommended that the Department coordinate a disclaimer notice with the Medical Services Advisory Committee and then able to circulate that disclaimer to all those who hold copies of the MSAC Assessment Report: Positron Emission Tomography or the Report of the Review of Positron Emission Tomography.

It is hoped that this disclaimer will clearly indicate which members of the Supporting Committee did not agree with that final report. By doing this it will allow those members to ensure that their views are noted on the public record—which is extremely important as it will show that they did not necessarily agree with the views in the original report.

While there were allegations of political interference in the process it must be noted that the Committee did not find any evidence of this.

The passage of time since the 2000 Review has resulted in very strongly held views being formed and these were expressed in evidence. Committee members accepted these views and interpretations of events to differing degrees.

Often we were not assisted in our deliberations by the extant records and minutes of meetings at the time not recording actual decisions and discussions. These procedural issues really should have been handled better at the time.

I do feel for Dr Ware who has spent such a long time on this issue, and who has at various points received unsatisfactory answers to his questions by the Department.

That’s why I am glad that this inquiry has contributed in at least some small measure to ensuring that this situation will not happen again, and that those who do disagree with findings in the future will have a clear avenue to register that disagreement. Dr Ware has been exceedingly patient and I commend the determination of both him and Professor Hicks in this matter.

I believe that it has been beneficial and that the issues raised by Dr Ware and Professor Hicks underline the importance of ensuring the independence of scientific and technical assessments of new medical technologies.

It’s evident from the comments today the differing views of committee members.

I commend this report to the Senate.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Treaties Committee

Report

Senator WORTLEY (South Australia) (10.15 am)—On behalf of the Joint Standing Committee on Treaties, I present report No. 91 of the committee, Treaties tabled on 12 March 2008. I seek leave to move a motion in relation to the report and to incorporate my tabling statement in Hansard.

Leave granted.

Senator WORTLEY—I move:

That the Senate take note of the report.

The statement read as follows—

Report 91 contains the Committee’s findings on six treaty actions tabled on 12 March 2008. Mr President, the Committee found all six treaties reviewed to be in Australia’s national interest.

The Treaty on Extradition between Australia and the State of the United Arab Emirates is based on Australia’s model extradition treaty and will provide for more effective extradition arrangements between Australia and the UAE.

Mr President, the Committee raises a number of concerns in its report about the general operation of Australia’s current treaty model for extradition. Australia’s responsibility for persons extradited should not end at the conclusion of the extradition process, but should extend to monitoring the detention of extradited persons, the judicial proceedings they are subject to, their sentencing and their imprisonment. The Committee considers a formal system should be established by the Government to monitor the status of extradited persons. Further, the Committee has recommended annual reporting to Parliament on both the num-

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ber and nature of extradition requests and also particulars relating to each extradited person. In its 91st report, the Treaties Committee has recommended to the Australian Government a number of measures to better protect human rights concerning extradition arrangements, police-to-police cooperation and film production in China.

The Treaty between Australia and the State of the United Arab Emirates on Mutual Legal Assistance in Criminal Matters provides a framework for Australia and the UAE to provide and receive timely assistance in obtaining information and evidence for the investigation or prosecution of a crime. While the Committee recognises the importance of international cooperation in combating crime and supports ratification of this treaty, its inquiry did raise issues in relation to police-to-police cooperation, which the Committee recognises differs from mutual assistance arrangements. The Committee has recommended that there be a review by the Parliamentary Joint Committee on Intelligence and Security of Australian policy and procedures concerning police-to-police cooperation and intelligence sharing arrangements. The Committee recommends that information should not be exchanged with another country if doing so would expose an Australian citizen to the death penalty.

The Convention between Australia and Japan for the Avoidance of Double Taxation and the Prevention on Fiscal Evasion with respect to taxes on income will bring taxation arrangements between Australia and Japan into line with Australia’s recent tax treaties by providing reduced rates of withholding taxes on dividends, interest and royalties and improved integrity measures. The treaty is expected to reduce barriers to bilateral trade and investment and enhance investment in Australia from the Japanese sector. It will also provide benefits to Australian businesses looking to expand into Japan.

Mr President, the Film Co-Production Agreements with China and Singapore will open new markets for Australian films in the increasingly important Asian region for the global film and television industry and foster cultural and technical exchanges. An important aspect of these agreements is that each country must treat co-productions as local content. Producers will receive benefits that would normally be reserved for local productions, such as tax incentives, financing arrangements and more liberal broadcasting rights. The Committee further recommended that where the subject matter of a treaty has a hearing on freedom of expressions issues, the Government broaden its consultation to include relevant human rights organisations, and that it take up any opportunities to make representations to the Chinese Government to lift its 20 foreign film quota significantly higher, with a view to eventually abolishing the quota.

The Fourth Extension to the Regional Cooperative Agreement for research, development and training related to nuclear science and technology will continue Australia’s long standing participation in this Agreement. The Regional Cooperative Agreement provides an important mechanism for Australia to fulfil its technical cooperation obligations under the Nuclear Non-Proliferation Treaty. It allows Australia to participate in mutually beneficial collaborative projects with 16 regional countries and to maintain and extend a national capacity in cutting-edge nuclear technologies.

The Committee supports all six agreements and has recommended that binding treaty action be taken. The Committee’s recommendations, if acted upon, will go some distance towards the protection and advancement of human rights in Australia’s treaty-making processes.

Mr President, I commend the report to the Senate.

Question agreed to.

Public Accounts and Audit Committee

Report

Senator WATSON (Tasmania) (10.16 am)—On behalf of the Joint Committee of Public Accounts and Audit, I present the 410th report of the committee, Tax administration. I seek leave to move a motion in relation to the report.

Leave granted.

Senator WATSON—I move:

That the Senate take note of the report.

Today’s report on the Australian Taxation Office is the first involving that agency since the 1993 Joint Committee of Public Ac-
counts report An assessment of tax, which had such a lasting impact on taxation administration in Australia together with its associated improvements to self-assessment that were made at the time. In today’s report, the committee is satisfied generally with the tax office’s overall performance. Good tax administration requires tax authorities to strike a delicate balance between efficiency and fairness—and, generally, the tax office achieves this balance.

The inquiry commenced in December 2005 and it received 58 submissions from such peak bodies as Treasury and the tax office, external scrutineers such as the Audit Office and the Inspector-General of Taxation, professional groups, and individual taxpayers. The committee held five hearings in the second half of 2006. Following this, the committee held biannual meetings with the commissioner and his staff. These meetings have helped the committee to stay up to date in the world of tax, which is fast-moving—as all in this parliament know. Submissions generally focused on the complexity of our tax laws. In 2004, Australia had the third most complex tax system of the 20 largest economies in the world. Admittedly, the recent repeal of the inoperative tax law has made Australia’s tax laws a little less complex. However, on this league table of complexity, Australia has probably only dropped from third to fourth place.

Complexity is important because of the self-assessment system. Taxpayers take the risk of penalties and interest if the tax office amends their return and finds a tax shortfall. Complex tax law increases the chance of taxpayer error and taxpayer risk. Simplifying the tax law into plain English was well intentioned; however, it has not simplified our tax law. Anthony Mason, a former Chief Justice of the High Court, has publicly confirmed this. The current government has commenced a tax review—and that is welcome—entitled Australia’s Future Tax System. This has the potential to conduct the thorough consultation on tax law that the committee recommended 15 years ago. I wish the review panel well in this challenging but important task.

Another important issue in the report is the court case of Essenbourne, decided in late 2002. Broadly, the Federal Court found that a particular transaction between related entities did not attract fringe benefits tax but was not an allowable tax deduction. The decision meant that the arrangements were no longer financially attractive. The tax office, however, took the unusual step of neither accepting the decision nor appealing it. Instead, the tax office stated that it would attempt to bring another test case on the fringe benefits tax question. In early 2007, the Full Federal Court gave its decision in Indooroopilly, which confirmed Essenbourne. The tax office’s conduct increased taxpayer uncertainty. If taxpayers followed Essenbourne, they faced the risk of tax office litigation. However, if they took the tax office view, they might be paying unnecessary tax. More importantly, the case raised the question of whether the tax office was actually following the law.

The tax office has received legal advice that it may take the course of action decided on if it acts quickly. However, the committee believes that a court decision represents the law and should be followed. This was the view of the Full Federal Court in Indooroopilly, where Michael McHugh, when he was a High Court Justice, also made a statement to this effect. The committee recommended that the tax office should either
appeal or accept court decisions. If the tax office has concerns about how a court decision will affect the tax system or the revenue, it can always refer the matter to Treasury. The committee’s report confirms the view of senior judges. Given this consensus between the parliament and the judiciary, it may be appropriate for the tax office to publicly announce, in the near future, that it will implement the committee’s recommendations.

In tabling this report, I would like to acknowledge the many people who contributed to it. In particular, I note the contributions of the peak bodies, agencies and all the individuals who gave their time and their expert knowledge to the committee. By listening to them, I believe we have improved our own degree of expertise. I would also like to thank the secretariat, who drafted the report according to the committee’s requirements. Finally, I would like to thank my fellow members of the Joint Committee of Public Accounts and Audit, the most senior committee of the parliament, for their constructive, collegiate and professional attitude to this inquiry and for their work on the committee.

I note that this is my final report for the Joint Committee of Public Accounts and Audit concerning tax, and I wish the committee well in the future. I commend the report to the Senate.

Senator MURRAY (Western Australia) (10.22 am)—I wish to speak about the Tax administration report as well. In leading into my remarks, I note that the previous speaker, Senator Watson, has been 27 years on the Joint Committee of Public Accounts and Audit, which is an astonishing length of service. It is one thing to be on a committee, but it is quite another to make that sort of contribution of depth, substance, thoughtfulness and sometimes, as I said the other night, even lateral thinking, which is a very valuable contribution. You will find Senator Watson’s fingerprints all over this last tax report, as you will also find mine. I am but a pup compared to Senator Watson; I have only spent 12 years on the committee. But he is right: it is the senior committee. It is a very important committee.

I would urge and hope that the Labor Party in government will indeed introduce four-year terms, preferably fixed terms, for the House. I think it is important that we introduce greater security of tenure for lower house people in particular. I have noted over my time less and less sense of belonging and attachment to and working on committees, simply because members feel so insecure that they are constantly out in their constituencies. You actually need the parliament’s work to be done from a parliamentarian’s, not just a politician’s, perspective. So I urge all the new members of the committee and all the participants in the committee to give it a full go, and I urge the government to also introduce such constitutional changes as are necessary to enable people to have the security of tenure which will allow them to give their full attention to parliamentary committees such as the JCPAA.

I want to compliment the secretariat on this committee and the new chair, Ms Gier- son. This inquiry has been a drawn out, dragged out affair, partly because of the election, and it has been difficult to tie all the themes together. I must say that I was very impressed by the way it was finally done.

Overall, the committee was satisfied with the performance of the Australian Taxation Office—and do not take that as light or mild praise. The Australian tax office has advanced its abilities enormously over the last two decades. It is more able, more professional, more considerate and more efficient than it ever was. Like everyone, there is still room for improvement, but let us not say ever that we do not have a tax office that
ranks with the very best internationally. It deserves credit where credit is due.

The report has 18 recommendations. Eleven apply to the tax office, five to Treasury, one to Finance and one to the parliament. The clear theme in submissions and in the evidence is that we have to get rid of the complexity which bedevils our tax system. It is neither simple nor efficient. It inhibits a broad based approach to revenue gathering. That is not the fault of the tax office; that is the fault of the parliament. Really, it is up to the parliament to say to the executive: ‘Enough’s enough. We want a simpler tax system.’ That was a clear theme.

Despite the importance of tax bills, we still find that governments take tax bills which are not presented as exposure drafts, take them to the cabinet, get them signed off and then expect their parliamentary party to march to that drum, when the very complexity and the very nature of tax legislation is such that it should in fact be in long gestation, have a great deal of consultation and be subject to thorough parliamentary review and amendment—and that does not occur sufficiently. Much tax law is rushed or waved through. As far back as 1993, the committee’s report on tax administration recognised the need for thorough consultation on tax law—I sounded like Peter Sellers when I pronounced the word ‘law’, didn’t I?—and this view is now widely held in academia as well. The committee has recommended more public consultations on tax law, more consultation before governments announce the policy intent of tax law and more exposure drafts of tax laws.

With respect to the need to lodge tax returns, compared with some countries Australia has very high rates of lodging tax returns. The rate in Australia is almost 100 per cent—I suspect it is a lot lower, because there are people who orbit right outside the tax arena. In the United Kingdom, for example, it is only 37 per cent. In New Zealand, it is only 31 per cent. That does not imply low compliance there; what it means is that you do not have to put in your tax returns—and that is a place we need to get to. Too many Australians put in tax returns, and it is not necessary. The ATO have proposed a prefilling tax return scheme. That is a good idea, but it is treating the symptoms, not the cause. You would be far better off reforming the system so that Australians pay their tax and do not have to put in tax returns because the tax is taken off at either the source of consumption or the source of income.

The committee also recognised that the end-of-year tax refund is popular in Australia. Researchers have stated that it allows people to preserve a sense of control and gives them a sense that they are getting their fair share back in the form of a refund, so that complicates matters. Some people, including me, like to put in a tax return and get a rebate. It is a nice little human characteristic. And then, every now and then, they give you a thump, and you do not get a rebate; you have to pay more in.

The advantages of removing the need to lodge a return for many taxpayers would be saving billions of dollars annually in compliance costs. Further, the constant growth in deductions poses a potential threat to the tax base. Tax expenditures are a less transparent way of distributing public funds than direct appropriations. Indirect outlays are confusing and making complex our system. I hope that, when my own report into budget transparency comes down and you read that in conjunction with the Auditor-General’s reports, you will note a belief that our tax expenditures indirect outlay system needs to be radically reformed as well. The committee recommended that the government’s comprehensive tax review, Australia’s Future Tax
System, known as the Henry review, investigate this issue.

We had a brief look at the New Zealand system, and we received evidence about the simplicity of some aspects of the New Zealand system, particularly in relation to fringe benefits tax. The New Zealand approach is efficient because it targets the main expenditure areas in fringe benefits tax, such as cars, low-interest loans, and free or subsidised goods and services. Australia took the other, more complicated path of capturing all expenditure areas and then legislating for exemptions. We spend a lot of time in Australia trying to comply on the small-ticket items, such as car parking. The committee recommended that the government examine in the review whether Australia should harmonise some of its business taxes with New Zealand’s simpler system, in line with the approach we already carry out on the economic front for closer economic ties and common laws and practices. One possible spin-off from this is that it might encourage uniform business taxes in the broader South Pacific area and lead to a uniform economic zone. I note with interest the Prime Minister’s aspirations in that area.

The committee was well served by external scrutineers during the inquiry. The most important of those was the Audit Office. The Audit Office has published a number of useful reports on the tax office and Treasury recently, including on tax debts in micro-businesses; tax havens; the taxpayers charter; data matching—wow, are they good at that now!; the tax expenditure statement; high-risk income tax refunds; and self-managed super funds. The Inspector-General of Taxation is another who has been put through his paces. He has finalised important reports into GST audits, potential revenue bias in private rulings and R&D syndicates. The Taxation Ombudsman, which is part of the Ombudsman’s office and was created out of a recommendation by the Joint Committee of Public Accounts and Audit in 1993, also assisted the committee during the inquiry. All three external scrutineers gave an independent and different perspective on the tax office, but all of them have respect for our tax office. All three agencies helped the committee arrive at its conclusions, and obviously there are acknowledgements for all those who have contributed to this report. This, I think, is the committee’s major tax administration report of the last decade. I hope that both the parliament and the government take due note of its recommendations.

Question agreed to.

GOVERNANCE REVIEW IMPLEMENTATION (AASB AND AUASB) BILL 2008

First Reading

Bill received from the House of Representatives.

Senator LUDWIG (Queensland—Minister for Human Services) (10.32 am)—I move:
That this bill may proceed without formalities and be now read a first time.

Question agreed to.

Bill read a first time.

Second Reading

Senator LUDWIG (Queensland—Minister for Human Services) (10.33 am)—I move:
That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

Today I introduce a bill which will amend the Australian Securities and Investments Commission Act 2001 to improve the financial management and administrative governance arrangements of the Australian Accounting Standards
The bill will amend the financial framework of these boards by transferring them from the Commonwealth Authorities and Companies Act 1997 (or the CAC Act) to the Financial Management and Accountability Act 1997 (or the FMA Act). The bill will also make consequential changes to the functions of the Financial Reporting Council (known as the FRC).

Transferring the boards from the CAC Act to the FMA Act will enhance the existing governance arrangements. The CAC Act is not suited to the AASB and the AUASB as they do not serve a commercial purpose—rather, their purpose is to develop high quality accounting and auditing standards for the private and public sectors.

In addition, under the current governance arrangements, the FRC is responsible for a range of administrative functions relating to the AASB and the AUASB. However, these functions are more appropriately managed by the agencies. The bill addresses these concerns and proposes a new governance structure which improves existing accountability and governance arrangements of the AASB and the AUASB.

The FMA Act better reflects the role of the AASB and AUASB, as they do not serve a commercial focus. The FMA Act also provides a rigorous framework for the management and expenditure of public money generally.

The bill does not change the current statutory functions performed by the AASB and AUASB with respect to the development of accounting and auditing standards. The bill contains measures solely to enhance the financial and administrative arrangements of the boards.

Consequential changes will be made to the FRC's functions in relation to the approval of financial and administrative matters. This will allow the FRC to focus primarily on determining the broad strategic direction of the AASB and the AUASB. The bill also ensures that the AASB and the AUASB are brought into line with similar measures to improve the governance and transparency of other agencies, such as the Australian Securities and Investments Commission and the Australian Prudential Regulation Authority.

This will result in greater consistency of governance arrangements across Commonwealth bodies. Finally, I can inform the chamber that the Ministerial Council for Corporations was consulted in relation to the amendments to the laws in the national corporate regulation scheme, and has approved them as required under the Corporations Agreement.

Debate (on motion by Senator Ludwig) adjourned.

Senator Ludwig (Queensland—Minister for Human Services) (10.33 am)—I move:

That the resumption of the debate be an order of the day for a later hour.

Question agreed to.

PROTECTION OF THE SEA LEGISLATION AMENDMENT BILL 2008
First Reading

Bill received from the House of Representatives.

Senator Ludwig (Queensland—Minister for Human Services) (10.33 am)—I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator Ludwig (Queensland—Minister for Human Services) (10.33 am)—I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator Ludwig (Queensland—Minister for Human Services) (10.33 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

The Protection of the Sea Legislation Amendment Bill 2008 will implement in Australia the Protocol
of 2003 to the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, generally known as the Supplementary Fund Protocol. The bill also introduces amendments to the Protection of the Sea (Prevention of Pollution from Ships) Act 1983, known as the MARPOL amendments and amendments to ship levy legislation relating to the definitions of an ‘Australian port’ and ‘Collector’.

The Supplementary Fund Protocol was adopted by the International Maritime Organization in 2003 and entered into force internationally on 3 March 2005. The Protocol will enter into force for Australia three months after the lodgement of the instrument of accession with the Secretary-General of the International Maritime Organization.

Australia is currently party to a two-tier liability and compensation scheme applying to pollution damage resulting from oil spills from oil tankers. The first tier is established by the International Convention on Civil Liability for Oil Pollution Damage, 1992, known as the Civil Liability Convention. The second tier is established by the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992, known as the 1992 Fund Convention.

Under the first tier, compensation is payable by tanker owners and/or their insurers, known generally as Protection and Indemnity (P&I) Clubs. However, tanker owners are able to limit their liability with the liability limit depending on the size of the tanker.

If the compensation costs resulting from an oil spill exceed a tanker owner’s liability limit, then compensation above that limit is payable by the International Oil Pollution Compensation Fund, known as the IOPC Fund. However, the amount of compensation payable by the IOPC Fund is itself limited so that the maximum amount payable by the tanker owner and the IOPC Fund is approximately $350 million (as at 22 May 2008).

In recent years, significant spills from oil tankers overseas have proven that the maximum amount of compensation afforded under the two tier scheme is insufficient to provide full compensation for all claimants. By way of examples, in the Nakhodka oil spill off the coast of Japan in 1997, the Erika spill off the coast of France in 1999 and the Prestige spill off the coast of Spain in 2002, the amount of funds available under the then two tier regime proved to be insufficient to provide full compensation for all claimants. As a consequence, claimants only received a pro-rata amount of their approved compensation amount.

For Australia, a significant spill of oil from an oil tanker would be devastating if it were to pollute our many fragile marine ecosystems such as the Great Barrier Reef or the Ningaloo Reef.

To date, Australia has suffered a number of marine incidents involving oil tankers.

The most notable incidents involved:

- The Princess Anne-Marie off the Western Australia coast in July 1975 when approximately 15,000 tons of oil was spilt; and
- The Kirki off the Western Australia coast in July 1991, when approximately 18,000 tons of crude oil was released after the bow fell off the vessel. Serious pollution of the West Australian coast was avoided due to the dual combination of severe weather conditions and the effects of the Leeuwin Current in dispersing the 7,900 tonnes of oil lost during the initial stages of the spill off Cervantes and Jurien Bay.

While the clean-up costs in the above incidents fell within the limit provided for under the Civil Liability Convention and were consequently paid by the oil tankers’ insurers, a large spill of heavy crude oil from an oil tanker in an environmentally sensitive area could necessitate extensive clean-up and restoration costs which might require drawing on the IOPC Fund. This figure could increase substantially in areas involving extensive commercial fishing and tourism interests, where potential claimants may seek to recover compensation for loss of income. This figure could exceed the IOPC Fund limit.

The Supplementary Fund Protocol creates a third-tier of compensation for damage resulting from spills of oil from an oil tanker, so that the maximum amount payable increases up to 750 million Special Drawing Rights, approximately A$1.3 billion (as at 22 May 2008) per incident.
The Supplementary Fund will be financed through levies on public or private entities in receipt of more than 150,000 tonnes of contributing oil per year in Contracting States. Levies for the Supplementary Fund will only be collected after an oil spill occurred and after the first two tiers of compensation are exhausted.

This bill will ensure that compensation to Australian victims following an oil spill from a tanker incident is maximised and that adequate financial resources are provided for clean-up costs, economic loss, property damage and to help with the natural recovery of Australia's affected marine environment.

It is also important from a global perspective that Australia becomes a Contracting Party to the Supplementary Fund Protocol because our ratification will add support to the Protocol and will encourage more countries to become parties.

I am pleased today to be introducing this important legislation which will enable Australia to join those countries that are already parties to the Supplementary Fund Protocol of 2003. These countries include France, Germany, Greece, Italy, Japan, Netherlands, Spain and the United Kingdom.

This bill complements the Protection of the Sea (Civil Liability for Bunker Oil Pollution Damage) Bill 2008 which I introduced into the House during the Autumn sittings of Parliament. That Bill ensures that compensation will be available for anyone who suffers damage or loss as a result of the leakage of bunker oil from a ship other than an oil tanker.

Australia is a Party to the International Convention for the Prevention of Pollution from Ships 1973, known as MARPOL and has implemented all six technical annexes to MARPOL, which deal, respectively, with the prevention of pollution by the discharge of oil, noxious liquid substances in bulk, harmful packaged substances, sewage, garbage and air pollution from ships.

The legislation giving effect to MARPOL in Australia is the Protection of the Sea (Prevention of Pollution from Ships) Act 1983 and the Navigation Act 1912. The amendments will implement changes to Annexes I, III and IV of MARPOL, make miscellaneous amendments to the requirements for maintenance of garbage record books, and allow regulations under the Protection of the Sea (Prevention of Pollution from Ships) Act 1983 to prescribe penalties of up to 50 penalty units. As well, the amendments substitute a new subsection 9(4) (the defence provision) to better reflect the requirements of Regulations 15 and 34 of Annex I of MARPOL.

The bill also substitutes a new definition of the term ‘Australian Port’ to mean a place appointed, proclaimed or prescribed as a port under the Customs Act 1901, or under a law of a State or Territory, in the Marine Navigation Levy Collection Act 1989, the Marine Navigation (Regulatory Functions) Levy Collection Act 1991, and the Protection of the Sea (Shipping Levy Collection) Act 1981.

It is becoming more frequent for ships to load and unload off-shore without entering a port. Ships calling at offshore installations and ships unloading cargo off-shore gain the benefit of Australia's ship safety and environment protection services and the national aids to navigation network. However, as they do not call at Australian ports, they may dispute their liability to pay the relevant levies for these services.

The amendment will put beyond doubt that a place adjacent to an installation or indeed a place to which a ship comes for the purposes of unloading cargo, even if that place is not immediately adjacent to land, can be a ‘port’, if so prescribed under the Customs Act 1901.

While this bill does not prevent shipping incidents that may result in oil pollution, Australia has a rigorous port State control ship inspection program, conducted by the Australian Maritime Safety Authority, to monitor compliance of foreign ships, entering Australian ports with international safety and environment protection standards. In the highly unlikely event that an incident involving an oil tanker occurred, the measures provided for in this bill will ensure that victims of oil pollution damage are able to obtain prompt, adequate and effective compensation.

The main purpose of this bill is to provide for compensation in the case of an oil pollution incident. It also will play an important role in the protection of the marine environment. An effective liability and compensation scheme as estab-
lished by the bill is a basic component of any comprehensive marine pollution response regime.

The proposed amendments set out in the bill will improve the robustness of Australia’s maritime environment regulatory regime, and provide clarity and consistency across existing legislation.

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

COMMUNICATIONS LEGISLATION AMENDMENT (MISCELLANEOUS MEASURES) BILL 2008

STATUTE LAW REVISION BILL 2008

Returned from the House of Representatives

Messages received from the House of Representatives returning the bills without amendments.

COMMITTEES

Foreign Affairs, Defence and Trade
Committee: Joint Documents

The ACTING DEPUTY PRESIDENT (Senator Murray)—A message has been received from the House of Representatives forwarding a resolution relating to access to records of the Joint Standing Committee on Foreign Affairs, Defence and Trade during its inquiry into the loss of HMAS Sydney, and requesting the concurrence of the Senate. I table correspondence on the matter.

Senator LUDWIG (Queensland—Minister for Human Services) (10.35 am)—by leave—I move:

That the Senate concur in the resolution of the House of Representatives.

Question agreed to.

FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS AND OTHER LEGISLATION AMENDMENT (2008 BUDGET AND OTHER MEASURES) BILL 2008

Consideration of House of Representatives Message

Message received from the House of Representatives returning the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (2008 Budget and Other Measures) Bill 2008, informing the Senate that the House has agreed to amendments (1), (2), (3), (6) and (7) made by the Senate and disagreed to amendments (4) and (5).

Ordered that the message be considered in Committee of the Whole immediately.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (10.36 am)—I move:

That the committee does not insist on its amendments nos 4 and 5 to which the House of Representatives has disagreed.

Senator BERNARDI (South Australia) (10.36 am)—Whilst the opposition will not insist upon the amendments that have been rejected by the House, there are a few interesting points that I think we need to make. First of all, the opposition is pleased that we have stood up and advocated for maintaining entitlements for the people who would have been affected by this Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (2008 Budget and Other Measures) Bill 2008. Parts of this bill make additional entitlements available by correcting an oversight and an unintended consequence, but basically the remainder of the bill strips away benefits for people who have come to rely on them. We have made these points and we have debated them extensively in committee. In putting forward the opposition’s position, we believe
that the amendments that we originally made are truly very significant. We believe that they are important and we believe that this is penny pinching by the government.

What do I mean by that? In the other place the talk was about how the seniors health card list had been cleansed by the previous government. Yes, it was cleansed; we went through it, reviewed it and reformed it. But the difficulty we have with this legislation is the fact that requiring tax file numbers is really a way of slowly introducing other income measures that will affect peoples’ entitlements—entitlements that they have come to rely on quite frankly, entitlements that they were not told they were going to lose before the election by an opposition that became the government through its sneakiness.

The other thing we have to point out is that the other part of the amendment that we introduced, which was going to affect partner service pensions, was going to have a total revenue cost of around $20 million. This government has stripped $20 million from about 930 people who have come to rely on it. That $20 million is being stripped by a government that has spent $167 million in marginal electorates on pork barrelling through sport and recreational facilities. It is a shame. They are taking $20 million from one end and adding $167 million of unaccountable projects and shameless pork barrelling at the other, of which they are unable to even provide a list. This is a government with its priorities all wrong. It is a government that has been sneaky. It has betrayed the Australian people.

In reading some of the debate in the House, I noticed that the Minister for Veterans’ Affairs talked about how he publicised the changes to the partner service pension. The problem with that is it is so disingenuous because he publicised it after the election. He claims that putting out a press release prior to the budget is publicising it and being open and accountable to the Australian people. It is simply not being open and accountable. They went to an election without telling people about their sneaky tests to remove entitlements—hard-won entitlements, entitlements that people deserve. This is a government that is clearly making policy on the run. It has not completely shared with the Australian people its agenda of ripping and stripping away entitlements to hurt those that are vulnerable.

We are interested in ensuring that the unintended consequences of legislation relating to fringe benefits entitlements for lower paid workers and community organisations are removed and we want to support the amendments that are there so that people are not disadvantaged any more than they have to be. Quite frankly, we would prefer our amendments (4) and (5) to be retained, but we are not going to stand on that because we do not want to delay this legislation any further. But we are very, very concerned about it. I think that is on the record now.

We will continue to advocate so that people will not be disadvantaged by this government’s sneakiness. They are clearly not interested in honouring their commitments given in the election campaign, because they are introducing measures that were not election commitments. The only commitments they made during the election campaign that they seem to be honouring are those that revolve around their pork barrelling and their purchase, for want of another word, of marginal seats, where they have gone and made enormous promises, promises that they are not disclosing to the Senate, promises they boast about internally and promises that will ultimately embarrass this government enormously. In the largest pork barrel the country has ever seen, they have rolled out hundreds of millions of dollars to try and purchase an election. They are now stripping away enti-
tlements that people have come to rely on. Whilst the opposition will let this legislation go through because we want to ensure that the unintended consequences of the previous bill do not disadvantage people, we mark our considered opposition to the stripping away of entitlements for both seniors and veterans. Accordingly, we will support the bill as amended.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (10.43 am)—I thank the opposition for not insisting on its amendments.

Question agreed to.

Resolution reported; report adopted.

COMMITTEES

Environment, Communications and the Arts Committee

Report

Senator McEWEN (South Australia) (10.44 am)—I present the report of the Environment, Communications and the Arts Committee, Sexualisation of children in the contemporary media, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator McEWEN—by leave—I move:

That the Senate take note of the report.

This inquiry by the Senate Standing Committee on the Environment, Communications and the Arts, which resulted in this report, has received much attention from the media and the public. More than 160 submissions were received from community groups, academics and everyday Australians who have taken an interest in the issue of the sexualisation of children in the contemporary media. I note at the outset that this is a comprehensive report about a complex issue, and I urge people interested in the committee’s deliberations to consider the report in its entirety, including its recommendations, and not just accept pre-emptive media speculation about what may or may not be in this report. I acknowledge that this inquiry came about on the motion of Senator Lyn Allison, who today is retiring from the Senate. Her long-standing interest in and commitment to childhood development and rights and protections is to be applauded. I thank her in particular for her work on this inquiry.

Sexualised images and actions are increasingly widely portrayed and discussed in the media and used ever more explicitly as a marketing device. There is, it seems, no doubt that the adage ‘sex sells’ is indeed true, and we and our children are exposed daily to adverts, songs, magazines, programs and products that have sexual themes. The committee accepted that these developments may have a negative influence on child development, although the actual extent and effect of that influence is not well researched, particularly in Australia. Many things influence a child’s development—their family, their peers, economic circumstances, diet and education all have an impact. What children see and hear in the media is but one influence amongst many.

The committee approached this enquiry from the position that, in a free society, the rights of adults to see, hear and purchase what they wish is a value that should not be interfered with lightly. It is also a responsibility of society to protect its children from things that may harm them. As I said in the previous report of this committee into the broadcasting codes of practice, achieving the correct balance between freedom and protection is difficult, but it should be the objective. The committee also notes the key responsibility of parents to manage the material to which their children are exposed. Particularly in the case of younger children, these decisions are still primarily in the hands of parents or other adults.
The report also notes that there is an onus on broadcasters, publishers, advertisers, retailers and manufacturers to take account of community concerns on the issue that is the subject of this report. The committee noted that the Australian Association of National Advertisers has developed a code for advertising and marketing to children to specifically address this issue. Perhaps Senator Fielding might have paid attention to that before he wrote the supplementary comments to this report.

In our report the committee recognises the importance of supporting parents and children in dealing with the pressures that confront them in contemporary society and in responding to exposure to sex and sexual themes in the contemporary media. The report recommends an upgrading of sexual health and relationships programs for school children, greater parental involvement in the development and delivery of such programs and the need for a national approach to the subject.

The committee did not come down with findings about banning products or censoring media, but it does recommend tightening the operation of the regulations and codes of practice which seek to inform parents as to the content of television programs or publications and to protect children from material which they would find disturbing or that is inappropriate to their stage of development.

The committee recommends that the current rules in relation to children’s television should be amended to enable children’s material to be shown at more suitable times and that broadcasters should consider establishing dedicated children’s television channels.

Broadcasting and advertising are the subject of self- regulatory or co-regulatory regimes which classify material and deal with complaints having regard to community standards. The many submissions that the committee received, particularly about the content of advertising but also with regard to magazines marketed to young girls and teenage girls, suggest that the regulators need to try harder in assessing and reflecting contemporary community standards. The committee recommends, as it did in its earlier report on broadcasting, that the regulators, especially the Australian Communications and Media Authority and the Advertising Standards Board, put more effort into this important area. There is a recommendation that the ASB apply the advertising standards for billboards and outdoor advertising to take account of community concerns about the inability of parents to restrict exposure of such material to children.

The complaints processes available to the public are a major focus of community concern, with people feeling confused, frustrated and ultimately baffled by how to make a complaint. The committee has made recommendations to make these processes simpler, more accessible and more responsive.

The committee is also keenly aware of the limitations and practical difficulties of research into the subject of this report. It is not easy to interview children about matters to do with sex and sexual themes. However, those difficulties notwithstanding, the report recommends that the Commonwealth should commission a major long-term study on the impact of inappropriate sexualisation on child development.

I would like to thank all the people and organisations who made submissions to this enquiry and who appeared at our public hearings. My thanks to other committee members for their cooperation during the inquiry and
to the secretariat for their assistance. As I said earlier, I would particularly like to thank Senator Lyn Allison for initiating this inquiry and for her participation in the inquiry.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (10.51 am)—I thank the chair of the Senate Standing Committee on Environment, Communications and the Arts for her thanks and, in return, thank her by saying that it was a very good inquiry to be on and that she and the rest of the committee conducted themselves in a fine manner on a difficult but important inquiry into the sexualisation of children in the media. It was initiated by parents who approached me and, no doubt, others about this issue. They said: ‘We are concerned about our children. We think they are being prematurely drawn into a sexualisation which is inappropriate for their age, and we feel that we cannot counter a very broad and pervasive sexualisation which is happening in advertising and in the media.’ So I am pleased that the Senate saw fit to agree to the environment committee taking up this inquiry.

The inquiry was difficult because no-one on the committee—and I expect it would be the same in this place—wanted to bring down the heavy hand of censorship on advertisers or on the media. That would be both difficult and unpopular. Yet we did recognise that there was a problem in terms of what was not understood to be the community standard. We have some processes in place, but there seemed to be doubt as to how we measure what is acceptable and what is not. If it is the case that parents are buying unacceptable material for their children, how do you deal with that? This was quite a challenge to us and, in the middle of the inquiry, we had the Bill Henson photographic exhibition, questions about underage models being dressed up as adults and the public debate that surrounded those issues. I think that made this inquiry very timely and very useful.

Parental responsibility is a difficult area. We can say that it is up to the parents to determine whether to expose their children to material, but parents may not know that some of this material can be damaging to their children. We heard from psychologists who said that, although they do not have research studies that they can point to, there is evidence of children coming into the care of psychologists at an earlier and earlier age with symptoms of anxiety and eating disorders and the like, which they attribute, at least in part, to the sexualisation process that is going on. While the committee recommended that a longitudinal study of children be undertaken to find out exactly what harm is being done, I think we need to recognise that that research is extremely difficult to do. You cannot deliberately expose children to material which may be harmful to them just to understand whether it was harmful. So there are some ethical constraints as well.

I am pleased that the debate and our inquiry did generate some rethinking. The Australian Standards Board put out a protocol about the sexualisation of children—in fact, they did that before we had our hearing. As is so often the case, the public debate and the Senate inquiry process play a role in involving these organisations, which do not wish the heavy hand of the law to come down on them and which prefer to have protocols that are optional and to have their own systems in place. I think that was a signal that this was likely.

I strongly support the idea that we should have a children’s television station. I think the ABC is the best one to do that. I would like to see the government find some money to fund it. If the commercial stations can put on children’s TV and not have advertising then that would be terrific too.
Returning to parents and their responsibility, it is not always possible for parents to shield their children from magazines that are very readily available in shops and in other retail establishments. There are also huge billboards, which many people find offensive and difficult to deal with when their children see them. At the end of the day, I think it is parents who need assistance here—hence, the recommendation that there should be some sort of classification, for instance, on magazines so that parents would be warned whether or not a magazine was suitable for children and whether parental guidance was required.

Many of the other recommendations are very sound too. It is wise for the Senate—not ‘us’ as in me but the Senate—to come back and see whether the recommendations have had an effect, whether this inquiry has made a difference and whether the new code of practice for children has made a difference. I strongly support the recommendation, and I acknowledge Senator Kemp for making this contribution.

The committee discovered that the complaints process in place for the Australian Advertising Standards Board was inadequate: complaints had to be in writing in order to be counted and to be heard and listened to. That is not acceptable in this day and age. People ought to be able to make a phone call, send an email or send a note that might not be on the right form, because parents often do not have the time to be writing letters and may not have the facilities to do that. The various ways of making a complaint should be legitimate rather than there being red tape or constraints on what does or does not qualify.

We thought it was very important that outdoor advertisements should be vetted, because you cannot choose whether or not you see them. This is where community standards are important, and they need to be identified. Vetting of outdoor advertising is a very good move. It is what happens with television ads. It is nothing new in the advertising industry and so this recommendation should not pose a significant problem.

I thank those people who contributed to the inquiry through submissions and by appearing at our two hearings. Their contributions were most interesting and very useful to us in our deliberations. I again thank the Standing Committee on Environment, Communications and the Arts for its efforts on this issue, and I hope that the committee’s recommendations are adopted.

Senator BIRMINGHAM (South Australia) (10.59 am)—I am pleased to speak on the report of the Senate Standing Committee on Environment, Communications and the Arts inquiry into the sexualisation of children in the media. In doing so, I am mindful that it is one of several inquiries that I have participated in recently. As Senator McEwen mentioned, one related to the effectiveness of the broadcasting codes of practice and another related to an inquiry conducted by the Senate Standing Committee on Community Affairs into the Alcohol Toll Reduction Bill 2007.

Each of these inquiries related to issues of culture, issues in our society and very much to issues of individual responsibility. These are great challenges for government and for this parliament to consider in trying to balance individual responsibility, choice and freedom in society with concerns about the direction that our culture may be taking and how we may influence it. The Alcohol Toll Reduction Bill looked at restrictions on alcohol advertising and was very focused on the potential impact of such advertising on young people and their drinking habits, and it is commensurate with the current national debate on binge drinking. The broadcasting
codes of practice inquiry looked in particular at the use of language on television, the type of language that young people and children may hear and how that can influence them, and the effectiveness of the broadcasting codes.

The inquiry into the sexualisation of children in the media looked at the very broad issue of how children are sexualised, how they are portrayed, how this influences them as they grow up and at what age they may become sexualised and whether or not that is too early. These are all incredibly complex issues, and the last one has been the most complex of all for us to tackle. The committee found it a challenge to initially define what is meant by ‘child sexualisation’. The report that has been handed down does attempt to do that, borrowing from an overseas task force which looked at this issue, but the community debate about it is wide ranging. The report touches on advertising, on what is shown in the media, on the types of toys that exist and the marketing that surrounds them, and on art—as we saw when the Bill Henson controversy erupted during the course of this inquiry. This issue really is all-encompassing in the modern media environment. With such a complex issue, there were limits to what we could achieve in a relatively short period of time; nonetheless, I think the report does go some way to try to tackle these serious issues.

In particular and most importantly, the report makes a statement to the community at large that this parliament and this Senate take this issue seriously. For that, I recognise Senator Allison in particular. I know that Senator Ronaldson also played a role in helping to establish this inquiry but I note that Senator Allison has driven this for some period of time and I praise her for helping to put it on the national agenda, because making that statement is probably the most important thing we can do. When it comes to changing culture, no amount of regulation and no amount of recommendations by a Senate inquiry will necessarily hit home with the community in achieving that cultural change. Cultural change has to be adopted by the community at large. It requires the whole gamut of people out there—mums, dads, grandparents, advertisers, television executives, others in the media and those who manufacture, market and produce toys—to be mindful of this issue of early childhood sexualisation when they are developing products or making decisions in their day-to-day lives, in their businesses and in their homes.

The committee have attempted, with this report and the other reports, to strike the right balance. It is not in my nature to support tighter restrictions on what people see, hear or think—I believe that, in a free society, people should be able to make free decisions and free choices—nor do I think it is right or, indeed, possible for us in this place or for other groups to define and set community standards, because community standards are an ever-evolving thing. They are changing constantly and it differs from household to household and from person to person as to what people believe is acceptable for them, for their children and for their family circumstances. As such, in this report, as in the other reports, we have very strongly backed self-regulation—self-regulatory approaches and co-regulatory approaches that put the responsibility back on industry, advertisers, marketers and others who make the decisions about what is seen, what is heard, what is marketed and what is sold in society. Some of those systems are not living up to all that they should and these groups need to toughen up their act, get it together and ensure that they better reflect what appears to be, and genuinely is, an increased level of community concern.
As Senator Allison mentioned, I am also mindful of Senator Kemp’s contribution to this report. We have put the broadcasting and advertising industries on notice that this Senate should reconsider this very important issue in 18 months to two years and look at how the recommendations of the report have been adopted and also the proactive approach that should be taken by those who have a collective responsibility in society for such an important issue. This is, in a sense, a warning to industry—a yellow card, to use soccer parlance—that the Senate takes this issue seriously, that the industries need to lift their game and be mindful of this issue and not push the boundaries too far, whether it is in the types of girly magazines that are published, the types of toys that are sold and marketed or the types of images that are shown on television. Industry needs to take responsibility and be ever vigilant and ever mindful and know that this Senate should, if it adopts the report’s recommendations, come back and look at this issue again in time.

Importantly, we have also flagged a review that should be undertaken into the new code of practice in television and advertising relating to children. Senator McEwen mentioned that in her comments. It is a new code that was developed just prior to this inquiry, and its effectiveness and operation need to be considered within 18 months to ensure that it is achieving what those who established it claimed it was set up to achieve—that is, providing a greater level of protection and responsibility.

The importance of alternatives is highlighted strongly in this report, and I back Senator Allison’s strong push for there to be a children’s television channel funded by the ABC. The coalition took that policy to the last election. Senator Conroy has said in estimates hearings that this is part of the triennial funding negotiations for the ABC from next year. I urge the government to adopt this, I think there is very strong community support for this. There are benefits that stem beyond children in having a dedicated children’s channel. There are benefits in Senator Conroy’s own communications portfolio in terms of the uptake of digital technology, which we have seen in the UK. But, most importantly, the ABC providing a dedicated children’s channel is something that could change the lives of parents in the way they protect their children from what they see and hear on television, in the media and in advertising. It would address many of the issues that were covered in both the broadcasting codes of practice inquiry and this inquiry into the sexualisation of media. I note that Senator Bernardi initiated the broadcasting codes of practice inquiry and a dedicated children’s channel. The opportunities that digital TV presents not just for the ABC but also for other free-to-air broadcasters to expand their coverage for children would give parents much more comfort in knowing that there would always be something appropriate for them to consider. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**RIGHTS OF THE TERMINALLY ILL (EUTHANASIA LAWS REPEAL) BILL 2008**

**Report of Legal and Constitutional Affairs Committee**

Senator CROSSIN (Northern Territory) (11.09 am)—As the Chair of the Senate Standing Committee on Legal and Constitutional Affairs I present the report of the committee on the Rights of the Terminally Ill (Euthanasia Laws Repeal) Bill 2008 together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator CROSSIN—by leave—I move:
That the Senate take note of the report.

On behalf of the members of my committee I present this report on the Rights of the Terminally Ill Bill. Firstly, you will notice from the outset that there is not a majority or minority report providing comments from the Legal and Constitutional Affairs Committee to this report. Why is that? That is for a number of reasons. We did that because, in presenting this report, it would have been much more balanced to have provided and reflected on the views of the members of the committee rather than seek to have a majority or a minority view. So the report is structured in a way that we have made comments on legality and on the terms and clauses in the bill. We have chapters for and against the issue of euthanasia and a chapter that is simply titled ‘Statements and summaries of views of members of the committee’. I want to put on record my view about this legislation in relation to this report as chair of the committee, and my views are supported by Senator Kirk and Senator Marshall.

From my point of view, the legislation that was produced by Senator Brown went to two issues. The first issue for me was whether or not the territories, and in particular the Northern Territory, should have the right to legislate in every area but particularly, of course, in the area of euthanasia laws. The second issue, which people on the committee and certainly a number of submissions concentrated on, was whether or not there should be euthanasia in this country at all, let alone in the Northern Territory. During the inquiry I found myself focused not so much on what sort of legislation a territory government would introduce on any subject, but on whether or not a territory should have the right to do it. It is true that under section 122 of the Constitution, the Commonwealth has the power to make laws for the government of any territory. In the last 12 months we have seen that occur a number of times in relation to this parliament. But back in 1995 when the then Northern Territory Legislative Assembly, led by the Hon. Marshall Peron, put through laws in relation to euthanasia, their ability to be able to do so was tested. Those laws were passed and, as I said, their ability to do that was challenged.

In the Northern Territory Supreme Court in 1996 a majority of the full bench of the Supreme Court upheld that the Northern Territory Legislative Assembly did in fact have the power and that the Rights of the Terminally Ill Act was a valid law of the Northern Territory. An appeal was lodged in the High Court, but it was not heard and did not come to fruition because Kevin Andrews introduced the Euthanasia Laws Bill in 1996.

During the inquiry we heard that the Territory was not mature enough to determine its own destiny. A number of very significant national lobby groups argued that, because the Territory had a population of fewer than 250,000 people, a legislature of only 25 and no upper house, we had no capacity to make laws on such a significant matter as euthanasia. I totally reject that argument. We have the capacity to make laws in every manner available to us under the Northern Territory (Self-Government) Act. If you look at the conscious, emotive issues of life and death, the Northern Territory does have laws in relation to abortion. For me it is inconsistent to think that we should not also be able to have laws in respect of euthanasia. We have laws in relation to assisting people who are terminally ill and in relation to abortion so, for me, it does not equate that we would not have the maturity to deal with laws in relation to euthanasia. I totally reject that argument. I believe that the rigorous processes of the parliament in the Northern Territory are as rigorous as anywhere else. The deliberations of the members of the Legislative Assembly are as serious and as complete as anywhere else, and we do have the maturity
to pass laws in this regard. (Extension of time granted) Therefore I have come to the conclusion that Senator Brown’s bill should proceed but in an amended form. It should be amended to give back to the Northern Territory the power to create laws in relation to euthanasia; however, as it has been 13 years since the Rights of the Terminally Ill Bill was passed, I uphold the view of the Northern Territory government that Bob Brown’s bill should be amended to not re-enact the Rights of the Terminally Ill legislation. Therefore, what we should see is the Territory being given back its powers and then determining its destiny on the issue of euthanasia.

In summing up, the one way to solve this problem about the Commonwealth’s obsession with overriding Territory laws when it believes it ought to and not when it is good policy is to consider in this house of parliament a bill that would give statehood to the Northern Territory. In that respect I totally support the Northern Territory government’s submission on this bill, and my comments as chair reflect that.

Senator Barnett (Tasmania) (11.18 am)—At the start of my short time available to speak on this, I would like to reflect on the comments of Senator Crossin’s analogy, where she compared abortion with euthanasia. I wonder whether there may be an opportunity for her to clarify those comments. I find such a comparison deeply disturbing—that we are able to kill unborn Australian babies and that therefore there should be some sort of equal right to support for the euthanasia legislation. If my understanding of her comments is incorrect, perhaps Senator Crossin could correct the record. We will have a look at the Hansard to clarify that.

Solstice day, 21 June, was also Motor Neurone Disease Global Awareness Day. Last week I had the honour of hosting a breakfast for Motor Neurone Disease Australia. One thing that we are all entirely supportive of is support for more funding and resources for palliative care. That view was put at the breakfast last week—and it was the view of all members of the Senate Standing Committee on Legal and Constitutional Affairs—that there should be further and significant funding and resources for palliative care in this country. So we are at one on the importance of palliative care. However, we are not at one on this bill being put forward by Senator Bob Brown. On behalf of Liberal senators, and as deputy chairman of the committee, we are deeply concerned about the draft bill and consider that it should not proceed under any circumstances. These concerns are so significant that it does not warrant the recommendations and amendments put forward by Senator Crossin and the Labor senators. The bill is inaccurate, unclear and ambiguous, and it creates considerable uncertainty about the status of the Northern Territory (Rights of the Terminally Ill) Act.

I want to particularly draw the Senate’s attention to the report of the Liberal senators and note that during the nine-month period when the act was in effect, there was a reference in our committee proceedings to a study published by the Lancet. Its principal author was Professor David Kissane, consultant psychiatrist and professor of palliative medicine. Dr Philip Nitschke was a co-author of that paper, and I note that Dr Nitschke is here in the gallery today. Four people were assisted to terminate their lives by Dr Nitschke under the RTI Act. No other medical practitioner made use of the provisions of the act to assist any other person to terminate life.

The Lancet study and evidence from Dr Nitschke to our committee raised serious doubts about the effectiveness of the act in ensuring competent psychiatric assessments of patients before they were administered
euthanasia. The previously undisclosed admission by Dr Nitschke that he had personally paid the fee for the psychiatric assessment of one of the patients he euthanased gives rise to a serious concern about a potential conflict of interest. That is just one concern that we wanted to raise, and our report is set out in terms of the range of other concerns. Dr David van Gend summarised other problems with the administration of the RTI Act in this way. He said:

The four levels of medical safeguard that were built into the act were either diminished or blatantly violated...

We have particular concerns with the inadequate safeguards under the act which Senator Brown wishes to restore to life. We are particularly concerned about the slippery slope argument and the possible move from voluntary euthanasia to involuntary euthanasia.

A number of other issues were raised, and we want to raise them very briefly with the Senate today. They relate to the Aboriginal issues in the Northern Territory. We received a good deal of evidence which expressed serious concern about the impact that this would have on, and its inconsistency with, Aboriginal culture and Indigenous culture. Based on the evidence that was put, it is our view that it poses a threat to the health of Indigenous Northern Territorians.

With respect to euthanasia tourism, it is noted that, of the four people who were euthanised during the time when the act was operating, two were from outside the Northern Territory. So euthanasia tourism is clearly a concern because the act has no residency requirement, and we received a good deal of evidence about that.

Several submissions drew attention to the problems in the jurisdictions overseas, particularly in the Netherlands and in Oregon. The Festival of Light Australia pointed out some of those concerns. I do not have to go into them today, but I did want to make the comment that the overseas experience certainly persuaded us against supporting this legislation put forward by Senator Brown. From a personal point of view, I certainly believe in the protection of human life and the sanctity of human life, and I think that all Australians, no matter what colour, what shape or what size, deserve respect and dignity. I know that view is held by many in this chamber and throughout this great country.

In conclusion, I want to thank the secretariat, in particular Peter Hallahan, Sophie Power and Hannah Jones, for their wonderful work and the professionalism with which they pulled together this report. We thank them very much for their assistance. Finally, I want to thank the many witnesses who appeared before our committee in Sydney and also in Darwin and for the submissions that were made to our committee.

Senator BARTLETT (Queensland) (11.24 am)—I would like to congratulate Senator Brown for bringing forward the Rights of the Terminally Ill (Euthanasia Laws Repeal) Bill 2008. I think it is a very important issue that needs more debate. As I indicated in my personal comments in the report, Senator Brown’s bill is quite similar, if not the same, to one put forward by Senator Allison not so long ago. I would also have to say that I do not agree with either of them. A majority of the committee did have the view that the bill should not proceed, but for differing reasons. As a reflection of the fact that this is a conscience vote matter, it is appropriate that the committee not have a majority and a minority report but simply reflect the evidence and some of our individual views. It was a short inquiry, and this is a very short debate on what is a big issue regarding one of the most fundamental aspects of human life, which is the enormity and mystery of death.
Just briefly on the issue of Territory rights, as I reflect in my additional comments, I have a lot of sympathy for that. I very much understand how infuriating it must be for Territorians to be potentially able to be over-ridden on any matter. Nobody likes that. But if you are going to apply that principle, I think you have to apply it universally, not just to arguments and issues that you agree with. Unless people want to simultaneously argue that Northern Territory land rights laws should also be handed over to the Territory then I think you have to set that argument aside. I do support statehood for the Territory. I do think we would be better off having a national framework for euthanasia in which all Australians, whatever state or territory they live in, live with the same overarching framework and standards. That is the way I would like to see the debate go.

The issue of euthanasia itself is vexed and complex. I get frustrated with how advocates from both sides of the debate sometimes present it in what I think is an oversimplistic or a polarised way. I do not accept at all the suggestion that those who are opposed to it are all religious zealots with no concern at all for human suffering, imposing their religious values on other people, versus the other view—which we have just heard put a little bit by Senator Barnett—that advocates of euthanasia have no respect for human life and no consideration of human dignity. I think everybody has concern for human dignity and the sanctity of life; they just view it differently in terms of how our laws should interpret that and where you balance the competing values involved.

The issue of human dignity is a big one for advocates of euthanasia, as it is for all sides. The concern for human suffering and the concern for the vulnerable also apply to those who are opposed to euthanasia. As I say in my comments, I am supportive of the principles behind the arguments put forward by advocates of euthanasia, but I am apprehensive about whether they can be adequately and safely legislated for without leaving vulnerable people in an even more vulnerable situation.

I recall a well-respected disability advocate—a person on the progressive side of the spectrum, not your stereotypical so-called religious zealot—saying to me that they were very concerned about the potential change in attitudes that comes with euthanasia where a right to die that can be effectively and safely implemented by people who are powerful and well-resourced could potentially become an expectation or almost a duty to die for the powerless, for the disabled and for those who are seen as marginalised. I do not in any way suggest that is what euthanasia advocates hope to see, but I think they are potential issues.

I was very impressed with the evidence that Dr Nitschke gave in Darwin. I thought he was very clear and consistent in the evidence and in the argument he put forward. I do think there is too much loose language here for what is such an important, fundamental and complex issue. To just have vague language and sloganeering is not good enough, certainly when it comes to looking at laws. You can make your broad case, but when you are looking at what laws we pass that is not good enough. That is why I think we need to de-polarise the debate and accept there are valid issues and valid concerns on both sides, and it needs to be far more nuanced. As I said, I have apprehension about whether euthanasia could be safely implemented, but I would like to see it if it could be done. I am not religious at all, so that is not the issue for me.

I am someone who has examined issues of depression and suicide, and the causes behind them. Euthanasia is a form of suicide and is one that a lot of people think is a posi-
tive form, and that is why they usually do not use the word ‘suicide’. We think of suicide, quite rightly, as a bad thing. (Extension of time granted) If we are using language such as a right to die and the right to have assistance to die then it is a big shift for people who think regularly about whether or not they want to die—not because they have a terminal illness but because they are just contemplating whether they want to end their life. We need to think about that more fully and debate that more fully. That is why I think bills like this are desirable, so we can have that debate and explore those issues in a more nuanced and deeper way. I hope the future Senate does that.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (11.30 am)—I will be proceeding with the Rights of the Terminally Ill (Euthanasia Laws Repeal) Bill 2008, but it will be in the form of restoring the rights of the territories, if it were to pass both houses of parliament—and I am confident that it will pass both houses of parliament. I thank Senator Crossin, all members of the committee and all people who have helped with it, including those who have made submissions. The committee has cleared doubts about the way in which the bill should proceed, and that is the function of a committee. It shows the Senate working well, and I am confident that it will pass both houses of parliament. I thank Senator Crossin, all members of the committee and all people who have helped with it, including those who have made submissions. The committee has cleared doubts about the way in which the bill should proceed, and that is the function of a committee. It shows the Senate working well, and I will move to progress the bill, adopting the recommendations that Senator Crossin has put forward. They are, effectively, to restore the rights of the Australian Capital Territory and the Northern Territory to legislate for death with dignity, because the peoples of those territories and their elected representatives ought not to have had that right taken away from them—it should be restored.

The legal evidence to the committee, including that from the Northern Territory Law Reform Commission, was that had the bill proceeded as I had brought it to the Senate, it may, in fact, have entrenched the euthanasia laws in the Northern Territory, without the assembly having the ability to rescind it. My primary intention here is to give the territory the right to make the determination either way, and the same for the Australian Capital Territory. I will amend the bill accordingly, if the Senate permits, and it will proceed to be debated in the Senate and the House of Representatives in the coming months.

There is a lot of structured confusion about the content of the legislation—euthanasia and the rights of territories to legislate, which is the primary intent of the bill. I want to talk about that for a moment. Senator Barnett and his fellow Liberals said that the bill should not proceed under any circumstances. What an extraordinary statement; that the Senate should not have a discussion about the rights of territories, let alone euthanasia. What an extraordinary prospect, coming from those three senators, that this Senate should not be debating any matter brought before it by a senator, or any piece of legislation. That needs to be treated with the contempt that it deserves.

The proposal from Family First went one step further, and I note Senator Fielding is going to speak next. It took up with the Australian Christian Lobby, which is not related to any church but has that name. It said that the territories, which represent relatively small numbers of people, should not pass laws on such contentious issues as euthanasia. Really? When you look at the argument that is brought forward, Family First believes the Australian parliament does have a legitimate role in overturning the Northern Territory’s euthanasia laws and in preventing the territories from making laws on euthanasia. Really? When you look at the argument that is brought forward, Family First believes the Australian parliament does have a legitimate role in overturning the Northern Territory’s euthanasia laws and in preventing the territories from making laws on euthanasia. Of course, the logic is that it has a legitimate role in reversing that. But we get a denial on that matter from the four senators who have a different position.
The argument is that the Senate or the parliament should not force the availability of legal euthanasia on all Australians; it should not force options. What an extraordinarily dictatorial, antipublic point of view this is. Let me, again, make this very clear: this bill will proceed. I will move it to be amended according to the chair’s suggestion so that we can debate in this parliament the rights of the territories to legislate in this matter. Separately, I also intend to look at the matter that Senator Bartlett is talking about—that is, the wherewithal of the Commonwealth vis-a-vis the states and territories to legislate for the option of euthanasia to be brought to the Australian people. The last poll showed that Australians want the right to have the option of death with dignity by 80 per cent to 14 per cent. Senator Bartlett said that all Australians deserve dignity, but then inherently says that he withdraws that right of Australians when it comes to their dying process.

Like the Netherlands, like Belgium, like Oregon and, indeed, like the Northern Territory back in 1995, that is an option that ought to be available to Australians. It is inevitable. There is legislation before the Victorian parliament at the moment that has great legitimacy. The Australian people want this, but here we have senators saying that it should not even be debated in this parliament. It shows timidity, a failure of logic, and an insecurity in the ability to be able to argue both the matters of territory rights and euthanasia in this great parliament. That is the role of this great parliament, and this bill will proceed to be debated in this place and, hopefully, in the House of Representatives.

Senator FIELDING (Victoria—Leader of the Family First Party) (11.37 am)—Family First opposes euthanasia and believes that people with suicidal thoughts do not need lethal help but need life-saving assistance. The Rights of the Terminally Ill (Euthanasia Laws Repeal) Bill 2008 is intended to overturn the federal government’s ban on both the Northern Territory and the Australian Capital Territory having laws to allow euthanasia. It also aims to reinstate the Northern Territory’s 1995 euthanasia law.

Legalised euthanasia puts pressure on vulnerable people who feel they have to justify their existence because they know their continued illness is putting strain on family and friends. The euthanasia law, the Rights of the Terminally Ill Act 1995, operated in the Northern Territory for nine months from 1996 to 1997 and during that time four people died by lethal injection.

Family First is concerned that there were a number of instances where what were supposed to be safeguards in the Northern Territory’s euthanasia law were ignored, calling into question the safety and effectiveness of the legislation. For example, there was a requirement in the legislation that doctors certify that a patient was terminally ill before the patient could receive a lethal injection, but the legislation did not say what should happen if the doctors had differing opinions. In one particular case in the Northern Territory’s experience with euthanasia, the evidence provided by palliative care expert Professor Kissane was that one oncologist gave their patient’s prognosis as nine months but a dermatologist and a local oncologist judged that she was not terminally ill. There was no system in the legislation to deal with disagreements between doctors, so the particular person received a lethal injection despite the possibility that they were not terminally ill.

There was also a requirement under the legislation for a psychiatrist to have confirmed that ‘the patient is not suffering from a treatable clinical depression in respect of the illness’ as one of the conditions before the medical practitioner was allowed to give the patient a lethal injection. But this was
also seen as another hurdle to clear, with Dr Nitschke saying of the four people who died by lethal injection:

All of them showed aspects of depression, and that, to my mind, was entirely expected. Ultimately, the question—and this was not brought out in the Lancet article—was: does that mean that they were so debilitated by that psychic condition that they had lost the ability to make rational thought?

This, of course, is contrary to the legislation and common sense on what depression does to people. To quote one journal article, the interest of depressed people in euthanasia is because they ‘often focus on the worst possible outcomes and are impaired by apathy, pessimism and low self-esteem’. They are not in a position to make good decisions, whatever you think of euthanasia. The danger with all legislation is that it can be seen as a list of requirements to overcome rather than protection against the abuse of patients or against mistakes. In this case, those seeking euthanasia could try multiple doctors until they find enough signatures to meet the requirements.

The Northern Territory’s nine-month experience with euthanasia demonstrated that the so-called safeguards in the legislation were not effective in protecting vulnerable people from a lethal injection. It caused fear in the Territory’s Aboriginal community. The Northern Territory’s euthanasia act should not be revived and the Senate should not support this legislation.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

PARLIAMENTARY ZONE

Approval of Works

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—Minister—you SNAG, you.

Senator FAULKNER (New South Wales—Special Minister of State and Cabinet Secretary) (11.41 am)—Thank you for that very generous, albeit somewhat disorderly, comment from the chair. I move:

That, in accordance with section 5 of the Parliament Act 1974, the Senate approves the proposal by the Department of Parliamentary Services, relating to the construction of a childcare centre.

Senator CROSSIN (Northern Territory) (11.41 am)—With your guidance, do I need to seek leave?

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—You do not need my guidance at all. You can go for your life.

Senator CROSSIN—I can go for my life?

Senator Faulkner—You’re obviously not going to be called a sensitive new-age guy.

Senator CROSSIN—A new-age girl, maybe. I rise to speak in relation to this proposition that we finally—can I say with some sense of pride—see an approval going through both houses of parliament to provide a childcare facility in this building. Ten years ago this week, in fact, I stood in this chamber for the first time and gave my first speech. I had my family with me and little Kate was two years and three months old. I was still breastfeeding at the time. I had this to say:

I put on the record that it is unfortunate that there are no child-care facilities in this building for a politician like me. It may well be one of the reasons limiting the capacity of women to enter this arena.

From the moment I put those words down in Hansard, I decided that I would spend my time in this place developing a campaign and pushing for some recognition that a childcare centre would benefit not just politicians—in fact, not politicians at all—but the many thousands of families, women and men, who work in this place. I came to realise their life would be much easier if in fact there was a childcare centre within the building. So I
embarked on a quest to see if I could realise that ambition.

My research of the history books tells me that in an article in a newspaper some 25 years ago this was said:

After months of apparent inaction, the new Parliament House may get a creche.

Senator Pat Giles, a fantastic Labor senator from Western Australia, was quoted as saying:

“We have been frustrated about the whole thing”—

Can I say, Senator Giles, tell me about it—

the head of the caucus committee on the status of women said yesterday. A commitment had been given in 1983 that there would be provision made for childcare in the new building.

Jumping to 1986, Senator Powell asked of the minister representing the then Prime Minister here in the Senate whether they could inform the Senate if the original plans for the new Parliament House, which did not provide for child-minding facilities, had been changed to make such provision. Of course, a couple of days later this was the answer:

The Joint Standing Committee, through a special sub-committee, considered the question of a childcare facility within the precincts of the New Parliament House. I am advised the JSC has decided that no childcare facility will be provided within the precincts.

So I am not the only one who has been on a quest to ensure that we have some family-friendly provisions within this building; it emanated many years before I entered this chamber. In 1988, a Parliamentary Zone survey was conducted by the Parliament House childcare committee. It surveyed workers in Parliament House, the National Library and the National Gallery and found that 83 places could be taken up if available. Funding of $0.7 million was included in the National Capital Development Commission’s 1988-89 capital works program.

We then go to 1989, when the Joint Standing Committee on the New Parliament House recommended approval of a centre, but four senators at that time presented a minority report. In December 1989, the Joint Standing Committee on the New Parliament House recommended the establishment of a community based childcare facility adjacent to the provisional Parliament House, and that year a community based childcare centre catering for 40 places was due to open next to the Forrest Primary School. Since my day, of course, the recommendation has been made to many people who have worked in this House that they use that Forrest childcare centre, but that did not quite go to the nub of what people were actually looking for.

Moving on to childcare issues in Canberra in 1992, the CSIRO were in the process of completing a childcare centre at Black Mountain and the ATO became the first public sector organisation to reach an industrial agreement regarding the provision of childcare for staff. Going on, we see that even the new Department of Foreign Affairs and Trade building has a childcare centre, which is dedicated to staff that specifically work there.

In 2000, I started to convene informal meetings of people in this House who might be interested in pursuing the issue of childcare facilities at Parliament House. Certainly, these meetings had no structure and had no legal standing within this parliament; nonetheless, we got together. At that time, Senator Woodley of the Democrats was still in this place and was very supportive of this move. I place on record my appreciation of the work of Consie Larmour from Senator Kate Lundy’s office and Meg Martin, who with a number of us—including, of course, Senator Lundy—have vigorously pursued the quest to have a childcare centre in this place. Mike Bolton from the Joint House Department
joined us at that time, and we finally managed to convince the Joint House Department to hire a consultant, Prue Warrilow, from Families At Work. However, again we had another survey. It seems that the path this childcare centre has taken in Parliament House has been step by step and survey by survey. If my memory serves me right, that survey showed that at that time this place could support a childcare centre for at least 95 places.

We did make some gains, though. In 1994, the former Spouses Lounge on the House of Representatives side of the building was converted to a child-friendly family lounge. That was not really the same as a childcare centre; you could send your children there and they could be occupied throughout the day—unsupervised, though, unless you were there with them. It was suitable for children of various ages, but it did not quite hit the mark in terms of what was needed in this place.

Nevertheless, we pursued and continued. My informal reference group met from time to time, with invitations being extended to people like Joe Hockey, who, I have to place on record, was a great supporter of this campaign, and Jackie Kelly, who, as we know, also jumped on board and started to push for this campaign. We have been down to the DFAT childcare facility and we have looked at the one at Forrest. With Maggie Barnes from the Joint House Department, I have walked this building looking at potential spaces where a childcare centre could be built. We have talked about having a childcare centre in one section of the ministerial car park and we have talked about locating a childcare centre out near the tennis courts on the House of Representatives side.

However, finally, a couple of years ago, we got down to the serious business of really looking at what sort of space was available inside this House and what we would need in square metres per child, because any childcare centre established here needs to comply with the ACT regulations and guidelines. We did home in on a few places—the old staff bar and the back of the staff canteen. Of course, you will know now that we finally decided on renovating the old staff bar. We know that it will take children only of up to 18 months and that it will have only 22 places. We would like to see the provision for at least a 75-place centre in this building, but that is never going to happen, because we literally do not have the space. Back when the building was designed—and I can only imagine there were very, very few women in parliament at that time—there was very little prospect of ever thinking that there would be women in this parliament who would one day need a childcare centre. It was not on the radar and it was not on the agenda—or, if it was, it was completely dismissed out of hand.

But we move on. We have had debates about whether or not this parliament and this workplace should be paying for such a facility. We have had a debate, believe it or not, about whether the clocks that ring in this House would actually wake the babies who were asleep—ably discredited, of course, by the number of members who have had young babies in this place and who have said, ‘Well, it never seemed to wake my little tacker up when the bells went, despite the fact that they were sleeping in my office.’

I sometimes felt at joint house committee meetings that I was taking two steps forward and 32 steps back. But I do want, very sincerely, to place on record my colleagues from across the parties—and also from the national press gallery. There were certainly times when people like Catherine McGrath and Steve Bloom came to me and urged me to keep going. Of course those people, like Senator Natasha Stott Despoja, have had
children, and those children have moved well past their need for child care. That is certainly the case in Catherine McGrath’s instance. In my instance, that is the case. Kate is now 12 and enjoying a day at Questacon today. Nevertheless, I always knew that this was going to be a long, hard struggle, but it was something that we could put in place for people in the future.

I have a vivid memory of gathering people together, when the campaign became increasingly frustrating, and urging them to bring their babies and partners into this house. There were many delightful photos taken of young babies crawling up and down Senate committee tables, to press the point that putting your young child on a committee table was not acceptable in this day and age and that really staff in this place were looking for the recognition that, to balance their life, family and work commitments in this house, they needed a childcare facility.

I am specifically talking here about people in Hansard, people in the Parliamentary Library—and I must pay tribute to Glenda James for the research work and the work that she did in our campaign to get this established—and the many staff who work in the committees and particularly in the House of Representatives and in the Senate. So do not be under any illusion here that this is a childcare centre for politicians; it is clearly not. In fact, of the 20 or 22 places, I think, in the coming year, I will be surprised if four or five politicians take one up. Hopefully, Catherine King might be lucky enough to be able to put her new baby in there next year to make her life a little bit easier. But this was always about providing a childcare centre for the staff who work here: security staff, Hansard, DPS staff, committee staff—everybody except us, essentially. It was not about us as politicians; it was about finally recognising that this Parliament House, in this country, needs to be at the leading edge as a workplace that recognises the needs of families in this place, the needs of working mums and working dads, in having on hand their child at their workplace.

It was also about acknowledging the very crucial role that breastfeeding plays in the early weeks and months of a child’s developing life. Not everyone can stay at home with a young baby, and not everyone wants to stay at home with a young baby, but we should be a country that encourages women to breastfeed. When we have a childcare centre in this place and women choose to come back to work when their child is six months, nine months or 12 months old and they are still breastfeeding, they will be able to go down to that centre and continue to feed their child in that way. This should be the pre-eminent place in our nation that encourages breastfeeding and encourages a work-life balance and now, finally, it recognises the role of having child care in the workplace.

I am incredibly proud today to be able to stand up and speak to this approval motion. But I also want, as I said, to place on record the large number of people who have been on my email distribution list and who have been at the end of my phone calls—and I apologise to the people in the Joint House Department who occasionally had to deal with, perhaps, my wrath as I continually put this on the agenda. Senator Jacinta Collins, for example, was one of those people who were part of that campaign. She has actually gone from the Senate and come back again. Finally, though, we will now have a childcare centre.

Senator Webber interjecting—

Senator CROSSIN—No, she does not have any young children now, but she would have been one of those people who would have benefited back then. Tanya Plibersek is another one, and I know Joe Hockey is another. I know there are a number of politi-
cians from both sides. But it is not about the politicians in this place. It is about the other people who support the life of this parliament 24/7 and who need the support of this childcare centre, as I said, so they can put their young children there and continue to breastfeed. I also want to place on record your support, Senator Natasha Stott Despoja, in this campaign. It has been a bipartisan campaign, and I am so pleased to be able to say that we have reached the end of it.

However, I do want to give one final warning and fire this shot across the bow. We have got 22 places. The centre is for children under the age of 18 months. So now we look forward to the next campaign, which is to finally extend that to a 75- or 95-place centre very close to Parliament House. As I said, it cannot be built inside, but it will have to be around National Circle or State Circle. I reckon there is plenty of land out there in the bush to build a purpose-built childcare centre so that, if people cannot get access to their child inside the building, it is less than a couple of minutes walk away. That is the next phase of our campaign, and I look forward to starting that. I congratulate everyone who has been involved in getting this to this stage and, as I have always said, I look forward to cutting the ribbon on the first cot that is placed in that childcare centre early next year.

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—Senator Stott Despoja, there are three minutes left in this debate.

Senator STOTT DESPOJA (South Australia) (11.58 am)—I just want to put on record that, while many of us are very pleased to have Senator Trish Crossin’s acknowledgement, she has been very generous. I think it needs to be recorded once again in the Hansard and for all to see that Senator Trish Crossin has done more than any other individual, certainly in contemporary times, to make this a reality. My child is also at Questacon today, like Kate. Had Katie been here today, she would have been a very clear reminder of the fact that she, a 12-year-old, was two when Trish started this campaign.

Senator Crossin, you deserve to be applauded for this, and I look forward to seeing you cut that ribbon—although maybe I will not be here. The only point I was going to make was one that you picked up at the end, relating to breastfeeding. Obviously you have put on record the clear association between breastfeeding and mothers being able to be close to their children. I think that perhaps the Senate should take a leaf out of the House of Representatives’ book today in relation to breastfeeding and consider implementing a process of pairs, because it ain’t easy. That is one thing I would have liked to have seen rectified before I left this place, but I am sure that there are many women in the future who could benefit from that particular change. I say to Trish and the many other people she has acknowledged: well done. I think it is incredibly symbolic that this Parliament House, built only 20 years ago, failed to have a childcare facility. I know my former colleague the late Janine Haines had something to say about that. I know it has been a cross-party effort, but bravo Trish and the many others who have been involved. This is a historic occasion, but I look forward to, as Senator Crossin said, the next phase. I think all men and women in this place should play a role in it.

Senator JACINTA COLLINS (12.00 pm)—I would like to briefly take this moment to also commend Senator Crossin on the work that she has put into this issue over a very lengthy period of time. Sitting up in my office just now, I was pleased to hear her go through the very long history that has been involved in establishing this centre. Indeed, I look forward now to the possibility of using it for my grandchild rather than for
my own children. That is how long this history has been. Senator Crossin did not go into the full details about the difficulty of accessing child care in Canberra. Senator Stott Despoja has covered some of the breastfeeding issues, but there is a far broader range of issues about accessing child care and services relevant for members and senators with children that relates to the nature of our work, the amount of time we spend away from home and the hours which we work. Some of those issues have been accommodated for public servants working for organisations such as the Department of Foreign Affairs and Trade, but there had never really been any effort in the past to deal with those issues as they relate to members and senators.

Senator Crossin and Senator Stott Despoja, I am sure, would reinforce the point that as politicians we are not looking for any special treatment or any additional funding to meet our own personal costs in relation to childcare arrangements. But we do need services that will be accessible, given the nature of our work. The very first point made to me about accessing child care when I came here—I was pregnant with my son James, who is now 12—was that there was indeed a centre at the Department of Foreign Affairs and Trade. My first inquiry at that centre was met with, firstly, ‘We’re full,’ and, secondly, ‘We only take full-time places.’ By ‘full-time places’, they meant paying for a childcare place that you used 50 weeks of the year. We are not here 50 weeks of the year, and the arrangements just would not suit. I look forward to some of those flexibilities being incorporated in our new centre. As Senator Crossin indicated, it will only be available for children up to the age of 18 months. But from experience I have discovered that, by the time your child is around that 18-month stage, there are often many more reasons why you make arrangements back home to better suit their needs. Certainly we will need arrangements to accommodate our needs beyond the 18-month stage. It may be a bit less critical that the facility actually be in Parliament House itself, but I look forward to joining other senators in the campaign to improve services for children over 18 months of age as well.

Question agreed to.

**TAX LAWS AMENDMENT (2008 MEASURES No. 1) BILL 2008**

In Committee

Consideration resumed from 25 June.

The TEMPORARY CHAIRMAN (Senator Hutchins)—Order! The committee is considering the Tax Laws Amendment (2008 Measures No. 1) Bill 2008 as amended and Australian Greens amendment (1) on sheet 5489—

Senator MILNE (Tasmania) (12.04 pm)—I rise to make some more remarks, because I am still waiting for the government to answer my questions on this. I will keep asking them until I get the Minister for Climate Change and Water in here to answer them. We were told yesterday by Senator Conroy that this bill does not put environmental constraints around these tax deductions for so-called carbon sinks. That relies on the minister for climate change setting the guidelines. We are told: ‘Buy a pig in a poke. Just vote for this now, and you will get guidelines later which will tell you whether or not these trees can be cut down.’ It defies common sense to say that you get a tax deduction for planting a carbon sink, but there is no requirement for it to stay in the ground. It is clear to me that the wording has been done very carefully. All you have to do is say at the time you plant it, ‘I intend for it to be a carbon sink.’ After that, you can change your mind or sell it to somebody else who does not have the same intention.
There is a line in the explanatory memorandum which says that you do not have to have any connection with the land to be able to benefit from this. That is clearly for the coal industry, the aviation industry, the cement industry—everyone who wants to offset their carbon rather than reduce emissions at the source. But it was also very clear to me that this is a rort for the forest industry. This is MIS on steroids. I have done some more research on that, and I have found that to be true. I have looked at what the Australian Greenhouse Office now accredits as a carbon sink. I can harvest a forest and still generate greenhouse-friendly abatement. You might think, ‘How could it be that, if you cut it down, you still get carbon credits?’ This is somewhat confusing to someone who is trying to reduce emissions. The answer is that you pool your forests and you manage them for a certain volume of carbon. You might plant a thousand hectares of forest. You say, ‘I am managing that for the equivalent of 700 hectares of equivalent carbon.’ Then you go through your forest rotations so that you still get the money for your woodchips, your product, and you get the money for the carbon abatement while those forests are growing. You get to double dip here, and you get the Commonwealth to help you out doing it. They even specifically say that decisions on when to sell carbon could be based on considerations around wood product and carbon prices.

As I said yesterday, you will work out, ‘Wow, the woodchip price is $90 a tonne and carbon is so much a tonne on carbon market, so at the moment it is better to reduce my volume of carbon and go with the chips,’ or it may go the other way. If you are allowed to pool all the managed forests under your control—if you are Gunns, Great Southern or any other company—you have now got a scheme which gives you double the money for nothing, essentially. This is outrageous and it will drive people off the land. Senator Conroy told us yesterday, and I will just read it out from the explanatory memorandum:
The Climate Change Minister must, by legislative instrument, make guidelines about environmental and resource management in relation to carbon sink forests.

So the minister has to make these guidelines for the management of these forests. I just want a simple answer from the government to this question: do you intend to make the guidelines the same guidelines as those currently in this greenhouse abatement accreditation scheme? If you do, it is nonsense. We are not going to get an increased take-up of carbon; we are just going to get a double whammy for the forest industry—a double whammy in the sense of a double bonus for the forest industry because it is money for jam for them.

I would also like to put on the record a letter from the Mayor of King Island. I draw this particularly to the attention of Senators Abetz, Barnett, Polley, Carol Brown, Sherry, Watson, Bushby, Parry, O’Brien and Colbeck. You are the 10 Tasmanian senators apart from Senator Bob Brown and I. The Mayor of King Island has written this:

I am the Mayor of King Island. We were able to fend off the planting of forest trees on our grazing lands some two years ago. We realised that the risk of having plantation forests for harvesting as chips or logs would be low due to the heavy infrastructure costs and the remoteness of our island. The matter of MIS schemes for the planting of trees as carbon rebates is another matter. The experience of Kangaroo Island causes us to take up the cudgel to protect our island. The King Island brand is very dependent on the maintenance of the areas of agricultural land available at this time. We are unable to replace any lands lost to forests as we have a very finite boundary to our island. To lose the King Island product due to the inability of the population to support itself is not a tenable idea and would be stupid. We only exist because of the quality of our product, which al-
lows an adequate return to compensate for our remoteness and the added costs of transporting these products to market. All of our products are value added by industries on the island which will be lost.

Kind regards,

Charles Arnold.

That is the Mayor of King Island putting it absolutely on the record specifically for those 10 senators to listen to. If you do this, you will destroy the King Island brand because there will not be a critical mass of people left on the island to sustain the industries. I do not want any of you standing up in Tasmania and putting out press releases saying how bad this is, that it should not have happened, that you did not know it was going to happen and so on. I am telling you now. The Mayor of King Island is telling you now. In this Senate, I am showing you now that the guidelines are not in place and there is nothing to stop these trees being cut down and managed as a pool by the forest industry, the coal industry, the airlines or anybody else. You know what you are doing.

I also want to say that people have stood up in here and said it is a rort. Senator Hef-ferman in particular described it as bottom-of-the-harbour scheme and as a rort. He knows full well that it is a rort. The Nationals know it is a rort; they have stood up and said so. We have the numbers in this Senate today to stop this rort, if the people who recognise it is a rort get rid of it. But no, that is not going to happen because those for the forest industry—Senator Abetz; Malcolm Turnbull; the member for Wentworth, and others; Senator Minchin is no doubt amongst them—are in there saying the Liberal Party will vote for this rort. That is what is going on. They will vote for it today. They will knock out my amendments which require mixed species and require the trees to be in the ground, even though the government has not said, and will not say, you cannot cut down the trees, because they intend the trees to be cut down through managed investment schemes. There will be pooling of trees by the forest industry under your very own greenhouse abatement program scheme to manage pooled forests.

As I have said time and time again, there is nothing here at all—and I would like to know from Senator Wong why there is not—about a rebate for protecting standing carbon stores. If the government is serious, why don’t we have that in there? All we have got is a tax bill and another rort for the forest industry. It is a rort for people who just want to put in the trees, get the tax deduction and sell or lease them to somebody else who can then decide what they want to do with them—whether they want to manage them for carbon or logging or both. It is not putting any pressure on the coal industry or the airlines to reduce their emissions to just say, ‘Let’s plant the trees and offset them over time.’ You think about the volume of emissions we are talking about that need to be offset. If those coal-fired power stations cannot get their emissions down at the source—carbon capture and storage is nowhere to be seen and will not be here for 20 years—they will have to take up hundreds of thousands of hectares of land to go anywhere near it because, when these trees are planted, they have got virtually no carbon in them. It is going to take years to get any kind of volume of carbon. To get anything like it, you need hundreds of thousands of hectares of agricultural land, and that will be agricultural land with water. They will buy water rights and land.

I think it is disgraceful that the minister for climate change is not here confirming for this Senate that these trees can be cut down, that there is no requirement for them not to be cut down and that they will allow them to be managed by forest companies in conjunction with their plantations for fibre. I want to
put very clearly on the record that I have no confidence whatsoever in the minister for climate change setting guidelines that will guarantee these are carbon sinks into the future, nor do I have any confidence whatsoever that we are going to see permanent carbon reductions because of this. There will be no plantings on marginal land because the trees will not grow on marginal land. The only land these plantations are going to go on is land with water, where the trees will grow, and that will take it out of agricultural production.

Let us be very clear: the contempt of the Senate being shown by the government is real. Senator Conroy has not answered the questions. Senator Wong, the Minister for Climate Change and Water, even though she is the one who will set the guidelines, has not come here and said anything about it. I bet she does not even know herself what the guidelines are going to be, and what she will revert to will be these foolhardy guidelines in this Greenhouse Friendly Forest Sink Abatement Projects Scheme they have going. And if anybody thinks that people around the country are going to take this scheme seriously as being a reduction in carbon emissions, they have another think coming. It is not worth the paper it is written on, to be frank, as an abatement scheme. Get real and have an abatement scheme for protecting standing vegetation, standing native forests. Then we will start talking about real carbon sinks.

I would like to have an explanation from the government on those matters. Are the guidelines that the government is talking about in this current scheme? Yes or no, Minister Wong? Where are you, Minister Wong? Are these the guidelines? Because they allow for them to be cut down. That is all there is to it. A rort is going through this parliament. The Liberal and Labor parties know it is a rort going through this parliament, and they are going to sit and let it go through. And if anyone is stupid enough to think that we are going to be pacified by the promise of some sort of inquiry after the event, don’t insult our intelligence. Once it is law, it is law. The opportunity is here today to knock it off, to kill it, to end this rort. If you do not do that then you do not have the courage of your convictions and it is your intention to drive people off the land, to take land out of agricultural production—and there is nothing else that can be said for it. I would like someone from the government—there is not even anyone in the chamber; there is only Senator Webber sitting on the government benches.

Senator Webber—No, Senator Conroy is over there.

Senator MILNE—Oh, Senator Conroy has just wandered back into the chamber. Could Senator Conroy please tell me now: can these trees be cut down? Can they?

Senator JOYCE (Queensland) (12.17 pm)—I think it is appalling that the minister who is responsible for this is outside the chamber when this highly contentious piece of legislation is coming forward. I acknowledge what Senator Milne has said. I also acknowledge that the reality here today is that we do not have the numbers to stop it; we have to come up with—a solution that keeps this issue ventilated, with a process that actually takes it forward. I would be only too happy to cross the floor—but to what effect? There would be me and, I imagine, a couple of others and the Greens, and the issue would be lost. I believe there is a genuine sense of concern as we go forward. I am hoping that Senator Ronaldson in due course will talk to an inquiry to deal with this issue. In dealing with this issue we will get a chance to further
ventilate this issue and to flesh this issue out further so that we can change the law—because the law has already passed, unfortunately.

I acknowledge also that we have the capacity today to reach back into that law if it were the wish of the majority of the chamber—that is very important: if it were the wish of the majority of the chamber—to change the law. But it is quite evident that the wish of the majority of the chamber is not there. So you have to be honest and practical and, in trying to deal with the farmers who have a concern with this, come up with a solution that actually takes them forward in some way, shape or form. To do anything else may be a pious amendment; it may be a Pyrrhic victory. I am only too prepared to do that, if it were not for the chance out there that you do have the potential to go forward and deal with this issue in another way. That is what my responsibility is here today. And I imagine it is the same for the responsibility of others.

It is self-evident. Why on earth are we going to give a tax deduction to coal companies, who are receiving record prices and record returns, to go out there, buy agricultural land that is currently supplying the Australian supermarkets with cheap product, so that they can get a tax deduction and the Australian consumer can pay more for food? It is an absolute no-brainer. How on earth can this have come forward? There is an amendment I have tabled, which I will have to withdraw, to hold an inquiry. That talks about strengthening the guidelines specifically for that. I acknowledge fully that, even if I did go forward with the amendment, it would not get up because it does not have the numbers.

So how do we progress the issue in such a manner so that we have an inquiry, so that we have a proper ventilation of this issue, so that we have the capacity to clearly explain to the Australian community and get away from the technicalities of talking about a TLAB bill to a situation where we are talking about the price of food in the supermarket, the economies of local towns, the capacity for certain mills to stay viable, and the problems that MISs are causing from the Murray River up to Tully? To try to properly deal with it, these issues have to be further ventilated. If there were a move today against the numbers then the issue would die today. But we must continue to pursue the issue.

When the amendment comes forward I propose to withdraw my amendment on the premise that an inquiry will come forward. I am hoping to hear about a foreshadowed inquiry. That is extremely important. There are issues. I think that, as people become genuinely and further engaged with this issue—we have only had about three days of good oxygen on this—and we get a further inquiry into this, over a period of time, we have a better chance to do something about it. However, I also clearly put on the record that, if this inquiry turns into a farce, if it turns into something that is not taken seriously, if it turns into a tick-and-flick show, then, if other instances occur in the future where people need our support, it might be a little harder to come by.

Government senators interjecting—

Senator JOYCE—Senator Conroy, what I want to know from you is: why on earth isn’t Senator Wong here today? It is her piece of legislation. What is going on? As you are here, we need to have some of these issues explained. Yesterday you said that land was not going to be part of the deductible expenses; however, the legislation clearly states in section 40-10: ‘capital expenditure for the establishment of trees in carbon sink forests’. There are two forms of account:
capital account and income account. Income account relates to recurring expenses; capital account is for such things as land. If I read this legislation in its purest form, I would say: ‘Capital expenditure is the purchase of land. I purchase the land for establishing the trees; it must be deductible.’ If it is not, the government is going to have say so in the legislation. It is no good saying that land is not capital—because land is capital. These are the sorts of issues that have great consequence in this legislation.

We are receiving calls from all around the place from people who have serious concerns about this legislation. I imagine that, with those calls coming in, the people who have made them will want their time at an inquiry to ventilate their opinions as to why this issue is important. I look forward to hearing about the foreshadowed inquiry. If it occurs, it will provide the best opportunity for us to look at this issue. The numbers are not with us in the chamber; quite evidently the numbers are against us today. We have to come up with a better alternative to take this issue forward.

Senator HEFFERNAN (New South Wales) (12.24 pm)—I would like to have an answer to the question on capital. The young fellows in the box, near the minister, might be able to provide that to him. As I said yesterday, it is regrettable that, last week, a piece of seriously flawed legislation slipped under the radar of this parliament. We are in a difficult position, but I am confident that the government, the opposition and the other parties in the Senate are aware of the flaws in the bill. I am hopeful that, with some goodwill and in the interests of a better Australia, we can fix this legislation by giving oxygen to the issues of concern. There are fundamental issues to be dealt with here. This is a classic example: the idea of a carbon sink rings the bell. We have rung the bell before we have sorted out how to implement it. The legislation in its present form is, without a doubt, putting the cart before the horse. We do not know the price at which carbon will be traded in the offset market. Also, the higher the price for carbon, the better the class of land that will be used for it. As a practising farmer, I am not going to bother growing a crop of wheat when I can get as much as I would from that from leasing my land to someone who will get a carbon offset from the gross emissions of a power station somewhere; I will go off to the Gold Coast and lie on the beach. That would be the attitude of farmers. You try and make the most out of your land, and, if it is not growing food, why worry about food?

This is just crazy. The legislation in its present form is a raid on the prime agricultural lands of Australia. I remind the chamber that the Intergovernmental Panel on Climate Change says in black and white that, in 50 years time, 50 per cent of the world’s population is going to be short of water; one billion people will be unable to feed themselves; and—note—30 per cent of the productive land of Asia will go out of production due to climate change. Also, 1.6 billion—not million but billion—people could be displaced on this planet, including a large slab of central Africa and northern Asia, and the food task will double. For many years the world has modelled energy but it has not been modelling the food task. The world population is growing from 6.2 billion people to nine billion people. Everyone has been focusing on energy. No-one has been focusing on how you feed them. It is an interesting price signal in the market that in the United States, where everyone expects to fill their Hummer and go down to the supermarket and get the tucker, Wal-Mart have put a restriction on what rice is available. In the future, you will not be worrying about filling the Hummer; you will be worrying about
what is in the fridge. Today we are flying in the face of understanding that problem.

This legislation is an attack on farming land—but it can be fixed. This is very distressing for me and for people out there. I have had phone calls about this from people all over Australia. To the people in this chamber, we are pleading with the government to use the democratic process in this parliament to fix this legislation. This legislation is an attack on farming land. We cannot afford to do that. The legislation is full of flaws. I will not bother going through the technical questions—and I see that the minister is tied up in another discussion with his advisers. There are a whole lot of basic questions, and I do not know why they have not been asked. This legislation went to a lot of committees and was given the flick because it was considered non-contentious. No-one really looked at it until it turned up here.

Senator Milne—I did. I said it was controversial.

Senator HEFFERNAN—I have not even been told what the definition of a contract is between the lease owner or the landowner and the person who is looking for a carbon offset. What is the definition of the carbon sink? How long do the trees have to stay in the ground? The land use will relate to the market in carbon offsets. Everyone ought to listen to this: at $17 a tonne—and people are talking about $80 a tonne—every irrigated dairy farmer will be insolvent if we have to participate in such a market. This is serious.

There are a lot of academics out there in academia who would listen to the Intergovernmental Panel on Climate Change, and I believe there would be some vagary in the science of its predictions. But, even if those predictions are only 10 per cent right, and 160 million people, not 1.6 billion, are displaced, it is still serious. I note that is starting to hit the news now, Senator Milne. The news this morning reported that people are worried about displacement on the planet. Mick Kelty said nine months ago that one of the greatest threats to Australia’s sovereignty is climate change, and that is about displacement. I said something about it and it was misconstrued in the press, ‘Heffernan: Asian invasion’. This is not about some lunatic; it is about reality, and this is an attack on the capacity of Australia to provide for the food task.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (12.30 pm)—We are dealing with a crucial piece of legislation, and the Greens stand absolutely 100 per cent on the need for this legislation to be put in the rubbish bin where it deserves to go. We have heard arguments from Senators Heffernan and Joyce, and from some other senators, agreeing with that.

The argument we are now getting is that, because the numbers are not with us, we should change our mind, drop the argument and let the legislation go through, and we will have an inquiry afterwards. As all of us from the bush know, closing the stable door after the horse has bolted is not a very effective way of working. I think the good senators from the National Party, and Senator Heffernan, who have argued so cogently against this legislation ought not to allow the sop of an inquiry after the event to alter the fact that this legislation should be voted down.

An amendment is mooted asking for an inquiry and, because this debate will obviously come back this afternoon, I want to give notice that I will be moving that the further consideration of the bill be made an order of the day for the day on which the committee reports. If we are going to have an inquiry, let’s be sensible about this. Let the stakeholders be heard over the winter months, and particularly the farmers of Aus-
Australia, on the sheer unfairness of legislation which will mean corporations can buy up their land, with massive tax deductions, and use it under a shonky proposal for plantations as carbon sinks, which has no assurance at all, but not get similar tax deductions for keeping that land going and growing food on it.

The arguments that we have heard on this legislation hold 100 per cent: it will displace communities, it will degrade remote and regional communities and it will inevitably end in ownership by city based corporations, through a massive tax lurk, of what would otherwise be productive family owned farms. There is no doubt about that. If there is going to be an inquiry into it, let us hear from rural Australia. Let us hear from the Mayor of King Island who says this will be— I hope I am not misrepresenting him—devastating for that fantastic producer of good foods for Australia. Let us hear from them before we allow this opportunity to change this legislation to pass.

The argument is there that, even if this amendment gets through the Senate to withdraw this schedule, it still has to get through the House. But let us have the authority of a Senate inquiry to convince the government that that should happen. We should have an inquiry and then finally have a vote on this bill. That is the logical, sensible and people-serving way to go in this democracy; otherwise an inquiry becomes a sop and becomes hollow. If we do not take this opportunity, we all know that, with the new Senate further down the line, the government will not entertain this matter in the way it is now doing. If you have an inquiry afterwards, it takes a lot of power from the Senate to fix up this very important matter.

I want to reiterate the argument against this legislation and encapsulate it again. I am grateful to Senator Milne for having alerted the chamber to this matter and, in fact, alerting everybody to it a long time ago. She is another senator from the bush and is very aware of the ramifications of this legislation. Here it is. It is called ‘carbon sink’ legislation, but it is not. It says it will withhold carbon from the atmosphere and that big investors will get huge tax deductions, but it has no guarantees at all attached to it. Senator Milne has moved an amendment which states, ‘If you put the trees in, you’re going to have them there for a bare minimum of 100 years.’ Anybody who knows about the threat of global warming and the massive impact that it will have on farmlands—and, as Senator Heffernan said, on society and the economy—understands that, if you are going to have a carbon sink, it will be beyond our lifetimes. The government and opposition will not support the amendment. That is a deliberated and well thought out admission that this legislation is a shonk. It is featherbedding big, polluting interests in this country who want a greenwash and to get paid for it. It is a false scheme, a sham. They get paid for it out of public money, because that tax is not collected. It is incredible that this legislation has the support of the government and the coalition. I am full of admiration for those senators in the opposition ranks who have pulled up on this and said: ‘This is not right. It is a sham, it is a rort and it is doing the wrong thing by the people in the bush.’

But it is doing the wrong thing by everybody in Australia because it is clearly a well thought out deception to assist already big, wealthy corporations firstly to window-dress and falsely claim they are investing in the world’s future by having guaranteed carbon sinks and secondly to get massive amounts of tax deductions they simply do not deserve. Put those millions of dollars of tax deductions, if you want, into rural health centres, rural schools, rural amenity and helping people stay on their farms.
I read another thing in the international press this week, and I am sure it will hold true in Australia. Everywhere, the impact of corporate takeover of farmlands—of this ‘get big or get out’ thing—is found to be that the food production of the big industrial farmers never matches the food production of the family farm. It simply does not match it in terms of productivity—productivity for the world. As everybody knows in this place, we are facing a global food crisis, and here we are going to compound that. People are going to be paid to take food-producing Australian lands out of production. That is very wrong; it should not be entertained. The opposition has the numbers here now; it is not going to after the winter break. If its leaders are serious about an inquiry, let’s have that inquiry over winter and come back here informed with this option still open to us so that this Senate can deal with it in the most powerful way still available to us.

Senator BOSWELL (Queensland) (12.39 pm)—I have absolute sympathy for and am in complete agreement with Senator Brown, Senator Milne, Senator Joyce and Senator Heffernan.

Senator Conroy—And Family First. Don’t forget Family First!

Senator BOSWELL—And Family First. Take a bit of advice from me, Senator Conroy: we have five minutes to go and this bill will not come to conclusion. If I were you, I would go over and see the Prime Minister during the lunch break and say, ‘Listen, we are on the verge of a tragedy here.’ There is nothing political about this. We are marching down to one of the greatest disasters we are ever going to see. It can be stopped. I suspect it is not being stopped because of some sort of fear among the coalition and the Labor Party—’If we pull out of here our credentials on climate change will be damaged, so we’ve gotta both march over the cliff like a pack of lemmings’—that there will be a disaster.

Let me address something that Senator Brown said. He said that this is in law; the law is operating as now. Collectively, it went under our radar. It was taken out of T1 and put into another tax package and it slipped under the radar and got through. So it does not matter what we do in this place, we cannot change the law unless the law is changed in the House of Representatives. That is the reality of life. I have seen the Clerk on a number of occasions and have tried to think of ways through this. But, unless you can get support for your amendment in the lower house, then it is not going to work. You can do anything you like—you can scream, you can shout, you can shout it from the hilltops—but it is not going to work.

What we have left is to have a Senate inquiry. It will be up to Barnaby Joyce, Senator Heffernan and me to invite the sugar industry and the banana industry down and to talk to the dairy industry. It will go further than an inquiry, and the inquiry will be as good or as bad as we let it be. I am not a member of that particular committee but I will certainly be a participating member. Senator Joyce and I will go around Queensland saying: ‘Hey, there’s a Senate inquiry. This is your opportunity, your big chance, to stop these managed investment schemes and carbon sinks.’

Senator O’Brien—For God’s sake get on with the bill!

Senator BOSWELL—That was the Labor Party’s previous representative for primary industries interjecting. No wonder they dumped you like a hot potato! You were sent to the back bench and that is where you deserve to rot if those are your comments on these issues. In Queensland you cannot cut down native vegetation. It is just not allowed. It is banned by state legislation. So where do you have to go to put these carbon
sinks? There is only one place to go. You cannot go to Queensland and take down native vegetation; it is all covered by legislation. So you can only go onto prime agricultural land. From a practical point of view, that is where the trees grow fastest and where the water and rainfall are. That is why people are going to go onto prime agricultural land.

*Government senators interjecting—*

**Senator BOSWELL**—If you want to scream and shout, I suggest you go to the Prime Minister at lunchtime and start screaming and shouting at him!

**The TEMPORARY CHAIRMAN** (Senator Mark Bishop)—Order! Senator Boswell, resume your seat please. There is too much interruption and interjection across the chamber. Senator Boswell should be heard in silence.

**Senator BOSWELL**—We have a crisis on our hands. The Greens are right; they are coming at it from a different angle from Senator Joyce, Senator Heffernan and me, but we all arrive at the same point—that it is going to be a disaster. You can prevent that disaster, if you have any feeling for rural and regional Australia. You have heard the debate. You have gone up there and promised various things to the people and then reneged on them when you got into government—you know that. This inquiry will have to be a big inquiry. It will be up to us to make sure this proposition is thoroughly investigated, along with MISs.

I am very sympathetic to the amendment but it will not achieve anything. Senator Brown, because the bill is on foot. It is law now. The only way for your amendment to work would be to carry the Liberal and the Labor parties in a vote—which we are not going to do; we have not got the numbers—and take it over there and get the vote taken in the other place. Practically, that is not going to happen. The next practical thing, and the best thing, we can do is—

**Senator Heffernan**—To mobilise the nation.

**Senator BOSWELL**—to mobilise the people. I can tell you there will not be too many people from North Queensland that will be coming—

Progress reported.

**AUSTRALIAN ENERGY MARKET AMENDMENT (MINOR AMENDMENTS) BILL 2008**

*Second Reading*

Debate resumed from 23 June, on motion by **Senator Conroy**:

That this bill be now read a second time.

**Senator JOHNSTON** (Western Australia) (12.45 pm)—I want to be very brief on this because this bill, the Australian Energy Market Amendment (Minor Amendments) Bill 2008, is a technical amendment to the Australian Energy Market Act 2004. The Commonwealth and all of the states and territories, with the exception of Western Australia, have agreed to introduce legislation known as application acts to apply the national gas law as law in their own jurisdictions. Western Australia will pass complementary legislation to give effect to the NGL rather than applying the NGL established by South Australian law, as is in force from time to time.

In 2007 there was extensive consultation and briefing—this bill is very largely a bill of the coalition, and the passage of the bill was interrupted by the election—of industry participants in the introduction of legislation to amend the AEM Act. The Australian Energy Market Act also amended the TPA to empower several Commonwealth bodies—the Australian Energy Regulator, the National Competition Council and the Australian Competition Tribunal—to perform key func-
tions under the National Gas (South Australia) Act 2007.

The Ministerial Council on Energy has worked cooperatively and diligently since it was established by the coalition in 2001. The council has worked diligently in developing a framework for an efficient and effective national energy market for Australia. The opposition will be cooperating with the government to assist in strengthening the energy reform program under the ministerial council and delivering the economic gains that are available for such reform.

I seek leave to incorporate the balance of my speech. It is very straightforward.

Leave granted.

The remainder of the speech read as follows—

The bill will make minor amendments to existing Commonwealth legislation that underpins the national regime for the regulation of gas pipeline infrastructure.

Specifically, the bill will amend the Australian Energy Market Act 2004, the Australian Energy Market (Gas Legislation) Act 2007, the Administrative Appeals (Judicial Review) Act 1977 (ADJR Act) and the Trade Practices Act 1974 (TPA) to correct the year of enactment of South Australian and Western Australian legislation from 2007 to 2008

The new legislative regime will apply the National Gas Law and National Gas Rules in all participating jurisdictions to create a harmonised national gas access regime.

The South Australian parliament has taken the lead in the development of this legislation which is complemented by the enactment of ‘application legislation’ in all other participating jurisdictions (with the exception of Western Australia). Western Australia which has a stand alone gas network will pass complementary legislation to give effect to the National Gas Law, rather than applying the National Gas Law established by the South Australian law. The legislation will replace the current cooperative Gas Pipelines Access Law and provide crucial incentives for investment in gas pipelines.

The South Australian parliament has agreed, as I understand it, to enact the lead legislation for the regime, the National Gas (South Australia) Act 2008, in the first half of this year. The National Gas Law will be the schedule to that act.

This bill makes minor amendments to the Australian Energy Market Act 2004, the Administrative Decisions (Judicial Review) Act 1977 and the Trade Practices Act 1974 to correct references to the South Australian lead legislation and to Western Australia’s complementary legislation. These amendments will ensure that the Commonwealth’s application legislation correctly applies South Australian and Western Australian legislation in the offshore area, and correctly empowers the Commonwealth bodies under the regime.

The Opposition supports these minor technical amendments to enable the implementation of the cooperative energy reform agenda.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (12.47 pm)—I thank the Senate for the attention to this matter. In summary, the passage of the Australian Energy Market Amendment (Minor Amendments) Bill 2008 will allow smooth implementation of the cooperative energy reform agenda. The bill has the full support of state and territory energy ministers on the Ministerial Council on Energy.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

VETERANS’ AFFAIRS LEGISLATION AMENDMENT (INTERNATIONAL AGREEMENTS AND OTHER MEASURES) BILL 2008

Second Reading

Debate resumed from 16 June, on motion by Senator Faulkner:

That this bill be now read a second time.
Senator MINCHIN (South Australia) (12.48 pm)—I confirm that the opposition does not oppose the Veterans’ Affairs Legislation Amendment (International Agreements and Other Measures) Bill 2008. It is a bill that makes amendments to the Veterans’ Entitlements Act 1986. It gives effect to revised arrangements for entering into agreements with the governments of other countries in relation to payments of pensions and provision of assistance and benefits to eligible persons residing in Australia. It will authorise the use of funds from the CRF for payments to eligible persons. It will enable the Minister for Veterans’ Affairs to enter into agreements with foreign governments of other relevant countries—currently a duty performed by the Governor-General. It extends the period for which the Commonwealth or Australian Federal Police may be considered to be a nuclear test participant for the purpose of the Australian Participants in British Nuclear Tests (Treatment) Act 2006. Finally, the bill amends the Military Rehabilitation and Compensation Act to correct minor errors and anomalies in the act.

Therefore, we do not oppose the bill or the measures contained therein, and in particular we welcome schedule 2, dealing with Commonwealth or Federal Police who served at Maralinga, in my state of South Australia. Overall, the bill contains relatively minor amendments, and the EM reports that they have negligible financial impact. But I do want to take this opportunity to echo the comments of the shadow veterans’ affairs minister, Bronwyn Bishop, in the Main Committee that we are concerned by evidence of the government’s attempts to undermine veterans entitlements. On the surface this bill would seem to be non-controversial, but Mrs Bishop, as she said, received a caucus-confidence note that talked about the impact of these changes on veterans in relation to schedule 3, part 2, the effect of days worked on compensation. The minister was silent on the anticipated impact of these changes, and this potential savings measure is not stated in the EM, but caucus was duly alerted to the potential negative impact of these measures on veterans entitlements under changes to section 196(3)(c). We do express our concern about that and other evidence of the extent to which the government is placing restraints on veterans entitlements. So, while we do not oppose this bill, we do place on record our concerns with evidence of Labor’s policy in relation to veterans and we, the opposition, put the government on notice that we will be closely monitoring these and future amendments to ensure that veterans do not have their entitlements undermined.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (12.51 pm)—As the shadow minister has indicated, this legislation is non-controversial. The Veterans’ Affairs Legislation Amendment (International Agreements and Other Measures) Bill 2008 contains minor amendments that will further align the veterans entitlements means test with the social security means test, provide greater flexibility in arrangements with other countries, correct a number of minor errors in the Military Rehabilitation and Compensation Act and extend the eligibility period for Commonwealth Police or Australian Federal Police under the Australian Participants in British Nuclear Tests (Treatment) Act 2006.

There are further technical consequential amendments of the Veterans’ Entitlements Act and military rehabilitation matters. Minor changes to the Military Rehabilitation and Compensation Act will ensure that widowed partners and incapacitated members receive correct compensation payments to which they are entitled under the MRCA and, in particular, the amendment in relation to the incapacity payments will ensure that a person’s compensation is commensurate with
his or her loss of earnings during a part week of incapacity. The Labor government was elected with a commitment to provide robust service assistance support to Australia’s ex-service community, and that commitment includes continuing to review the operation of Australia’s repatriation and military compensation rehabilitation schemes. This legislation will strengthen support in a number of areas to ensure that assistance available through the Veterans’ Affairs portfolio is efficient, effective, equitable and fair.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

MILITARY MEMORIALS OF NATIONAL SIGNIFICANCE BILL 2008

Second Reading

Debate resumed from 24 June, on motion by Senator Chris Evans:

That this bill be now read a second time.

Senator MINCHIN (South Australia) (12.53 pm)—The opposition does not oppose the Military Memorials of National Significance Bill 2008, but I do want to take this opportunity to record our criticism of the government in relation to what I think is quite misleading behaviour in relation to this issue. The government claims this bill will provide a mechanism to honour its election promise to declare the Australian Ex-Prisoners of War Memorial to be a national memorial. That is now a promise we know they are effectively abandoning by creating a mechanism to establish this memorial as a memorial of national significance, and we do condemn the government for misleading the citizens of Ballarat over this matter.

The Australian Ex-Prisoners of War Memorial in Ballarat was completed in February 2004. The names of more than 35,000 POWs from the Boer War through to the Korean War are etched into the memorial, and it is a great tribute to those 35,000. As we know, many Australian prisoners of war did not make it home. Of the 8,400 who died in captivity, 4,000 have no known grave, so this is a very significant memorial and one that the coalition has always supported. The previous coalition government was a strong advocate of the Australian Ex-Prisoners of War Memorial at Ballarat, and my colleague Senator Ronaldson, as the then member for Ballarat, announced in 1999 on behalf of our government that Ballarat would be the site of an Australian ex-prisoners of war memorial. The then coalition government allocated half a million dollars towards the memorial, the largest federal government grant allocated to a memorial outside Canberra, and Senator Ronaldson was instrumental in supporting and promoting that concept. In 1999, the then Assistant Treasurer, Senator Rod Kemp, announced that gifts to the Australian Ex-Prisoners of War Memorial Fund to the value of $2 or more would be tax-deductible, so our commitment to this memorial is very longstanding and clear.

As I said before, this bill has resulted from a Labor Party election promise to declare this memorial in Ballarat a ‘national memorial’. That is now a promise we know they are effectively abandoning by creating a mechanism to establish this memorial as a memorial of national significance, and we do criticise the government for their grandstanding on this matter in Ballarat. Our position has been clear from day one. The legislative base
for declaring a national memorial is the National Memorials Ordinance 1928, which restricts such memorials to being situated in the ACT. What the Labor member for Ballarat and the Labor Party have failed to recognise is that the National Memorials Ordinance 1928 only applies to such national land. This bill does not in fact make the Ballarat memorial a national memorial; by this bill they have introduced a new category to declare the Ballarat memorial a memorial of national significance, which is very different from declaring it a national memorial. Labor in opposition argued there was no legal impediment to declaring this war memorial a national memorial, contrary to our advice, and now that they are in government they understand the basis of our advice and have effectively admitted the error. The introduction of this bill demonstrates obviously that they now agree with our position that it is simply not possible to make memorials outside the ACT national memorials.

Clause 4(1) of this bill provides that the Minister for Veterans’ Affairs may declare a memorial to be a military memorial of national significance if certain conditions are met, and those conditions are set out explicitly in the act. Therefore, on that basis we are happy to support this bill, but I felt it necessary to put on the record that the government misled the people of Ballarat prior to the election as to its capacity in government to declare this a national memorial. This bill now exposes that falsity and exposes the deception of the people of Ballarat. We are quite happy to support this bill for its effect of declaring this a memorial of national significance and we are grateful that the government has at last admitted the error of its ways.

Senator RONALDSON (Victoria) (12.58 pm)—I want to say a couple of words on the Military Memorials of National Significance Bill 2008. I thank Senator Minchin for his kind words but I can assure the chamber that this was a massive community effort and, while I am reluctant to talk about commercial involvement in a project such as this, I do want to pay enormous tribute to the Tattersalls organisation for putting some $1.1 million into this project. Quite frankly I think we should give credit where credit is due: we would not have had this project the way it is unless it were for the involvement of Tattersalls.

I vividly remember Mr Scott from the other place visiting Ballarat when he was Minister for Veterans’ Affairs. When shown the plan, he said: ‘Why are you only doing this? Why aren’t you doing a bit more? Why aren’t you making this bigger?’ He was the inspiration for David Baird OAM, the chairman, who is an ex-POW, and others to go ahead and build this magnificent memorial. It is visited by tens of thousands of people every year. It is a very moving memorial, and I would encourage everyone to see it. I know a number of my colleagues have done so.

It is with reluctance that I talk about this memorial of national significance because I do not want in any way to debase what has been done. But it would be unreasonable to not place on the public record that you cannot go to the people of Ballarat with a notion that they were going to be delivered a national memorial, because that could never have happened. The Prime Minister must have known that that could not have happened. I do not know whether ‘duplicitous’ is the right word. But it is inappropriate when you know or should know that something cannot be delivered.

We have known since the first sod was turned that this was a memorial of national significance. We were talking about this as a memorial of national significance before the first sod was turned. So why would someone
then go out and say it was going to be a national memorial, which it is not and can never be? No-one would like more than me for this to be a national memorial. No-one would want it more than me for this to be a national memorial. It was very obvious to me, it was very obvious to the committee and it was very obvious to a lot of people before the event that it could not be a national memorial. Could it be a memorial of national significance? Absolutely. Was it treated by the former government as a memorial of national significance? Absolutely.

Was it treated as such by the people of Ballarat? In fact, it was not just the people of Ballarat. Fifteen thousand people from Queensland, Western Australia, South Australia, Tasmania and New South Wales came down to the opening of this magnificent memorial. This may surprise some people, but it was stinking hot in Ballarat on the day this memorial was opened. It was stinking hot. I reckon it was about 42 in the waterbag. It was a hot, hot day. There were 15,000 people at the opening of this magnificent memorial attended by the Governor-General. Can we please celebrate this remarkable memorial to some remarkable people, but can we please be honest about what the description is? It is a memorial of national significance but it was prior to this bill. It has never been, nor can it ever be, a national memorial due to legislative reasons. I support this bill and I am proud of the people of Ballarat who made this extraordinary contribution to this country.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (1.03 pm)—The Military Memorials of National Significance Bill 2008 delivers the government’s election commitment to provide national status for the Australian Ex-Prisoners of War Memorial in Ballarat. And no matter how much hypocrisy and grandstanding comes from the opposition, you will not change this fact. This bill delivers an election promise. The memorial is the result of the outstanding efforts of the Ballarat RSL, the Ex-Prisoners of War Association, the city and the people of Ballarat to recognise the bravery and sacrifice of more than 35,000 Australian prisoners of war during the Boer War, the two World Wars and the Korean War.

The Australian Ex-Prisoners of War Memorial in Ballarat will be the first memorial to be declared under this bill. The bill will also provide a mechanism to enable in the future other memorials that are located outside the Australian Capital Territory to meet the criteria specified in the bill to be accorded national memorial status. The national status of memorials in the ACT is governed by the National Memorials Ordinance 1928 and this mechanism restricts memorials to within the ACT. However, the ordinance does not preclude the granting of national status through another mechanism to the memorials outside of the Australian Capital Territory. No matter what level of sophistry, no matter what level of semantics is pursued by the opposition, this bill achieves the national recognition that is so rightly deserved for this memorial.

The bill will establish a clear process and stringent criteria to be applied when determining future national status of military memorials of national significance outside of the Australian Capital Territory. The responsibility, the ongoing maintenance and the refurbishment of the declared memorial will remain with the authority which owns or manages that memorial. I acknowledge the commitment and the fine work of the various levels of government in establishing and maintaining memorials around Australia during the last century, and I trust that we will continue to preserve these important compo-
ments of our heritage. This legislation will support the strong traditions of commemoration in Australian communities recognising significant memorials that are worthy of being declared national memorials.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

CUSTOMS AMENDMENT (STRENGTHENING BORDER CONTROLS) BILL 2008

Second Reading

Debate resumed from 16 June, on motion by Senator Faulkner:

That this bill be now read a second time.

Senator BRANDIS (Queensland) (1.06 pm)—I hope this bill is as uncontroversial as the last one. The opposition supports the Customs Amendment (Strengthening Border Controls) Bill 2008. It is a legacy measure from the previous government. The provisions of the bill were initially included in the Customs Legislation Amendment (Augmenting Offshore Powers and Other Measures) Bill 2006 and the Customs Legislation Amendment (Modernising Import Controls and Other Measures) Bill 2006, which lapsed when the parliament was prorogued last year.

The bill amends the Customs Act 1901 and the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001 to permit a person to surrender certain prohibited imports that have not been concealed; allow for the granting of post-importation permissions for certain prohibited imports; permit infringement notices to be served for certain offences, including importing certain prohibited imports and border security related offences; and enable Customs officers boarding a ship or aircraft to conduct personal searches for, and take possession of, weapons or evidence of specified offences. The bill puts into legislative form practices that Customs are already, in effect, carrying out. The purpose of the bill is to regularise the position. It has the coalition’s support.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (1.08 pm)—I commend the bill to the chamber.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

CUSTOMS LEGISLATION AMENDMENT (MODERNISING) BILL 2008

Second Reading

Debate resumed from 16 June, on motion by Senator Faulkner:

That this bill be now read a second time.

Senator BRANDIS (Queensland) (1.08 pm)—As with the last bill, the Customs Legislation Amendment (Modernising) Bill 2008 is a legacy measure from the previous government. The amendments were also included in the Customs Legislation Amendment (Augmenting Offshore Powers and Other Measures) Bill 2006 and the Customs Legislation Amendment (Modernising Import Controls and Other Measures) Bill 2006, which lapsed when the parliament was prorogued last year.

The bill amends both the Customs Act 1901 and the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001 to update the broker licensing provision to allow more flexibility in employment practices; modernise provisions relating to duty recovery and payments under protest and to allow refunds to be ap-
plied against unpaid duty in some circumstances; make it an offence to make false or misleading declarations in using the new SmartGate automated passenger-processing solution; and reflect the new certificate of origin requirements for the Singapore-Australia Free Trade Agreement. The bill puts into legislative form, in part, practices that Customs are already, in effect, carrying out. The purpose of the bill is to regularise those practices as well as to create the new offence and incorporate the relevant provisions of the Singapore-Australia Free Trade Agreement. The opposition supports the bill.

**Senator CARR** (Victoria—Minister for Innovation, Industry, Science and Research) (1.10 pm)—I commend the bill to the chamber.

Question agreed to.

Bill read a second time.

**Third Reading**

Bill passed through its remaining stages without amendment or debate.

**LANDS ACQUISITION LEGISLATION AMENDMENT BILL 2008**

**Second Reading**

Debate resumed from 14 May, on motion by **Senator Carr**:

That this bill be now read a second time.

**Senator BRANDIS** (Queensland) (1.11 pm)—The Lands Acquisition Legislation Amendment Bill 2008 is identical to the Lands Acquisition Legislation Amendment Bill 2007, which was introduced into the Senate on 13 September last year and which lapsed when the parliament was prorogued. The bill amends the Lands Acquisition Act 1989 to reflect the changes in the modern Commonwealth property environment and to decrease administration costs.

By schedule 1, which deals with mining regulations, the bill proposes to enable the dissemination of Commonwealth mining regulations for the administration of mining on Commonwealth land to enable state and territory legislation to be applied in a manner consistent with Commonwealth policy. It also vests the Federal Court with jurisdiction in matters arising under those regulations.

By schedule 2, which deals with offers by the minister for compensation where no claim is made, the bill proposes to expedite the compensation process and ease the financial and administrative burdens in relation to compulsory acquisitions. The purpose of the proposal is to avoid delays to settlement of compensation in relation to acquisitions and to provide certainty to the Commonwealth on its financial exposure in such circumstances.

Further amendments by schedule 3 bring the administration of land on the Cocos Islands into line with land administration on Christmas Island and Norfolk Island without the intervention of the act. The issue of land tenure on those external territories is, as you are no doubt aware, Mr Acting Deputy President Bishop, a matter of great interest to those who have a taste for such constitutional and legal arcana.

Dealings in land on the Cocos Islands under the Cocos (Keeling) Islands Act 1955 have, by reason of oversight, not been made exempt from the act. The amendment proposes to remove the tabling of commercial acquisitions on market of an interest in land to reduce duplication and administrative burdens. Accountability and transparency of commercial acquisitions is provided by AusTender, which makes public commercial acquisitions of property by the Commonwealth. AusTender has a standard of transparency and accountability equivalent to that of tabling in parliament. The amendment proposes to substitute the Attorney-General with the Minister for Finance and Deregula-
tion in connection with cancelling and amending title documents related to land held in trust. This is a practical measure, as that minister has responsibility for the administration of the act.

By schedule 4, the Lands Acquisition (Defence) Act 1968 is repealed. That legislation, which was created in order to acquire public parkland in New South Wales, is now redundant, since the acquisition has long since passed.

There has been extensive consultation and agreement with the states and territories regarding the miscellany of matters that are the subject of this bill. As I previously mentioned, the bill essentially is designed to ease administrative burdens and associated financial costs. The opposition supports these measures.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (1.14 pm)—I commend the bill to the chamber.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

GOVERNANCE REVIEW IMPLEMENTATION (AASB AND AUASB) BILL 2008

Second Reading

Debate resumed.

Senator COONAN (New South Wales) (1.15 pm)—In speaking to this bill briefly, I indicate that the coalition will be supporting the Governance Review Implementation (AASB and AUASB) Bill 2008. It is technical in nature but it is very straightforward. It seeks to improve corporate governance in Australia. The bill will transfer the governance of the Australian Accounting Standards Board and the Auditing and Assurance Standards Board to the Financial Management and Accountability Act 1996. The Uhrig review, which reported in 2003, identified issues with existing governance arrangements and set about identifying options to improve the performance to get the best long-term results from these statutory authorities. Comparing these two bodies against the Uhrig review templates shows that we would be better served with the AASB and the AUASB transferred to be under the authority of the Financial Management and Accountability Act. The measure is designed to improve existing accountability and governance arrangements while maintaining operational autonomy. The Financial Reporting Council will maintain the strategic oversight of both these boards. There will be no changes to the statutory functions performed by either of the agencies, other than to enhance the financial and administrative arrangements of the board, which includes consequential changes to the Financial Reporting Council functions in relation to the approval of finance and administrative matters.

The bill, like others debated in this non-controversial part of the order of the day, is essentially a continuation of the good work undertaken by the former Howard government on corporate governance reform, and we are very pleased to support this bill.

Senator JOYCE (Queensland) (1.17 pm)—Very briefly, I think it is incumbent upon me, being an accountant, to make some observations about the Governance Review Implementation (AASB and AUASB) Bill 2008. I concur with what Senator Coonan has said. In discussions with both the CPAs and chartered accountants, they do not anticipate any ramifications in the way the standards would operate. Obviously the standards underpin the whole process of how, in accountancy, we do our job. This is something that has been pursued since the
Uhrig review. It was also pursued in the 1975 royal commission on Australian government administration, which argued for greater flexibility, and that has also had an influence on this bill. For those peculiar individuals who are out there listening to this and have a strong interest in accountancy standards, there is and there has been some oversight of this.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (1.18 pm)—I commend the bill to the chamber.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

CIVIL AVIATION LEGISLATION AMENDMENT (1999 MONTREAL CONVENTION AND OTHER MEASURES) BILL 2008

Second Reading

Debate resumed from 16 June, on motion by Senator Faulkner:

That this bill be now read a second time.

Senator SCULLION (Northern Territory—Leader of the Nationals in the Senate) (1.19 pm)—This bill, like so many pieces of legislation we have been looking at over the last few months, is legacy legislation from the previous government. The Montreal convention has substantively changed. Under the Warsaw convention, carriers currently are not liable for the death or injury of a passenger or for damage to air cargo if they can prove that they took all necessary precautions to avoid the loss. It also capped the carriers’ liability at a rate which is now out of date, unreasonably low and set at a currency which was then, I think, the Poincare gold franc, which no longer exists.

Different parties to the Warsaw convention subsequently adopted a variety of amending instruments, resulting in a complex and confusing array of international arrangements. The Montreal convention is designed to overhaul the system and to eventually replace the Warsaw convention. It introduces a two-tier system of liability for death or injury. The first tier, which is for damages up to approximately A$190,000, is on the basis of no-fault liability and cannot be reduced except in the event of contributory negligence by the passenger. For the second tier—damages exceeding this threshold—the carrier is liable unless it can demonstrate that the change was not due to its negligence or that of its agents.

Effectively, the Montreal convention increases the compensation limit for victims of air accidents. It also sets the monetary unit of compensation as the SDR—the special drawing right—of the IMF rather than the long-abandoned gold standard and provides for the periodic review of compensation to take account of inflation. It will also enable Australians to bring legal action in Australia rather than in the country where the air accident occurred, and it modernises the list of family members who are entitled to seek compensation in the event of death in an air accident.

The Montreal convention will also ease the burden on air shipping companies by removing the need for handling paper waybills for air cargo and allowing them to use electronically based waybills. The Montreal convention was concluded in May 1999. It combined the various provisions of the previous Warsaw system arrangements into a single package and entered into force in November 2003.

The Department of Transport also issued a discussion paper in 2005 reviewing the Civil Aviation (Carriers’ Liability) Act 1959 in
light of the decision by the Australian government to accede to the Montreal convention and proposing amendments to the Australian law that would have had the same effect as the legislation currently proposed by the government. Effectively, the coalition government, as I have indicated, had already decided to accede to the Montreal convention. This is the next step—to amend the law in such a way as to put this into force. This legislation, therefore, is implementing a convention that the coalition had already approved when it was in government and which it had already planned to implement. The coalition is happy to support this legislation.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (1.22 pm)—The Civil Aviation Legislation Amendment (1999 Montreal Convention and Other Measures) Bill 2008 simply modernises the current arrangements with regard to civil aviation and other matters relating to the Montreal convention. I commend the bill to the chamber.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

PROTECTION OF THE SEA (CIVIL LIABILITY FOR BUNKER OIL POLLUTION DAMAGE) BILL 2008

PROTECTION OF THE SEA (CIVIL LIABILITY FOR BUNKER OIL POLLUTION DAMAGE) (CONSEQUENTIAL AMENDMENTS) BILL 2008

Second Reading

Debate resumed from 16 June, on motion by Senator Faulkner:

That these bills be now read a second time.

Senator SCULLION (Northern Territory—Leader of the Nationals in the Senate) (1.23 pm)—The Protection of the Sea (Civil Liability for Bunker Oil Pollution Damage) Bill 2008 and the Protection of the Sea (Civil Liability for Bunker Oil Pollution Damage) (Consequential Amendments) Bill 2008 will give effect in Australia to the International Convention on Civil Liability for Bunker Oil Pollution Damage, which is now known as the bunkers convention. The principal impact of this legislation is that shipowners will be strictly liable, regardless of fault, for any bunker oil spillage. A shipowner can be the owner, registered owner, bareboat charterer, manager or operator of the ship. The consequential amendments bill will ensure that there is no duplication of requirements due to existing acts for vessels entering Australian ports and no additional burden on shipowners. The shipping industry has accepted that it must pay its way in the event of an oil spillage. The industry is only too happy to guarantee the safety of marine environments for those that depend on the bounty of the sea.

Protection of Australian waters is very important to those who make a living from the sea and live in coastal towns. Australia has a mostly pristine environment that needs to be maintained at any cost. An oil spill in Australian waters could have catastrophic consequences to Australia’s environment and our economy. Australia’s signing of the convention further encourages other nations to sign. Australia has been progressive and led the way internationally in the creation of a convention on bunker oil pollution damage. Australia took a leading role in the negotiations within the International Maritime Organisation, which led to the development of the bunkers convention in 2002. Both Australia’s role at IMO and Australia’s domestic legislation in 2001, requiring ships with a gross tonnage of 400 or more to be insured to
cover liability in cases of pollution damage, complement Australia’s oceans policy.

Australia’s role in the development of the bunkers convention, which this legislation ratifies, had its origins in the 1992 House of Representatives Standing Committee on Transport, Communications and Infrastructure Ships of shame report. The report recommended that the Australian government require proof of possession of adequate protection and indemnity insurance cover as a prior condition for entry of vessels into Australian ports. The bunkers convention complements Australia’s high standards for ships trading along our coastlines and entering our ports. Australia is now world renowned for the enforcement of strict inspection regimes. This legislation excludes tankers.

The liability of oil tankers is covered by the International Convention on Oil Pollution Preparedness, Response and Co-operation 1990. It will be surprising to many who are listening that international data on oil spills indicates that, even in the case of larger spills, the number of non-tanker ship spills is far greater than the number of tanker spills. Approximately 93 per cent of incidents requiring response action actually originate from ships other than oil tankers. Under the bunkers convention prompt and effective insurance compensation claims can be sought directly against the insurance company. No longer will the fault of the shipowner have to be proved or the trouble taken to trace the registered shipowner. The carriage of insurance certificates will facilitate claims for compensation by making it easier to determine who the insurer is. The carriage of necessary liability cover for a business is nothing more than sound business practice. The legislation will mean victims of bunker oil pollution will no longer have to prove that the shipowner was at fault in order to receive compensation. Until now, shipowners have only been liable for payment of compensation if proof could be given that the owner was at fault. The bunkers convention, as ratified by these bills, ensures compensation is available even if the oil spill was accidental.

Implementation of the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001 will ensure that clean-up and response costs are recoverable from all shipowners without difficulty. In establishing a liability and compensation regime for bunker oil spills from ships that are not oil tankers, the bunkers convention ensures adequate, prompt and effective compensation for damage caused by pollution resulting from the escape or discharge of bunker oil from ships. It also adopts uniform international rules and procedures for determining questions of liability and providing adequate compensation in such cases. The shipping industry was widely consulted in 2001, providing valuable input into the findings of the Joint Standing Committee on Treaties 2001 report and the committee’s recommendation to ratify. Australia depends almost exclusively on shipping to transport its exports and imports and has, in terms of tonnes of cargo shipped and kilometres travelled, the fifth-largest shipping task in the world. Australia also has some of the most iconic and sensitive marine areas in the world.

The basis of liability is the size of the ship—that is, over 1,000 gross tonnes is considered a fair level by the industry. The bunkers convention enters into force on 21 November 2008, which is one year after the date on which 18 states, including five states each with ships whose combined gross tonnage is not less than one million, have ratified the convention. Inaction by the Australian government has not delayed the ratification of the convention. Legislation was not prioritised due to the legislation already in place since 2001, requiring certificates of
insurance to be held by vessels of over 4,000 gross tonne. In 2001 an amendment was made to the Protection of the Sea (Civil Liability) Act 1981 requiring all vessels, except oil tankers of 400 gross tonne and over entering Australian waters to carry certification of insurance to cover the cost of oil spillage, pollution damage and clean-up, in the case of proof of fault of the owner. Australia benefits from a world where interaction between countries takes place within a transparent framework based on fair rules as agreed in treaties.

The building of a global alliance through which Australia seeks to influence standards under which international relations are conducted is advantageous to industry. If Australia did not ratify the bunkers convention, it would result in Australian shipping legislation not keeping pace with international developments and would leave open the possibility of government being ultimately responsible for bunker oil spill response costs. Australia played an active role in developing the bunkers convention at the International Maritime Organisation and internationally has been a strong supporter of its early entry into force. Amendment of the protection of the sea bill, with the addition of part 111A, provided some level of insurance cover but did not include the broader range of issues included in the bunkers convention, which will now be ratified by these bills.

As of February 2008, the following countries belong to the bunkers convention: the Bahamas, Bulgaria, Croatia, Cyprus, Estonia, Germany, Greece, Iceland, Jamaica, Latvia, Lithuania, Luxembourg, Poland, Somalia, Sierra Leone, Singapore, Spain, Tonga and the United Kingdom. Discussions with Australian peak industry bodies, including the Shipowners Association, Shipping Australia, the Association of Australian Ports and the Marine Authority reveal full support of this legislation.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.31 pm)—I thank Senator Scullion for his contribution to the debate and commend the bills to the chamber.

Question agreed to.
Bills read a second time.

Third Reading
Bills passed through their remaining stages without amendment or debate.

SYDNEY AIRPORT DEMAND MANAGEMENT AMENDMENT BILL 2008
Second Reading

Debate resumed from 16 June, on motion by Senator Faulkner:

That this bill be now read a second time.

Senator SCULLION (Northern Territory—Leader of the Nationals in the Senate) (1.32 pm)—I rise to speak on the Sydney Airport Demand Management Amendment Bill 2008. This bill makes some technical changes, including definitions, to the Sydney Airport Demand Management Act 1997 to ensure that the slot management regime at Sydney airport is robust. Of course, the framework that has successfully managed aircraft demand in Australia’s busiest airport is provided by the Sydney Airport Demand Management Act 1997. This legislation, as members in this place are no doubt well aware, was implemented by the coalition early in its first term and arose from its 1996 election promise that aircraft movements at Sydney airport should be capped at 80 per hour.

It is worth noting that in the long years of the previous Labor government no such effort was made to manage aircraft demand in Sydney airport. It took a coalition government to do it. On this point I note with some amusement the Minister for Infrastructure,
Transport and Regional Development and Local Government’s bizarre claim in his second reading speech that the demand management scheme operating in Sydney airport is the result of his private member’s bill introduced in 1996. Of course, we are used to this minister’s shameless attempts to rewrite history and claim coalition successes as his own. We have seen, for example, his trumpeting media release of 31 March this year regarding the open skies agreement. The opposition acknowledges the benefits of an agreement that permits Australian and US-owned airlines to fly freely between the two countries.

We welcome the intention of the Virgin Blue Group to launch daily direct Sydney-Los Angeles flights. It is a first step in opening up a key air route to greater competition—but, Minister, please do not pretend that it was your work that did it. At least have the courtesy to acknowledge the heavy lifting undertaken by the previous coalition government that made it possible. Likewise, as discussed quite comprehensively in last year’s Australian National Audit Office report entitled *Implementation of the Sydney Airport Demand Management Act 1997*, the genesis of the framework that regulates the scheduling of aircraft in Sydney was conducted by the coalition in its first few months of office.

The introduction on 4 November 1996 by the member for Grayndler of a private member’s bill to limit aircraft movements at Sydney airport was a shameless copycat action designed to appease his constituents, who are becoming angry at the neglect by their member of a key community issue and the failure of that member to persuade his government to do anything about it. Of course, we are pretty used to Labor ducking the hard decisions. I believe that barely six months into this government’s term we are up to 74 reviews. Plainly this is a government that cannot make the hard decisions. It is quite staggering that, after 11 years in opposition, all the government can do upon gaining office is to commission yet further reviews. It is symptomatic of a government that is devoid of ideas—when in doubt, call for a review; when wanting to delay a difficult decision, call for a review.

That is why I was not surprised to note the announcement by the minister on 10 April this year of his intention to develop a national aviation policy statement. This will lead to a national aviation policy green paper to be released at a nebulous date some time this year. I note with interest that the minister has released an issues paper as a guide to industry in the development of this statement. This issues paper includes in the second chapter, entitled ‘Airport planning and development’, a section called ‘Future airport needs’. In that section a sentence refers to the need for ‘additional airport capacity for Sydney in the future’. This, of course, is code for a second airport for Sydney. Well, they have had 11 years in opposition to think about this difficult policy question but, once again, when faced with a hard decision, Labor go for a review.

Of course, the contortions of Labor over the need for a second airport in Sydney are well known. In 2004 the member for Batman admitted in a burst of honesty that the debate about an additional airport in Sydney has ‘torn the Labor Party apart for decades’. I also recall this was the time that Labor proposed a second airport should be built at Wilton or ‘somewhere south of the Nepean River’. This extraordinary proposal would have resulted in the location of an airport at the furthest point from a CBD in the world—further even than Tokyo’s Narita airport, which is 64 kilometres out of the city. Neither the infrastructure requirements of such a location nor the fact that it is the site of a major water catchment for the Sydney region...
were discussed. Now, it seems that Labor has dismissed building an airport at Badgerys Creek.

I also note in its issues paper that Labor observes that the 2009 review of the Sydney Airport Master Plan provides an opportunity to consider current and future capacity issues. So, even after a review leading to a national aviation green paper, Labor is giving itself an option for another review to consider the second airport further. I would have thought that after 11 years in opposition, Labor would have made up its mind. What is Labor’s view on the need for a second airport, and where should it be? The people of Australia await with interest Labor’s decision. However, with particular regard to this bill, the Sydney Airport Demand Management Amendment Bill 2008, the opposition is willing to support it.

The definition of ‘aircraft movement’ in the Sydney Airport Demand Management Act and the definition used by the operational elements created by this legislation—that is, the Slot Management Scheme and the compliance scheme—are different. The former defines aircraft movement as the landing and take-off of an aircraft on the runway; the latter uses the aircraft industry standard definition which considers aircraft movement to be the time an aircraft moves to and from a gate. This means that a key component of the demand management regime at Sydney airport—that is, the definition of aircraft movement—is in fact not in harmony. This contradiction, and the legal uncertainty it creates, has been noted as an issue of potential concern by the Australian National Audit Office in its March 2007 report.

The Sydney Airport Demand Management Amendment Bill seeks to rectify this anomaly by changing those definitions, and that will ensure that an aircraft movement will now be considered to be the time an aircraft moves to and from a gate. This is a routine and technical amendment to the Sydney Airport Demand Management Act 1997, a piece of legislation developed by the coalition that has successfully managed the pressures on Australia’s busiest and largest airport. The opposition is happy for this amendment to go to the other place.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.38 pm)—We have just heard the most amazing rewrite of history from Senator Scullion.

Senator Brandis—you tried to do that yesterday, Senator McLucas—rewrite history.

Senator McLUCAS—Not at all. I do not think I did. That attempt from Senator Scullion was the most astonishing and, can I say, embarrassing attempt to rewrite history—but it is normal form to thank contributors to the debate, and I do so. The Sydney Airport Demand Management Amendment Bill 2008 is practical and will help with the management of Sydney airport, which is a critical piece of Australia’s economic infrastructure. I will not go to the rewrite of history, Senator Scullion, but maybe at another time we might be able to give you an understanding of the history around Sydney airport. I acknowledge and appreciate the bipartisan support for the legislation, and I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.
GOVERNOR-GENERAL AMENDMENT
(SALARY AND SUPERANNUATION)
BILL 2008
Second Reading

Debate resumed from 24 June, on motion by Senator Chris Evans:
That this bill be now read a second time.

Senator RONALDSON (Victoria) (1.40 pm)—Very quickly: the convention since 1974 has been that the Governor-General’s salary be set moderately above the average salary of the Chief Justice of the High Court of Australia. The Governor-General Amendment (Salary and Superannuation) Bill 2008 seeks to uphold that convention and has the support of the opposition.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.40 pm)—I thank Senator Ronaldson for his contribution—his accurate contribution. The Governor-General Amendment (Salary and Superannuation) Bill 2008 does two things. It sets an annual salary for the office of the Governor-General during the term of Her Excellency Ms Quentin Bryce—and I take this opportunity to congratulate Ms Bryce for her appointment to the office of Governor-General. I think she will be terrific in that role. The bill also removes references in the Governor-General Act 1974 to the superannuation surcharge, which was discontinued by the previous government in 2005. I commend the bill to the chamber.

Senator BRANDIS (Queensland) (1.41 pm)—I wonder if I might just momentarily take the opportunity of this debate on the Governor-General Amendment (Salary and Superannuation) Bill 2008 to acknowledge and congratulate the government on the appointment of Her Excellency Quentin Bryce to her high office. I have had the privilege of having known Her Excellency since 1975, when she taught me as a first-year law student.

Senator McGauran—She’s to blame.

Senator BRANDIS—She is to blame; that is right, Senator McGauran! She has been a wonderful mentor of generations of young Queenslanders—and people elsewhere in Australia too, during her time as Principal of Women’s College at the University of Sydney. The appointment of Quentin Bryce, which Dr Nelson welcomed on behalf of the opposition when it was announced several weeks ago, has certainly caused me great pleasure. She is a wonderful person, as is her husband Michael, and I think the new occupants of Yarralumla will certainly bring to this city a charisma and a stature which will—with no disrespect to any previous occupant—be greatly welcomed by all the residents of this city.

Question agreed to.
Bill read a second time.

Third Reading

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.42 pm)—I move:
That this bill be now read a third time.

I take the opportunity to thank Senator Brandis for his contribution.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (1.43 pm)—On behalf of the Australian Greens, I would also like to congratulate Ms Bryce on becoming our first female Governor-General. I wish her great happiness in that role, and I am looking forward very much to meeting her.

Question agreed to.
Bill read a third time.
BUSINESS

Rearrangement

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.43 pm)—I move:

That government business order of the day No. 1 (Tax Laws Amendment (2008 Measures No. 1) Bill 2008) be called on immediately and considered till not later than 2 pm.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (1.44 pm)—I just want to say that this is a change to our expectation that the Tax Laws Amendment (2008 Measures No. 1) Bill 2008 would be brought on after question time. I am a little concerned that it is going to happen, with 15 minutes. Well, the government is in control of the timetabling of this, and we will see how we go.

The ACTING DEPUTY PRESIDENT (Senator Marshall)—I am sorry, Senator Brown, but I can only put the questions that are put before the chair.

Senator IAN MACDONALD (Queensland) (1.44 pm)—Can I also, very, very briefly, add my congratulations to the new Governor-General?

The ACTING DEPUTY PRESIDENT—You would need to do that by leave at a different time, I think, Senator Macdonald.

Question agreed to.

TAX LAWS AMENDMENT (2008 MEASURES No. 1) BILL 2008

In Committee

Consideration resumed.

The TEMPORARY CHAIRMAN (Senator Marshall)—The committee is considering Tax Laws Amendment (2008 Measures No. 1) Bill 2008 as amended, and amendment (1) on sheet 5489 by Senator Milne.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (1.45 pm)—Senator Milne gave an outline of this amendment before the break. It is an important amendment because it would change the schedule to ensure that what purports to be a carbon sink program, but which is not, would move in some direction towards becoming a legitimate carbon sink. Amongst other things, Senator Milne’s amendment requires that the trees that are put into the ground for the purpose of sequestrating carbon have to be there for at least 100 years—that is the intention. As the schedule in the bill stands, there is no time requirement at all. It is an astonishing piece of legislation, which purports to provide for a carbon sink, but which does nothing of the sort.

Under the current managed investment schemes, if an investor wanted to invest in a future woodchip or sawmilling product by putting in a plantation, they are going to grow them for at least 15 to 30 years—80 years, as far as sawlogs are concerned. That is more of an assurance than we have in this bill, which is supposed to help save the planet from carbon going into the atmosphere. It is totally untoward that the government has said that they want this legislation through and will tell us what their guidelines are going to be in assessing legitimate carbon sinks somewhere down the line. We get carbon sink legislation and then we get an explanation from the minister.

I would ask the minister to tell the committee what the definition of a carbon sink is under this legislation, and why not the 100-year rule that Senator Milne wants to bring in? What is it that the government finds in this amendment that is going to, in any way, do other than help the government to achieve its stated purpose?

Senator JOYCE (Queensland) (1.48 pm)—I believe that some of the issues the
Greens have brought up are valid and do need addressing. These are the sorts of issues that will be addressed as we go forward in the inquiry. I think there are serious questions as to whether you truly want a carbon sink. This is one of those peculiar instruments about which I have a greater sense of scepticism than I imagine the Greens do. There is a collective communion that, regardless of whether this is what you wish to achieve, you are not going to achieve it.

I am really concerned about some of the advice that has been given in this chamber, especially in the discussions about what a capital deduction is. We now hear that land is not capital. There will be a lot of tax lawyers who are going to be fascinated about that and very perturbed too. There is only capital and revenue. If it is not revenue and it is not capital then what is it? Invisible? There is nowhere else for it to exist.

I understand fully the sentiment of what the Greens are providing here, and I have stated before that the reasons that I will not be voting with them are: firstly, it will be unsuccessful—it will not pass the Senate and it will not pass the lower house; and secondly, it would compromise our capacity to get a Senate inquiry up, which is the best mechanism for ventilating this issue further. I see that the inquiry has been circulated here, as moved by Senator Ronaldson. I am very appreciative of that process going forward—it has taken a bit of heartache, but that is very good. At least Senator Ronaldson has reacted to the issues which have become apparent, and I commend him for that.

Where to from here? I think that, as of right now, the Australian people are awake to this and they are going to be absolutely furious when they find that large coal companies get tax deductions to put up the price of groceries in their shops. I think that is basically what it comes down to. I implore the Prime Minister to show that he has the capacity to work quickly and adroitly on an issue that is before him. Maybe this has gone under everybody’s radar; maybe everybody has missed this one. As it is an issue that is now getting strong public airing, let’s deal with it and fix it up.

Senator MILNE (Tasmania) (1.51 pm)—I rise to ask for further clarification from the government on the financial implications of the Tax Laws Amendment (2008 Measures No. 1) Bill 2008. It says that in 2008-09 we will have forgone $4.7 million in revenue, in 2009-10 the figure is $8.5 million and in 2010-11 it is $11.1 million—making a total of $24.3 million forgone from the government revenue by virtue of the cost of this tax deduction. So I would like to know from the government how many hectares they expect to be planted out under this tax deduction scheme if this is the amount of money that is in the estimates for it. I would appreciate that.

I am still waiting to find out, and will keep on asking, whether the trees can be cut down. If you are going to have a carbon sink forest, it must be in the ground to accumulate carbon. We supposedly have a whole-of-government approach to climate change and we supposedly have a Prime Minister’s department with a climate change unit in it which is determining government policy. Given that the Minister for Climate Change and Water has to, by legislative instrument, make guidelines about the environment and resource management that will pertain to the plantations planted under this legislation, will the government please tell me whether the guidelines are going to be the same as those that exist already in the Greenhouse Friendly Forest Sink Abatement Projects? If that is the case then it is rubbish and it is not worth anything because all it is doing is giving forestry companies who want to plant a plantation and get the money from the fibre
in the end an additional income stream along the way. If they are intending to plant those plantations for fibre then why should they be given additional double-dipping, if you like? Their intention would have to be to have a carbon sink, but they could soon change that along the way. Under these rules they do not even have to do that. They can say they want it as a carbon sink and then they can manage the area for both forestry production and carbon.

The government have been utterly remiss. They do not understand just how controversial and how bad this legislation is. They just picked it up straight from former Treasurer Costello and brought it in here because NAFI wants it, the coal industry wants it and the aviation industry wants it. They happily brought it in here knowing that, because the member for Wentworth had drawn it up previously with the former Treasurer, Peter Costello, the member for Higgins, they will get it through for the big end of town. They do not care about the consequences for small rural communities. We have seen it. It is not just happening in North Queensland. My colleague Senator Siewert was telling me about south-west Western Australia, where it has also had really bad impacts. There have been particularly bad impacts in terms of hydrological implications. You come in and fill up a district with these plantations and they take water out of the catchment, so it has huge implications.

My amendments say that these trees must be mixed species and of a local variety, that an easement must be put over the property so that they are there for 100 years and that there must be an ecological evaluation which looks at hydrological impacts, plus surrounding conflicts in land use. What is wrong with that? Why will the government, the opposition and the Nationals not support that? If you are serious about carbon sinks, why would you not actually want them to be carbon sinks if that is your genuine reason?

In my view, this is a complete rort by companies in order to undermine the integrity of an emissions trading system. They know they are going to get a cap. They know they are going to have to reduce their emissions. So instead of reducing their emissions at the power station, at the cement company and in aviation, what they can do is try to offset those emissions by taking up massive areas of land and planting them out as plantations. They have the option then to flog them off to somebody else as fibre if the pulpwood price is high. Alternatively, they can sell them in the carbon market if the carbon price is high. So they have a double option. They even have the option under the government’s existing rules for a forest company to manage the area for both fibre and climate. This is a complete and utter rort: a managed investment scheme on steroids.

As I have said, I want to know why the government will not tell the Senate whether these trees can be cut down. It is a very simple question. Why can we not be told now? Since they have calculated a cost, they must be calculating a hectarage. Where is that? Instead of being given that, we get treated with complete contempt. They have the numbers and they do not care. I know that Senator Abetz has been there in the back row supporting this for the forest industry because it is yet another rort for them on top of what they got from the grants schemes over which he presided in the last period of government. He is there supporting it. In the background, Senator Minchin and Malcolm Turnbull, again, are there supporting it, just as they supported it last year. The only reason it did not go through on the last day before the last federal election was that I pointed out at the time that if you go and tell rural Australia what you are up to they will be absolutely horrified. It was essential legis-
lation at that point and was then changed to non-essential. So that is the context in which we are debating this legislation.

Since Senator Wong is now in the chamber, I think that as the Minister for Climate Change and Water she should be prepared to tell the Senate what the guidelines are that she, by legislative instrument, as it says in this legislation, will be putting out for these carbon sink plantations. If we do not know that, we are buying a pig in a poke. That is what is happening here. Rural and regional Australia do not like it and do not want it, and they have said quite clearly they do not. It is no use saying, ‘We’ve been caught out.’ We have not been caught out. It is clear what this means. There are a lot of people sitting in this chamber who support it.

I do not want any bleeding hearts around rural Australia saying, when the disaster sets in, that we could not have known what the ramifications were. The Senate knows what the ramifications are and, frankly, does not care enough to repeal the legislation. Therefore, senators should be prepared to stand up and say, ‘We actively did it because we wanted to have offsets and not put too much pressure on the industries to reduce their carbon emissions.’ So that is the context in which we are dealing with this. I think it is incumbent on the government to provide those answers. It is also incumbent on the government to explain why the schedule from this bill was put into another bill as well, and why it came up to the Senate live in two bills when one of those bills had been deemed noncontroversial. That is how it got through here, and then they moved to take it out. It is an absolutely cynical move from the government.

Progress reported.

QUESTIONS WITHOUT NOTICE

Alcopops

Senator COLBECK (2.00 pm)—My question is to Senator Conroy, the Minister representing the Treasurer. I refer to my question yesterday about the government’s legislation to validate its $3.1 billion midnight RTD tax grab which came into operation in April. Is the minister now able to confirm whether drafting instructions have been issued for this legislation and when the validating legislation might be introduced into the parliament?

Senator CONROY—I do not think I have received an update yet from the Treasurer. I am happy to get it and give you the answer before the end of question time.

Senator COLBECK—Mr President, I ask a supplementary question. Given that the government does not seem to be aware of where it is at with respect to this legislation—and particularly noting the question from Senator Polley to the leader yesterday about the opposition withholding government tax measures—doesn’t this indicate that its claims in respect of this are in fact false and dishonest?

Senator CONROY—I am not sure that the premise of your question has any basis but I will get any information and get back to you as fast as I can.

Budget

Senator STERLE (2.01 pm)—My question is to Senator Evans, the Minister representing the Prime Minister. Can the minister report to the Senate on the progress of the important inflation-fighting measures contained in the budget?

Senator CHRIS EVANS—I thank Senator Sterle for his question because it is an important one. The Rudd Labor government has delivered on (1) our promise to act on our election commitments, deliver them in
full, and (2) the commitment of the Prime Minister to act as a fiscal conservative. The budget contained the tax cuts, the childcare benefits, the education rebate and the bonuses to pensioners and carers that we have committed to. We delivered on all those commitments to the Australian public but we also delivered to the Australian public the fiscal conservatism that we think is important in these troubling economic times. What we did was deliver a $22 billion surplus—a record high surplus. We did that because we wanted to use that setting to fight inflation and help put downward pressure on interest rates—not only to try and assist families with the direct tax measures but to ensure we did our bit to try and fight inflation and the prospect of further interest rate rises. That fiscal setting has been recognised throughout the economy by the market economists, the Reserve Bank and the OECD. All understand the importance of that surplus. All understand that the government did the right thing in seeking to maintain that surplus.

I cannot understand why the opposition seek to undermine that surplus and our efforts to fight inflation and assist families by putting downward pressure on interest rates. I do not know why they so lost the plot. Whatever reputation they had left after the election, at the very least they tried to cling to the fact that they had economically responsible management. But what we see now is: they have abandoned that too. They have acted as wanton economic vandals. They have tried to undermine the budget surplus that is vital to the economy, Australian families and people on fixed incomes. They have put at risk hundreds of millions of dollars to support that surplus. Their action puts at risk the whole budget strategy.

I do not understand what they are about. They are clearly lost. They are clearly out of touch with the Australian public. They defend oil companies against taxes on condensate. They want to support those who buy luxury cars and the oil companies getting a windfall but they prevent us from increasing the Medicare levy surcharge, which would remove a tax slug on middle-income earners. They want to prevent taxes on luxury cars but they want to prevent us from providing tax relief to middle-income earners by changing the Medicare levy. Those are the sorts of priorities the opposition now have. These are priorities that show that the opposition are just out of touch. They are preventing us from delivering on the sort of economic management that we committed to and that will assist working Australian families and those on fixed incomes. It is vandalism at its worst.

All they have done is undermine the government’s capacity to fight inflation and put downward pressure on interest rates. We need this surplus and the opposition ought to allow us to deliver on our commitment and that surplus. If the opposition had any shred of responsibility, they would allow us to pass those budget bills before the Senate rises. We have still got time. Why don’t you let us pass the budget bills and not prevent us from implementing our strategies? (Time expired)

**Goods and Services Tax**

Senator KEMP (2.06 pm)—My question is to Senator Conroy, the Minister representing the Treasurer. My question concerns the GST—a tax, I understand, Senator Conroy is very familiar with. In fact Senator Conroy would recall his earlier views on the GST were stated so often in this chamber, when he said it was ‘un-Australian’ and would have a ‘devastating impact’ on small business, working families and pensioners. My question to Senator Conroy is: has he changed his views on the GST and, in particular, would he explain why the GST is not included in the Henry review of taxation?
Senator CONROY—Could I take this opportunity to wish Senator Kemp all the best in his—well, ‘retirement’ would not be the right word. No Carlton supporter will ever be able to retire. In terms of the government’s view on the GST, that will be part of the revenue of the Commonwealth. In the last period we never indicated that there would be any roll-back and our position has been quite consistent on it—quite consistent over the last time. In the past, we have had a roll-back policy, as you well know.

Senator Ian Macdonald—Remember roll-back?

Senator CONROY—I do remember it. I remember it well. But there has been no suggestion whatsoever that we would be considering any of those issues. That is the very reason we are not going to include it in the Henry review. Henry has a very wide remit, but he is not going to be considering these matters. It is as simple as that.

Senator KEMP—Mr President, I ask a supplementary question. If I wanted a non-answer, I would have asked Senator Wong! Senator Conroy, I wonder if I could try you on this issue. It is one of those quasi-technical issues which you enjoy so much. Senator Conroy, could you inform the Senate whether the GST and capital gains tax will be levied on emission permits?

Senator CONROY—Thank you, and I appreciate Senator Kemp’s final questions. We will be putting out a green paper. You will be welcome to pore over it. Senator Kemp, and I look forward to you perhaps even appearing before the committee.

Senator Kemp—I rise on a point of order. I have always sought in this chamber to have very precise answers to these questions. I am shocked at the inability of Labor senators to answer questions on the GST—absolutely shocked! But, Senator Conroy, look, this is the last time. For that sake, could you have another go?

The PRESIDENT—Order! I do not think there was a point of order, Senator Kemp.

Senator CONROY—I have often said that I try to model my capacity to answer questions on Senator Kemp. I do not think I will ever be as good as him at avoiding an answer. I will never be as good, no matter how long I stay in this chamber. But there will be an emissions trading green paper which will cover all of these issues. It will be an excellent green paper. I am sure that you will welcome it once you have worked out what your party’s position is on it this week. What is the coalition’s position on these issues? You said ‘yes’ before the election; now you are saying ‘no’.

Senator Kemp—I rise on a point of order. I asked him what the government’s position was on this issue and whether the capital gains tax and GST will be levied on emission permits. That was the question.

The PRESIDENT—Senator Kemp, I think that Senator Conroy has concluded his answer.

Senator CONROY—I just conclude by wishing Senator Kemp all the best. I look forward to seeing you at a Carton v Collingwood match.

Climate Change

Senator WEBBER (2.11 pm)—My question is to the Minister for Climate Change and Water, Senator Wong. Can the minister outline for the Senate the benefits of preparing the economy for climate change? Is there anything standing in the way of Australians getting the economic benefits of preparing for climate change?

Senator WONG—I thank Senator Webber for her question. Senator Webber, like all senators on this side, understands that climate change presents a great threat to the
Australian economy. Scientists have warned that we as a nation are particularly vulnerable to climate change and, if we do not tackle climate change, it will put the Australian economy and jobs at risk. Tackling climate change is ultimately a question of economic responsibility. But the economics of climate change are not just about the threat if we do not act; there is also great additional benefit to the Australian economy if we do act. Today we have a new report from the CSIRO and the Dusseldorp Skills Forum, which concludes there are great economic opportunities for this nation in the move from a high-emissions economy of the past to a low-emissions economy of the future. This again highlights why an emissions trading scheme is the economically responsible way to tackle climate change. This is all about making that transition at the lowest possible cost to Australian business and Australian families, and it is all about creating new opportunities for growth, innovation and the jobs of the future.

Senator Webber asked me whether there was anything standing in the way of Australians getting the economic benefits of preparing for climate change. Unfortunately, the answer now and in the future is yes. In the six months since the last election, we have had a number of backflips from the opposition on the emissions trading scheme. In government, those opposite committed to an ETS being introduced in 2011. Now, what are they actually saying? Are they saying 2012 or are they saying later? It appears that the opposition spokesperson on this issue and Senator Johnston have completely different positions on this. In government, Mr Turnbull committed to having petrol included in the Howard government’s emissions trading scheme. Now those opposite are intent on running a fear campaign but are refusing to demonstrate what their position is. Again, in government, and in opposition earlier this year, they suggested that they would support an emissions trading scheme before the rest of the world moves, but now they are hedging that as well. What do we have today from the Leader of the Opposition? The Leader of the Opposition says today he wants to ensure 100 per cent compensation for households on the ETS. This is an opposition leader who is already starting to spend the benefits, the revenue, from a scheme he does not even know if he supports. He does not even know if he supports it and he is already spending the money. This is one of the few things on which the shadow Treasurer and the Leader of the Opposition have a unity ticket—one of the very few things. They both want to spend the money from an ETS, an emissions trading scheme, before they have committed to supporting one.

So what we know on this issue is that those opposite have absolutely no credibility when it comes to climate change. What we know is that great climate change sceptics such as Senator Minchin, who are the men pulling the strings behind Dr Nelson, are winding back the clock and reviving the old Kyoto sceptics. On this issue, the opposition has absolutely no credibility whatsoever—no economic credibility on the greatest economic challenge that this generation will face.

**Taxation: Family Trusts**

Senator CHAPMAN (2.15 pm)—I direct my question to the Minister representing the Treasurer. I refer the minister to Labor’s decision to reverse the Howard government’s family trust changes. Is the minister aware of the punitive capital gains tax consequences of trusts having to vest their assets once generations up to and including grandchildren have died, under their changes? Is the minister aware that this will have a devastating impact on farmers and small business
proprietors whose business or farm is held in a family trust structure? Is this by deliberate design or is this yet another unintended consequence from a government that does not know what it is doing?

Senator CONROY—As part of this government’s pre-election savings commitments, we announced that we would reverse the family trust changes made by the previous government to fund more urgent budget priorities. Before finalising the implementation details of this measure, the government listened closely to the concerns affecting taxpayers, their agents and tax professionals. Some of the amendments introduced in 2007 were largely technical improvements to the family trust election system. The government has decided not to reverse all of the changes. Instead, only two of the changes will be reversed.

The government will amend the law to restore the previous definition of ‘family’, which did not include lineal descendants other than the children or grandchildren of the test individual or the test individual’s spouse. This change will take effect from 1 July 2008. The government will also preclude family trusts making a once-off variation to the test individual specified in a family trust election, other than in relation to a marriage breakdown. This change will have effect from the 2007-08 income year. The government’s pre-election commitment would have entailed reversing all seven of the family trust changes made by the previous government. This savings measure is largely consistent with the pre-election commitment and will provide cost savings estimated at $24 million over four years, because we take seriously the battle against inflation—unlike those opposite, who are still deluding themselves that it is a fairytale, who are deluding themselves that they have not left the country with the highest level of inflation in 16 years.

They have no policy whatsoever to deal with these challenges. They had spending running at four per cent—so much for the finance minister and the Treasurer and their tough economic measures. That was a government that had spending out of control, that was involved in nothing other than pork-barrelling, that ignored all the warnings from the Reserve Bank, that ignored the opportunity to spend on infrastructure that this country so desperately needs, infrastructure like a broadband network—

Senator Chapman—Mr President, I raise a point of order. I asked the Minister representing the Treasurer quite a specific question. All he has done thus far is restate the government’s position and then go on to talk about issues that are quite irrelevant to the questions I asked. Would you direct him to answer the specific questions which I asked.

The PRESIDENT—On the point of order, Senator Joyce?

Senator Joyce—Mr President, it is a separate point of order.

Senator Conroy—You can’t be serious!

The PRESIDENT—Order! Senator Conroy, if someone stands in their place I am quite entitled to ask them whether they are taking a point of order. Senator Joyce.

Senator Joyce—The minister referred to an action that will take place in the 2007-08 year. Does he mean that it has taken place in the 2007-08 year or does he intend for it to take place in the next four days?

The PRESIDENT—Senator Joyce, that is not a point of order. There will be an opportunity to take note of answers at a later time. In relation to Senator Chapman’s question, Senator Conroy, I would remind you of the content of the question.

Senator CONROY—Thank you, Mr President. As I was saying, the government’s decision to go down this path was based on
the need to address this country’s difficulties created and left behind by the former government and their wanton ignoring of the Reserve Bank, which stated on many, many occasions that infrastructure was in critical need of being addressed. That is what this question is about—it is about a measure taken in the context of the overall budget. In the context of the overall budget, the former government were grossly irresponsible. Their spending was out of control, inflation has suffered because of it and interest rates have risen again and again, because the former government did not have the capacity to manage the economy. That is why the judgement was made by the Australian public in November last year.

Let’s be clear about this: there were a number of measures taken by this government in the budget, of which this was one. We stand by them and we welcome the opportunity to debate them, because the economy and the mess that has been left by those opposite is too serious for the fairytale approach being taken by those opposite. They cannot even work out whether or not inflation is a problem. They cannot even accept that they have left this country with the highest inflation rate in 16 years. It is very simple: this government have been forced to address a gallop in spending and we have had to cut back, and this is one of those measures that we have, after careful consideration, proceeded with.

Senator CHAPMAN—Mr President, I ask a supplementary question. Can I say it is very sad that, for the sake of $8 million in a several hundred billion dollar budget and a $20-odd billion dollar surplus, the government seems to be ignoring the long-term, devastating consequences of this policy. The minister has failed to say in answer to my question why the intergenerational transfer of assets held in a family trust should be subject to capital taxation. He has also failed to acknowledge the unfairness of Labor’s changes. Given that assets held in other forms of ownership are not subject to this same form of harsh taxation and that some farmers may have to sell their farms to pay the tax, as they did with death duties, will Labor reverse these changes and stop punishing farmers and small business operators in Australia with what amounts to a de facto death duty?

Senator CONROY—Could I also wish Senator Chapman well in his retirement. The answer to the question is no.

Fuel Prices

Senator FIELDING (2.22 pm)—My question is to Senator Conroy, the Minister representing the Treasurer. Minister, five years ago families were paying 85c a litre for petrol in Melbourne. Today they are paying $1.70 a litre. Petrol prices have doubled in that short time. Is it true that while families are made to suffer from skyrocketing petrol prices, the government is just getting more and more drunk on petrol tax? Is it true that the government tax take on petrol has increased over the last five years by almost 20 per cent to 54c a litre? In other words, is it true that the government has increased its petrol tax take by 8c a litre over the last five years?

The PRESIDENT—Before calling Senator Conroy, Senator Fielding, can I remind you that questions must not be addressed directly to the minister; they must be addressed to the chair.

Senator CONROY—I thank the senator for his question. As has been discussed at length in this chamber and in other places, global crude oil prices have been rising strongly over recent years. This is putting pressure on domestic petrol prices and family budgets. The world benchmark West Texas crude oil price is now trading around US$130 per barrel. It has more than doubled
over the last two years. These increases have had flow-on effects to petrol prices in Australia. We understand the pain that high petrol prices are inflicting on working families, particularly at a time when they are facing the burden of 12 straight interest rate rises, courtesy of the former government. That is why the government is taking active steps to deal with the impact of fuel prices on Australian families. We understand the global nature of the challenge requires both a global and a domestic response. At the G8 finance ministers meeting, the Treasurer urged the G8 to take collective action to address the structural supply and demand imbalance in the global oil market. At the Jeddah energy meeting in Saudi Arabia on 22 June—

Senator Fielding—Mr President, I rise on a point of order. Clearly the question was about the extra petrol tax take that the government is taking when petrol prices go up. I am not referring to why petrol prices are going up; I am referring to the extra petrol tax take that government gets when petrol prices go up.

The President—Senator Conroy, you are straying a little from the question. I ask that you return to the question asked by Senator Fielding.

Senator CONROY—The Rudd Labor government is very conscious of the pressures of petrol taxes on Australian families. That is why we are engaged in a range of measures to deal with this challenge and this pressure on Australian families. These measures include the international approach that I have just outlined and our Fuelwatch initiative, which commences on 15 December 2008, to ensure that motorists are not paying a cent more than they have to at the bowser. As Mr Samuel said in a speech yesterday, petrol prices in Sydney are $1.70 in some places and $1.50 in other places, but he does not know where and he does not know how he can tell the people of Sydney where to find the cheapest prices. That is why Fuelwatch is important. That is why it is important to pass that legislation—to address the very pressures Senator Fielding referred to in his question. This government has a comprehensive package to try and address those pressures on Australian families. We have given the ACCC tough new powers to conduct formal monitoring of unleaded petrol prices, costs and profits. The government is also delivering substantial support for families in the budget, giving families the means to meet the skyrocketing costs of petrol and other essentials. We are delivering responsible long-term initiatives that put money in the pockets of families and deal with the underlying causes.

Senator FIELDING—Mr President, I ask a supplementary question. Isn’t it outrageous that the government is profiteering from higher petrol prices while families continue to buckle under higher petrol prices? Is it true that, if petrol prices skyrocket to $2 a litre, the government will increase its tax take by another 2c, which is already on top of families being slugged an extra 8c over the last five years? Petrol prices are inflationary and have been contributing to higher interest rates, which are also hurting families hard. When will the government cut petrol tax by 10c a litre?

Senator CONROY—What is outrageous is the suggestion that this Senate could block a range of revenue measures that the budget requires to maintain downward pressure on interest rates. That is what we actually need. That is what is outrageous. Those in this chamber—

Senator Fielding—Mr President, I rise on a point of order. Both the primary question and the supplementary question were clearly about the petrol tax take by the government.
Could you please draw the minister back to the central argument of the question.

The PRESIDENT—I have reminded the minister before about the question and I do so again.

Senator CONROY—All senators in the chamber should take their decision very seriously when they come to vote on these budget measures. If you want to blow a hole in the budget, if you want to be economic vandals, and if those in the minor parties want to join you in being economic vandals, then you will be putting pressure on Australian families. You will be making it harder to pay for petrol as interest rates go up, as interest rates start to drag more and more income away from Australian families. Interest rate rises will be delivered if those opposite block the budget measures that are coming into this chamber in a few weeks time. Let us be clear about this: what is outrageous is those opposite who continue—

(Time expired)

Carers

Senator PATTERSON (2.30 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. In January, in a typical spin versus substance stunt, Kevin Rudd gave his senators and members—

The PRESIDENT—Order! You must refer to the Prime Minister by his proper title.

Senator PATTERSON—The Prime Minister, Mr Kevin Rudd, gave his senators and members homework to do. They were to visit homeless shelters and schools supposedly so they could develop more informed policy. Will the Prime Minister give a similar order for compulsory homework over the winter break and, this time, will it include visiting carers of older Australians and carers of sons and daughters with a disability; carers who work 24/7 without a Jeeves, without a driver, without any staff—many for 10, 20, 30 and sometimes more than 50 years?

Senator CHRIS EVANS—It is unfortunate Senator Patterson used her last question in that tone, given I know her commitment to those less fortunate in our society. The Prime Minister does encourage Labor members of parliament to get out and move around the community and he did encourage us to visit homeless shelters. I actually think that was a very good thing, and it was a very good experience for those of us who have not done it for a while. I think we learned a lot from it. It resulted in us getting the question of homelessness on the national agenda and that is a very important thing. One of the things that a friend of mine said to me the other day was, ‘One of the good things about Kevin Rudd’—and I am not sure that he necessarily voted for us—‘is that he is making the community think about things that they have not thought about for a long time.’ He used the examples of homelessness and binge drinking. It was a very telling comment from someone who is not particularly interested in politics.

The Prime Minister encouraging Labor members of parliament to get out and deal with these issues and connect with people affected by serious social issues is one of the best things about his prime ministership. He is really interested in those issues and the concerns of people doing it tough.

The senator asked a question about carers and people with disabilities. She would be well aware that there were significant financial commitments and new initiatives in the budget aimed at carers and people with disabilities. That was the focus of a range of measures in the budget and Minister Macklin has been very focused on those issues. There were increases—not only did we pay a whole range of people the annual bonus for the first time but there was also an increase in the number of people able to get access to benefits for caring for children with disabilities as well as a range of other measures that I
would have thought the senator would have welcomed because I know that she has had a long-term commitment in these areas.

I actually think that, in the budget, we made a very serious commitment to people with disabilities and a very serious commitment to the plight of carers who are not only underappreciated but also very highly stressed caring for people with disabilities. Senator Ellison, I and a lot of the other WA senators are a part of a Politician Adoption Scheme, which I think first commenced in WA. I have been a member for a long time. It puts you in touch with a family with a person with a disability and allows you to connect with the issues they confront. I have certainly found it very helpful, although, unfortunately, the carer I was first connected with died of cancer and her mature age boy then had to go into full-time care.

I think it is important that we focus on these issues. The budget did that, and if the Prime Minister was to encourage us to go out and connect again with carers and people with disabilities, I think that would be a very good thing. I urge all members of parliament to do so, but it is a focus for him already. That focus was reflected in the budget, and I know he was particularly moved by a carer’s contribution in one of the community cabinets we held. Again, it is a sign that the Prime Minister is in touch and listening to people’s concerns. So I think the Prime Minister concentrating on these issues is a very good thing, and it is forcing a lot of Australians to do the same thing. (Time expired)

Senator PATTERSON—Mr President, I ask a supplementary question. He really did not answer the question I asked him, and it only requires a simple yes or no. Will the minister ask the Prime Minister to set his colleagues homework to visit carers in their homes and see what they do 24/7?

Senator CHRIS EVANS—I reject the suggestion that I did not answer the question because I tried to give a fulsome answer to the senator. I and my colleagues seek to be in contact with the community. The community cabinets have been a very useful way of making sure that we are in touch with those issues. It is front and centre of the government’s agenda. Look at the budget, look at the commitments to disability funding, look at the commitments to carers and look at the autism package announced recently by the minister. This is a key part of the government’s agenda and we are listening to carers, we are listening to their needs. It is a part of the work that we are focused on. I would hope we get bipartisan support for such an approach.

Ministerial Staff Code of Conduct

Senator KIRK (2.35 pm)—My question is directed to the Special Minister of State, Senator Faulkner. Will the minister advise on the status of the code of conduct for ministerial staff which was foreshadowed by the Prime Minister and the minister?

Senator FAULKNER—I thank Senator Kirk for her question. The government has developed a code of conduct which will apply to all ministerial staff employed under the Members of Parliament (Staff) Act 1984. The code will take effect from next Tuesday, 1 July 2008. This will be the first time a comprehensive code governing the conduct of ministerial staff has been implemented. The code reflects this government’s commitment to integrity across government and our expectations that ministerial staff, who play such an important role working within government, will understand and meet high standards in carrying out their duties. Further, to the extent that the code deals with the relationships between ministerial staff and the Australian Public Service, the govern-
ment’s goal of restoring the Westminster tra-
dition will be advanced.

Let me outline some of the main elements
of the code. As senators would expect, minis-

terial staff will be required to behave hon-

estly and with integrity and to perform their
duties with care and diligence. The code
deals with conflicts of interests and, under
the code, all ministerial staff engaged by this
government are required to provide state-
ments of private interests to their employing
ministers. The receipt of gifts and sponsored
travel will need to be declared in writing to
ministers and any outside employment would
only be permitted with the written agreement
of the relevant minister. Ministerial staff will
be expected to meet appropriate standards of
behaviour in their dealings with others.

In relation to the Australian Public Service
the code requires that ministerial staff be
aware of the values and code of conduct that
bind public servants and the employees of
parliamentary departments. I regard this re-

quirement as an important element of the
code that will, as I have said before, assist in
strengthening the Westminster tradition un-
der which the respective roles of ministerial
staff and public servants are understood and
respected. The code also makes clear that
ministerial staff in their own right do not
have the power to direct APS employees.

Senator KIRK—Mr President, I ask a
supplementary question. Does the code en-

sure that ministerial staff are prevented from
making executive decisions?

Senator FAULKNER—I thank Senator
Kirk for her supplementary question. I say to
Senator Kirk that, as indicated by the Prime
Minister, ministerial staff will not be author-
ised to make executive decisions, as these
decisions are the preserve of ministers and
public servants. The ministerial staff code of
conduct makes this crystal clear. The gov-
ernment believes that, within ministers’ of-

fices, it is ministers who must make execu-
tive decisions and it is ministers who are and
who should be accountable for those deci-
sions. Ministerial staff engaged by this gov-

erment also have attended induction train-
ing at which this message has been strongly
conveyed. For the benefit of the Senate I
table the ministerial staff code of conduct.

Kurdistan

Senator LIGHTFOOT (2.39 pm)—My
question, the last question I will ask in this
chamber, with some sadness, is addressed to
Senator Faulkner, the Minister representing
the Minister for Foreign Affairs. Given that
the nations of the United Kingdom, France,
Germany and many others all recognise
Kurdistan as a separate entity within Iraq and
have official representation in Australia, can
the minister clarify for the Senate why, after
my representations and those of the represen-
tative of the Kurdistan regional government,
the government has not altered its negative
travel advice for the Kurdistan region?

Senator FAULKNER—I would like to
thank Senator Lightfoot for asking me this,
his last question; but I would have preferred
to have been thanking him for not having
asked this particular question of me! I am not
aware of the actions that my colleague the
Minister for Foreign Affairs has taken on this
issue, but I certainly undertake to Senator
Lightfoot that I will provide that information
to the Senate when Mr Smith makes it avail-
able to me. I do have to say to Senator
Lightfoot that at the moment the Minister for
Foreign Affairs is travelling overseas on min-
isterial duties, but I will undertake to come
back to the Senate on this as quickly as I can.

Senator LIGHTFOOT—I thank the
Special Minister of State for undertaking to
take that question on notice. I ask that the
Special Minister of State also take my sup-
plementary question on notice if that is the
case. One of the department’s reasons for
this dire travel warning is that there is inter alia a severe threat of avian influenza. Why is this considered a grave threat for travellers when the last recorded fatality was in 2006, a point stressed by the British Commonwealth office?

Senator FAULKNER—I am certainly happy to also ask the Minister for Foreign Affairs to respond to that supplementary question in relation to avian influenza.

Child Abuse

Senator BARTLETT (2.42 pm)—My question is to Senator Evans, the Leader of the Government in the Senate and the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs. I remind the minister of the Senate resolution of 30 March 2006, which was supported by all parties, calling for the development of a national strategy on the abuse of children, in partnership with state, territory and local governments and key stakeholders. I also remind the minister of the Senate resolution of 20 September last year, again supported by all parties, which noted the damaging long-term effects to Australian society caused by the serious abuse of children and young people and which expressed support for a comprehensive royal commission into the sexual assault and abuse of children throughout Australia. Given that government senators supported both these calls for action when in opposition, and opposition senators supported both these calls for action when in government, can the minister inform the Senate what has and is being done to act in the spirit of these unanimous and very important Senate resolutions?

Senator CHRIS EVANS—I thank Senator Bartlett for what was his last question and for his ongoing interest in these issues. The government believes that as a nation we do need to do much better at protecting all our children from neglect and abuse. I think the recent reports of child neglect in Adelaide and Canberra have deeply disturbed the nation. To be confronted with the severe neglect of children, resulting in the horror of malnutrition or starvation, is pretty confronting. It seems incomprehensible that these things can happen in suburban cities in Australia. These cases of course are now the subject of police investigations, but I think we all support the view that children deserve a safe, healthy and happy childhood. We all share the community’s concern about child neglect cases. As a nation we obviously need to do better at protecting all our children, and this includes state and Commonwealth governments.

In 1999, there were 107,000 notifications of abuse or neglect of children. By 2006, notifications had increased to 309,000. Last year, there were around 60,000 occasions when authorities found that a child either was or was likely to be harmed, abused or neglected. Those rates have doubled in the last decade. The number of children in formal out-of-home care has doubled between 1996 and 2007, from almost 14,000 to over 28,000. So child abuse is very much an issue for national concern, and that is why the government is delivering on its election commitment to develop a national child protection framework. Progress on the framework has begun, as a result of recent budget commitments.

In January, the Minister for Families, Housing, Community Services and Indigenous Affairs, Ms Macklin, met with the key community experts in child welfare who were calling for national leadership in protecting children. Workshops were also held with representatives from state and territory agencies responsible for child protection and family welfare to discuss a national approach. Minister Macklin released a discussion paper in May, after consulting with these groups. It is available on her depart-
ment’s website, and the minister is distributing copies to all members of parliament. She welcomes feedback from members of parliament in developing this framework. Intensive consultations with key stakeholders are already underway. A joint meeting has been held with state and territory governments. A number of expert committees, drawn from the community sector, academics and child welfare practitioners, have been meeting over the last two weeks. In coming weeks, Minister Macklin’s department is hosting a meeting with the 51 representatives of the Coalition of Organisations Committed to the Safety and Wellbeing of Australia’s Children.

While statutory responsibility for child protection is with the states and territories, consultations are exploring practical ways the Commonwealth, the states and territories and non-government organisations can use their resources more effectively to improve the safety and wellbeing of children. Under the framework, the Australian government will give state and territory child welfare authorities the power to advise Centrelink to quarantine government payments to ensure children are provided for. The budget committed $36 million to our welfare reform agenda, and that will help protect children.

Parenting is a tough job, and we need to support parents in that role. We also need to support them if they seek help. I agree with Senator Joyce’s comments, which I saw reported, where he emphasised the role of the community. We are all responsible for the care and upbringing of our children and I think — (Time expired)

Senator BARTLETT—Mr President, I ask a supplementary question. I thank the minister for outlining some of the focus the government has given this important issue since coming to office. I appreciate that it is a work in progress, I appreciate that government cannot fix everything, and I appreciate there is no magic bullet. I would like to ask the minister whether or not the government and the minister are giving serious consideration to putting in place a national commissioner for children, or some similar office, as an independent, permanent officer who will focus continually on the interests of children—as was recommended unanimously by more than one Senate committee inquiry, such as the forgotten Australians inquiry in years gone by.

Senator CHRIS EVANS—I thank the senator for his supplementary question. I think the key response is that this government has made the protection of children a federal priority. We have actually sought to engage the Commonwealth very much in the fight against child abuse and neglect, even though it is predominantly a state responsibility. We do recognise that, unless the whole nation takes on this responsibility, we will not deal effectively with this growing epidemic, almost, of abuse. I think what has happened in recent days has brought home to us that these are not just issues for Indigenous communities. I think some people were taking far too much comfort, as if the problem is only in Indigenous communities. These are problems for Australia.

In terms of Senator Bartlett’s specific request about a child commissioner, I will take that part on notice. I am not sure what the minister’s views are with regard to that particular initiative, but I can assure the Senate that Ms Macklin is very much focused on this work, and there will certainly be more to come. (Time expired)

Higher Education

Senator WATSON (2.49 pm)—My question is directed to Senator the Hon. Kim Carr, representing the Minister for Education. As a result of special coalition funding, the University of Tasmania was able to lift the proportion of Tasmanians with bachelor’s
degrees or above from 11 to 15 per cent. Will the government live up to its rhetoric about the education revolution so that, in the case of the University of Tasmania, it is in a position to lift the proportion of Tasmanians with a bachelor’s degree or above from 15 to 20 per cent, which is the national average?

Senator CARR—I thank Senator Watson for his question, and I wish him well in his retirement, as one of the 14 senators leaving today. The question he asks with regard to the University of Tasmania and the fact that the Rudd Labor government has committed so much to the higher education system in such a short time are duly noted. Also, I appreciate the opportunity to highlight the fact that, in the first six months of this government, we have introduced measures that will improve substantially the opportunities for people to embark upon a tertiary education.

With regard to the specific matters he raises about the University of Tasmania, I would like to seek further advice from the minister, and I will do so.

Senator WATSON—Mr President, I ask a supplementary question. Will the government properly index the Commonwealth Grants Scheme so that universities can cover their increasing cost of education in future years and, further, will the government agree to fully fund research under the national competitive research arrangements?

Senator CARR—That is a question I can directly deal with, because that is more to do with my responsibilities. The issue of the full cost of research is a matter that you see before the current review into the national innovation system that is being chaired by Dr Terry Cutler. I am anticipating the report will be delivered to the government by 31 July. One of the specific measures under that review is an examination of the full cost of research.

As the senator, I am sure, is aware, there has been in recent times a significant decline in the level of contribution from public sources towards the cost of research and in particular projects as universities are being required to increasingly undertake funding arrangements by which they draw upon their own resources. So, the options that are before the government do raise some serious financial questions that will need to be considered in the context of the government’s response to that review. A number of countries around the world are looking at these issues—England in recent times, the United States and, of course, New Zealand, being but three—so there are a range of options for the government to pursue. I am looking forward to that report being delivered on the 31st and to a response coming back from the government by the end of the year.

Climate Change

Senator CAROL BROWN (2.52 pm)—My question is also to the Minister for Innovation, Industry, Science and Research, Senator Carr. Could the minister please inform the Senate on what today’s CSIRO report, Growing the green collar economy, tells us about the challenges of moving to a low-carbon future, especially for Australian workers?

Senator CARR—I thank Senator Brown for this question. This report highlights very serious issues which do challenge Australian society and the Australian economy. But let me start by making this simple observation: this government welcomes this report. Unlike those opposite who, when in government, chose to censor the CSIRO, this government defends the CSIRO’s right to take part in public debate, including national conversations on climate change. Unlike those opposite, I will not be gagging the CSIRO’s scientists or doctoring their findings every time they utter an inconvenient truth.
This report does highlight the challenges that we face in moving towards a low-carbon future. It is also upbeat about our capacity to answer those challenges and create new opportunities for Australian workers—that is, if we get the policy framework right. It tells us that emissions trading will not reduce employment and economic growth if we get the policy positions right. What it does tell us is that we can reduce the greenhouse gas emissions and stabilise energy use while still raising our standard of living, if we get the policies right. What are those policies that are right? CSIRO, in this report, has included creating incentives to improve environment performance; investing in skills and training; renewing and retooling industry; investing in renewable energy, energy-efficient buildings and energy-efficient transport; improving access to green technologies; and creating a culture of innovation.

I am sure that all the senators over there understand that that is exactly what this government is doing. We will establish an emissions trading scheme. We have invested billions of new dollars in education and skills, reversing 11 years of squalid neglect. We will put industry policy back on the national agenda. We will establish new programs, like the Green Building Fund, Re-tooling for Climate Change and, of course, Climate Ready. We will bring production of the hybrid Camry to Australia. We will launch a root and branch review of the national innovation system and establish Enterprise Connect to give business better access to that system.

These are the policies we need to create the kind of high-performance, low-carbon economy that Australians actually want. These are the policies we need to ensure that prosperity is not just increased but also shared equitably right across the community. The government’s approach to climate change is both environmentally and economically responsible. It also reflects our strong belief in social justice. CSIRO’s modelling suggests that we can increase employment from 55 to 60 per cent by 2050 under a low-carbon regime. Of course, what we need to ensure, though, is that the right policy positions are taken so that we can also do so without environmental devastation. Australian workers should not be left to carry the burden of climate change. That is why it is so important to ensure that there is certainty, that there is a real commitment to change and that the right policy frameworks are being pursued so that we can ensure that there is effective economic growth and social justice. (Time expired)

** Senator CAROL BROWN**—Mr President, I ask a supplementary question. Can the minister provide further information on the impact of emissions trading on business?

** Senator CARR**—What we know is that a properly structured, a properly designed, emissions trading scheme will actually allow for there to be growth and for there to be the opportunities to create quality jobs. A properly designed emissions trading scheme will allow for prosperity to be shared. Of course, the alternative is the current policy—or what we understand to be the policy—being pursued by the opposition; that is, a do-nothing approach. What we have seen in recent times is a renaissance for those climate change sceptics that dominated the previous regime for 11 years. The international studies all highlight and the report today demonstrates that there is a need for government action, there is a need for green investment strategies, there is a need for green research and development technology transfers and there is clearly a need to ensure that there is international cooperation. (Time expired)
Natural Resource Management

Senator SCULLION (2.58 pm)—My question is to the Minister representing the Minister for the Environment, Heritage and the Arts, Senator Wong.

Senator Sherry—What about agriculture?

Senator SCULLION—Mr President, I know that Senator Sherry bemoans not getting questions from this side, but all in this place would know his complete inability to answer the question is a function of that. My question is to the Minister representing the Minister for the Environment, Heritage and the Arts, Senator Wong. Why has the government failed to fund the award-winning SeaNet program?

Senator WONG—I thank Senator Scullion for the question. This is a question that goes to the government’s Caring for our Country arrangements. I make the point that I have made in previous answers to previous questions on this: the government has committed $2.25 billion under the Caring for our Country initiative, and we have done so consistent with the election commitments we made. It is very interesting that the opposition seek to play politics with these issues. As I reminded them on the last occasion, the previous government had already decided not to continue funding of organisations in the national action plan after 30 June 2008—in other words, the opposition are seeking to play a bit of politics in relation to a program they were going to cut. There was no funding in the forward estimates for that particular plan, so let us be clear: the previous government had already decided not to continue funding for the national action plan after 30 June this year.

Under Caring for our Country there will be increased opportunities for a wider range of organisations to bid for funds through public calls. If you look at what this government has committed through Caring for our Country, through open grants, through Community Coastcare, through the National Reserve System, through Working on Country and the range of election commitments, including $30 million per annum to implement Reef Rescue, what is clear is that regions will potentially be able to access $30 million to $55 million more in funding than they could under the previous government’s program.

Senator SCULLION—Mr President, I ask a supplementary question. Given that in the middle of next week the entire crew and all of the staff from the SeaNet program in Australia will lose their jobs and the programs the government indicate that they are going to replace it with are not due to come on line until some further stage, given the fact that the previous coalition government gave assurances that there would be seamless transfer of funding to programs, and given that this program enjoyed the support of both the fishing sector and environment groups and was effective in reducing biocatch and protecting endangered species, when before the election did Labor tell the people of Australia, environment groups and the fishing sector that this program was going to be axed? Isn’t this just another example of Mr Peter Garrett being right when he said before the last election, ‘Once we get in, we’ll just change it all’?

Senator WONG—On that last question, I think people will remember the iconic core/non-core promises which were the manifest of the previous government. Unlike the previous government, we are committed to meeting our election commitments, many of which are contained in the budget that we know is being stalled by those opposite. I again remind the opposition of what I have said previously and I again indicate that non-government organisations are able to bid for funding through a public call for open grants.
totalling $25 million. This was announced on Saturday, 21 June and sought projects consistent with the six national priorities under Caring for our Country. These include a national reserve system, biodiversity and natural icons, coastal environments and critical aquatic habitats, sustainable farm practices, national resource management in remote and Northern Australia and community skills and older generation engagement. *(Time expired)*

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

**PRESIDENT OF THE SENATE**

The PRESIDENT (3.04 pm)—Although I will continue to be President until the new Senate elects my successor, today marks my last sitting day and last question time in this position. I believe that it is appropriate, and it is a convention that should be maintained, that the government of the day has the opportunity to nominate a senator of their choice for the position of President at that time, and I intend to fully support that nominee. Senators will understand my disappointment that my time in this office is not to be a little longer, but that is the way of politics. In any case, I have always taken the view in parliamentary life, as well as in life in general, that there is little point in looking back at what might have been. It has, however, been a lengthy period between the result of the election being known and the new Senate coming together later this year—I think one of the longest periods in history. I thank senators from the government, ministers, the opposition and other parties for their cooperation and consideration during that time.

It goes without saying that, apart from today when a certain calm seems to have descended on the place, it is possibly the quietest week I have had in all my time as President, since both Senators Carr and Conroy were away! It has been a special honour to have served as President of the Senate. I am proud to have been the sixth senator from South Australia to have occupied the President’s chair, starting with the very first President, Sir Richard Chaffey Baker. I might remind the clerks that among Sir Richard’s many achievements was his defence of Senate officers from a suggestion that they should be paid at a lower rate than their counterparts in the House of Representatives. While that was a victory for the President of the day, it is a little unfortunate that I do not have the same sort of influence over the rate of pay for senators.

One of the things about being a Presiding Officer is that probably 80 per cent of the work is in fact not in the chamber but involves a range of administrative tasks and a significant number of formal meetings with ambassadors from other nations and with parliamentarians from both interstate and overseas. The Europeans call it ‘parliamentary diplomacy’, and I think in this country its value and the international links that it fosters is underestimated. I was fortunate to have been involved as Chair of the Joint Standing Committee on Foreign Affairs, Defence and Trade before being elected President, and that experience was invaluable in tackling some of the tasks that fall the President’s way.

I would like to thank my party colleagues who nominated me for this position last year. I record my appreciation of the officers of the Senate, particularly the Clerk, the Deputy Clerk, the Black Rod and the Deputy Black Rod, for their wonderful assistance and advice relating to the operations of the chamber. I would also like to acknowledge the work of the Department of Parliamentary Services. They provide a wonderful service in this place in the important work they do in keeping the buildings and the grounds such good order. A particular highlight in my time
as President was being involved in the ceremonies for the 20th anniversary of Parliament House. I think we should all remember the significance to Australia of this great building in which we work. I would also offer my thanks to the staff of my office, particularly my Canberra office—to Gerard Martin, my senior adviser, to Di Goodman, and to Margaret Pearson who will be finishing this week after a long period of service in this place and elsewhere. I thank them for their work during my time as President.

I have very much appreciated the support of all of my colleagues in this place, in particular Senator John Hogg, the Deputy President, and the panel of temporary chairmen, during the year. I will leave this office with gratitude for having held it and with the knowledge that I will continue to have the privilege of representing the state of South Australia in this place. I thank the Senate.

Senator HOGG (Queensland) (3.08 pm)—by leave—Mr President, your statement was very generous indeed, given the fine service that you have delivered to this parliament in your role as the President of the Senate. I have now had the fortune to work with two presidents—President Calvert and then you—and on both occasions I have found that I have developed very quickly with both of you—and in particular with you, given the short period that you have been in the President’s chair—a very good working relationship, which is essential for the good conduct of this parliament. Even though our political differences are there, our view of the running and the operation of this parliament have been very similar indeed and we have shared it on many occasions. I think the leadership that you have given since your time in the presidency has led to the good conduct of the business in this place and of course the respect that you have had from all your colleagues.

I would also say, Mr President, that this has been reflected not only in my dealings with you but with your staff as well in the interaction between the staff of your office and the staff of my office. Again, if there is not that rapport—putting political differences to one side—then the transaction of the business in this place becomes very difficult indeed. The bonus for me personally, of course, has been that I have formed a good personal friendship with you and with your good wife, Anne, and I am sure that as a result it will be an enduring friendship. My wife, Sue, has enjoyed the friendship that has blossomed as a result of our need to get on well in the positions that we occupy within this chamber. I congratulate you on your term as the President. I wish you all the best in the future and I wish those members of your staff who are retiring all the best as well.

Senator CHRIS EVANS (Western Australia—Leader of the Government in the Senate) (3.11 pm)—by leave—I just want to express on behalf of the government our appreciation of the job you have done as President. You are not retiring and you are not leaving, so I will not go on at length. In fact, I understand that you and Senator Hogg are going to wax the job.

You have brought a great touch to the job. You were obviously respected and well-liked before you took up the job, but I think that the light touch, the cooperative approach, the calm and the sense of humour you have brought to the role have allowed for the good management of the chamber. I tell people that one of the best chairs of the place I knew was Noel Crichton-Brown. I do not actually say very pleasant things about Noel Crichton-Brown very often but, because he had that light touch and the capacity to deal with people, I think he brought the same sort of touch to the role, and I think that has been part of the success you have had. We do
appreciate the role you have played. I appreciate, as Leader of the Government in the Senate, the cooperation that we have had behind the scenes as well as in the chamber. We think that you deserve great credit for the role that you have taken. I think that you are one of the people in politics who manages to do what I think we all should do, which is take the job seriously but not take yourself too seriously. We wish you the best of luck in what I understand will be your new role, maybe, in the new parliament.

I would also like to indicate that Senator Hogg will be the Labor nominee for President in the new parliament, and I am sure that he will do an equally good job. It is important, I think, to reflect that the cooperation that the two of you have had has really assisted the success of the management of this chamber and the carrying out of your important duties. That is probably enough from me, Senator Ferguson. There has been a lot of love in the air in the Senate in the last few days—the place has been unrecognisable. We do congratulate you on a job well done.

Senator MINCHIN (South Australia—Leader of the Opposition in the Senate) (3.13 pm)—by leave—Mr President, on behalf of all coalition senators, I do warmly congratulate you on your term as President of the Senate. In my view, you have presided with great authority and with great objectivity, wisdom and knowledge and, I think, an appropriate degree of fairness. I do regret very much that your term as Senate President has therefore been somewhat cut short. I am prepared to accept my part of the blame for that. Our complete inadequacy in ensuring the return of our government has meant that your time as Senate President has therefore been somewhat cut short. I did look forward to you having at least another three years as Senate President. But that was not to be and we defer to the great wisdom of the Australian people in making that decision.

In the short time you have had I think that you have been an outstanding holder of one of the most significant offices that this Australian nation can bestow on anyone. I think that you have made, as you mentioned, all those in our state of South Australia, such a relatively small state, very proud that one of its senators—now the sixth—has served in such a high office. It just shows the quality of the senators that South Australia produces, and I say that around the chamber.

You mentioned that you have had superb training for this role—you are one of the most experienced committee chairmen this Senate has ever seen. You had, I think, eight years as chairman of one of the parliament’s most prestigious committees, the Joint Standing Committee on Foreign Affairs, Defence and Trade, which I think gave you that great training. That has been evident in the way in which you have conducted yourself in the chair. I think that you are widely regarded as one of the best chairmen that the Senate has had in its time. It has certainly been a privilege for me to speak under the same roof as such a distinguished holder of such a high office for the last 10 months. Indeed, it was a privilege for me to be the state director of the South Australian Liberal Party when you were the president of the South Australian Liberal Party. It was also a privilege to have been the leader of the coalition in the Senate while you have occupied the high office of President of the Senate.

In your remarks, you indicated your view that a government senator should occupy the chair. I formally indicate that is also the longstanding view of coalition senators, and the coalition will be voting for the government nominee for President. May I express my delight at the Leader of the Government in the Senate’s confirmation that Senator
Hogg will be that nominee. I also want to congratulate you, Mr President, on being elected unopposed as the opposition’s nominee for the office of Deputy President in the new Senate, and I look forward in anticipation to the new Senate electing you to the office of Deputy President. Congratulations on a wonderful service.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (3.16 pm)—by leave—On behalf of my Democrat colleagues I wish you well as you join senators on the bench in August and thank you for a job very well done. You have commanded great respect, not just on both sides but right around the chamber, at this end as well. You have done better than most, in my experience, at seeing those of us on our feet in the cross benches. Thank you for your generous hospitality, which those of us who are leaving this place enjoyed just a week ago—that was a most enjoyable night. It was one of many social functions which you have held here, which I have enjoyed enormously.

I wish you well and thank you again for your great fairness and integrity in the role you have played. I also congratulate Senator Hogg on being the new President. We will not be here to see how fair you are but, judging by your performance as Deputy President, I am sure you will do a fantastic job.

Senator SCULLION (Northern Territory—Leader of the Nationals in the Senate) (3.18 pm)—by leave—On behalf of Family First, I want to thank you for your impartiality and fairness in the way that you have presided over this chamber without fear or favour. You have always been helpful when I have approached you. I want to wish you well in your new role and also want to thank your staff for their help in providing assistance whenever it was asked for. Thank you.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Alcopops

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (3.19 pm)—Mr President, could I also thank you and congratulate you on your term in office and thank you for your kind words about how much you missed Senator Carr and me in the last week.

I took two questions without notice from Senator Colbeck earlier today. I would like to provide a response to these questions. The government has issued drafting instructions for this measure. Consistent with provisions of the excise and customs legislation, the revenue can be collected for 12 months from the time the tariff alterations are proposed in the parliament or until the close of the parliamentary session—that is, until the next election—whichever occurs first. The government intends introducing the required
customs and excise tariff amendment bills into parliament consistent with those provisions.

The answer to Senator Colbeck’s second question is that, yes, we seek all kinds of advice and Treasury seeks legal advice where appropriate. It is standard practice that governments do not release legal advice. Consistent with provisions of the excise and customs legislation, the revenue can be collected—

The DEPUTY PRESIDENT—Senator Conroy, please resume your seat. There are too many groups having conversations around the chamber. Senator Heffernan and Senator Fielding, this is the second time today.

Senator CONROY—As I was saying, consistent with provisions of the excise and customs legislation, the revenue can be collected for 12 months from the time the tariff alterations are proposed in the parliament or until the close of the parliamentary session—that is, until the next election—whichever occurs first. The government intends introducing the required customs and excise tariff amendment bills into parliament consistent with those provisions.

DEFENCE PROCUREMENT
Return to Order
Senator FAULKNER (New South Wales—Special Minister of State and Cabinet Secretary) (3.21 pm)—by leave—I want to respond to an order of the Senate that was agreed yesterday: that there be laid on the table by the Minister representing the Minister for Defence no later than 3.30 pm yesterday a statement of the commercial harm that will result from the disclosure of the commercial-in-confidence information in a red folder relating to defence procurement projects. This matter of course was subject to a previous order of the Senate. This needs to be done now. I might point out that, by agreement, this order could not be adhered to because it was made after the time stated in the actual motion. I think it has been accepted that the appropriate date for meeting the provisions of the order is in fact Thursday, 26 June. So, in response to that order, I table a letter to the President of the Senate signed by the Minister for Defence, my colleague Mr Joel Fitzgibbon.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS
Alcopops

Senator COLBECK (Tasmania) (3.23 pm)—I move:

That the Senate take note of the answer given by the Minister for Broadband, Communications and the Digital Economy (Senator Conroy) to a question without notice asked by Senator Colbeck today, relating to taxation.

Not only are Labor not ready with some of their taxation measures but they do not even know that they are not ready. I am not sure whether we are dealing with known unknowns or unknown unknowns, but it was pleasing to see that during question time the Minister for Broadband, Communications and the Digital Economy scurried around to find out exactly where the government are with respect to the supporting legislation for their $3.1 billion tax grab on ready-to-drinks.

We have already heard through the Senate inquiry that this particular tax proposal is not supported by the evidence. It is not supported wholeheartedly by health officials. In fact, in today’s Canberra Times Dr Tanya Chikritzhs said:

Low-risk drinkers preferred ready-to-drink products commonly called alcopops but straight spirits were the alcoholic beverage of choice for teenagers who drank to excess.

We heard during the inquiry into alcopops that this is not a measure that on its own is going to address binge drinking. It is not a health measure, as it has been dressed up to
be. It is in fact a tax revenue measure. The government have come into this place and into the other place and criticised the opposition for holding up their legislation. But in fact they did not even know themselves, when asked on two consecutive days, where their own legislation was in respect of a measure that is going to raise $3.1 billion over five years. The government have very convenient memories. They forget how many times they have referred legislation to committees themselves. They forget how many times they have referred budget measures to committees themselves, yet they come into this place and accuse the opposition of all sorts of terrible crimes against their budget. But for two days running they have not been able to answer a very simple question: where is the enabling legislation with respect to the tax on alcopops?

It really does beggar belief that they would impose a tax such as this when the decision has been taken outside all of their own decision-making processes. As we indicated during the debate on the committee report, the government have set up the Henry review to look at taxation, and yet this decision has been made with no reference to that. They have set up a process under COAG to look at the issues surrounding the misuse of alcohol, and yet this decision has been made with absolutely no reference to that. Then, when they are asked where the legislation is to support it, they have no idea. Even when they are given a day’s notice they have no idea. They come back in here for a second day running and have no concept of what is going on. They have to scurry around for an hour during question time to come up with an answer.

All the government have told us is that they may bring the legislation in within 12 months. Yet they tell us that we are economic vandals for holding up the processes with respect to the budget. This is a significant budget measure. It raises $3.1 billion. I am pleased that they have taken the appropriate legal advice to see what might happen. But I do know that the industry are saying to consumers, ‘Keep your receipts,’ because it may be that the government have to give the money back. A significant amount of money—in the hundreds of millions of dollars—will be raised in the first year, and yet it could be up to 12 months before the government decide to bring this legislation in. You just have to wonder: are they waiting until they might have a better chance? It has been interesting to note the comments of the crossbenchers in recent days that they too are having doubts about this measure. We have heard the concerns of the Democrats and the Greens in the debate and we understand quite well that others have similar concerns. (Time expired)

Senator JACINTA COLLINS (Victoria) (3.29 pm)—Thank you, Mr Deputy President, or perhaps I should congratulate you as ‘Mr President in limbo for the moment’—a matter you obviously take very seriously. In taking note, can I follow Senator Colbeck’s comments today and reflect, in part, on Senator Conroy’s answer provided to the Senate. Senator Conroy indicated that the government has issued drafting instructions for this measure and, in listening to Senator Colbeck, you might have been confused about whether that was indeed the answer provided. Senator Conroy indicated that, consistent with the provisions of the excise and customs legislation, revenue can be collected for 12 months from the time the tariff alterations are proposed in the parliament or until the close of the parliamentary session—that is, until the next election—whichever occurs first.

Senator Colbeck provided appropriate advice, which is that people potentially affected by this measure should keep receipts, and indeed they should. But the hypocrisy indicated from the other side on this matter is
astounding. Is Senator Colbeck suggesting that, during the term of the Howard government, similar things never occurred? I think he will need to consult the record on that. I can think of several. But it brings me to one of my favourites. My favourite is the government’s childcare measures in the lead-up to the 2004 election. If you are looking at the approach by different governments to tax systems—as indeed we are in referring to the Ken Henry review and other matters—you will see that it was the first and only occasion, of which I am aware, where the government introduced measures that were not to apply until the tax year after the year in which the expenses occurred. I invite senators on the other side to give me an example of a similar measure in our taxation history, and I think they will struggle.

In taking note of Senator Conroy’s answer today, Senator Colbeck gives me the opportunity to reflect more broadly on the Ken Henry review. I have had some time in the last few weeks to look closely at that review as we dealt with the fringe benefits tax issue and the issue of concessions available to charitable and not-for-profit organisations. I am extremely pleased to reflect on the breadth of the review that has been established. Senator Stephens will recall that she inherited a review that I attempted to establish in the Senate some years back when, unfortunately, other priorities overtook our attempt to take an early look at some of the issues that the Ken Henry review will now address. Labor have indicated for many years that a comprehensive review of our taxation arrangements is urgent. That is not to say that the government should stand back from taking measures such as those applied to ready-to-drink beverages, but we are looking at this issue far more comprehensively and more broadly. My favourite aspect of the Ken Henry review is indeed at point 2, which states:

Raising revenue should be done so as to do least harm to economic efficiency, provide equity (horizontal, vertical and inter-generational), and minimise complexity for taxpayers and the community.

Significantly, we should also be looking in this review at improvements to the tax and transfer payment systems for individuals and working families, as well as those for retirees. Aside from simplification issues, we are addressing not only the key transfer issues, the relationships between our social security system and our tax system, but also such issues as customs and excise relating to ready-to-drink beverages.

I took the opportunity during question time to have a quick look at the report of the Senate Standing Committee on Community Affairs on this matter. They do indeed highlight the need for the Ken Henry review to address broader issues. I think some of the suggestions that Senator Murray made in his report, though, are also worth noting:

I look forward to Labor in government being able to address issues such as lower alcohol ready to drink beverages, tax and excise issues in relation to that area, and indeed wine as well can be a part of a much broader …

(Time expired)

Senator HUMPHRIES (Australian Capital Territory) (3.34 pm)—Question time today presented a cipher of all that this government seems to be doing when it comes to its policy on taxation. Here we have one of the most significant tax measures, worth $3.1 billion, which this government has announced—it came out of the blue; it was not on its agenda before the election—on users of ready-to-drink alcoholic products. The measure was introduced by way of a regulation in April this year. The minister was asked, ‘When will we see the legislation whereby parliament is able to confirm that this tax should be imposed?’ The minister said: ‘I don’t know; I can’t tell you. It’ll hap-
pen at some point, and I’ll get back to you about that.’ An hour later, at the end of question time, the minister rises and says he will table the legislation in due course. To me, that indicates the kind of shambolic approach this government has been taking in general to taxation issues and the planning of its budget.

This particular tax is a good example. It was not announced in the lead-up to the last election. Mr Rudd had a plan for Australia—a way of being able to deliver on all sorts of important social changes. He did not mention to Australians that he was going to increase taxation levels on ready-to-drink alcoholic products. And bear in mind that that same committee report that Senator Collins was just quoting from indicated that the majority of people who are consuming these products are not adolescents; they are older Australians who, for the most part, are using these drinks responsibly. This out-of-the-blue burden on these drinkers was not announced at all before the election. Suddenly, in April, a new tax is announced on these products and a measure is put in place to allow it to occur but, in terms of the legislation, we do not see any follow-up that will make that possible.

There is serious concern here about how much money the government will collect before its actions are vindicated by an act of this parliament. This financial year, 2007-08, the government, under this proposal, will collect almost $100 million in tax, without the legislative base for that passing through parliament, with the real possibility that, if the parliament does not endorse this particular measure or endorses it in a different form to the one the government puts forward, we might see the government, possibly, having to refund money to those Australians who paid that tax. It is a bizarre circumstance which, apparently, has not been foreshadowed or adverted to by this government. It is a chaotic approach to budgeting across the board.

So many measures announced in this budget were not foreshadowed to the Australian community before the last election, like the taxes on alcopops and luxury cars, the increase in health insurance rebates and the gutting of the solar panel rebate system. The effect on this city particularly is very concerning. In my community we are seeing the failure of the government to identify areas where, as Senator Conroy put it in question time today, wasteful spending was occurring, which means that the government has moved over to areas where painful and unnecessary cuts are having to be made. So we are seeing cuts to the national institutions based here in Canberra: the National Library, the National Museum, the Australian War Memorial and the National Gallery. Where did that come from? Where were the announcements about that before the last election?

These things are happening because you people have discovered that there is not that much wasteful expenditure that you could easily lop off in order to make these sorts of policy changes in your budget. You are having, as a result, to go back and cut things which are much more important to the Australian people than those things that you previously suggested were there to be cut easily. So we are seeing cuts to the CSIRO and to innovation programs. Commercial Ready is going out the door. We are seeing extra burdens on Australian drinkers. We are seeing, as Senator Fielding suggested today, extra government taxes on petrol. We are seeing all sorts of burdens on the Australian community which no notice was given before the election in November. This is a very serious turn of events and it indicates the shambolic approach this government takes to taxation. (Time expired)
Senator POLLEY (Tasmania) (3.39 pm)—I place on record my congratulations and thanks to the President of the Senate for the way in which he presided over this chamber, the way in which he conducted himself and the advice that he has made available to all of us. Taking on the points that have been brought up in this taking note of answers debate, it never ceases to amaze me how the people on the other side come into this chamber and lecture us about budgets and responsibility. If you look at the budget we brought down, with a $22 billion surplus, you will see that we are showing the economic credentials to be a good government that is going to balance the budget and have a surplus, while having to deal with the inflation that we inherited from the previous coalition government.

I remind the Senate that the now opposition, which was in government for 12 years—very long years as far as the community was concerned—did nothing in the way of reviewing the taxation system. We have now instigated the Ken Henry review. That is going to be a wide-ranging review, which will impact on the Australian community. Having worked alongside Senator Humphries on the Senate Standing Committee on Community Affairs, I know that he knows only too well the sorts of issues that are going to be addressed by that review. One of those issues concerns Australian pensioners—a very important one. Because of the plight of single pensioners, I am most interested in what will come out of this review in regard to how we can better assist them.

Talking about budgets and taxation, I remind the Senate of the burden left by the Howard coalition government on Australian families and how Australian working families are struggling to make ends meet, whether you are talking about grocery prices, petrol or, more importantly, the family home and interest rates. How many interest rate rises did we have under the Howard government? Was it nine, 10 or 11 consecutive interest rate rises? All of those had a huge impact on Australian working families. But the Rudd Labor government are delivering on all its election promises. I know they do not want to hear that on the other side. When it comes to personal income tax, childcare costs and education costs, we are delivering on all of those for working families. We are taking very, very important steps to ensure that Australian families have the best opportunities ever to own their own homes.

Talking about election commitments and budgets, I remember, as do the Australian community, that the Howard government, when it was election time, had to be asked, ‘Was it a core promise or a non-core promise?’ One thing the Australian people remember, as we do on this side, is that the Howard government failed to deliver on many of its election promises. We on this side of the chamber—the Rudd Labor government—have articulated a five-point plan to address the inflation that we inherited. We have brought down a budget surplus. We have encouraged private savings. We are addressing the skills crisis that we were left. For 12 long years we had to put up with the Howard government, and we are paying the price for that now. The Rudd Labor government are investing in infrastructure. All of these measures are there to address the inflationary pressures that the Australian community are facing, which, as I said, were one of the worst legacies left by the Howard government.

In regard to the ready-to-drink liquor issue in this taking note of answers debate, let us say that this taxation measure is only one measure. We all know that there are serious concerns in relation to binge drinking. But, like I said, this is not something that has just manifested itself within the community; it
has been there for a long time. Once again, it has been left to the Labor government to start addressing these real issues that Australian families are facing, particularly when it comes to our young people and their plight in all sorts of circumstances. Something that is of great relevance to us Tasmanians is the investment that this government is making in our health system—unlike the previous government, where there was huge neglect. I reiterate: when it comes to budgets and delivering on our election promises, the Rudd Labor government—(Time expired)

Question agreed to.

VALEDICTORIES

Senator PARRY (Tasmania) (3.44 pm)—I seek leave to incorporate a valedictory speech from Senator John Watson. It was in the chamber last evening but was not incorporated.

Leave granted.

Senator WATSON (Tasmania) (3.44 pm)—The incorporated speech read as follows—

It is a rare event to farewell a retiring Senator who has served more than twelve years here but is leaving us still short of her fortieth birthday, but this week we must do this for Senator Natasha Stott-Despoja.

When Senator Stott-Despoja arrived here at the tender age of just 26, she reminded me of my own daughter Fiona.

The blond hair, bright as a button, full of vim and vigour and passion to make a mark on this country, she was a shot of enthusiasm not always common in Senators, new or old.

Natasha also displayed a characteristic common to many politicians—she was hard-nosed and ambitious and energetic in her public image, but in private she had a heart-of-gold and was as kind and generous as anyone here.

I remember her kind gift of a chocolate bilby at Easter this year—a small and thoughtful gift I would not expect to have come from anyone other than Natasha.

I also recall the many brief messages on many topics which showed that Natasha cared not only for her own political colleagues, but also for other’s interests and issues.

Just last week she emailed me a brief five word message which read: “I enjoyed your interview John.”

We both knew that she was referring to an interview that had been broadcast the previous Friday on ABC Radio National, but the brief message showed that she had listened to it, and had the kindness to indicate that she enjoyed it.

It was a small but meaningful example of Natasha showing that she cared for the feelings of others, including her political opponents.

Perhaps the arrival of motherhood has also brought Natasha into a new world where abrasive politics is less comfortable a personality trait than the more caring and considerate image related to motherhood.

But this underlying caring image does not reduce the stirring activist role in politics which has characterised much of Senator Stott-Despoja’s career as a Senator.

Challenges have been taken on in areas such as women’s rights, young people’s issues, education, a wide range of social concerns, and matters related to the efficient operation of the parliament as a vital element of our democracy.

I must admit that many here wondered what we had been given when Natasha Stott-Despoja first arrived in the Senate.

She arrived with the enthusiasm of youth in full bloom, and some of my more conservative colleagues were a little taken aback to say the least.

But it is essential that youth and youthful ideas are allowed free expression when they are passionately held and when they are expressed as eloquently as Natasha was keen to do, especially in her first years here.

Natasha has continued to confront issues head-on as we would expect a bright, young, intelligent person to do, and her influence has spread widely because of the enthusiasm she has shown and the resolve with which she has pursued her goals.

During her time in the Senate, she has continued to mature in her approach to the parliamentary
process and has spent nearly five years as either Deputy Leader or Leader of the Australian Democrats.

She has also carried out her committee responsibilities with dedication and thoughtful application.

While she pursued causes, Senator Stott-Despoja also took her formal parliamentary duties very seriously, and as a result, her influence has been considerable.

Her lively contributions to debate and enthusiasm to bring a fresh perspective to old issues will be sadly missed here.

To Natasha and her family, my best wishes for a long and happy life after the Senate, and my sincere thanks for your friendship and your passionate and sincere contribution to the work of the Senate.

TAX LAWS AMENDMENT (2008 MEASURES No. 1) BILL 2008

In Committee

Consideration resumed.

(Quorum formed)

The CHAIRMAN—The question is that Australian Greens amendment (1) on sheet 5489 be agreed to.

Senator BOSWELL (Queensland) (3.48 pm)—During the break, I consulted with the Clerk of the Senate, and the information I was given is that this bill will be regulated by disallowable instrument, and if that disallowable instrument is carried then the bill will be gutted—similar to what happened with the Australia Card. So I just want to put on notice that anyone who wants to take advantage of this tax break does so at their own peril, because my advice is that it would only require one side, either the government or the opposition, to support a disallowance motion and the bill would not be workable—very similar to what happened with the Australia Card. I want to put on record that anyone who goes out and takes advantage of this today, tomorrow or the next day might be buying a big fat lemon, and it may not be operable.

The Greens are opposed to this, the National Party are opposed to it and some people in the Liberal Party are opposed to it. It is going through a Senate inquiry and if that Senate inquiry divulges what I think it will divulge then I think both the government and the opposition will abandon this. I just want to warn people that, if they invest money in the next couple of days or the next couple of weeks, they do it at their own peril.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (3.49 pm)—I have some information on a number of questions. One of those was, again, a question which I actually answered yesterday, but I stress it again for Senator Boswell, and Senator Joyce, who is an intelligent man and particularly understands these issues: land is not deductible under this provision. Land is treated as a CGT asset under the existing tax law and nothing in this bill alters this treatment. The explanatory memorandum for the carbon sink measures says at paragraph 3.39:

Expenditure on assets separate from the trees is not considered to be establishment expenditure.

Land is a separate asset to the trees themselves. I do not know how much clearer the legislation, the EM and that explanation can be. I know it is an important issue and I know it is one that is particularly exercising the minds of National Party senators, but it could not be clearer.

I will address a number of other matters that have been raised. The legislation, which allows a deduction for the establishment expenditure for carbon sink forests, is modelled on the provisions for deduction of costs associated with establishing horticultural plants. Under these provisions, there is no requirement for the taxpayer to leave the plant in the ground—whether it be a grape-
vine or an orange tree, for instance. The tax law simply recognises that a legitimate expense has been incurred in the course of business and allows a deduction.

It is worth noting, though, that there are additional requirements for claiming a deduction under the carbon sink forest provisions. These include that the primary and principal purpose for establishing the trees is carbon sequestration. The purpose cannot include felling the trees. The expenditure cannot be incurred under a managed investment scheme. The trees must be consistent with the Kyoto protocol requirements for a recognised forest. In addition, the taxpayer must give the tax commissioner a notice which confirms that they have met the aforementioned requirements and must comply with environmental and resource management guidelines. Issues expected to be covered in the notice given to the tax commissioner include the latitude and longitude of the forest, the species of the trees planted, the estimated number of trees planted per hectare and the rationale for the probability of meeting the relevant requirements. Those are all the tests and criteria. You will be seeking more information on these things; I hope that gives you most, if not all, of the information you are seeking, Senator Milne. I am happy to try and get further information for you. Hopefully, that addresses what I know has been a major concern of the National Party members.

Senator MILNE (Tasmania) (3.53 pm)—Thank you to the government for coming back with some information. I now have an answer to what I was asking—that is, is there any requirement for the trees to be left in the ground and can they be cut down? The minister has just said there is no requirement for the trees to be in the ground, so it is precisely as I said: under this tax law there is no requirement for trees to stay in the ground. The only guarantee that the senator has just made to me is that the Minister for Climate Change and Water will have to issue guidelines which will classify eligibility, and the guidelines are a disallowable instrument, as Senator Boswell has just indicated.

But the point I am making is that I want to know from the minister whether the Greenhouse Friendly forest sink abatement projects regulations are going to be the regulations that the climate change minister agrees to, in which case they will be completely useless. I am told to wait and see what the climate minister delivers in terms of guidelines, and rest assured I will—and rest assured it is a disallowable instrument, and when it comes before this chamber, if it is not good enough, we will deal with that. But it does not alter the fact that even if you can achieve some of the things we want to achieve—that the trees are in the ground, that the trees are mixed species and that there is a hydrological assessment—it does not alter the impact on agricultural communities, which is the point that we have been trying to make here time and time again.

So I would like an answer from the minister now. I asked another question in relation to where you got your cost estimates. The minister is going to tell me in a minute, but perhaps he could also tell me whether the Greenhouse Friendly forest sink abatement projects guidelines are the ones that are being referred to, before we actually put the amendments.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (3.55 pm)—I will follow up with some further information for Senator Milne. For the total area planted in number of hectares in 2007 the calculation is 3,000 hectares; in 2008 it is 15,500 hectares; in 2009 it is 18,000 hectares; in 2010 it is 21,500 hectares; and in 2011 it is 23,500 hectares. On the secondary question, I am told
that the ones you refer to are a voluntary mechanism. I will get more information, because I am not sure that that completely answers your question. It may not answer the point that you believe you are making and that you have made on a number of occasions. We are happy to give you all the information that we have but, no matter how many times we go around the chamber, I do not know that we are going to solve the point that you are advancing, which is that whatever we have is not good enough. We will give you all the information we have, but if in your judgement that is not sufficient I do not know that another hour or two of discussion will actually change your view. We believe the process that we are undertaking through the emissions trading scheme, a green paper, will address a number of the concerns you are raising, but we are happy to give you any information we have that is available, Senator Milne.

Senator JOYCE (Queensland) (3.56 pm)—I just want to ask one question. Have you conducted a socioeconomic study into the effects of the deductions relating to carbon sinks?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (3.57 pm)—I am advised that we have not conducted a formal study in the way that you are indicating. I do not think any information we have would be classified in the way that you have asked.

Senator HEFFERNAN (New South Wales) (3.57 pm)—Thank you for the answer, Minister, on how many hectares are estimated in this scheme. Could you explain to me the model that you used to come up with those estimations, given that we do not know the value of the market and we do not know what price the market is going to put on the carbon trade? Could you explain to me, if you meet those recommendations, how much carbon will be offset by those hectares and what the value of it would be?

This is flying by the seat of your pants. No-one really knows. There is no regulation and no market in Queensland. Minister, can we have some explanation of what we are doing to Australia’s taxpayers and of the pressure on agricultural land, because this is—I will not use the terminology I would normally use, Mr Deputy President—baloney. I would like to know what modelling was used to come up with those estimations and what presumption they were based on. In some states there is not even an established market, and if we met those 80,000 hectares, or whatever it is, what minuscule part of the market would that offset? I just cannot believe that we have come up with this law, and I would like to put the investors on notice that I am going to do everything I can to make this a fair dinkum sink operation where you will lock land up if you participate. No-one can explain to me the contractual arrangements between the freehold, the leasehold and the emitter and the legal obligations in that. We do not even know what the market is going to establish as the value, and of course the higher the value the higher the grade of land that will be used because, as I said before, no-one in their right mind is going to grow a crop if they can sit on their backside and collect the dividend out of this.

There are millions of hectares in northern Australia that would be suitable climatically and geographically for carbon offsets, but they will go to cleared land and prime farming land under this ridiculous proposition that has gone through the parliament. Minister, could you explain to me the modelling behind that and the amount of carbon that will be offset, and what percentage of the offset that will be required in Australia, given that there is no market in Queensland?
Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (4.00 pm)—I do not have the exact amount of carbon that this will offset, but it is expected to offset carbon emissions. The modelling is exactly the same modelling as that used to gain the support of your party room, when it passed your party room and when you first introduced this bill. But most importantly, I think there is an informal understanding that we are proceeding to a Senate committee on these matters. Those are matters which you will be able to explore in depth in the committee process, Senator Heffernan. That information, I am sure you would understand, is not readily available. I am sure if you put some of your questions on notice for that committee, you will get some answers to them. I appreciate that you are genuinely interested in information, but those questions go to such a level of detail that I think the Senate committee that I suspect will gain the support of the chamber will be the perfect vehicle for you to gain that information.

Senator HEFFERNAN (New South Wales) (4.01 pm)—I am pleased the government is cooperating and that we are all fair dinkum that what comes out of this committee will be looked at and used to fashion what is a proper carbon market and a carbon sink in a responsible way. Would there be a need to grandfather people who are going into the market? We all admit there is a grave unknown in all this and I do not know how we have come to get ourselves in this position, but there are people in the investment vehicle market now who are promoting this, even before we know what the requirements around it are. Do we put people on notice, do we grandfather it? God knows what we do.

Senator MILNE (Tasmania) (4.01 pm)—I want to follow up on that. I still would like to know how you came up with a figure of 80,500 hectares or thereabouts to be in the ground by 2011. What is the basis for suddenly magicking up that figure for being what you expect to be taken up and there being a $24 million tag attached to it? I would like some detail as to how that came about. Secondly, I would like some clarity around the disallowable instrument. From what I can see, as I have said before many times, the climate minister must by legislative instrument make guidelines about the environmental and resource management in relation to carbon sink forest. These guidelines will be a disallowable instrument. The establishment of the trees must satisfy these guidelines in order for the relevant expenses to be claimed as a tax deduction. Can you clarify for me, Minister, that this will not come into effect until these guidelines or this instrument come through the Senate, in which case they can be disallowed? In that case, nobody can go out and start this process until those guidelines come through here in order to be ratified. I need to understand that, because that will tie up one big rort with this. There will be no loophole between times. Since it says here clearly that the establishment of these trees must satisfy these guidelines in order for the relevant expenses to be claimed as a tax deduction, until we have the guidelines one would assume you could not qualify. I want to have clarity that this will not come into effect until that disallowable instrument comes before the Senate. Secondly, I would like more detail about how you magicked up 18,500 hectares by 2011.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (4.03 pm)—We will see if we can gather some more of that information, particularly on those calculations, for you, Senator Milne. In terms of whether it comes into effect, I am advised that it cannot come into effect until the instrument is ta-
bled. However, from previous parliamentary experience, an item is tabled, in effect, until it is disallowed. That is the way the instrument works. I notice I disallowed an accounting standard some months after it was introduced and a company went to produce its accounting report using the standard. It was then subsequently disallowed, a court case ensued and the court ruled that the instrument had life until it was disallowed. So from the moment it is tabled when it is disallowed, it is actually a live instrument. There are a number of court cases, and I am very familiar with one in particular on an accounting standards.

Senator MILNE (Tasmania) (4.04 pm)—Can the minister then indicate whether the climate change minister has finalised the guidelines and, if so, when she intends to table them? We need to have a very clear idea about this because, like Senator Bob- well, I want it on the record here that no-one need go investing in this and think that they have got it sewn up, because there will be a revolt around rural Australia in relation to this. So I would like some indication as to when we are going to see these environmental guidelines, which I have indicated we are buying as a pig in a poke if you allow this to continue.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (4.05 pm)—I have more information on those figures. They are based on existing carbon sink forest plantations and an assumed take-up rate on existing policies settings, noting that at the moment there is only a limited market for carbon offsets. As you know this bill has already passed. This is not the actual substance of this particular bill, so that is why Senator Wong is not here. This is a tax bill dealing with matters to do with political donations. If I am able to gather any information from Senator Wong in the meantime, I will. But it is not actually her bill and, while you have moved an amendment on all of these issues and we are trying to happy to try and gain that information as fast as we can, I am aware that cabinet is meeting and I will do my best to get as much information for you as I can. But there are no officials here from Senator Wong’s department. Sorry, there is one. We will attempt to gain that information for you.

Senator MILNE (Tasmania) (4.06 pm)—I have to say that I am pretty appalled. To say it is a tax bill and therefore it is not reasonable to expect the climate minister or whomever to be here is a nonsense. The fact that this whole tax measure is dependent upon the climate minister’s guidelines for a carbon sink forest means we ought to have had the guidelines before we actually debated the tax bill so we knew what a carbon sink forest was designed to do. We needed to know that before we could make a judgement as to whether it was worthy of a tax deduction. I do not think there will be any basis on which I would consider it would be worthy of one; nevertheless we should have seen those guidelines.

Minister, it is not really good enough to say, ‘You’ll get to see them at a later time,’ because they are in direct relationship to this bill, and since it was the government who switched this schedule around into other bills you knew this was coming. You knew the guidelines were dependent on this bill taking effect. At the very least the climate minister should have known this. To me this is further evidence that the government are in chaos on climate policy. They do not have a consistent climate policy across all departments; otherwise they would have a very clear idea. The whole review that is going on at the moment into taxation is to look at consistency across government—and we do not have any consistency across government. To say now that ‘we projected the figures based on the current voluntary carbon market’ is just a joke.
It is really a joke that you have come in here and said that, because the circumstances have changed. We are going into an emissions trading scheme. We do not know at this point whether Professor Garnaut is going to recommend agriculture and forestry going into the emissions trading scheme—and if they are not going in we want to know when they will go in. So with the whole market framework in terms of carbon, we have gone from a voluntary carbon market to something much more substantial. In my view, we are going to have the classic case of your allocating the money for 80,500 hectares when, in fact, you are going to end up with millions of hectares.

Senator Boswell—A huge amount.

Senator MILNE—Yes, but they are going to end up with millions. This is not even a fraction of what is likely to occur once the instruments change under emissions trading or under a more robust carbon market. So the voluntary market to date is no indication of what the market is going to be in the future. Also I would like to know where these 80,500 hectares of land that you expect these trees to go on is, because, as I have said, it is likely to be prime land. There are no specifications as to where or when and, as you say, Minister, we will have to wait for the environmental guidelines.

I really want to say to the government that this is really ill considered. It was the former government’s legislation. The former government had no climate credentials and no decent climate policy. Why would you think that they would come up with anything half-decent? Why on earth didn’t you look at their legislation before you adopted it and brought it in here when it is so ill considered? As I have said so many times, you would have been far better off—and you would have got the full support of the chamber for this—if you had come in here and repealed the managed investment schemes, instead of leaving the MIS for forestry and adding another one with this carbon sink legislation—because that is what it is. But my amendment stands. I believe it is a sound amendment. It specifies what a carbon sink is and then I will give the chamber the opportunity to knock out this schedule from this bill. That is what my amendment seeks to do. Everyone has the opportunity to do that. My amendment is in the Notice Paper and has been moved.

Senator JOYCE (Queensland) (4.10 pm)—I have one of the last questions that I will ask. I acknowledge that there has not been a formal socioeconomic study done on this. If there had been, I presume it would be before the chamber at the moment and we would be discussing it. Be that as it may, in any study—or in whatever you have done in the office—have there been any discussions about how much prime agricultural land would be tied up once we ended up with 80,500 hectares of these schemes going? What would be the effects on food inflation when that issue comes to light? Was there any consideration of any limitations on the use of prime agricultural land, especially that associated with food production for our nation, as it is at the moment?

What do you consider will be the greatest mechanism for getting carbon credits? What species of trees would be involved? There has been some talk around that you would be using such trees as mallees—or would you be more likely to go to heavy eucalypts, which would get you a far greater carbon credit, so far more bang for your buck? So you would be looking for an area that has the ability to sustain such timber, which means you would be looking at prime agricultural land. Was any study done on the relationship effects of this scheme seeing as it is, in form, extremely similar to the managed investment schemes that we currently have? Was there any consideration of the acceptance or oth-
otherwise of MIS in rural communities as they are at the moment? Was there any study into the market implications of managed investment schemes or schemes like these when you have differentiation between different forms of taxation treatment that are only noted so much by offence?

Is the capacity of an individual farmer to access a scheme like this the same as it would be for a large corporation? Who are the most likely users of this scheme? Are they to be predominantly companies, such as coal companies, which are currently experiencing record profits? If that is the case, why do we need to give them any further advantages? What is the way by which the minister intends to deal with this issue if, during the course of the committee inquiry, it is shown clearly that there will be problems with this bill when, as I imagine, you have people running out there trying to take advantage of it? What information has the minister given to these people so that they know they could be in a position where they have made an economic expenditure into this form of scheme and it has been knocked out later on? In those discussions what feedback have you had? Seeing that there was not a formal socioeconomic study, whose predominant views did you take? Where did they come from and what parts of the industry were they involved in?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (4.13 pm)—Thank goodness he only wanted to ask one question! Senator Joyce, as I am sure you are aware, the comprehensiveness of those questions could not possibly be addressed in this chamber this afternoon.

Senator Joyce interjecting—

Senator CONROY—Perhaps, when this bill was passing through your party room originally, you should have actually been awake at the time and asked these questions of your own government, who actually drafted, created and endorsed this, which was passed by your party room. But the point is that with the general agreement of everybody in the chamber, it seems, there will be a Senate committee to investigate thoroughly all of those matters. In fact, if you are quick I am sure Senator Ronaldson will take shorthand for you and actually write all of those issues into the terms of reference of the committee, Senator Joyce.

The depth and scale of those questions go well beyond the capacity for the officers in the chamber to deal with. These are matters that should have been raised last week when this bill was actually debated. They should have been considered in an inquiry that took place prior to the legislation appearing in the chamber. But that is spilt milk, if you like. To address those questions, there seems to be a general agreement that we have an inquiry.

Senator Joyce—With goodwill?

Senator CONROY—Genuinely with goodwill. I have got no problem with seeking that information for you. As I said, if we can get that written into the terms of reference—

Senator Joyce interjecting—

Senator CONROY—It is all on the public record, so the officers who will be appearing before the committee will be well aware of the information that you are seeking, and I am sure that you will be robustly pursuing them—as will Senator Milne, Senator Brown, Senator Boswell, Senator Hefernan and Senator Fielding. I do not think that there is any chance that this committee inquiry is going to be a squib, given the extent of Senator Milne’s questions, Senator Hefernan’s and your own. It is in the transcript; it is in the Hansard. Those officers who come to the committee will be well prepared.
and able to assist you in your discussions and deliberations on that.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.16 pm)—I am grateful to Senator Boswell for getting the information about the disallowable instrument but, as I see it, it is not going to have the full information required to assure us that these forests are going to indeed be a carbon sink. There will be environmental guidelines for planting the trees, but there are not going to be, on the face of it, time demands for growing those trees—as there are in Senator Milne’s amendment, which says they have to aim to be there at least 100 years. I want to foreshadow to the Minister for Climate Change and Water and the Treasurer that, if those matters are not dealt with, we will move to disallow this instrument. As Senator Boswell said, that is a serious matter. Be warned, anybody who wants to take this particular scheme up before this Senate has had its inquiry, dealt with it and seen the instrument that the minister is bringing forward. Might I also put a request through you, Minister, here and now, if there is an inquiry established in a moment, that the government furnish the details of the proposed disallowable instrument so that the inquiry can take that into account in its deliberations?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (4.17 pm)—I understand there is a legal requirement for the instrument to be tabled reasonably soon. There is a time line. I am sure it will be publicly available by the time the committee have their discussion. So I think the answer is yes.

The TEMPORARY CHAIRMAN (Senator Carol Brown)—The question is that Australian Greens amendment (1) on sheet 5489 be agreed to.

Question negatived.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.18 pm)—I move Australian Greens amendment (1) on sheet 5511:

(1) Page 23 (after line 21), at the end of the bill, add:

Schedule 8—Conditions for the establishment of carbon sink forests

Income Tax Assessment Act 1997

1 Paragraph 40-1010(2)(c)

After “1990”, insert “or at any time since”.

Question negatived.

Senator MILNE (Tasmania) (4.19 pm)—by leave—I move Australian Greens amendments (1) and (2) on sheet 5513:

(1) Clause 2, page 1 (line 7) to page 2 (line 6), omit the clause, substitute:

2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

<table>
<thead>
<tr>
<th>Commencement information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Column 1</strong></td>
</tr>
<tr>
<td>Provision(s)</td>
</tr>
<tr>
<td>1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table</td>
</tr>
</tbody>
</table>

Note: This table relates only to the provisions of this Act as originally passed.
by both Houses of the Parliament and assented to. It will not be expanded to deal with provisions inserted in this Act after assent.

(2) Column 3 of the table contains additional information that is not part of this Act. Information in this column may be added to or edited in any published version of this Act.

(2) Page 23 (after line 21), at the end of the bill, add:

Schedule 9—Provisions relating to capital expenditure for the establishment of trees in carbon sink forests

1 Application of Schedule 8 of the Tax Laws Amendment (2008 Measures No. 2) Act 2008

The Income Tax Assessment Act 1997 has effect as if Schedule 8 of the Tax Laws Amendment (2008 Measures No. 2) Act 2008 had not been enacted.

The purpose of these amendments is to add a schedule which effectively repeals the schedule that was in the bill that went through last week. So this is the clause that would kill the schedule that went through last week, and I am asking that the two be dealt with together.

Question put:
That the amendments (Senator Milne’s) be agreed to.

The committee divided. [4.24 pm]
(The Chairman—Senator JJ Hogg)

Ayes........... 8
Noes........... 50
Majority....... 42

AYES

Adams, J.
Bernardi, C.
Boyce, S.
Brown, C.L.
Chapman, H.G.P.
Collins, J.
Coonan, H.L.
Ellison, C.M.
Fierravanti-Wells, C.
Fisher, M.J.
Humphries, G.
Hutchins, S.P.
Kemp, C.R.
Lightfoot, P.R.
Landy, K.A.
Marshall, G.
McLuscas, J.E.
Moore, C.
Parry, S. *
Paine, M.A.
Ronaldson, M.
Stephens, U.
Troeth, J.M.
Watson, J.O.W.
Wong, P.

NOES

Barnett, G.
Birmingham, S.
Brandis, G.H.
Bushby, D.C.
Colbeck, R.
Conroy, S.M.
Crossin, P.M.
Ferguson, A.B.
Fifield, M.P.
Hogg, J.J.
Hurley, A.
Johnston, D.
Kirk, L.
Ludwig, J.W.
Macdonald, I.
McEwen, A.
Minchin, N.H.
O’Brien, K.W.K.
Patterson, K.C.
Polley, H.
Sherry, N.J.
Sterle, G.
Trood, R.B.
Webber, R.
Wortley, D.

* denotes teller

Question negatived.

Senator FIELDING (Victoria—Leader of the Family First Party) (4.28 pm)—I would like to make it clear that Family First had amendments which we were going to move which were similar to those which the Greens have just moved. We had exactly the same amendments, amendments (1) and (2) on sheet 5514, so we will not be proceeding with them.

Senator JOYCE (Queensland) (4.28 pm)—I would like to indicate that I will not be moving my amendment on sheet 5516—the reason being that, now that we have an inquiry, I hope that a far more substantive guide to the guidelines is able to be delivered. I would also like to note on the record that I was absent from the previous vote.

Senator RONALDSON (Victoria) (4.29 pm)—The opposition will also not be mov-
ing our final amendment listed on the run-
ing sheet.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.30 pm)—I understand that there is—wait, I am ahead of myself, aren’t I?

The CHAIRMAN—Yes, you are ahead of yourself, Senator Bob Brown.

Senator BOB BROWN—I am a Green; I can’t help it!

The CHAIRMAN—I cannot comment on that from the chair. I will leave that up to other senators!

Senator MILNE (Tasmania) (4.30 pm)—I just want some clarity here. Senator Joyce withdrew or did not move his amendment on the basis that an inquiry was in place, but there has been no motion.

The CHAIRMAN—We have to go out of committee before that motion can be moved, and I think that is the basis on which Senator Joyce is not proceeding to move his motion.

Senator BOSWELL (Queensland) (4.30 pm)—I would like to take this opportunity to read into the Hansard the advice that I have received, because I think people should be warned if they do go ahead with this carbon sink proposal. My advice is:

A very strong argument can be made that the scheme can only operate when the climate change minister makes legislative instruments relating to environmental and the actual resource management. The important aspect of this is that either House acting alone may disallow an instrument. The reasoning behind my advice is section 40/105 provides for deduction if you comply with section 40/1010. Section 40/1010 provides that expenditure is covered if you meet conditions. One of the conditions is that you must meet the requirements of guidelines. If these guidelines in subsection 40/1010(3) which are disallowable ...

So I think it is absolutely important that that be part of the debate, because people may feel inclined to go ahead with this. I am not a solicitor—I am a paintbrush salesman—but my belief from reading that is that you cannot go ahead until the guidelines are put down.

Senator FIELDING (Victoria—Leader of the Family First Party) (4.32 pm)—A point of note here: the main thing is that we would not like businesses or individuals of Australia to be investing in these carbon sinks knowing there is a potential for a disallowance motion to be applied. I just want to make sure that somehow that is commu-
nicated.

Bill, as amended, agreed to.

Bill reported with amendments.

Adoption of Report

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (4.33 pm)—I move:

That the report from the committee be adopted.

Senator RONALDSON (Victoria) (4.33 pm)—I move:

At the end of the motion, add “and the Senate refers the following matter to the Rural and Regional Affairs and Transport Committee for inquiry and report by 22 August 2008:

The implementation, operation and ad-
ministration of the legislation underpinning Carbon Sink Forests, and any related mat-
ter”.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.33 pm)—I move an amendment to Senator Ronaldson’s proposed amendment:

At the end of the amendment, add:

“and (b) that further consideration of the bill be an order of the day for the first sitting day after the day on which the commit-
tee reports”.

The effect of this amendment will simply be that further consideration of the bill be an
order of the day for the first day of sitting after the day on which the committee reports. It simply means that this bill would come back on the first sitting day after the report of the committee has been furnished.

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—The question is that Senator Brown’s amendment to Senator Ronaldson’s proposed amendment be agreed to.

Question negatived.

The ACTING DEPUTY PRESIDENT—The question is that Senator Ronaldson’s amendment be agreed to.

Question agreed to.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.35 pm)—by leave—Madam Acting Deputy President, would you record the Greens’ agreement with the motion.

Senator FIELDING (Victoria—Leader of the Family First Party) (4.35 pm)—by leave—I ask that Family First’s support for that motion also be recorded.

Original question, as amended, agreed to.

Third Reading

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (4.36 pm)—I move: That this bill be now read a third time.

Question put.
The Senate divided. [4.41 pm]
(The President—Senator the Hon. Alan Ferguson)

Ayes…………... 28
Noes………….... 31
Majority…….... 3

AYES


NOES


PAIRS


* denotes teller

Question negatived.

NOTICES

Presentation

Senator O’Brien to move on the next day of sitting:

That the following matters be referred to the Rural and Regional Affairs and Transport Committee for inquiry and report by 30 March 2009:

(a) whether the decision of the Australian Football League (AFL) Board of Commis-
MINISTERIAL STATEMENTS

Equine Influenza Inquiry

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (4.44 pm)—I table a ministerial statement on the report of the equine influenza inquiry.

COMMITTEES

Scrutiny of Bills Committee
Intelligence and Security Committee

Reports: Government Responses

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (4.44 pm)—I present two government responses to committee reports: the Senate Standing Committee for the Scrutiny of Bills; and to the Parliamentary Joint Committee on Intelligence and Security. In accordance with the usual practice, I seek leave to have the documents incorporated in Hansard.

Leave granted.

The responses read as follows—

GOVERNMENT RESPONSE TO THE SENATE STANDING COMMITTEE FOR THE SCRUTINY OF BILLS


January 2008


The current inquiry represents a follow up of the Committee’s original inquiry in 1999-2000 in relation to search and entry provisions in Commonwealth legislation.

The Committee expressed its interest in examining what improvements have been made since that time, in the level and quality of information available to the Parliament to assist in its consideration of relevant legislation. The report also specifically considers the recent developments in relation to the provisions authorising the seizure of material that is unrelated to an investigation.

The Committee has emphasised its scrutiny role in ensuring that the provisions in relation to law enforcement are balanced. The Government agrees with the Committee’s view that search and entry powers need to be justified and closely monitored.

The Committee made fourteen recommendations. In examining the Committee’s report, the Government supports a number of the recommendations (ten have been fully accepted and two are accepted in part). This response addresses each recommendation and the government’s response, referring to particular agencies where appropriate.

As a consequence of the recommendations in the report, amendments are also being made to update ‘A Guide to Framing Commonwealth Offences, Civil Penalties and Enforcement Powers’ (‘the Guide’). The amendments address many of the areas specified in the report. It is expected that the amended Guide will provide further explanation and assistance.

The relevant changes are specified in the responses below.

Substantive responses to each Recommendation of the Twelfth Report

1. The Committee recommends that the Guide be amended to advise that the justification for entry...
and search powers in general, and for those con-
ferring the power to conduct personal searches, in
particular, should be clearly set out in the ex-
explanatory memorandum to the bill.

**Government response to Recommendation 1:**

**Accepted**  
The Government agrees that justification for entry and search powers, including the power to con-
duct personal searches, should be clearly set out in the explanatory memorandum to the Bill. In
order to justify the introduction or expansion of such powers, a clear need for them should be
identified and made clear in the explanatory memorandum to the Bill for the benefit of the
Parliament and the public.

Sections 9.1 and 11.3 of the Guide, ‘Entry powers
generally’ and ‘Personal search powers’, are be-
ing amended to accord with this recommendation and inform readers of the Committee’s views on
the subject.

2. The Committee also recommends that the
Guide be amended to advise that the justification
for entry and search powers, particularly the
power to conduct personal searches, should ad-
dress the need for such powers in the particular
circumstances and should not rely on precedent
alone.

**Government response to Recommendation 2:**

**Accepted**  
The Government agrees that justification for entry and search powers, including the power to con-
duct personal searches, should address the need
for such powers in the particular circumstances
rather than relying on precedent alone. The Par-
liament should be provided with information that
allows for these provisions to be considered on
their own merits and in the context of the particu-
lar circumstances that gave rise to them.

Sections 9.1 and 11.3 of the Guide, ‘Entry powers
generally’ and ‘Personal search powers’, are be-
ing amended to accord with this recommendation and to inform readers of the Committee’s views
on the subject.

3. The Committee further recommends that entry
and search without a warrant should only be
authorised in very exceptional circumstances and
only after avenues for obtaining a warrant by
telephone or electronic means have proved abso-
lutely impractical in the particular circumstances.
In such circumstances, senior executive authorisa-
tion for the exercise of such powers should be
required together with appropriate reporting re-
quirements. The Guide should be amended to
reflect this.

**Government response to Recommendation 3:**

**Accepted in part**  
The Government considers that in some circum-
stances it is necessary for entry and search powers
to be exercised without a warrant. Legislation
may address special circumstances in which entry without warrant is provided. One
example is particular powers under the Customs
Act 1901 exercisable within customs places to
ensure the security and integrity of people and
cargo at the Australian border. These powers are
exercised routinely on a daily basis by Customs
officers at their discretion, but are subject to ap-
proved guidelines and direction.

Notwithstanding any exceptional circumstances,
the Government agrees that where it is considered
necessary to provide for such powers, appropriate
safeguards should be in place to ensure a suffi-
cient level of accountability is maintained. A new
section 9.10 is being added to the Guide concern-
ing entry and search powers without warrant,
which sets out a number of additional procedures.
Details are provided below.

• In most circumstances where it is not practi-
cal to obtain a warrant in person, a warrant
should be sought by telephone or other elec-
tronic means.

• There are situations in which the delay that
may be associated with contacting and con-
sulting a judicial officer in order to obtain a
warrant would interfere unduly with law en-
forcement functions.

• Where it is considered necessary for legisla-
tion to provide for powers of entry and
search without a warrant, provision should
be made requiring senior executive authori-
sation for the exercise of such powers to-
gether with appropriate reporting require-
ments.

• Strong justification is required for such pow-
ers, and should be provided in the explana-
tory memorandum to the Bill.

4. The Committee recommends that the Guide be
updated to include the statement of principle and
practice set out in the Government’s response and
to also include advice that the justification for the empowerment of non-government employees in particular circumstances should be set out in the explanatory memorandum to the bill. Similarly, the justification for any deviation from these principles and practice should also be set out in the explanatory memorandum, for the benefit of the Parliament and the public.

**Government response to Recommendation 4: Accepted**

The Government considers that non-government officials or agencies should only be empowered to exercise entry and search powers in cases of necessity, which are assessed by the Attorney-General’s Department on a case-by-case basis.

The statement of principle and practice set out in the Government Response is being integrated into section 9.2 of the Guide, 'Authorised officers'. This section is also being amended to advise that justification for conferring entry and search powers on non-government employees should be included both in the letter to the Minister for Home Affairs seeking approval of such provisions and in the explanatory memorandum to the Bill.

The Committee’s views on justification for any deviation from the policy set out in the Guide also being provided in the explanatory memorandum have likewise been included in that section of the Guide.

5. The Committee recommends that where legislation provides for entry and search of premises, legislative provision should also be made for an authorised officer to identify himself or herself prior to execution of a warrant and for the occupier of the premises to be provided with written advice prior to execution of a search under the warrant. Such requirements should only be waived in exceptional circumstances, such as the exercise of covert search powers authorised under a warrant.

**Government response to Recommendation 5: Accepted**

The requirement for an authorised officer to identify himself or herself to an occupier prior to executing a warrant is in line with subsection 3H(4) of the Crimes Act and section 9.2 of the Guide. The provision on ‘Authorised officers’ is now being amended to make specific reference to both that provision and this recommendation.

Section 9.4 of the Guide, ‘Notification of entry’, will provide that that these requirements should only be waived in limited circumstances. Examples of this may be where there are reasonable grounds to believe that compliance would endanger a person’s safety, where evidence could be destroyed, or where notification is impractical because no occupier is present.

The Government’s policy is that where legislation provides for entry and search of premises without consent, the occupier should be informed of his or her rights and responsibilities.

Section 9.2 of the Guide will also be amended to specify that written notice should be in plain language and should explain the relevant legislative provisions rather than merely reproducing them. A note will also be placed in the guide instructing officers to ensure that the provisions are framed in such a way as to be legally accurate.

6. The Committee further recommends that the advice in the Guide be revised to more clearly reflect the requirements referred to in Recommendation 5.

**Government response to Recommendation 6: Accepted**

Sections 9.2 and 9.4 of the Guide, entitled ‘Authorised officers’ and ’Notification of entry’, are being amended accordingly (see response to recommendation 5).

An appendix will also be added to the Guide providing an example of a ‘plain language’ written notice that agencies may use as example in creating their own notice.

7. The Committee recommends that the Guide be revised to require legislative provision for the development of guidelines for the implementation of entry, search and seizure powers. Other than in specific exceptional circumstances, such guidelines should be tabled in both houses of Parliament and published on the agency’s website.
Government response to Recommendation 7: Not Accepted (alternative measure accepted)

The Government accepts in principle that appropriate training procedures and internal controls should be in place in Commonwealth agencies that exercise entry, search and seizure powers.

The Government does not believe however that there should be a general requirement for such guidelines and for their tabling and publishing. A general requirement of this kind would unnecessarily regulate the use of entry and search regimes without a corresponding accountability benefit.

The Guide provides extensive direction on the framing of entry, search and seizure provisions and the safeguards that should be built into legislation to protect the rights of individuals. It recommends that such powers should generally only be conferred on members of the Australian Public Service and that legislation conferring such powers should require that they only be exercised by appropriately qualified persons. The Guide also outlines various safeguards that should be provided for in legislation, including those relating to entry under force of law, the issuing of warrants, seizure under warrant, and monitoring warrants. Further amendments are being made to the Guide as discussed throughout this response in order to update and provide additional clarification as required.

Legislation and the safeguards it includes provide the framework within which operational guidelines and training procedures are developed. Guidelines and training procedures support the operational implementation of entry, search and seizure powers within the bounds of the relevant provisions. As the legislation itself is publicly available and open to Parliamentary scrutiny, the Government does not agree that it is necessary for the relevant guidelines and training procedures to be tabled in Parliament or published on the agencies website.

The Government considers that the decision of whether or not to make such material public should be at the discretion of individual agencies. In some cases the publication of operational guidelines and training procedures may compromise the integrity of law enforcement operations by revealing operationally sensitive information.

As noted in paragraphs 3.57 to 3.62 of the Committee’s Report, a number of agencies have put guidelines and training procedures into place in relation to the exercise of entry, search and seizure powers, some of which are publicly available. While the Government does not agree that legislative provision for such measures should be required, it does agree that appropriate training procedures and guidelines should be developed in cases where legislation provides for powers of entry, search and seizure. A new part is being included in section 9.1 of the Guide, under ‘Entry powers generally’, recommending that where legislation provides for such powers, training procedures and operational guidelines should be put in place to ensure that authorised officers exercise powers fairly and responsibly.

8. The Committee recommends that the Commonwealth Ombudsman evaluate the feasibility of establishing a register of entry, search and seizure powers in Commonwealth legislation and the ongoing monitoring and audit of the application of such powers.

Government response to Recommendation 8: Accepted in principle

The Office of the Commonwealth Ombudsman is an independent body for which priorities are determined by the Ombudsman. The Ombudsman already conducts oversight activities under a range of legislation. Except in cases where legislative provision is made requiring ongoing monitoring of the powers contained in a particular piece of legislation, the final decision as to whether or not to implement such a scheme rests with the Ombudsman, as does the decision of whether to implement the proposed register.

In the case of intelligence and security agencies, there are separate oversight arrangements that do not involve the Ombudsman. A note will be inserted into the Guide to clarify the position in relation to these organisations.

9. As an interim measure, the Committee recommends that all new proposals for entry, search and seizure powers include legislative provision for regular reports to Parliament in relation to the agency’s use of the powers and the continued need for them.
Government response to Recommendation 9: Not Accepted

The Government agrees that Ministers and agencies should regularly review the powers at their disposal, the extent of their use and the ongoing need to retain them. However, the Government does not believe that it is necessary or practical for this information to be provided in regular reports to Parliament.

Information relating to the exercise of entry, search and seizure powers is likely to be of a sensitive nature and as such not appropriate for public release. On the other hand, if such information was to be de-identified for reporting purposes, it would be of little practical use. Any significant matters can be covered in the annual reports of agencies exercising such powers.

The Government will include provision for reporting to Parliament on the exercise of particular powers where this is appropriate in the specific context, as is the case for example, for telecommunications interception powers.

10. The Committee recommends that consideration be given to expanding the Guide to set out the principles governing the seizure of material relevant to a different offence, particularly an offence under a different statute, to ensure that proper authority is provided and that proper provision is made for the subsequent investigation and prosecution of offences.

Government response to Recommendation 10: Accepted

The Government’s view in relation to entry, search and seizure powers is that the search warrant provisions at Part 1AA of the Crimes Act define the minimum limitations and safeguards that should apply to such powers.

This position is reflected in section 9.9 of the Guide, ‘Search warrants (offences)’. This outlines the relevant safeguards and limitations that legislation conferring these powers should provide for and also the views of the Committee. A new part is being added within section 9.6 of the Guide, ‘Seizure under warrant’, setting out the provisions that should be included in legislation that confers the power to seize material related to an offence other than that for which a warrant was issued.

11. Covert access to stored communication should only be permitted with a warrant and should only be accessible to core law enforcement agencies. The subject of the warrant and the telecommunications services for which access is being sought should be clearly identified in the application for the warrant and on the warrant itself.

Government response to Recommendation 11: Accepted in part

Covert access to stored communications should only be permitted with a warrant

This is accepted. Where access to stored communications is sought covertly from a telecommunications carrier, Chapter 3 of the Telecommunications (Interception and Access) Act 1979 (the TIA Act) requires that a warrant be sought. The limited exceptions to this requirement ensure the workability of the telecommunications industry as well as other access schemes such as the computer access and listening device regimes contained in the Australian Security Intelligence Organisation Act 1979 and the Australian Communications and Media Authority’s enforcement of the Spam Act 2003.

Covert access to stored communications should only be accessible to core law enforcement agencies

This is not accepted. There is a separate regime for access to stored communications to reflect technological developments in the storage of documents, and different privacy impacts. The regime clarifies and centralises access arrangements for a range of enforcement (criminal law enforcement, civil penalty enforcement and public revenue) agencies, which have previously accessed stored documents via a range of different warrant and notice to produce provisions.

It is not agreed that access to stored communications should be limited to ‘core law enforcement agencies’, such agencies are generally interpreted as including State and Federal Police agencies and National Security Agencies’. The wider group of civil penalty enforcement and public revenue protection agencies have a legitimate need to access these types of information to enable effective investigations.

This reflects the reality that the growing dominance of electronic communications in all forms
of business and personal transactions displaces and renders obsolete agencies' earlier powers of access to paper documents. However, this access is subject to controls. In particular, stored communications warrants may only be granted in relation to investigations into a contravention of a law of the Commonwealth, a State or a Territory that is:

- a serious offence (the existing threshold for obtaining a telecommunications interception warrant, as defined by section 5 of the Interception Act)
- an offence punishable by imprisonment for a period, or a maximum period, of at least three years, or the equivalent pecuniary penalty (which is at least 180 penalty units for individuals or at least 900 penalty units for corporations), or
- a breach of a civil penalty provision that would render the person committing the contravention liable to a fine of at least 180 penalty units (or at least 900 units if the person is a corporation).

The subject of the warrant and the telecommunications services for which access is being sought should be clearly identified in the application for the warrant and on the warrant itself

This is accepted in part. The form and content of a stored communications warrant are specified by the Telecommunications (Interception and Access) Regulations 1987, which require the person to whom the warrant applies to be fully identified. Where the person's name is not known there is scope for a telecommunications service to be identified.

A stored communications warrant authorises the access to all stored communications held by a carrier in respect of a person. That is, all stored communications made by the person in respect of whom the warrant was issued or that another person has made and for which the intended recipient is the person in respect of whom the warrant was issued. Accordingly, there is no need to identify the telecommunications service on the warrant. However, from a practical perspective, there is a requirement that the carrier on whom the warrant is served be provided with sufficient details as to identify the stored communications sought, which will usually be by identification of a telecommunications service.

12. Committee recommends that the Guide be amended to require that legislative provision be made for the regular review of seized material and for the timely return or destruction of material not relevant to a particular investigation.

**Government response to Recommendation 12: Accepted**

The Government agrees that seized material should be regularly reviewed, and if it is found not to be relevant to any lawful purpose for which it can be used, either returned or destroyed as appropriate. A new part is being added within section 9.6 of the Guide, ‘Seizure under warrant’, recommending that where legislation authorises the seizure of material, provision is made for the regular review of such material and for the timely return or destruction of material found not to be relevant to any lawful purpose.

As noted in the Committee’s report, the Guide recommends that an upper limit of 60 days should generally attach to the retention of seized material. The new part to be inserted into the Guide will note that regular evaluation of seized material is particularly important where legislation does not specify a time limit on the retention of such material.

13. The Committee recommends that the Guide be amended to encourage the inclusion of limitations on the use and derivative use of seized material which is not relevant to a particular investigation.

**Government response to Recommendation 13: Accepted**

A new part is being added within section 9.6 of the Guide, ‘Seizure under warrant’, recommending that where legislation authorises the seizure of material, consideration be given to the inclusion of limitations on the use and derivative use of incidentally seized material, particularly information accessed via stored communications warrants.

14. The Committee recommends that the Attorney-General give consideration to the formulation of core principles governing the seizure of material.

**Government response to Recommendation 14: Accepted**
The Government accepts that core principles in relation to the seizure of material are required. Additional material on these issues is being inserted into the Guide under section 9.6 entitled - ‘Seizure under warrant’. This will deal with subjects including the requirements for warrants, review of seized material, limits on the use and derivative use of seized material, material related to a different offence and limits in relation to its use. In addition, the views of the Committee will be outlined.

GOVERNMENT’S RESPONSE TO PARLIAMENTARY JOINT COMMITTEE ON INTELLIGENCE AND SECURITY

- Review into the re-listing of Tanzim Qu’ida at-jihad fi Bilad al-Rafidayn (the al-Zarqawi network) as a terrorist organisation
  Tabled 9 May 2007
  Recommendation 1:
  The Committee does not recommend the disallowance of the regulation.
  Response:
  The Government agrees with the recommendation.

- Review into the re-listing of Hizballah’s External Security Organisation (ESO) as a terrorist organisation
  Tabled 15 August 2007
  Recommendation 1:
  The Committee does not recommend the disallowance of the regulation made to proscribe Hizballah’s External Security Organisation.
  Response:
  The Government agrees with the recommendation.

- Review of the re-listing of the Palestinian Islamic Jihad (PIJ), Lashkar-e-Tayyiba (LeT) and the Hamas’ Izz al-Din al-Qassam Brigades as terrorist organisations
  Tabled 27 September 2007
  Recommendation 1:
  The Committee does not recommend the disallowance of the regulations.
  Response:
  The Government agrees with the recommendation.

Reports: Government Responses

The PRESIDENT (4.44 pm)—In accordance with the usual practice, I table a report on parliamentary committee reports to which the government has not responded within the prescribed period. The report has been circulated to honourable senators. With the concurrence of the Senate, the report will be incorporated in Hansard.

Leave granted.

The report read as follows—

PRESIDENT’S REPORT TO THE SENATE ON GOVERNMENT RESPONSES OUTSTANDING TO PARLIAMENTARY COMMITTEE REPORTS AS AT 26 JUNE 2008

PREFACE

This document continues the practice of presenting to the Senate twice each year a list of government responses to Senate and joint committee reports as well as responses which remain outstanding.

The practice of presenting this list to the Senate is in accordance with the resolution of the Senate of 14 March 1973 and the undertaking by successive governments to respond to parliamentary committee reports in timely fashion. On 26 May 1978 the Minister for Administrative Services (Senator Withers) informed the Senate that within six months of the tabling of a committee report, the responsible minister would make a statement in the Parliament outlining the action the government proposed to take in relation to the report. The period for responses was reduced from six months to three months in 1983 by the incoming government. The Leader of the Government in the Senate announced this change on 24 August 1983. The method of response continued to be by way of statement. Subsequently, on 16 October 1991 the government advised that responses to committee reports would be made by letter to a committee chair, with the letter being tabled in the Senate at the earliest opportunity. The government in June 1996 affirmed its commitment to respond to relevant parliamentary committee reports within three months of their presentation.
This list does not usually include reports of the Parliamentary Standing Committee on Public Works or the following Senate Standing Committees: Appropriations and Staffing, Selection of Bills, Privileges, Procedure, Publications, Regulations and Ordinances, Senators’ Interests and Scrutiny of Bills. However, such reports will be included if they require a response. Government responses to reports of the Public Works Committee are normally reflected in motions in the House of Representatives for the approval of works after the relevant report has been presented and considered.

Reports of the Joint Committee of Public Accounts and Audit (JCPAA) primarily make administrative recommendations but may make policy recommendations. A government response is required in respect of such policy recommendations made by the committee. However, responses to administrative recommendations are made in the form of an executive minute provided to, and subsequently tabled by, the committee. Agencies responding to administrative recommendations are required to provide an executive minute within six months of the tabling of a report. The committee monitors the provision of such responses.

An entry on this list for a report of the JCPAA containing only administrative recommendations is annotated to indicate that the response is to be provided in the form of an executive minute.

Committees report on bills and the provisions of bills. Only those reports in this category that make recommendations which cannot readily be addressed during the consideration of the bill, and therefore require a response, are listed. The list also does not include reports by committees on estimates or scrutiny of annual reports, unless recommendations are made that require a response.

A guide to the legend used in the ‘Date response presented/made to the Senate’ column

* See document tabled in the Senate on 21 June 2007, entitled Government Responses to Parliamentary Committee Reports—Response to the schedule tabled by the President of the Senate on 7 December 2006, for Government interim/final response.

** Report contains administrative recommendations—any response to those recommendations is to be provided direct to the JCPAA committee in the form of an executive minute.

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<td>Private equity investment in Australia</td>
<td>10.9.07 (presented 20.8.07)</td>
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<td>Review of the Defence annual report 2005-2006</td>
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<td>Reforms to Australia’s military justice system: Third progress report</td>
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<td>Review of the re-listing of Hizbullah’s External Security Organisation (ESO)</td>
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<td><strong>Public Accounts and Audit (Joint Statutory)</strong></td>
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<td>Developments in aviation security since the Committee’s June 2004 <em>Report 400: Review of aviation security in Australia</em> – An interim report (Report No. 406)</td>
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<td>An appropriate level of protection? The importation of salmon products: A case study of the administration of Australian quarantine and the impact of international trade arrangements</td>
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<td>Administration of Biosecurity Australia – Revised draft import risk analysis for apples from New Zealand</td>
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<td>The administration by the Department of Agriculture, Fisheries and Forestry of the citrus canker outbreak</td>
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DELEGATION REPORTS

Parliamentary Delegation to the European Parliament and the Netherlands, Belgium, France and Austria and Official Visit to the United Kingdom and Portugal by the President of the Senate

The PRESIDENT (4.45 pm)—I present the report of the Australian parliamentary delegation to the European Parliament and institutions in the Netherlands, Belgium, France and Austria, which took place from 4 to 20 April 2008. I also present the report by the President of the official visit to the United Kingdom and Portugal in April 2008.

AUDITOR-GENERAL’S REPORTS

Report No. 45 of 2007-08


DOCUMENTS

Tabling

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (4.46 pm)—I table the following government documents:

Parliamentarians’ travel paid by the Department of Finance and Deregulation for the period July to December 2007
Former parliamentarians’ travel paid by the Department of Finance and Deregulation for the period July to December 2007
Parliamentarians’ overseas study travel reports for the period July to December 2007
Expenditure on travel by former Governors-General paid by the Department of Prime Minister and Cabinet for the period July to December 2007
Schedule of special purpose flights paid by the Department of Defence for the period July to December 2007, plus an election 2007 supplement

COMMITTEES

Privileges Committee

Additional Information

Senator BRANDIS (Queensland) (4.46 pm)—On behalf of the Privileges Committee, I present additional information received by the committee in relation to its 133rd report, namely, a letter to the committee dated 16 June 2008 from the Commissioner of the Australian Federal Police.

Selection of Bills Committee

Report

Senator O’BRIEN (Tasmania) (4.47 pm)—by leave—I present the seventh report of 2008 of the Selection of Bills Committee.

Ordered that the report be adopted.

Senator O’BRIEN—I seek leave to have the report incorporated in Hansard.

Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE

REPORT NO. 7 OF 2008

(1) The committee met in private session on Thursday, 26 June 2008 at 10.50 am.

(2) The committee resolved to recommend—

That—
(a) the provisions of the Family Law Amendment (Debate Facto Financial Matters and Other Measures) Bill 2008 be referred immediately to the Legal and Constitutional Affairs Committee for inquiry and report by 27 August 2008;
(b) the provisions of the Tax Laws Amendment (2008 Measures No. 4) Bill 2008 be referred immediately to the Economics Committee for inquiry and report by 27 August 2008;
(c) the Trade Practices (Creeping Acquisitions) Amendment Bill 2007 [2008] be referred immediately to the Economics Committee for inquiry and report by 27 August 2008; and
(d) the provisions of the Trade Practices Legislation Amendment Bill 2008 be referred immediately to the Economics Committee for inquiry and report by 27 August 2008.

(3) The committee resolved to recommend—
That the following bills not be referred to committees:

- Independent Reviewer of Terrorism Laws Bill 2008 [No. 2]
- Migration Legislation Amendment Bill (No. 1) 2008

The committee recommends accordingly.

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

- Aviation Legislation Amendment (2008 Measures No. 1) Bill 2008
- Aviation Legislation Amendment (International Airline Licences and Carriers’ Liability Insurance) Bill 2008
- Financial Framework Legislation Amendment Bill 2008
- National Greenhouse and Energy Reporting Amendment Bill 2008
- Plastic Bag Levy (Assessment and Collection) Bill 2002 [2008].

SUPERANNUATION LEGISLATION AMENDMENT (TRUSTEE BOARD AND OTHER MEASURES) (CONSEQUENTIAL AMENDMENTS) BILL 2008

DEFENCE HOME OWNERSHIP ASSISTANCE SCHEME BILL 2008

DEFENCE HOME OWNERSHIP ASSISTANCE SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2008

TAX LAWS AMENDMENT (PERSONAL INCOME TAX REDUCTION) BILL 2008

INCOME TAX (MANAGED INVESTMENT TRUST TRANSITIONAL) BILL 2008

INCOME TAX (MANAGED INVESTMENT TRUST WITHHOLDING TAX) BILL 2008

TAX LAWS AMENDMENT (ELECTION COMMITMENTS NO. 1) BILL 2008

EXPORT MARKET DEVELOPMENT GRANTS AMENDMENT BILL 2008

Assent

Messages from His Excellency the Governor-General were reported informing the Senate that he had assented to the bills.

PARLIAMENTARY RETIRING ALLOWANCES TRUST

Appointment

The PRESIDENT (4.48 pm)—I have received a letter from the Leader of the Opposition in the Senate nominating Senator Ferguson to serve as a trustee on the Parliamentary Retiring Allowances Trust, consequent upon the retirement of Senator Watson.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (4.48 pm)—by leave—I move:

That, in accordance with the provisions of the Parliamentary Contributory Superannuation Act 1948, the Senate appoints Senator Ferguson as a
trustee to serve on the Parliamentary Retiring Allowances Trust on and from 1 July 2008, consequent upon the retirement of Senator Watson.

Question agreed to.

COMMITTEES

Community Affairs Committee

Extension of Time

Senator O’BRIEN (Tasmania) (4.49 pm)—by leave—At the request of Senator Moore, I move:

That the time for the presentation of the report of the Standing Committee on Community Affairs on the Poker Machine Harm Reduction Tax Administration Bill 2008 be extended to 10 November 2008.

Question agreed to.

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2008-2009

APPROPRIATION BILL (No. 1) 2008-2009

APPROPRIATION BILL (No. 2) 2008-2009

Second Reading

Debate resumed from 23 June, on motion by Senator Sherry:

That these bills be now read a second time.

Senator McGAURAN (Victoria) (4.50 pm)—As the Senate would be aware, notice was given by Senator Guy Barnett last week of a motion to disallow item 16525 of regulations that provide Medicare funding under the Health Insurance Act 1973. The aim of the disallowance motion is to withdraw Medicare funding for second trimester abortions. The effect of the disallowance motion will be to trigger a debate on the subject of late-term abortions when the parliament returns in the spring session.

Equally, this is an overdue debate in society. It is an issue that has been successfully hidden away, wrapped in society’s acceptance of early-term abortions. But it is a much worse procedure, as are the reasons for it. I believe it is time to put the brakes on the runaway culture of violence that has developed in our hospitals and within the medical profession. It is as easy to get a late-term abortion as it is to get an early-term abortion. As is the case with such moral issues, the matter will be a conscience vote—a time when parliamentarians are released from their party obligations and are left alone to rely on their conscience to decide their vote.

For those who believe that life begins at conception—that is, that the body grows and the soul exists, and I am one of those who hold such a belief—then what choice do you have but to support a pro-life stance and reject the aid or promotion of abortion? On voting patterns, the pro-life position has not held sway in past parliaments. One in four of the conscience votes that could be considered a pro-life position have been successful in the past decade. However, the merit and substance of this coming debate surely warrant even greater moral attention than before. There seems to be a greater horror and an even more distinguishable human right of the child when discussing late-term abortions.

Perhaps when talking about legislating RU486, as this parliament has done, it can be said that it is just a pill that is available. Perhaps when discussing embryo experiments, as this parliament has also done, it can be said that it is just an embryo in a tube or that cloning is just a single cell. But, for late-term abortions, the gravity of the issue is clearer. We are dealing with a fully formed, viable baby. If you are a pro-choicer, within the confines of past debates you have only dealt with embryos or early life. Where there are competing rights between the adult and the baby, a clear choice is available. The answer the pro-choicer gives is: the woman’s right reigns. However, the question is not the same for late-term pregnancies—there are no competing rights between the mother and the
baby. The baby is viable at some 20 weeks and can live away from the mother. So the question in the debate on late-term abortions is: do adults have an unfettered right over the child? That is the basic human rights question that will be presented to the parliament in the spring session.

The woman’s health and life are often used as a reason for termination. I accept that, where the mother is in imminent danger of her life, abortion is a choice; however, we are all only too aware that that is not the source of the majority of the some 100,000 abortions in Australia every year. Moreover, this argument put up to justify early-term abortions does not relate to late-term abortions because here the baby is viable. Any danger to the mother can be attended to by evacuating the baby. That is a medical fact. The debate is therefore brought back to the sole question of: is the adult entitled to an unfettered right over the child? That is all that a vote against the disallowance motion can amount to.

With regard to the medical process of late-term abortion, it must be distinguished clinically from an early-term abortion. The method is a more invasive and difficult surgical procedure. The doctor must undertake a greater physical and mental intent to terminate the baby. The Victorian Crimes Act, section 10, describes late-term abortion after 28 weeks as ‘child destruction’, which is a measure of what I mean by a physical and mental intent. The truth of the matter is that these babies are strong and fight for their lives. The latest figures from Victoria indicate that 47 out of 309 post-20-week abortions performed in 2005—the latest figures available—resulted in the delivery of a live baby who died shortly after delivery. Late-term abortion, therefore, is clinically different because the foetus is more mature and consequently larger, has recognisable human appearance, a solid bone structure, a well-developed cardiovascular and central nervous system and is responsive to painful stimuli. It has been well featured in pictures and documentaries that a baby in the womb responds to an invasion by a probing needle by placing its hands in front of its face to protect itself.

We cannot debate this issue and give it the gravity it deserves without knowing or acknowledging the methods undertaken to terminate the late-term baby. There are three methods and each requires delivery: firstly, killing the baby in the womb with a solution injected into the heart of the baby; secondly, dismembering the body in delivery; and, thirdly, a partial birth abortion—and the controversy of this method has been the subject of debate in the congress and the Senate of the United States and consequently banned.

In Australia the partial birth abortion method is certainly undertaken in the private clinics of the most prolific abortionist in Australia, Dr David Grundmann, and there is nothing to say that, at least to some extent, it has not been undertaken in Australian hospitals. Shockingly, this method, which would be known to most people who understand the gravity of late-term abortion—that is, partial birth abortion—does attract Medicare benefit.

There is no running from the facts. What this method means to the unborn warrants the absolute truth. I will therefore quote from the Washington Times, on 29 February 1996, when the newspaper described in detail the partial birth abortion method as follows:

Partial birth abortion is a gruesome procedure that is even opposed by many who support ... legal abortion. In the procedure, which commonly takes place after the foetus is about 6 months old, the foetus’ feet and torso are delivered ... while its head remains in the birth canal. The abortionist then stabs the base of the foetus’ skull with scissors and inserts a catheter into the opening. The catheter is used to suck out brain matter, which
kills the foetus and allows the skull to collapse for easy delivery.

As I say, this shocking method does attract Medicare benefit.

The landmark case in 1969 entitled the Menhennitt ruling, which effectively legalised abortion on demand in Australia, never contemplated late-term abortion, nor it was contemplated by society until recently. This is evidenced by the fact that, in my own state of Victoria, late-term abortions have been illegal. Section 10 of the Crimes Act specifies that an abortion after 28 weeks is termed ‘child destruction’ and is a criminal offence. However, the Menhennitt ruling is being used to justify the hundreds of late-term abortions that occur in Victoria. The laws are contradictory in the eyes of those who seek legitimacy for late-term abortions; however, they are not contradictory for those who believe there is a line in the sand to be drawn at late-term abortions.

As evidenced by the much publicised late-term abortion case of 32 weeks at the Royal Women’s Hospital in 2001, no responsible Victorian authority would enforce the law that is on the statutes. Although that law may be dormant, under the current gaggle of state authorities, while it exists, it still acts as some form of deterrent to doctors and hospital administrations. The Menhennitt ruling referred to abortion as ‘a necessity to save the health and life of the mother’. So the word ‘necessity’ is crucial, given that, if the mother’s health is in danger in a late-term pregnancy, the baby’s viability is not in conflict with the rights or life of the mother. Basically, that negates the Menhennitt ruling; in other words, there is no necessity to abort but rather to deliver a life.

What of the question of life itself? When does life begin? That question, once central, is still relevant to this debate today. In 1969, when Menhennitt ruled, the common belief of pro-choicers was that the foetus was not life, at least at anything less than 12 weeks. In this regard, over the past decade, science has been the instigator of a major shift in attitude. Science has proven that all senses and early body form exist within seven days, and the rate of growth of the embryo between one and seven days is as fast as it is during any other term of the whole human experience. In other words, the embryo is hurtling towards its human existence and selfhood.

I make this point to show that the old debate of whether or not the foetus is a life is over. Society and even pro-choicers now accept that it is life; the science is too compelling. Then, if that is the case for early term, how could personhood be denied of the baby in late term—the second and third trimesters? As I said at another time in this place, to leave this new wave of child destruction unchecked will place us on a roller-coaster ride to the outer limits.

Senator IAN MACDONALD (Queensland) (5.03 pm)—In this debate on the appropriation bills, I want to speak about what I consider to be a quite disgraceful attack on the incumbent Governor-General, Major General Michael Jeffery, in the national media yesterday. His Excellency Major General Jeffery has been an outstanding representative of Her Majesty in Australia, both during his original vice regal appointment as Governor of Western Australia from 1993 to 2000 and during his subsequent appointment as the 24th Governor-General of the Commonwealth of Australia. He has also been a very mature and experienced part of the process of governance, both in Western Australia and in the Commonwealth. His Excellency was a distinguished and decorated senior Australian Defence Force member. He served with distinction in Malaya, Vietnam and Papua New Guinea. I am pleased that the
former Prime Minister, Mr Howard, thought fit to nominate Major General Jeffery for the position.

I particularly want to thank His Excellency Major General Jeffery for the very visible visit he made to Townsville earlier this year, principally to celebrate the 60th anniversary of the Royal Australian Regiment of which he was a distinguished leader at one stage of his military career. I thank him for the way that he interacted with the Townsville community during the visit. It was, I think, representative of the way His Excellency has interacted with all Australians in all of his dealings in his role as Governor-General. During that visit to North Queensland, he and his wife were very gracious and the Governor-General demonstrated the sort of interest that he has taken in all things Australian since becoming our leader.

I understand from media reports that the allegation of Major General Jeffery leaking documents some years ago was made by what was described as ‘a former Labor minister’. The former Labor minister, who clearly did not have the courage to put his name to the accusation, was quoted as saying: ‘We never found any evidence, but if I had caught him leaking I would have executed him ...’

I think that is a fairly despicable revelation—and all the more so, given the Labor Party’s concession that there was no evidence whatsoever to suggest that Major General Jeffery had engaged in such conduct. I note that His Excellency has described the allegation as repugnant and defamatory—and it is, I suggest, repugnant, defamatory and quite despicable.

I find it degrading that the Governor-General, who has maintained strict political neutrality and brought great honour not only to the vice-regal role but as a distinguished and decorated soldier, should be subjected to the vindictive spite of former Keating government ministers. Given that the media reports quote three senior members of the ALP, it is clearly a concerted attack on His Excellency’s reputation. The Prime Minister has a responsibility to ensure that his senior party members are not going around rubbishng the Governor-General or spreading false rumours, particularly when they are acknowledged as being false.

When Their Excellencies retire in early September, I wish them all the best and look forward to Major General Jeffery, in the long tradition of former Governors-General like Sir Zelman Cowen and Sir Ninian Stephen, continuing to make a distinguished contribution to the nation as a former Governor-General.

While I am on this subject, I also want to congratulate Queensland Governor and Governor-General Designate, Her Excellency Quentin Bryce, on her appointment by Her Majesty as the 25th Governor-General of Australia. I think that Her Excellency will be a great Governor-General, and I look forward to seeing the Governor-General Designate, Her Excellency Quentin Bryce, and Governor-General Jeffery are former or soon-to-be-former state governors. I want to congratulate the current government on following the previous government’s precedent in elevating a distinguished state governor to the post of Governor-General.

Her Excellency is widely respected in Queensland. She is a very, very gracious person and has carried out her duties as Queensland Governor in an exemplary fashion. I am particularly pleased to see that someone who hails from country Queensland has been chosen as our nation’s next Governor-General. Her Excellency comes from Ilfra-
combe, which is a very little town in Central Queensland, out near Longreach. Her elevation was a great delight to the people of that small town of about 270 people. I think it is a great indication of Australia and being Australian that someone from a small country town right out in the centre of the bush can rise to be the leader of our nation, taking on the most significant role in the governance of our nation. I do understand the role and the constraints that there will be on the new Governor-General, but I certainly look forward to Her Excellency highlighting the plight and also the potential of country Australia in her new role.

Senator CHAPMAN (South Australia) (5.10 pm)—I am feeling nostalgic today. This will be my last speech on a budget; indeed, my last speech in the Senate. I first came to this parliament in 1975, at the tender age of 26 years old. Nothing takes me back to those days like a good, old-fashioned, class warfare Labor budget, a bash-the-rich budget, a budget that punishes people’s aspirations, a budget with the politics of envy and payback. Ah, the days when—to use taxidermy terminology—Labor always stuffed the economy! Here we go again. As Treasurer, Wayne Swan is Jim Cairns without the charisma. This budget, cobbled together by a work-experience Treasurer, is based on two things and two things alone: Labor Party ideology, as deeply embedded as a mutant gene that is passed from one generation to another, and a shameless appetite for the approval of the left-leaning media. The sad reality is that neither of these priorities addresses the best interests of the Australian economy or the very working families who entrusted their future to the Rudd Labor government at the last election.

I ask Treasurer Swan: what do the following have in common—prickly pear, cane toads, the soursob, the rabbit? Give up? They are all examples of unintended consequences. Mr Swan has brought down a budget riddled with unintended consequences. The boys from Brissie have smuggled a few cane toads south of the border. They claim they are drafting a budget to control inflation, and they deliver a budget that fuels inflation. Did I say fuel? I bet the blood drains from the faces of those opposite when I mention fuel. The Minister for Finance and Deregulation runs about for months like Edward Scissorhands, promising to cut expenditure to the bone. Labor present a budget that increases government spending and, as a consequence, pushes inflation higher. They promise a budget to improve the lives of working families. They bring down a budget that they blandly admit will increase unemployment—the first budget in 11 years to do so. Labor claim to represent working families. They ensure that there will be fewer families working. Unintended consequences indeed.

Let me offer some specific examples. Labor’s budget increases the income threshold for the Medicare surcharge from $50,000 to $100,000 a year income for singles and from $100,000 to $150,000 for couples. This is a policy based not on economic common sense but entirely on ingrained Labor ideology. It will have a devastating impact on our public health system, which is already suffering under the mismanagement of state Labor governments. The reality of this policy is that it will drive people and, more importantly, working families out of private health cover and force them back into the public hospital system. Here is the irony: while this policy herds more and more people back into the public health system, it simultaneously ensures that fewer and fewer people will be paying the surcharge which funds that very system—unintended consequences.

The government’s own budget papers and the Treasurer himself have confirmed that they expect 500,000 people will leave private
health cover—that is, half a million extra people will rely on the public system, which is already buckling under Labor’s state-by-state mismanagement. Include their families, and Labor have added over a million extra patients to the public hospital queues, which are, of course, already obscenely overstretched. What makes it even worse is the sheer hypocrisy of Labor’s scare tactics. The Prime Minister, Treasurer Swan and their spear carriers have been playing the politics of fear in the media by talking up a so-called inflation crisis. There is no doubt that we are currently experiencing a period of rising inflation. But, if their rhetoric is correct and we face an inflation crisis, why would any government introduce a policy which encourages people to withdraw from private health cover—effectively putting an extra $50 to $200 per month of disposable income back into those people’s pockets?

The Rudd government cannot have it both ways. Either consumer spending needs to be constrained or it does not. Either the public health system needs more funding or it does not. Labor cannot spend an entire election campaign and its first six months in office saying one thing and then deliver a budget that is creaking with policies that deliver the exact opposite. These are very real objections. These are sound economic arguments. The government simply confronts them with spin. When I say ‘spin’, I mean the googly, the flipper and the doosra all rolled into one. The Labor Party operates under an entrenched ideology which, at its heart, proclaims free universal health care for all. It emerges in this screwball budget as a resent-ment and disdain for private health cover. Do not get me wrong—we all agree that universal, free, high-quality health care is an admirable goal. If you massively reduce the number of people paying the surcharge and propping up the system, those with even a basic grasp of economics—and here I am magnanimously including the Treasurer—know what the consequence will be: less funds to service those who already rely on the system, let alone the huge influx of people enticed back into the system. The inevitable flow-on result will be higher private health premiums—cane toads!

Then there was that other well-orchestrated leak, the increase in the tax on luxury vehicles from 25 per cent to 33 per cent. The luxury car tax currently kicks in when a car costs $57,000. But here is what Treasurer Swan has failed to consider: this figure has not been indexed to account for inflation since its inception in 1999. His statement that individuals who buy these cars can afford it is spiteful, insulting and dangerous.

Senator Ian Macdonald—and wrong.

Senator CHAPMAN—It is wrong, Senator Macdonald. A major factor pushing up the price of vehicles in this range is the increasingly sophisticated safety and environmental features they offer. This new measure will result in car makers reducing state-of-the-art safety features or environmental advances in their vehicles simply to scrape in under the tax threshold. The unintended consequences of this class-warfare policy may prove fatal for some Australian motorists, leaving the government with blood on its hands.

As if families have not suffered enough under this budget, you would not want to be a working family with three kids and about to have your fourth. You will now find the family Tarago is even more expensive, and that is before the cost of filling it with petrol. I forgot about Fuelwatch, or, as Minister Martin Ferguson calls it, ‘fuel botch’. Minis-
ter Ferguson went off to apply the blowtorch to OPEC. I will say this: they were impressed when he addressed them in Arabic, until they realised he was not speaking Arabic. Let’s take bets: how long before Kevin 07 becomes Kevin 03.8c a litre off? Closer to home for me, you would not want to be a blue-collar worker on the assembly line of Holden’s Elizabeth plant in South Australia building Statesmen that will now fall foul of this threshold. Can Treasurer Swan guarantee that no Australian car-manufacturing jobs will be lost?

Now let us jump into one of those luxury cars that so offend the Treasurer. Let us mortgage the house to fill it with petrol. Let us drive to rural and regional Australia, to places and people abandoned by Labor. Those people have suffered terribly under this budget. At the end of his budget speech, the Treasurer asserted:

It is a Labor Budget for the nation. For Australia’s future. For all Australians.

Well, this was certainly a Labor budget—and that is hardly a compliment in economic circles. But it was not a budget for all Australians, and it damn well was not a budget for the future of rural Australia and the people who are already doing it tough after years of record drought. We rightly condemn the callousness of the Burmese generals in the face of their people’s current tragic suffering from natural disaster. Labor’s Burmese corporals have similarly reacted with uncaring neglect for those who are suffering in the bush and enduring long-term hardship. Labor has chosen to abolish the Regional Partnerships program and the Growing Regions program. It will rip $436 million out of our regions and abolish programs which are aimed at developing our regional centres and communities, creating and maintaining jobs in regional Australia and keeping our farming families on the land. Do we start to see where Labor’s admitted increase in unemployment will happen? Do we see who it targets and punishes? This government for all Australians has chosen to pull $334 million out of existing agriculture programs and replace them with entirely different programs worth $220 million, which is far less.

In the process of kicking rural Australia while it is down, Labor has chosen to cancel the OPEL contract, which would have enabled access to high-speed broadband for 99 per cent of Australians. It has provided no funding for an alternative other than to extend the Howard government’s Australian Broadband Guarantee. Enough is enough. The bush has been the backbone of this nation since Federation. The government’s own budget papers show that. They confirm that rural and remote Australians account for over one-third of the population and generate two-thirds of Australia’s export income. But regional Australia is suffering. It suffered terribly in recent years under one of the worst droughts on record. How does this cynical Rudd Labor government respond? It sticks the boot into rural Australian families again by reducing exceptional circumstances funding. This is not a government for all Australians; it is a government for all Australians who conform to the 1950s ideology of the Labor Party. This is a budget that panders to Labor’s supporters and punishes anyone it myopically sees as its class enemies.

I am wondering what schools and the environment did to alienate this government and get onto its enemies list, because they are not left untouched by this work experience budget either. I would have thought that, with this government’s AEU mates funding its election campaign and the Greens preferencing Labor, the environment and education would be two areas spared the ideological idiocy of this budget. Think again. The green voucher program introduced under the Howard government, which enabled schools to apply for up to $50,000
for rainwater tanks and solar hot water systems, was also neutered by Treasurer Swan’s budget for all Australians. This program has been replaced by a new one that caps the available funding at $30,000, which leaves schools—and that essentially means parents—to raise the missing $20,000.

I have seen the green vouchers program in action. Schools like St Martin de Porres in the electorate of Kingston, and many others in South Australia, welcomed their green voucher with open arms when I presented it to them. These schools work hard at fundraising, not just to improve their own facilities but also for a range of charities. Their parents are not the so-called wealthy that the Prime Minister and Treasurer Swan were going after in this budget; they are ordinary working Australians, and most of them are in families with both parents working. Without the $50,000 green voucher, parents like these will be forced to sacrifice more time and find more money so that their school and their children can set an environmentally responsible example. As one unintended consequence after another of this budget is considered, one begins to ask: what are the intended consequences, if any, aside from sinking the boot into those that Labor hates? Did I mention that St Martin de Porres is a private school?

In this instance, schools will prioritise. With the Labor states critically underfunding education, schools already have to fundraise to provide basic infrastructure and services. Now Treasurer Swan’s king hit means that, while they would love to pursue practical, environmentally responsible measures like solar hot water and rainwater tanks, without the former government’s green vouchers they cannot put these items ahead of sports facilities, shade shelters and IT equipment. What a fine message to send to the next generation of Australians while you are signing the Kyoto protocol with the other hand! The Minister for the Environment, Heritage and the Arts, Peter Garrett, should be blushing to the point of his bald head about such senseless false economics. But then, he may have used up his quota of embarrassment after decimating the Australian domestic solar panel industry inside a fortnight with another stroke of Treasurer Swan’s poison pen. You have to wonder how much midnight oil was burned dreaming up those idiocies in the name of budget savings. Now Minister Garrett is off to the International Whaling Commission, having already been harpooned by his Prime Minister’s capitulation to the Japanese in order to save his own face after gratuitously snubbing our major Asian ally. Anyone who saw Prime Minister Rudd’s meeting with the Japanese royal family will have noticed that our emperor was wearing no clothes.

The frustration for parents and schools does not end with the abolition of green vouchers. During the last election campaign, Kevin 07 spouted another slogan, for this is a government of slogans, mantras and empty catch phrases: education revolution. He would be the Che Guevara of the classroom. If elected, he would provide one computer for every high school student in the country—one computer in a box, terrific! But another definition of a revolution is ‘going around in circles’. He had not thought about what happens when you take the computer out of the box. Who is going to pay for all the stuff you need to make a computer a useful teaching tool—basic stuff like rewiring all the high school classrooms in the country, all those extra power points and electricity bills, software purchasing and licensing, equipment maintenance and repairs, internet access, virus systems, mousepads, disks, USB drives, printers and all the extra training for all the extra teachers? Who is going to pay for those things? Guess what, schools and parents of Australia: you are. The Prime
Minister is not going to. There is no provision in this budget for all the essential extras without which the computer stays in the box and gathers dust.

Senator Ian Macdonald—Quite right.

Senator CHAPMAN—Indeed, Senator Macdonald. Maybe your school’s fundraising committee can scrounge a few extra dollars after you have paid for the solar hot-water system and the rainwater tank. Then there is this government’s ill-considered plan for trade training centres in every school, which was developed just to be different from our plan for specialist trade schools. Treasurer Swan has announced $2.5 billion in this budget to honour that promise. I am sure our schools will be delighted, until they divide the allocated funding by the number of schools and discover that each of them can now purchase a lathe or a welder. Of course, there will not be anyone to teach the kids how to use them. If your child wants to be an electrician, or pursue any other trade, then they might have to change schools. But look on the bright side—they can now take their new computer with them because it will still be in its box.

Of course computers and trade equipment are commendable, but if they are misdelivered then they are of no use. You cannot provide a quality education for the leaders of tomorrow, you cannot even begin to reverse the effects of the global dumbing down of education systems everywhere, without high-quality teachers dedicated to the future of Australia’s children. While this government has ploughed billions of dollars into headline-grabbing programs of dubious long-term impact, they have cut the Howard government’s summer schools, which were designed to inspire and further educate our teachers. Minister Gillard should go and sit in the corner. She is a class hater Arthur Calwell would have embraced, just as she laid one on Treasurer Swan on budget night.

Now Foreign Minister Smith is reinventing nuclear policy on the run in India. Next it is a seat on the UN Security Council, instructing South Africa on how to fix Zimbabwe and an Asian version of the European Economic Community—all of it the politics of hubris and distraction. The Prime Minister just does not get it; it is the economy, stupid. Budgets set a framework within which a government will work for the next 12 months. They are the clearest outline of what a government stands for. They define in dollars and cents a government’s vision for the future of the nation. In this case the budget serves to expose hype and hypocrisy.

For the last 11 years I have sat in this place and been inspired on budget night by the direction our nation was taking. Budgets were presented with vision and responded to economic and social challenges with innovative and responsible solutions. Sadly, this year I was left with a sense of emptiness. We need more than spin and empty rhetoric from a federal government. This cannot be a budget for all Australians when our rural Australians are delivered yet another raw deal. You need to understand that, when you sit behind a big desk in Canberra, you need to get out into the community, and Labor failed to do that. So this budget fails to deliver. It is a sad budget that squanders the inheritance from the previous government. As I said, it is a budget of unintended consequences. I am confident that in two years time, or possibly less if the rumours are true, the Australian people will see the Rudd government and dismiss it for what it is—an unintended consequence.

The PRESIDENT—Pursuant to the order of the Senate agreed to earlier today, the debate is now interrupted.
VALEDICTORIES

Senator WEBBER (Western Australia) (5.30 pm)—I am not sure how I feel about interrupting that interesting contribution by Senator Chapman—but that is not for me to comment on. When I first came into this place and made my first speech, I made it very clear that my belief was that the position I hold—until midnight, 30 June—belonged to the Western Australian branch of the Australian Labor Party. Not only does it belong to the Western Australian branch of the Australian Labor Party; it also belongs to each and every person who voted for Labor. That is still my view. This is not about me; it is about the number of seats that we win in Western Australia.

When presented with the choice of good news and bad news, I am someone who often takes the bad news first on the basis that things can only get better. So, in making this, my final contribution, I will start with the hard things first, knowing that it will get easier. The hard things, of course, are always to thank those who are special to you. I will start with the people who have always been there—my parents. We have been waiting for them to join us here. To my mother and to my father, thank you for your unconditional support throughout all of this and, in fact, throughout my life. To my father, I thank you particularly. This will surprise many people, because they usually see mum and me gos-siping around the place, and they do not necessarily see dad and me together. He said something to me a very long time ago, and I do not think either of us realised its significance at the time. When I was still in school, he took me aside and said: ‘I just want you to remember, you can do anything you want to. You can be anything you want to be.’ Well, believe it or not, that time, Freddy, I listened—and look where we have ended up! So thank you very much.

The last 18 months have been an interesting journey for me, and coming to the end of this part of my working life has had its stresses and strains. However, it is much easier to cope with those stresses and strains when you have someone in your life that you can love—so, Warren, thank you.

I need to thank the people who have worked with me through what has been an interesting six years—probably more interesting for them than for me from time to time, because not only have they put up with the job but they have put up with me as well. Sue has been there right from the beginning and is still here. I do not know why she agreed to work with me, because she worked with me in party office. She is obviously a slow learner! But she is finally retiring from her services to the labour movement. Chris Dunn worked with me for a long time, until he decided to take his family to Christmas Island, which I think is an extreme way of escaping work in an electorate office in Woodvale. So, thank you to Sue and Chris and also to other members of the team—in particular, Karen, who has really been a constituent backstop; and Lyn, because without her being prepared to look after the office at home we would not be in the position that we are in now.

Believe it or not, there is a saying about whether or not you make many friends in politics. I think you do, although the test will be how long you keep them after you leave this place. I also think you make some unexpected friends along the way. Before I officially started as a senator, a group of us came to parliament together and were rounded up to go to what we termed ‘Labor senator school’. This is where we were educated in the refined arts of this place from a Labor point of view by former Senator Ray and Senator Faulkner. We were an unlikely group of people who, on the whole, had not met one another before. We went through our
induction and then we had forced socialisation afterwards. That was an interesting experience. We all got to know a bit more about one another, but I got to know two of those people particularly well—Gavin and Claire. It is amazing how, out of a shared experience, you can form a very deep friendship. I thank you both.

Last but not least—unless I think of someone else, because this is not exactly a prepared speech—I want to thank and acknowledge my predecessor in this role, Jim McKiernan. Unlike many people who come into this place, I had a very good relationship with Jim when I took over. I still have a very good relationship with him; he has been very supportive. I would also, therefore, like to wish my successor all the best. Being elected to the Senate is an incredible opportunity. The Senate is a special place, and I do not think any of us fully realise that until we get here. As I said to others earlier—I think it was last week; there have been a few functions in the last couple of weeks—being elected to this place, from my point of view, is the real deal. This is the grown-up politics. This is where you impact on people’s lives, and there is no second chance. It is the one level of politics that absolutely has to be taken seriously every minute of the day. For those who are lucky enough to be selected or elected to be here, I want them to bear that in mind; and I particularly want my government to bear that in mind.

I also need to thank everyone who works in this place. While those of us who occupy the benches tend to be the public face of this chamber, that reflects but one role of this place. No individual is irreplaceable but each and every role in this place is. No senator would survive without any of you. So, rather than list all of you, I want to say to the staff: none of us could be what we are without each and every one of you fulfilling your roles. You help make the whole, and the whole is a very important institution in Australian democracy.

I was asked the other day what I thought of the role of a senator, and I said that I think it is the most amazing job you can have; but, after all, it is just a job. It is a very special job and it should be treasured, but it is just a job. But I cannot think of another job that actually allows you to meet and work with some of the best and brightest minds in the country, which is what I did when I was involved in the stem cell debate. No other job would have given me that opportunity.

No other job, whilst giving me such opportunities, would allow me to travel to rural and remote Australia, particularly Western Australia, and look at the confronting challenges of the delivery of mental health services, child sexual abuse and petrol sniffing. No other job, on top of those two things, would allow me to spend six years of my life inquiring into every piece of legislation that starts with ‘Tax Laws Amendment Bill’. That is quite something! And no other job would give me the opportunity to travel and to learn, and along the way try and teach my good friend Glenn Sterle how to speak French. That is something only the Senate can give you.

Senator Hutchins interjecting—

Senator WEBBER—Perhaps his French is better, Senator Hutchins, after my tuition! But this job is a very special job. It is a job where the public only really sees what happens in this particular room. I do not actually think they ever see what makes it special and what makes its unique contribution to Australian democracy. I was thinking of that today when Senator Brandis passed me a note. Some of the work that we did on the Senate economics committee is really an example of what this place does well. I remember many a hearing where Senator Brandis, Senator Andrew Murray and I were
in attendance. All three of us would come to the hearing with an open mind, and it was the evidence of those before us that guided us all into making good, objective public policy. That is what this place is about. That is the true work of this place, not the role-playing that goes on in this particular room of this place.

Having said all that, when you get up to make a final speech, you can spend a lot of time casting your mind to the past and what may or may not have happened. Or you can talk about the future. So I have decided to spend a bit of time focusing on the future. I am very proud of the fact that, although I am leaving this place, I am leaving with a Labor government in place—and a strong Labor government. That makes leaving just that little bit easier; in fact, it makes it pretty easy on the whole. But I think that that Labor government has some significant challenges that it needs to address. I am absolutely confident that in Kevin Rudd we have a Prime Minister who will address those challenges, because he is concerned about the state of the nation he leaves for the next generation, not just for the next three years.

Of course, it would come as no surprise to those who know me well that one of those challenges that I want the Rudd Labor government to have front and centre is the delivery of mental health services. Now that we are busy reforming federalism, ending the blame game and working together, please in mental health can we have a well-resourced plan—not three plans, one plan? We need one plan that is well resourced by all levels of government, that is supported by all levels of government and that has coordinated care at its centre. If we do not do that, we fail our community. So, please, can we do that?

One of the other concerns that I have had for a while, and it has again come out of the work I have done in Senate committees, particularly through the estimates process—and this will come as no surprise, given some recent comments—is the impact of what I consider to be very lazy public policy: the imposition across the board of an efficiency dividend, on every government agency. I think it was probably a good idea at the time, in that it helped focus the minds of those who were in charge of government agencies, but I think the role for that has long since gone. I think the role for that has long since gone for two reasons. Firstly, I think those of us who are elected to this place, particularly those who are elected to the executive, should actually accept the responsibility of making the hard decisions and not delegate that. They should actually accept the responsibility of casting government expenditure to mirror government priorities—and that means making some hard decisions and taking expenditure from things that do not mirror government priorities. I think to do anything else is lazy and is letting our community down.

I also think it is lazy because it does not actually offer the rewards that it should for government agencies that perform well. Where is the incentive, if you are a government agency and you are going to be given the same cuts, the same efficiency dividend, whether you meet the government objectives effectively or not? When you are all going to be treated in the same way there is no incentive to become more efficient, because the government is actually going to set the maximum as well as the effective minimum. A long time ago, in my previous life, I worked for a member of this place: former Senator Peter Walsh, who was a renowned Labor finance minister. Whilst I cannot vouch for his views on the efficiency dividend, there is a bit of me that says this is not the kind of public policy he would like. He would have been prepared to take all of the hard decisions, no matter what the political
or personal cost. So I see this as a challenge for our new Labor government.

One of the other challenges that I think we face as a government is the development of the emissions trading scheme. I think that is going to be one of the biggest pieces of public policy and economic reform that this country has seen for quite some time. It is a huge challenge; it is a complex issue. But I am of the view—and it is probably going to upset quite a few—that, if we want effective change, if we have decided as a community, as a government, that the way we are going to deliver change is through an emissions trading scheme, then the best way to do that is to introduce the purest possible model, because no model will work if it is introduced in a compromised way. It is my view that we have to have the purest possible model and then use the money that the government raises through the auctioning of permits to develop a compensation package. That way we can look after the needs of those who most need it in our community whilst ensuring that all of us play our role in meeting the challenges of emissions trading. After all, all of us know—or most of us who have studied any of these things know—that the most effective way to change people’s behaviour and to change the market is through a price signal. You are only going to get the real price signal if you have a pure model. If you have a pure model you will probably also find that a lot of the current debates we have around renewable energy targets and around other issues actually become redundant. We will create an effective renewable energy market by actually introducing a pure emissions trading scheme. But that is a debate I am sure all of you who are staying here will get to dwell on for many a long hour.

Another thing that has concerned me for a while about the direction of policy debate, both within my party and within politics, is that it seems to stay as a fairly static thing. We seem to hold on to treasured views about particular policy. I think the time for that has gone. I am not saying that we should discard everything but I think that, with a new government, a new role for everyone and a mood for change in our community, it is time to put your principles at the forefront but not to hold policy as a static thing. The needs of our community change and so our policies and ideas to address its priorities also need to change. I know that in my time here my views on a number of policy icons, which I held dear for a long time, started to change as I was presented with new ideas. I hope we do not hold on to our policy settings forever, just our principles.

On leaving this place I think about the composition of this place. In fact, Mr President, you were the person who first made me think about this when you pointed out at the function the other evening, which is now being referred to by everyone, that when the 14 of us—whom I have taken to referring to as ‘evictees’—leave this place and the new mob come in there will be 39 senators who have been here for three years or less, which will be a challenge for everyone in terms of the breadth and depth of experience. I came here having worked for a number of politicians. I found it difficult to work out how to make this place work for me in this role, yet I had a very good understanding of the rules of this place. I cannot imagine the challenge that this place will be for those who do not come with that background. I also started to think about the composition of this place. It is changing, sometimes for the better. Have a look round here. There are a lot more women here than there used to be, and that can only be a good thing. It will be an even better thing when we have the numbers! But what my party as a major party really needs to do is look at the breadth of people’s experience. I came here as a party hack—that is what we
are called—and so did my very good friend Chris Evans. You could probably also put Nick Minchin in that category. We were elected officials for our respective political parties. I have enormous admiration for people like Nick and Chris but, when you combine the party hacks and the lawyers, there is not a lot left here—there is not much else.

I look around and I see my good friend Glenn Sterle, who started life as a truck driver. As I understand it, that was his aim in life and then he got sidetracked into other things, such as representing the views of his friends. It was never his aim to be a professional political activist, whether it were through the trade union movement or through the Labor Party. Therefore, I think people like Glenn bring a very unique perspective to this place and a perspective that I worry we will lose if we as a party do not have a mind to ensure that we maintain the breadth of representation.

The highlight of my time in this place has probably been working with a wonderful group of women—the cross-party women who have previously been referred to by others. They have been referred to by others a lot more eloquently, so I will not go into that, except to say that I echo all of those comments that have been made by Kerry and Linda and, in particular, by Natasha.

We have achieved some great things. I hope we have achieved them with a sense of pride and a sense of purpose but also a sense of respect for those who do not hold our views. I am disappointed to be leaving this place without one last achievement, which seemed to cause a great deal of anxiety around this place earlier today, which is the proposal to change the AusAID funding guidelines. It is disappointing that that issue has not come to a head and that a decision has not been made. As I said, we all hold strong views on issues like that, but we do need to remember to treat one another with respect. Sometimes the contributions that people make do go unnoticed. We could have had an interesting experience here this morning and it certainly would have got me all riled up. But thanks to my good friend Claire Moore and thanks to Lyn Allison, we did not, and I think those who oppose my view should also acknowledge that.

In concluding, I would like to thank the many people who have come in here and said some very kind things about me. It is always interesting sitting here and learning other people’s perspectives of your contribution to this place. I would like to thank the many people who have been in contact to say some very kind things. After I have had my first sleep-in in a long time on 1 July, I hope I will then be able to get around to personally thanking each and every one of you.

I look forward to the future; the future is good. I have had an incredible opportunity. I come from a state with a population of about two million people. There are only four people at any one time who get to do this job, which is to be a Labor senator from Western Australia, and that should be remembered. It is an incredible opportunity. You have to make the most of it. It has given me the skills, the strength and the confidence to go forward. Thank you.

Senator MOORE (Queensland) (5.51 pm)—I want to acknowledge all the senators who will be leaving this place over the next day or so. Your work and your contributions have been recorded and now you will appear sometime in the future in the august Senate bibliography. We are looking forward to when it catches up to this century. I want to begin by mentioning that extraordinary bunch of women whom we are losing. But we are only losing them from this place; we are not losing them from action over the next few years and many years to come. All six of
you strongly reflect the hopes and expectations of the women who fought so hard to get women into this place, to have the vote and be a part of the political system. When you go on the first floor of Parliament House and you see the suffragette banner, featuring women, saying, ‘Trust the women mother as I have done,’ that can be strongly reflected in each of your performances.

For over 20 years Senator Kay Patterson has been a strong servant of her people and many, many causes. The contributions that Kay has made make me think of that organisation that she so strongly represents and loves, Girl Guides Australia. With practicality, capability, hard work, a sense of duty and a real sense of humour I think there could be a toggle for parliamentary service for her.

Thank you, Lyn Allison, for giving us so much leadership and help and for working in solidarity with women. Your work in social justice will not be forgotten, nor will your expectation that there be cooperation amongst women across parties to achieve an end. Your work in mental health, peace and women’s movements will be remembered.

So much has been said about you, Natasha Stott Despoja. But I will not talk about the inspiration that you have been for so many years and will continue to be in the future. I enjoy watching Natasha Stott Despoja in this place, her workplace. She takes command when she comes in with her speeches and her oratory, which make you see the joy, the pride and the real commitment she has to getting her job done. Thank you and we will continue to work with you in the future. I want to see you speaking publicly many times again.

Kerry Nettle, we have worked well together. Your fearless devotion to social justice will always be remembered. Despite sometimes having to fight the good fight with not a lot of support around the house, you are a task- and an issue-driven politician, which is what we need—although that has always been tempered by compassion and your sense of humour and duty.

Linda Kirk, we have always worked well together. Your intellect has been mentioned by so many people. We acknowledge your professional skills and that you work with a quiet dignity, which sometimes means that perhaps people do not immediately take notice. Nonetheless, the strength of your contribution, the grace of your teamwork and the inspiration you provide will continue in your work, particularly in the areas of refugees and social justice. No-one can forget Linda Kirk’s first speech in this place. It stopped us, and we knew that we had real value in her. That value must continue, and we know it will.

I want to talk a little bit about the two Andrews. Andrew Murray has such a mastery of the English language, which he shows so often. I will always remember his statement yesterday:

I like committees because you learn stuff. I think that sums it up. His contributions will always be remembered, as has been mentioned many times. I want to thank him for his strong support and generosity. He took the time to work with someone who was not good at economics, and that is well known. He intrigued me with the special nature of taxation issues and actually took the time to teach patiently. His work with the forgotten Australians is a challenge that he has given to all of us. That challenge must not be forgotten.

My friend Andrew Bartlett, Queensland has been very well served by you. I could say much about your commitment, your knowledge and your passion about issues but I think that sharing with you the other afternoon the thanks from the refugee community of Queensland means more than people
standing up in this place making speeches. That community has a genuine love for you and your work, which must continue. It will be a legacy I know you will continue to hold dear as you keep on working—and you do not stop. You will not stop and that will not happen.

To my friend George Campbell: your knowledge and work in the union movement, knowledge of manufacturing and amazing networks will always be there. No-one is unaware of the status that George Campbell has in that process. I want to mention the amazing generosity of the man—although not always with bills!—on a personal basis. He actually gave time and support to a new senator. He understood the fear that was there and took the time to give advice and be warm and welcoming. I want to particularly mention the fact that George would welcome people from the community who were visiting this place into his office and genuinely take the time to entertain and share with them. We all know his ability as a raconteur; we all know the way he can tell stories. People from community groups in this country who came to this place will always remember the time they had with George Campbell. They talk about the warmth of that experience. He will continue working in our community, I know, but I think that his generosity must be acknowledged, as well as his amazing skill and his life commitment to the wider union movement, including the metal workers union, one of my unions.

My good friend Ruth Webber just made an extraordinary speech; I think it was a wonderful speech. Ruth, one of the benefits of this place is you can have true friendships, and I think we have achieved that. I will remember the great loyalty and support that you provide, your common-sense approach to things, the way you cut through—and I will not say the word that comes immediately to mind—and provide strong advice and the fact that you actually are there in the bad times as well as the good. Western Australia had a good senator in Ruth Webber. Most of her contributions in this place and elsewhere began with, ‘As a Western Australian, my home state’. That was the passion she brought to her contributions. As a party woman, she knew the rules. She knew how it worked and she helped us through those processes. Particularly in the areas of mental health and disabilities, you have done amazing things and we are proud to have worked with you, and we know we will continue to do so in the future.

To all the senators who have become friends as well as workmates: you have done your job. You have made this place a better place and have continued the contributions that this Senate makes to our parliamentary system.

Senator MARSHALL (Victoria) (5.58 pm)—I rise to acknowledge and pay tribute to the contribution made by my colleague Senator Ruth Webber. As Ruth indicated in her speech, we met when we got elected together at the 2001 election and in the processes leading up to us taking our seats in this place in 2002. We became friends straightaway. We both enjoyed a glass of wine, which certainly helped to form a long-term relationship. Ruth always enjoyed white wine; I enjoyed red. But in most other matters we actually agreed. In stark contrast to the comments I made about my colleague Senator Campbell, on most issues I agreed with Ruth. When we did not agree, more often than not she was right, not me. But on one occasion we both got it wrong; we both voted for Mark Latham. Nonetheless, you live and learn.

Being elected with Ruth in the ALP class of 2002 meant we discovered the intricacies and eccentricities of the Senate process together. Senator Webber took to the process...
with gusto, showing that she was a quick learner in the ways of the Senate—something which may have had a lot to do with her long history of activism across Australia. It also may have had something to do with her having been a whip’s clerk, which is something she conveniently omitted to tell me at the time. And I have just learnt tonight that she also worked for a former senator who was in fact a former federal Labor minister.

Ruth immediately took the fight up to the conservatives, not only on the traditional Labor issues such as workers’ rights but also on human rights, environmental policy and the community services area, where she had long been active before being elected to this place. This work showed Ruth’s continuing commitment to making life better for Australians now and in the future.

Ruth not only acknowledged the achievements that were hard fought and won by previous generations of the Labor movement but realised that she had a part to play in protecting these and building upon them. She is a passionate believer in the central tenet of the Labor Party—the value of employment. She has always believed in work for everyone who wants work, work that is safe and healthy, work that has fair pay, work that allows time for family and community, work that is rewarding and stimulating and work for each according to their abilities. This is why she fought so strongly against WorkChoices and for IR policy that valued people and their work.

Ruth has always held the strong belief that economic opportunity is central to ordinary Australians’ lives and she has argued for all people to be able to participate meaningfully in our economy. This naturally followed on from her work with community groups such as Jobs West and DOME, a community based labour market program for mature age unemployed people. In line with this, since entering the Senate Ruth has been a permanent member of the Senate Standing Committee on Economics, where she has worked on many different proposals for economic participation and on numerous pieces of legislation and inquiries.

Ruth has always acknowledged the social change fought for and achieved by progressive people. In pursuit of social change she achieved progressive victories in this place when such victories were few and far between. She achieved victories across party lines and showed how the Senate could be revived as a place for debate and leadership on issues of concern to the Australian community. We saw this in her work on the legislation to allow for the approval and import of RU486 and on the first draft of the most recent stem cell research legislation, which has now been passed by both houses of the federal parliament.

Ruth has worked tirelessly on behalf of all Western Australians in her role as a senator for that state. I recall many Senate estimates sessions where different government departments would be asked about their work in some remote community in Western Australia. If Ruth had not received a satisfactory outcome, she was dogged in her determination to ensure that one was ultimately achieved, regardless of who she had to pursue. Even in the last estimates round she was still hounding Australia Post about providing postal services to rural and remote locations like Tom Price and Marble Bar.

I will miss Ruth’s contribution to this place and I will miss her presence here, as she has been a source of great friendship and great support. Thank you, Ruth. I very much look forward to continuing our friendship outside of this place.

Senator CAROL BROWN (Tasmania) (6.03 pm)—I would like to make a few re-
marks about the three retiring ALP senators; however, before I do I would like to offer my best wishes to all of the retiring senators. Not only is the Senate losing a great deal of experience but many of us are losing the ability to have sage advice at hand, and in some cases we are losing our buddies. I thank them for their work and for their contribution and I offer my best wishes to them.

I would like to particularly mention my Tasmanian colleague Liberal Senator John Watson. John is retiring after three decades of service to the Senate and to Tasmania. He has received from his coalition colleagues and from other senators in this place many accolades and due recognition for his long and valuable contribution to the parliament, and of course to his Tasmanian constituency, and I would like to add my remarks to theirs. John commenced his Senate service on 1 July 1978. Whilst I have only personally worked with Senator Watson in this place since late 2005, most particularly on the Senate Standing Committee on Finance and Public Administration, it has been a pleasure to work with ‘Watto’, as he is affectionately known around the Senate. He is known for his dedication and dogged determination to raise issues of particular interest. As you would expect from Senator Watson, he has taken the time to write to his fellow Tasmanians—all of them, I believe! He wrote to thank them for giving him the opportunity to serve them and to bid them farewell. I have my copy of your letter, John! But I do believe that your photo on the letterhead is probably 30 years old as well. I suppose we are all a bit guilty of using the most flattering photos. I know your services will be in great demand back home. Thank you, John, and best wishes for the future.

I now return to the three retiring ALP senators. I would like to take this opportunity to make a few departing remarks about my fellow Labor colleague Senator Linda Kirk. Senator Kirk’s departure comes as a great loss to those on this side of the chamber—indeed, to the parliament as a whole. It is such a pleasure to serve in this chamber with people such as Linda. Linda is a woman of principle who has truly used her time here in the Senate to champion a number of significant causes in various roles, not least of which was her role as convenor of Parliamentarians Against Child Abuse, a position which has revealed Linda’s strength of character in what is a deeply emotional and difficult but extremely important area. It is extremely important work, as the Australian statistics are shocking. Nearly 60,000 children are believed to be at risk each and every year. Linda raised with the Senate the extent of the child abuse problem on a national and global level and, importantly, raised what we could do about it. The issue of child abuse is a national concern, and the government is providing national leadership on what is our most serious national priority. Linda, along with the other female senators who are leaving this chamber, has done an excellent job in promoting the role of women in the Australian parliament and in aiding the health of our great democracy.

Now I turn to Senator George Campbell. I take the opportunity to indicate to the chamber that I knew of George Campbell prior to him becoming a senator. If you were a member of the Australian Labor Party, or if indeed you read a national newspaper, you could not help but know who George Campbell was. During my brief time in this place I have been lucky enough to get to know George Campbell not only as a parliamentary colleague but also as a friend. Many a fond memory has been kindled over a takeaway and a hearty joke, and there was probably a lot of rewriting of history in the Opposition Whip’s office with George and others, with Senator Campbell, as you would expect, taking centre stage. Not one afraid of speaking
his mind, the man I have got to know during my time here is indeed a man of the highest order, a man of great conviction, loyalty and respect.

There are few who have advocated the great Labor ideals of equality and a fair go for all as passionately as Senator George Campbell. Indeed, since migrating to Australia in 1965, Senator Campbell has worked tirelessly to protect and promote the rights of Australian workers and their families, first through his long and successful involvement in the trade union movement and then of course as a senator for New South Wales. It seems fitting that his departure from the Senate corresponds with the end of Work Choices and the election of a Labor government with a clear mandate to reintroduce fairness to the Australian workplace. During his time in this place, Senator Campbell has served both the Australian public and the Labor Party extremely well, serving on various committees and acting as Opposition Whip. It was, however, a position which, as we heard in George’s valedictory speech last week, he considered somewhat cursed. Indeed, one of my most vivid memories of Senator Campbell is of him in his role as Opposition Whip after I missed my first division. Looking back on it now the scene seems highly amusing, but it certainly was not at the time. George’s face went from red to scarlet, eventually settling on blue; I, of course, was white. I did not miss another division—well, actually, I did miss another division—and I do not recommend it to any of the new senators, unless of course they are voting against the ALP position, when they are welcome to do it.

In summary, I wish to acknowledge the great contribution that Senator Campbell has made in passionately advocating for New South Wales and protecting the rights of Australian workers in this place. He has done so with the greatest dedication, honesty and conviction. His presence here, particularly during question time, will be dearly missed.

The most difficult part of my contribution here tonight is to say farewell to my friend Senator Ruth Webber, senator for Western Australia. It is indeed sad that Senator Webber will no longer be with us in the Senate. I have spent a considerable amount of time over the last couple of days thinking about exactly what I could say as a fitting tribute to Senator Webber here tonight, and it seems, as is always the case on such significant occasions, the words just will not come out right. So let me start by saying that, first and foremost, it has been an absolute pleasure serving with Ruth during my short time in this place. It does not take anyone who has met Ruth long to figure out that she is a woman with great strength of character. She is wise, intelligent and above all committed. Ruth is loyal to her friends, her party and her ideals. She is always prepared to put in the hard yards supporting party members, candidates and colleagues, particularly when times get tough.

Senator Webber is a wise counsel when one needs advice. In a testament to her strength of character, during her time here Ruth has proven that she is not afraid to take on difficult tasks or deal with complex issues. Indeed, Ruth has not shied away from issues and, when not initiating discussion, she has certainly been an active supporter of various controversial and complex pieces of legislation. As we all know, it is not easy to be successful when legislation divides caucuses; it is extremely difficult. But the mark of this woman is that she has been involved in the successful passage of several monumental pieces of policy, including RU486 and stem cell legislation. The work and the hours Ruth put in on the stem cell legislation, along with Senators Stott Despoja and Patterson and other senators, was fundamental to seeing the legislation passed, an experi-
ence that was quite exhausting and stressful. However, having said that, Ruth has always been determined that matters such as these are, as much as possible, debated and conducted with respect and that people are allowed to put their views.

I can tell you what Ruth is not: Ruth is not a hands-off politician. She is not afraid to speak her mind, as many around the chamber can attest. And I can tell you what Ruth is: Ruth is passionate about the Labor Party; Ruth is passionate about the proactive and positive role for women in our democracy. Ruth does not just talk the talk; she walks the walk when it comes to supporting her colleagues. Ruth has provided me encouragement, support and occasionally a not-so-gentle push, all of which I am grateful for. Politics presents us with many challenges and opportunities, and I have been honoured to have worked alongside Senator Ruth Webber. I know that we will continue our friendship outside this place but I will miss Ruth being here all the same.

BUSINESS
Rearrangement
Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.13 pm)—by leave—I move:
That the Senate continue to sit between 6.30 pm and 7 pm.
Question agreed to.
VALEDICTORIES
Senator BARTLETT (Queensland) (6.13 pm)—I would like to add my voice to the acknowledgement of the contribution of Senator Webber and other departing senators. As I explained in my own valedictory last night, because of the unique circumstances facing the Democrats I did not have the time I would normally have to acknowledge the contribution of others or broader issues. I want to take the opportunity to acknowledge particularly Senator Webber, and also the other 13 departing senators who are leaving this chamber alongside me, plus Senator Ray.

Senator Webber, like Senator Kirk, served for only the one term and, without passing judgement on their party’s decisions, I think that is not only a detriment to their party but also a loss to the Senate. As we all know, we are all subject to the vagaries not just of the electorate but also of the processes that get us preselected—or not preselected—for this place. I certainly do not seek to pass judgement on other parties for their decision-making, but I think the departure of both of these women is nonetheless a loss to the Senate and, I believe, premature. The work of Senator Kirk and her expertise—I certainly know of her expertise in the area of immigration but she had expertise in other areas also—was of real value to the Senate in its core role of legislating. This role is often seriously undervalued and under-recognised, particularly by the media and others.

I have said it many times before and I will not have much opportunity to say it again, so I will say it one more time: we need to continually remind people that the vast majority of the things we do here—the arguments we have, the debates we have—is focused around the legislative process; that is, laws. Those laws affect people’s lives directly and often quite enormously. Often they affect very large numbers of people, and we do need to have people here who have the expertise and the focus to work on the legislative process and the detail. Both Senator Webber and Senator Kirk have that expertise and that focus. It is understandable—but I think it is a really unfortunate trait—that when outsiders assess the careers of politicians they basically tick off the titles and, for major party people, whether they got to the front bench, whether they were a minister or whether they got into cabinet. Of course,
those things are important, but it does have
the unfortunate side effect of suggesting that
the role of backbenchers is somehow lesser.
And it is not always lesser. I can absolutely
guarantee that from my time here.

I have seen some people in backbench
roles who have made an enormous differ-
ence, and I would add into that another de-
parting senator from the other side, Senator
Watson. As others have reflected, his expert-
ise in areas of superannuation and tax has
made a direct contribution. The very fact that
people such as these have made their contrib-
ution in part by persuading others, and have
therefore had change made by widespread
agreement rather than by a crash or crash
through type of thing, or being the person
leading the charge out the front means it does
not get noticed as much. But the change is
just as real and sometimes more sustainable
as well. I acknowledge the contributions of
Senator Webber, Senator Kirk and also Sena-
tor George Campbell, the other departing
Labor senator, who has been here slightly
longer than I—just a brief period. He came
in just before me in 1997. All of them in my
experience have been effective in different
roles. I have had more to do with the first
two than with Senator Campbell, at least in
committee and legislative work. I pay tribute
and acknowledge what they have done.

I recall the work Senator Webber put into
the stem cell legislation and I have some
recollection of the work she put into me and
to the vote I might take on that. I should say
I am still not sure whether or not I should
have voted the way I did.

Honourable senators—You did the right
thing!

Senator BARTLETT—I do not know. So,
if you had all adjourned that debate until
I had made up my mind, you would still be
waiting because I still have not made up my
mind. But, as we all know, you have to vote
one way or the other when the final calls
come. More often than not I would still vote
the same way I did, but I acknowledge Sena-
tor Webber’s commitment to that. And I
might say as a general comment, more
broadly, that it is not just the opinions people
put but the process that is involved that is
important. When you are dealing with people
who are not sure or who see the validity of
differing views, the way you put your argu-
ment makes a difference. I have that trait and
it is sometimes quite a curse. I can see the
merit in a range of different perspectives. I
think it is worth remembering in a broader
context that, if you put your case in a re-
spectful and genuine way and in a way that
does not just slag off everybody who might
disagree with you, you are more likely to get
agreement. Although I would not say that it
applied to everybody who had an alternative
view by any means, I can think of a few of
the people who could have taken a similar
approach on the other side of the debate. Who
knows?

Then there are the other departing coali-
tion Senators Patterson, Kemp, Lightfoot,
Chapman and Sandy Macdonald. I have al-
ready mentioned Senator Watson. Again, you
have different experiences with people on
different committees. I have never been one
for insincere praise and overly glowing plati-
tudes when I do not actually mean them. I do
not like doing those things in any sort of con-
text. I have not had a lot to do with some of
those people. Some I will not pretend I got
on overly well with. But I acknowledge that
all of them made contributions in their own
area—a lot of them over an extraordinarily
long period of time. I particularly admire the
contribution of Senator Watson. Even though
I did not have a lot to do with him, I was
conscious enough of his expertise and the
way he went about it to see the impact that
he has had.
I have already spoken about the Democrats and my departing Senate colleagues. I have not mentioned Senator Nettle and I would like to acknowledge her contribution. She in some ways worked parallel to me, particularly on the issues of refugees and human rights. In some ways having someone doing the same things means you are battling on the same turf, but in a broader context it is way better. Sometimes it is a battle about who can get the attention. But it is much better to have someone else working alongside you on the same issue, because you have two voices out there doubling the effort and doubling the attention drawn to that issue. It is about the issues, and I acknowledge the contributions she has made and the difference she made in those areas and a number of others.

Senator Nettle was another one who served only a six-year term; she initially came to this place replacing Senator Vicki Bourne, a Democrat from New South Wales. It was a disappointment to me at the time that the Democrat seat was lost and went to the Greens, but it is a greater disappointment to me that that seat has now been lost and has gone to the major parties. That is no reflection on the person who has got it; I actually do not even know who from New South Wales has got it—no doubt some party hack: a union backroom official or whomever. The fact that there is now no representation outside of the major parties in New South Wales, as in my home state of Queensland, is a disappointment to me.

I did note Senator Webber’s recognition of the importance of the role that party officials play. As I said last night, that role is under-valued and sometimes unfairly besmirched. I thought it was good that she acknowledged the role, although I think she then went on to say there are too many of them here, along with lawyers. Well, Senator Webber, you are going and I am going, so that is a couple of fewer party hacks in the place! But I suspect there are a couple of more coming in, so perhaps that balance will be kept.

Having noted that Senator Nettle’s seat is returning, on her departure, to the major parties, I will take the chance, along with my departing four Democrat colleagues, to note that of the high of nine Senate seats that the Democrats had six or seven years ago—and obviously the last of all of those nine are now gone, sadly—six have gone to the major parties; only three went to the smaller parties. Not long ago the crossbench was at a high of 13, including Senator Murphy, although I suppose one could quibble that he was a person first elected for a major party, so let us say it was 12 people elected as non-major-party senators. It is now at seven senators. That is a lot bigger workload, and I want to keep making that point.

Another thing I would say, in looking at the outgoing group of 15, if I count Senator Ray, is that, while it is a large number, it is also a reflection of the different factors that can impact on politics. I think the perfect way that all of us would like to leave this place is at a time of our own choosing without pressure from outside factors, happily retiring and seeing our seat handed on to another person from our own party. Obviously that did not happen for any of the Democrats, because none of our seats was carried forward by a Democrat. Counting through that 15, I think probably only two or maybe three are in that situation. Some fell short in the eyes of the electorate, some fell short because they were unsuccessful in preselection and there were perhaps one or two others who saw the writing on the wall and did not contest once they knew they would not win. To only have two or three in that position of retiring as they wish and having their seat go to someone in their own party shows how many factors can come into play and lead to such a turnover.
It is a record high turnover, and I concur with Senator Webber that it is a huge turnover when you add those leaving this time, those who left last time and those who have left in between. Combined with a shrunken crossbench, it places a huge responsibility on the new Senate. Also, as I am duty bound to say, combined with the departure of the Democrats and our corporate memory collectively, it is a big task for the new Senate. I do not doubt that the people in it will do their best and I am sure they will rise to the task. I wish them well in that.

I wish all departing senators the best for the future. One thing that is for sure about the Senate—and Senator Webber reflected on how incredible a place it is, what an immense privilege it is to be a senator and what an amazing learning experience it is—is that life does not end when you walk out the door. Many would say life begins, and I hope it does for all those who are departing. Taking the things that we have learnt and applying them again to the benefit of the wider community is something I am sure most, if not all, of those who are retiring will do. I wish them well in doing so.

Senator STOTT DESPOJA (South Australia) (6.26 pm)—I promise this will be a brief contribution. I feel a little remiss in not having acknowledged individual or specifically or indeed in more detail the contributions of other departing senators. Tonight I want to briefly acknowledge three particular female friends in this place with whom I have worked particularly closely. I am not going to attempt to revisit my valedictory or even to reflect on all senators or indeed my party. I have done that to some extent, and it is also too hard to talk particularly about colleagues and the things that we have been through. I am also standing up in a blatant attempt to prevent Senator Rod Kemp tabling the men of the Senate calendar, as he has threatened to do! If I have to, I will filibuster as my last show of defiance in this place.

Seriously, I cannot endeavour to pay tribute appropriately to all departing senators, and of course those include former Senator Robert Ray. He will forever be held in high esteem by me, not because of his extraordinary knowledge of the processes of this place but simply because he referred to me once as Princess Leia—and therefore he is good. I am sorry to say that it did involve him referring somewhat derogatorily to someone else as Jabba the Hutt, but that is not the point. I digress, Madam Acting Deputy President; you see: you give a departing senator the floor and we could stay here all night. I do not know but I think this is perhaps a form of denial.

I cannot do justice to all departing senators. I did salute or pay tribute in a general sense to them last night, but tonight very briefly and very quickly, given it is Senator Ruth Webber’s night, I would like to say to Ruth—through you, Madam Acting Deputy President—I had a wonderful time working with you on the stem cell bill. I acknowledge your involvement in that was not always given a high profile, but you were the person who was brave enough, resolute enough and progressive enough to say, ‘I will put my name to this bill,’ and then, not just in name only, you did the work, you did the hard yards and you understood the legislation. I guess we would have liked it to have been a cross-party bill—because we knew it was going to get through, didn’t we?

Senator Webber—Absolutely.

Senator STOTT DESPOJA—Said with a slight uncertainty towards the end there! I have just discovered that uncertainty is remaining—but, Andrew, you did the right thing, as far as the majority of us are concerned anyway.
Senator Bartlett—It was only just a majority.

Senator STOTT DESPOJA—Those were fun times—and let’s not even acknowledge that interjection. I mentioned last night, and I know that we have all reflected on this, that it has been unusual to have women working together in this place, but when it has happened it has been fantastic. I think a lot of tribute needs to be paid to the many senators involved in that instance and to Senator Webber in particular. I am sorry that you are not going to be in this place, Senator—and it is not that I am not going to be here so I am not going to miss your presence in that respect, and I am sure we are going to keep in touch and be dear friends, I hope, for a long time—because you have made an amazing contribution, and anyone listening to your speech would understand that, and there has also been your understanding of complex and broad ranging issues, absolutely so.

Another fine legislator and dear friend is Senator Kerry Nettle. It may surprise people but, over the years, I have found her a wonderful sounding board, simpatico on a lot of things. We have had our political differences as well policy-wise, but the people of Australia need to understand that they are losing a fine legislator. I respect her role very much as an activist, wanting to bring the streets into the parliament, because that is our role. Certainly, the Democrats strongly believe too that we can be campaigners and activists but when we come in here we are legislators. I suspect some stereotypes of Greens senators, particularly by mainstream media, would be that they were not capable of being legislators. Well, Kerry Nettle is a legislator and it has been an honour to serve with her.

Finally, very briefly, my dear friend Senator Linda Kirk referred in her speech—in an oh so surreptitious way—to our ‘extracurricular activities’, which really just meant going out and having some fun girly times on occasion. Have we got so many constitutional lawyers in the Senate that we needed to get rid of this one? Hello! I will never quite understand or respect that decision but it is not my place and I understand that, in political parties, things happen. As a Democrat, you have to understand that. To Linda, your leaving will be a great loss here. I have really enjoyed being a friend but, more importantly, working with you. I know you are passionate about human rights and really nerdy stuff too—constitutional law; that is pretty nerdy. I always think constitutional lawyers should probably end up in the Senate. But, having said that, I think you will end up in an august body or institution that will do you, your family and this country proud. I have no doubt that, after here, you are destined for some exciting things and I look forward to sharing some of the down time with you.

To all my departing colleagues—it is just too hard to do this—I did want to take advantage of the fact that we were saluting Ruth in particular tonight and say that our stem cell bill will go down in the history books. It may not have passed this chamber—not with our names on it anyway—but it was one of the things I am most proud of. I just wanted to acknowledge and thank you for that.

Senator LUNDY (Australian Capital Territory) (6.32 pm)—It is quite a strange feeling to be saying goodbye to so many senators and I note Senator Webber’s reference to the situation where we will have some 39 senators in this place with less than three years experience under their belt. I would like to take this opportunity to acknowledge those senators that I have had the privilege of working with during their time here.
To Senator Patterson, thank you for your friendship and contribution. I got to know Senator Patterson on the Senate Environment, Communications, Information Technology and the Arts Legislation Committee when she was chair of the committee. I remember many a late night discussing things as we worked through the very long agendas of those committees. She is a fascinating person, a strong personality and I know she will be missed in this place.

Senator Lightfoot was the Chair of the Joint Standing Committee on the National Capital and External Territories for as long as I can remember and, being a member of that committee for as long as I have been here as well, I would like to say that it was a pleasure to work with Senator Lightfoot. I appreciate his stewardship of that committee over such a long time.

I have worked with all of the Democrat senators, Senator Stott Despoja, Senator Allison, Senator Bartlett and Senator Murray on a whole range of senate committees from time to time over the last 12 years or so. In particular, Senator Murray and I worked very closely together on some of the early IT outsourcing Senate inquiries, which have faded into the dim history of the Senate now but remain strong in my memory at least. A powerful legacy left by Senator Murray is what is known as the ‘Murray motion’, the production of the lists of contracts by agencies and departments to allow greater accountability and scrutiny in this place of how agencies and departments expend taxpayers’ dollars through contracts.

To Senator Kemp, I wish you well in the future and I wanted to note that I think you did have a bit of fun at the last round of Senate estimates trying to relive the glory days of your portfolio in the stewardship of the arts and sport portfolio, asking officials if they could quantify the gains to their respective programs and agencies during Senator Kemp’s tenure as minister. I have to say that I was quite happy to let him go down this track because, from time to time, all my colleagues know that I found Senator Kemp’s conduct at Senate estimates quite exasperating. And the trick was not to show it because, if you showed it, he got all excited and played up, making it very difficult for me to do my job. I have no doubt that this was a deliberate tactic on his part and I would like to thank Senator Kemp for the role he played in helping me practise my poker face and trying not to show the frustration I was feeling. Senator Kemp, I wish you all the best in the future.

I obviously want to reflect on my Labor colleagues Senator Ruth Webber, George Campbell and Linda Kirk and to say a few words about Senator Robert Ray. Senator George Campbell is one of those people whose reputation did precede him into this place well and truly. I knew him from my time at the Construction, Forestry, Mining and Energy Union through the various building union events over the years and other Labor left activities.

He was a fierce campaigner, and this very traditional advocacy for working people took on new dimensions when in the hands of Senator Campbell. His ability to translate the aspirations of the proud employees of the critical industry sector, that being manufacturing, on to another plane of the economic debate was quite inspiring for me to observe. His grasp of the global economic challenges that faced and still face manufacturing as a sector in Australia has ensured that manufacturing has remained a centrepiece of Labor policy.

Senator Campbell’s capacity to bring his union and membership and, while as a senator, the whole industry with him on these issues is a wonderful legacy. He has been the
de facto spokesperson for manufacturing, regardless of his actual position within federal Labor. I think it is appropriate to say thank you on behalf of all of the employees, business and unions—everyone alike—that are in some way engaged with manufacturing to Senator George Campbell for his advocacy on behalf of manufacturing in this country.

I also have a reason to thank Senator George Campbell as Opposition Whip. I live here in Canberra, and I know I am very lucky in this regard, because I get to see my family more often. It also means I am able to get to parent-teacher nights and to pick up the kids if they are stuck. Senator Campbell, as whip, helped me with the pairs necessary to make my family life a little more normal. For this, I am very grateful. These small things to help out me, my husband and the kids meant a great deal and I thank him sincerely for that.

Senator Linda Kirk made us all sit up and take notice with her first speech. We have all reflected on it at one point or another. It was thoughtful and confronting. I am dismayed that I have to say goodbye to her at all, let alone so soon. We need people like Senator Kirk because of the intellect she brings to her area of expertise—the law and, in particular, constitutional law. We have had advocates in these areas before as part of the Labor team. I remember Senator Barney Cooney was previously well established in this role.

The great strength of the great Labor Party is that we can as a team leverage the incredible expertise that different individuals bring, and I particularly acknowledge Senator Kirk’s compassion and care in relation to the needs of children and child protection. She has changed lives and she has probably saved some. We are not experts at everything, and we need and we rely on these sharp minds in the Senate. For this reason, in particular, Senator Kirk will be missed—and I think noticeably.

I have not spent much time with Linda on committees, but she has a wonderful confidence-inspiring manner that I will truly miss. I would also like to acknowledge her strength of character and, in particular, her support for controversial legislation such as that dealing with RU486 and stem cell research, joining other progressive women to make history.

I would also like to say a few things about Senator Webber. You will not be surprised that it is in respect to a lot of the work and the contribution she has made to the Senate, in particular, on mental health on the Senate Standing Committee on Community Affairs. Her work to ensure the engagement by the local government sector in housing options and the inclusion of people experiencing mental illness has left a strong legacy of improvements and assisted in firmly placing this issue at the centre of federal policy agendas.

I would like tonight to echo Senator Webber’s call that this issue continue to be pursued with the specific focus that she outlined. It makes sense, it is a strong vision for the future and we would be wise to listen. I trust that good use is made of this expertise in one way or in another in the future. The sort of experience gained by so many years of developing a thorough and in-depth knowledge ought not be squandered in any way.

I would also like to note her representation of the people of Western Australia. Her abiding commitment to make sure that communities outside the city and way up north in the Kimberley and the mining towns were represented is to be acknowledged and commended. Again, coming from Canberra, I find it hard to grasp the burden of travel that my colleagues from the west and the far...
north endure, let alone the scope of their duties in representing remote communities and giving them a voice in this place.

In Senator Webber’s case this voice, we all know, is loud—literally—but it is loud in a political sense, and she has been an effective voice for the people of regional, rural and remote Western Australia. I should also mention that one of her advocacy causes has been the frustrations experienced by people in the west in relation to broadband access speeds. This is an issue that I have a great interest in, and Ruth has given form and substance to these complaints and made sure that the west has been well and truly represented in the telecommunications debate as a result.

I would also like to acknowledge the leadership role she played with respect to the stem cell research legislation. I think Ruth’s leadership on and commitment to the RU486 debate will go down in history. She and Linda have stood side by side with a group of progressive women who changed the rules in this place in the sense that we stood up and made a difference.

I would like to close by making a few comments about Senator Robert Ray. Senator Ray is not here. It was very strange for me, reading about his early departure in the press and then finding his office already cleaned out. Senator Robert Ray has been an incredible inspiration to me. Not only has his capacity to articulate a principle and then pursue a policy path and a path of action based on those principles served me as a strong guide in appropriate conduct and contribution to this place, but he will certainly always stand in my mind as a wonderful role model, mentor and inspiration. For that, I would like to thank Senator Robert Ray from the bottom of my heart—the leadership that he provided to me as a new senator, many years ago now, and for the contribution he continued to make in a whole range of areas, not least the dignity of this institution throughout the course of his Senate career.

To all of the departing senators, thank you from me personally and thank you for the work you have done in this place. You will be missed.

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—Order! The President has received letters from party leaders seeking variations to the membership of committees.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.44 pm)—by leave—I move:

That senators be discharged from and appointed to committees, with effect from 1 July 2008, as follows:

Agricultural and Related Industries—Select Committee—

Appointed—Participating members:
Senators Arbib, Bilyk, Cameron, Cash, Farrell, Feeney, Furner, Kroger, Pratt, Ryan, Williams and Xenophon

Australian Commission for Law Enforcement Integrity—Joint Statutory Committee—

Appointed—Senator Cameron

Community Affairs—Standing Committee—

Discharged—Senator Polley
Appointed—
Senators Bilyk and Siewert
Participating members: Senators Arbib, Cameron, Cash, Farrell, Feeney, Furner, Hanson-Young, Kroger, Ludlam, Polley, Pratt, Ryan, Williams and Xenophon

Corporations and Financial Services—Joint Statutory Committee—
Appointed—Senators Arbib, Coonan and Marshall

Economics—Standing Committee—
Discharged—Senators Bishop and McEwen
Appointed—
Senators Cameron, Furner and Pratt
Participating members: Senators Arbib, Bilyk, Bishop, Cash, Farrell, Feeney, Hanson-Young, Kroger, Ludlam, McEwen, Ryan, Williams and Xenophon

Education, Employment and Workplace Relations—Standing Committee—
Discharged—Senators Boyce, Siewert, Sterle and Wortley
Appointed—
Senators Arbib, Cash, Collins and Humphries
Participating members: Senators Arbib, Bilyk, Cameron, Farrell, Feeney, Furner, Hanson-Young, Kroger, Ludlam, Pratt, Ryan, Sterle, Williams, Wortley and Xenophon

Environment, Communications and the Arts—Standing Committee—
Appointed—
Senators Ludlam, Pratt and Williams
Participating members: Senators Arbib, Bilyk, Cameron, Cash, Farrell, Feeney, Furner, Hanson-Young, Kroger, Ryan and Xenophon

Finance and Public Administration—Standing Committee—
Discharged—Senator Carol Brown
Appointed—
Senators Cameron and Ryan
Participating members: Senators Arbib, Bilyk, Carol Brown, Cash, Farrell, Feeney, Furner, Hanson-Young, Kroger, Ludlam, Pratt, Williams and Xenophon

Foreign Affairs, Defence and Trade—Standing Committee—
Discharged—Senator Hogg
Appointed—
Senators Feeney and Kroger
Participating members: Senators Arbib, Bilyk, Cameron, Cash, Farrell, Furner, Hanson-Young, Hogg, Ludlam, Pratt, Ryan, Williams and Xenophon

Foreign Affairs, Defence and Trade—Joint Standing Committee—
Appointed—Senators Arbib, Ferguson and O’Brien

Fuel and Energy—Select Committee—

Legal and Constitutional Affairs—Standing Committee—
Discharged—Senator Hurley
Appointed—
Senators Farrell, Feeney and Hanson-Young
Participating members: Senators Arbib, Bilyk, Cameron, Cash, Furner, Kroger, Ludlam, McLucas, Pratt, Ryan, Williams and Xenophon

Library—Standing Committee—
Appointed—Senators Bilyk and Cameron

Migration—Joint Standing Committee—
Discharged—Senator Polley
Appointed—Senator Bilyk

National Broadband Network—Select Committee—
Appointed—Participating members: Senators Arbib, Bilyk, Bishop, Carol Brown, Cameron, Cash, Collins, Crossin, Farrell, Feeney, Forshaw, Furner, Hogg, Hurley, Hutchins, Kroger,
Ludlam, McEwen, McLucas, Marshall, Moore, O’Brien, Polley, Pratt, Ryan, Stephens, Williams, Wortley and Xenophon

**Parliamentary Library—Joint Standing Committee**—
Appointed—Senators Bilyk and Cameron

**Procedure—Standing Committee**—
Appointed—Senator Siewert

**Publications—Standing Committee**—
Discharged—Senator Wortley
Appointed—Senator Feeney

**Regional and Remote Indigenous Communities—Select Committee**—
Appointed—Participating members: Senators Arbib, Bilyk, Cameron, Farrell, Feeney, Furner, Cash, Kroger, Pratt, Ryan, Williams and Xenophon

**Rural and Regional Affairs and Transport—Standing Committee**—
Appointed—Participating members: Senators Arbib, Bilyk, Cameron, Cash, Farrell, Feeney, Furner, Hanson-Young, Kroger, Ludlam, Pratt, Ryan, Williams and Xenophon

**Scrutiny of Bills—Standing Committee**—
Discharged—Senator McEwen
Appointed—Senator Cameron

**Selection of Bills—Standing Committee**—
Appointed—Senator McEwen

**Senators’ Interests—Standing Committee**—
Appointed—Senators Bilyk, Fifield and Pratt

**State Government Financial Management—Select Committee**—
Appointed—Senator Boyce
Participating members: Senators Arbib, Bilyk, Cameron, Cash, Farrell, Feeney, Furner, Kroger, Pratt, Ryan, Williams and Xenophon

**Treaties—Joint Standing Committee**—
Discharged—Senators Bushby, Marshall and Sterle
Appointed—Senators Cash, Farrell, McGauran and Pratt.

Question agreed to.

**Senator SHERRY** (Tasmania—Minister for Superannuation and Corporate Law) (6.44 pm)—by leave—I move:
That senators be discharged from and appointed to committees as follows:

**Agricultural and Related Industries—Select Committee**—
Appointed—Participating member: Senator Fielding

**Community Affairs—Standing Committee**—
Appointed—Substitute member: Senator Crossin replace Senator Carol Brown for the committee’s inquiry into petrol sniffing and substance abuse in central Australia

**Fuel and Energy—Select Committee**—
Appointed—Senators Fielding, Hutchins and McEwen

**National Broadband Network—Select Committee**—
Appointed—Senators Lundy and Sterle

**Public Accounts and Audit—Joint Statutory Committee**—
Discharged—Senator Hogg (from 26 August 2008)
Appointed—Senators Boyce, Bushby and Feeney (from 26 August 2008)

**State Government Financial Management—Select Committee**—
Appointed—Participating member: Senator Humphries.

Question agreed to.
TEMPORARY CHAIRMEN OF COMMITTEES

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—Order! Pursuant to standing order 12, I lay on the table a warrant nominating Senators Fierravanti-Wells, Humphries, Joyce, Parry and Trood as additional temporary chairs of committees when the Deputy President and Chairman of Committees is absent.

ELECTION COMMITMENTS

Return to Order

Senator BERNARDI (South Australia) (6.45 pm)—Yesterday I sought leave to take note of documents tabled on 23 June 2008 by Senator Faulkner relating to sports grants and I was told that leave would be granted today. Therefore, I again seek leave to move to take note of the document.

Leave granted.

Senator BERNARDI—I move:

That the Senate take note of the document.

Often in politics, as in many other fields, the original offence is not a problem but the cover-up that follows the offence destroys careers. Accordingly, we could probably forgive or excuse or understand the massive pork-barrelling that was advanced by this government before the election; the duplicity, the culture of deceit, the argument that ‘we are fiscally conservative and we will not buy this election’. But they did, and it has clearly undermined the reputation of Mr Tanner, Mr Rudd and the machine men of the Labor Party. The problem is that there is an innocent victim in this, and it threatens to destroy her career because there is a cover-up of absolutely massive proportions.

The Minister for Sport boasted on television about 100 projects that had been committed to by the Rudd Labor government during the election campaign. Further information suggested there was over $100 million worth of pork-barrelling rolled out by the Rudd government, in opposition, for sports and community grants. These projects may indeed be worthwhile. Some of them may indeed pass the ‘prince of pork’ test. But I suspect that many of them will not. The Minister for Sport was asked to deliver a list of these projects through the Senate. While she showed enormous contempt for the Senate, as did whoever in the Labor leadership was delivering them up here, she was very proud to tell a House of Representatives committee last week that she had delivered on all the election commitments in this area.

A list of election commitments cannot be that hard to provide, even for the most inexperienced minister or member of parliament. The Senate asked for the documents to be laid on the table. What was produced was not 100 projects, not an additional 30 projects, but a total of 35 projects which included the original 15 that had been provided. This is absolute contempt of this place by not only the Labor leadership here but also the minister herself. It has undermined the standing of the minister, and some of the Labor leadership here, I have to tell you. But the buck has to stop somewhere and, unfortunately, in this case, it doesn’t stop with Mr Rudd, no matter how much he claims that it should; it stops with Minister Ellis. The cover-up is an absolute scandal.

Let us look at the list for a moment and examine what is missing. There are a whole lot of things missing from the list, but I am going to create the Senate version of The Rich List TV show and we will just deal with, say, a top eight today. Let us have a look at the seat of Makin. Tony Zappia, the new member for Makin, is proudly boasting about the pork barrel grants that have been issued there: $200,000 for the Para Hills Soccer Club, $50,000 for the Ingle Farm Soccer Club, $50,000 for the Golden Grove baseball club. Were any of these on Minister
Ellis’s election commitment list? The answer is no. What about the $1 million for the North East Hockey Club, the $875,000 for the Hope Valley community centre or the $500,000 for the Tea Tree Gully football club? Were any of these on the list that Minister Ellis provided? The answer is no. But what about the $160,000 commitment to the Traralgon West sports complex? The minister herself reannounced this project on the 20th of this month. On the 23rd of this month, when the documents were tabled, do you think that was on the list? The answer is no, it was not on the list. None of these things were on the list—and the list of what was not on the list is enormous.

Let me turn my mind to one other project. What about the Penrith Valley sports hub—do you think that was on the list? Yes, it was. Finally, something is on the list, and it was on the list to the tune of $250,000 in grants. There is nothing wrong with that, except for the fact that the $250,000 worth of grants to the Penrith Valley sports hub is listed in the budget papers as a $5 million grant. There is a $4.7 million black hole: a cover-up of monumental proportions. It is a cover-up that is caused by incompetence, incapacity or instruction. Any one of those three means that Minister Ellis needs to get her whiteboard in order. Need I remind her of what happens if your whiteboard is not in order? Her predecessor Ros Kelly lost her job over sports rorts No.1. No-one is blaming Minister Ellis for announcing these grants because she inherited the portfolio afterwards. But now we have got sports rorts 2, and that means that Minister Ellis is going to wear it. She has been asked to become a human shield for the fragile but gigantic ego of the ‘prince of pork’ himself, the Prime Minister. The challenge now is for Minister Ellis to wheel out the whiteboard—

Senator McLucas—I rise on a point of order. I request that the spokesperson withdraw that comment. I do not think it is appropriate for you to be using language like that in this place. I allowed it when you spoke in the appropriations, but I think that you are just overdoing it now.

Senator BERNARDI—Madam Acting Deputy President, that term has been used repeatedly in this chamber. If it is unparliamentary and I am asked to withdraw it, I will.

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—I would ask you to withdraw it.

Senator BERNARDI—I withdraw it. But the challenge now is for Minister Ellis to wheel out the whiteboard to save her own bacon, or she will be remembered as the queen of cover-ups and her legacy will be sport rorts 2. There is a great deal more to go in this saga, let me assure you of that. It is time for the government to come clean and put all of their lists on the table. To do anything else will prolong this cover-up, but it will not prolong or sustain the Rudd Labor government.

Senator KEMP (Victoria) (6.52 pm)—I rise to speak on the motion that was moved by Senator Bernardi. This is an extraordinary story, I have to say. There is an issue that has emerged. Prior to the election—in fact, for the 12 to 18 months prior to the election—Lindsay Tanner and Mr Albanese spent a great deal of time criticising the Howard government for our pre-election commitments, and some very unkind comments were made. What we did not actually know at that time was that, while Messrs Tanner and Albanese were attacking the Howard government for our pre-election commitments, they were planning the largest pork barrel in Australian history. What Senator Bernardi has indicated is that already we have found some 116 sporting grants to sporting bodies that were made in the run-up
to the last election, which are valued at over $100 million.

Senator Abetz—How much?

Senator Kemp—One hundred million dollars. I have a list here which I think establishes the point I have made. I seek leave to have this incorporated in Hansard. I have shown the list to the Labor Party.

Senator Wortley—We have not had the opportunity to see it.

Leave not granted.

Senator Kemp—This is again totally in line with the policy of trying to hide these grants.

Senator McLucas interjecting—

Senator Kemp—Senator, a list of the grants was shown to the Labor Party. I asked whether this list could be incorporated in Hansard. I made it clear that the list was prepared by my office. Once again, the Labor Party has refused to allow this information to be put on the public record. As I said, while the Howard government were being attacked for what was allegedly pork-barrelling, we did not know that the Labor Party were preparing the largest pork-barrelling in Australian history. I made the point that all we are doing is speaking about sporting grants. We are not speaking about the vast range of other grants that the Labor Party made in the course of the election. I think Minister Ellis has been put in a very difficult position. I believe her to be a conscientious minister, a minister who is seeking to work hard on behalf of the sporting community, and I make no attack on Minister Ellis in that regard. Minister Ellis has been asked by the machine men, by people in the PM’s office and presumably by people in Tanner’s office to attempt to cover up the vast range of pork-barrelling which occurred in the sporting area.

The Labor Party has a rather unfortunate history in this regard. Remember that then minister for sport, Ros Kelly, was sacked over what is now termed sports rorts. In its final phase, it totalled, I think, about $30 million. Contrast the $30 million that Ros Kelly was sacked for with this $100 million plus—and growing almost daily as we get new figures in to show the large scale of grants. It is not for me really to advise Minister Ellis, but my view would be this: Tanner and Albanese prepared a major pork-barrelling exercise. They should wear the odium of it. I do not think Minister Ellis should wear the odium of it. I do not think that the advisers to Minister Ellis are aware of just what powers this Senate has. I suspect they are expert in the ways of the other place—possibly some of them have come from state arenas—but they are now dealing with the Senate. The Senate has very extensive powers to obtain information and extensive powers to make sure that this is debated. Our procedures would allow this to be debated virtually every day in this chamber as the information came to hand.

I shall be leaving the Senate, so I shall not be leading that debate or taking part, but I suspect I am not letting any secrets out of the bag when I say that Senator Bernardi will be very active over the break. Senator Bernardi will be contacting a lot of organisations over the break. I can perhaps share with the Senate some of the methods that he will be using. He will be speaking to organisations close to those bodies which have received grants but did not receive grants themselves. I suspect that, over the next three months, a great deal more information will be obtained. I just want to state again what I believe is the best advice for Minister Ellis: simply table the list of grants which she has been asked to administer.

We are not interested, really, in the argument that these grants are going to be admin-
istered correctly, because we believe they will be. Any government would be foolish not to make sure that the grants were administered in an effective way. The big issue is this, and I think people have to understand it: a massive degree of pork-barrelling has occurred—

Senator Bernardi—The largest in history.

Senator Kemp—probably the largest that we have ever seen. The second thing is that there is a huge effort to have it covered up. During the estimates process I asked some senior public servants if we could have a list of the election commitments that were being administered by their department. That was a very straightforward question. To be quite frank, I was embarrassed for the senior public servants who had to fend off these questions. And I say to the Labor Party: the contempt that the public service must start to feel when they are asked to take part in a Labor Party cover-up should not be underestimated. You cannot treat people in this fashion. You cannot ask senior public servants—secretaries of departments—to attempt to obfuscate and pretend that they have not got lists of the election commitments which they are being asked to administer. It is not right to require that of senior people in the public service. I have to say that it is yet another example of how Labor is failing in its relations with the Australian Public Service.

My argument is simply this: all of us know that pork-barrelling occurred to an extraordinary extent during the last election. We know it occurred in the area of sports. I have a list here which I have been prevented by Senator Wortley from tabling. I do not want Senator Wortley to take part in a cover-up. That would be most unfortunate. I do think that it is important that the public know precisely what has occurred under the Labor Party, and I make it very clear to the chamber that I have no doubt that this matter is going to be vigorously pursued by my colleagues in the days, the weeks and the months to come.

Senator McLucas (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (7.02 pm)—I think it is appropriate that I respond to some of the points that have been made by Senator Bernardi and Senator Kemp. First of all, I would like to go to the issue, Senator Kemp, of why leave was not granted to table the document that you wished to table. It is normal practice in this place, as you know, that documents are shown in good time to the whip—to the Government Whip in this case. I think you would certainly agree that a couple of minutes before beginning to speak on a contentious question, a politically contentious question—

Senator Bernardi—It’s not contentious; it’s factual.

Senator McLucas—I will go to that point in a moment, Senator Bernardi. But that is the normal process and that was not followed. Senator Bernardi has used quite the language of opposition. It suits him well. He has learnt it quickly. It is very easy to use very colourful language with flourish when you are in your position, Senator Bernardi. But the thing is that you have been told on a number of occasions why we are in this situation—why we are going through the proper process and why we are ensuring that due diligence is undertaken, unlike what the former government did in the infamous Regional Partnerships program. We are undertaking the process correctly, and Senator Bernardi simply does not want to listen. He is trying to run a story out there in the media and the legitimate answers to his questions do not suit his story so he prefers not to listen.
In total there are over 100 separate facilities projects across health and infrastructure. We are progressively working through the task of conducting some basic due diligence on each one. Progressively we are making formal, independent, public announcements when those due diligence processes have been completed. This is what Senator Bernardi refuses to understand. This is the way you spend taxpayers’ money wisely. This is what you need to do before you spend taxpayers’ money. You simply need to find out whether or not the project will be delivered. That is why you do due diligence. That was not done, and I have many examples of when it was not done, in Regional Partnerships. The process of negotiating and conducting a proper funding agreement with project proponents is an ongoing one. Senator Bernardi has raised a couple of specific examples, and I will give some information to the Senate on those.

In respect of facilities funding in Penrith there are two separate projects: one project is the Penrith stadium upgrade of $5 million and another is the Penrith Valley Regional Sports Centre upgrade of $250,000. I can confirm that both have received funding in the budget and, while a funding agreement has yet to be concluded for either, we do not envisage there being any impediments to the conclusion of funding agreements for each of these two Penrith projects in the future.

Senator Bernardi—Why did you try to hide them then?

Senator McLUCAS—Well, if you had not been talking to your whip when I was explaining the process, Senator Bernardi, you might have actually understood. You might like to have a look at the Hansard and then you will understand what in fact due diligence is.

Senator Bernardi interjecting—
therefore be a rolling schedule of public statements as the due diligence process continues and subsequent formal announcements are made by the government. The government has absolutely nothing to hide and certainly nothing to fear. While we are proud of funding over 100 local sports facilities projects in the budget, we are also pleased to ensure there is an appropriate process in place before formally announcing project funding after the budget.

While we are happy to clear up any confusion, Senator Bernardi might reflect upon the fact that the coalition did not follow such due process when administering their now famous Regional Partnerships program and Sustainable Regions program. The fact that the opposition got the process so wrong has reaffirmed the government’s resolve to get this process right. As I said earlier, Senator Bernardi thinks he has a story that he can trot around to the papers. Senator Bernardi does not bother listening to the very sensible answers that the minister provided in a statement to the Senate yesterday and that I hope I have been able to provide today. This is good government, good practice, making sure that we do not end up doing things like your government did—that is, throwing money around wildly without undertaking any due diligence on the process.

If I had some more time, and had had a little more time to prepare, I could have gone through the many projects that started the whole inquiry into the Regional Partnerships program and the Sustainable Regions program. Have you read the Australian National Audit Office’s report that, one by one, goes through the lack of process that was undertaken by the previous government and as a result the abject waste of taxpayers’ money? We do not have time to do that now. This government has learned from the previous government’s mistakes and we intend to ensure that taxpayers’ money allocated to good sporting projects and good facilities projects will turn benefits for those small communities. We do not want to be throwing money where it is not going to turn into an outcome.

Senator Bernardi, I hope I have been able to provide some clarity in answer to your questions but I do fear that your desire for a headline means that you will not bother thinking through what this government is doing—that is, being wise with taxpayers’ money so that we get an outcome for children and for users of sporting facilities around Australia. I think my fears are right—I think Senator Bernardi is still seeking that headline and not bothering to listen to the answer.

Question agreed to.

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2008-2009

APPROPRIATION BILL (No. 1)
2008-2009

APPROPRIATION BILL (No. 2)
2008-2009

Second Reading

Debate resumed.

Senator O’BRIEN (Tasmania) (7.12 pm)—I seek leave on behalf of Senators Wortley, McEwen, Crossin and Carol Brown to incorporate contributions on this debate.

Leave granted.

Senator WORTLEY (South Australia) (7.12 pm)—The incorporated speech read as follows—

I welcome the opportunity to add my voice to those already heard in this place on Appropriation Bills numbers 1 and 2, and in doing so will also make some observations on Appropriation Bill number 5.

At the foundation of these bills is Labor’s commitment to the electorate. These bills represent the Government’s determination to deliver on the promises made to the Australian people.

CHAMBER
In doing so, the Rudd Labor Government is returning decency and confidence to the democratic process—confidence which was sorely tried by our predecessors.

WorkChoices, education cuts, children overboard, disinvestment in skills training and infrastructure, non-core promises, a complete disregard for climate change and the list goes on.

Unlike the former government that neglected vital nation-building investment, this Government is determined take the hard steps, do the hard yards, to ensure a safe, prosperous and equitable future for all.

As the Treasurer explained on Budget night, the principles on which our package of interconnected, coherent reforms is based are fourfold:

- security for working families,
- adhering to our commitments,
- investment for the future and
- fiscal responsibility.

This Government is committed to delivering its Working Families Support Package. Over four years, $55 billion will be expended on targeted programs in tax reform, child care, housing, education, and related matters including dental health - not to mention supported accommodation for disabled people with aged carers.

This Government is investing in the skills and education sector, hospitals and health, infrastructure particularly water, to which I will return and sustainability.

And this Labor Government is looking to the future in a way that the previous government could not possibly have contemplated.

Through these bills, we propose to the Australian people a Building Australia Fund to alleviate the neglect of critical transport and communication infrastructure, an Education Investment Fund to finance capital works in our dilapidated education and vocational education sector and a Health and Hospital Fund to ensure renewal of hospital facilities, investment in technology and the fostering of research projects and facilities.

These bills are economically responsible and have been formulated to reprioritise spending away from ad hoc, electorally-expedient spending to sustainable growth and the reduction of inflation.

Appropriation Bills numbers 1 and 2 represent two of the principal items of legislation supporting the Rudd Labor Government’s first Budget.

The major items provided for in Appropriation Bill number 5 are education and infrastructure in this instance water.

As a proud representative of South Australia, and as a former educator, both have particular resonance for me, and that is why I address these items now.

I turn first to education.

A strong and appropriately resourced education sector is vital to Australia’s future, both locally and, of course, in terms of our international competitiveness. One of the cornerstones of our future well-being as a community and of our economic security is, undoubtedly, investment in education.

OECD research clearly demonstrates the sliding scale of the neglect, the downgrading of facilities, and in certain instances the wilful failure to act of the previous government in this particular area the result being the crisis we are dealing with in the education sector today.

In the decade since 1995, Australia was the only OECD country to effectively disinvest in the tertiary sector - just when additional funds were so desperately needed!

As I said in this place just prior to the last election, to give a young Australian the chance to get ahead, to maximise his or her potential, to take a valued place in a forward-looking, contemporary society, is one of the most important things a Government (can) do. And the Rudd Labor Government is acting now to alleviate the past capital disinvestment and underinvestment in this crucial sector.

The Government will provide an additional $500 million in the current financial year to the Department of Education, Employment and Workplace Relations for distribution among Australian universities. The funds will be allocated to capital investment in five priority areas.

These areas include:

- IT communications in research and teaching,
I wholeheartedly commend this measure, as I do the water initiatives that formed the greater part of the balance of the appropriation.

The Government does not resile on its promise to tackle our water crisis. Indeed, it has already taken enormous strides in doing so.

Through Appropriations Bill number 5, the Government has provided an additional $112.3 million to the Department of the Environment, Water, Heritage and the Arts to fund a variety of water initiatives. These initiatives reflect the Government’s recognition that the water situation is absolutely critical and that urgent action must be taken.

The Rudd Labor Government is determined to act on this country’s needs for the future and that includes addressing areas of health that have so seriously been neglected by the previous government.

Today I speak of an issue that is having an increasingly adverse effect, not only on the physical and social health of our community, but also on our economy and the future productivity of our nation.

I refer, of course, to the issue of obesity.

Every person present in this chamber is aware of the escalating need to confront this issue.

But the Rudd Government understands that obesity is an issue which, if left unaddressed, would have the capacity to burden our health system with an explosion of preventable diseases.

Disturbingly, latest available Bureau of Statistics survey figures released in January 2008 show that in 2005, 7.4 million people aged 18 years and over were classified as overweight or obese that’s 54 per cent of the adult population! And these figures represent an increase from 5.4 million adults, or 45 per cent of the adult population, in 1995.

Figures adjusted to reflect differences between the age structures of indigenous and non-indigenous populations during the same survey period indicate that indigenous adults were more than twice as likely to be overweight or obese than non-indigenous adults.

Just as alarmingly, one in four Australian children is now overweight or obese.

What does the future hold for these children, these indigenous people, these present and potential contributors to our common good?

The direct consequences of overweight and obesity may include, among other conditions, coronary heart disease, diabetes, breast and other cancers, gallstones, degenerative joint disease, hypertension and obstructive sleep apnoea.

And the burden of chronic disease does not fall solely on the individual. An Access Economics study carried out also in 2005 showed that annual productivity loss from obesity related conditions was approximately $1.7 billion, with the net aggregate cost of the impact on the health system, carer costs, and the burden of disease on the community valued at an additional $17.2 billion the total, a staggering $21 billion.

We’re talking now about loss of inclusion through compromised ability to participate in community life, and cost to business not only through productivity loss but through lower participation and higher absenteeism.

The World Health Organisation reports that obesity is a global epidemic. Certainly obesity has reached epidemic proportions in Australia.

Physical inactivity and television viewing time have been shown to be the strongest correlates with measures of obesity, according to the most recent report of the Australian Diabetes, Obesity and Lifestyle Study.

Poor diet, and our long work hours combined with sedentary lifestyles, are significant contributors.

Those who would argue this assertion have only to look around their electorates to see its proof.

And if that is not sufficient, I’m sure that Senators will be interested to receive some information drawn from, and ancillary to, the Annual Report of the National Health and Medical Research Council for 2006-2007.

Alive to the dangers inherent in an epidemic of obesity-related diseases, the NHMRC has allo-
cated some $70 million to obesity related research during the period 2000-2007. This is the greatest area of cumulative expenditure in the five areas of nutrition-related issues over that period.

Just a few days prior to the release of that Annual Report on 4 February last, the Minister for Health and Ageing announced that in the coming year the Government would invest in a number of new medical and health research projects. These are intended to allow Australian researchers to pursue their areas of study and pursue collaborative work both in Australia and overseas.

As Minister Roxon noted:

‘We will...ensure that all Australians have access to the best possible research in relation to the critical health and medical conditions facing them today... Improving preventative health services and chronic disease management through targeted research will deliver better outcomes for Australians and their families’.

Among other key priorities set out on the occasion of the opening of this Parliament just four months ago, reform focusing on the area of obesity is specifically looking at the integration of preventative health care and improved health outcomes.

National leadership and State co-operation are key elements in the action to be taken, and the involvement of health professionals, sporting groups, local government, industry and the community is welcomed.

The first steps have been taken. Already the Minister has confirmed the Government’s investment of $25.6 million in our ‘Healthy Kids Check’, to be introduced over the next four years.

The Healthy Kids Check will be delivered by GPs or practice nurses, or by local councils and community health centres, in conjunction with or after each child’s four-year immunisation.

The program will benefit around 255,000 four year old children across the nation, and will provide a base line for future analysis of health indicators.

The need for follow-up services, particularly any services not available under existing referral arrangements, will also be monitored.

This initiative has been widely welcomed by a broad range of interested individuals and groups, including the Australian General Practice Network.

We will also see the distribution of the ‘Healthy Habits for Life Guide’, providing achievable and accessible ideas for parents keen to keep their young children healthy and active.

And the funding of school-based kitchen and garden infrastructure will be piloted in 190 primary schools across Australia to support the curriculum-based nutrition and gardening program ‘Stephanie Alexander’s Kitchen Garden’.

The Rudd Labor Government will also provide $1.7 million over four years to encourage community initiatives that combat obesity.

By contrast to the masterful inactivity of the previous government, Labor is demonstrating its commitment to action, elevating this very serious matter to the front line of our national preventative health strategy.

This government knows that long term policy is necessary for infrastructure, education, climate change, and for tackling disadvantage.

This is a government committed to the long term objective of building the best educated, best trained and best skilled workforce in the world.

From the Education Revolution, the high speed Broadband Network, the Working Families Support Package to the National Health and Hospitals Reform plan and the many other initiatives demonstrated...this is clearly evidence of a government that acts now planning for a secure future for all Australians.

Senator McEWEN (South Australia) (7.12 pm)—The incorporated speech read as follows—

I am pleased to speak on Appropriation Bill (No. 1) 2008-2009 and Appropriation Bill (No. 2) 2008-2009 which together are two of the principal pieces of legislation underpinning the Government’s first budget.

Appropriation Bill (No. 1) 2008-2009 seeks authority for meeting the expenses of the ordinary annual services of Government, and Appropriation Bill (No. 2) 2008-2009 seeks approval for appropriations from the Consolidated Revenue
Fund totalling almost $12.7 billion. This funding is part of the Rudd Labor Government’s first Budget - a budget which will—if the Opposition don’t abuse their Senate majority to vote against it—put downward pressure on interest rates and inflation as well as providing for Australia’s working families.

The rising cost of living has made life difficult for families during the last decade. There have been 8 interest rate rises in the last 3 years and in the last 2 years rent has increased by over 10 per cent and the price of fruit and vegetables has increased by 14 per cent. While these financial pressures on families increased, the Howard Government looked on and contributed to inflation by spending nearly $285 million in the 2006/2007 financial year on Government advertising.

Instead of helping families, the former Government worked hard on its reviled WorkChoices legislation which would have made it even harder for working families to make ends meet. The Howard Government lost touch with Australian families and in doing so, failed to recognise what they needed was fiscal support, not glossy publications and WorkChoices mouse pads.

Labor will not make the same mistake. We believe in giving everyone a fair go. Last month, the Rudd Labor Government delivered its first budget. We delivered a budget that will deliver to Australians who missed out in the 12 budgets of the Howard Government. We will do this through the $55 billion Working Families Support Package.

Being a parent is a fantastic experience but the cost of raising children is expensive. The Government is determined to ease that pressure, lifting the Child Care Tax Rebate is a clear example of this determination. Labor proposes to increase child care assistance by lifting the rebate from 30 per cent to 50 per cent of out-of-pocket costs and increasing the annual cap from $4354 to $7500 per child. We understand that the cost of childcare isn’t the only obstacle faced by parents, availability is a big problem. For this reason, the Government, over the long term, has committed to ensuring 260 child care centres are built in priority areas.

An important part of the Working Families Support Package in respect to raising children, is the $4.4 billion education tax refund. This refund will mean that parents who are entitled to family tax benefit A or whose children receive the youth allowance, can claim a 50 per cent tax refund of up to $750 in education expenses for each child in primary school. That’s a refund of up to $375 per year, and up to $1500 in expenses for every child in secondary schools, a refund of up to $750 per year.

Another great initiative to ensure that all families, including those who are struggling financially, are still able to provide their children with a good education, is the roll out of universal access to early learning for all four-year-olds by 2013. The Government will fund 15 hours per week for 40 weeks per year of play-based learning and development programs, allowing every child to start their schooling on equal footing, regardless of their families’ financial circumstances.

Education is a focus of the Government and it shows in our first budget. One hundred million dollars will be provided to the Department of Education, Employment and Workplace Relations, as part of a $1.2 billion funding package over five years, to implement the digital education revolution in partnership with state and territory governments. This initiative delivers on an election commitment and includes:

• the establishment of a National Secondary School Computer Fund to provide grants of up to $1 million to eligible secondary schools to assist them in providing new or upgraded information and communications technology to students in years 9 to 12;
• contributions towards the provision of high-speed fibre-to-the-premises broadband connections to schools and to provide support to ensure the effective deployment and installation of computers and ICT equipment purchased under the fund; and
• funding for collaborative work between the Commonwealth, state and territory governments and non-government school system and industry to develop a unified technical framework and to fund administration costs of block grant authorities which will manage funding for non-government schools.
The schools receiving computers in the first round were announced earlier this month and I was happy to see that 63 schools in South Australia will be benefiting from the first roll out.

The tax cuts in this budget total around $46.7 billion. The benefits of these tax cuts are two fold as they will encourage people to enter the workforce, increasing workforce participation and will alleviate the financial pressures facing many people. Under the new system, Australians will be able to earn up to $14000 for the next financial year, without having to pay any tax, this is effectively $3000 higher than the current threshold. This change will be of particular benefit to part time workers, who according to the Productivity Commission make up 29 per cent of the workforce. It’s important that part time workers who are concentrated in low-paying jobs with high turnover, are provided with as much assistance as possible.

Labor made a number of significant election promises in the area of health and this budget delivers on those promises. It is essential that all Australians are able to access high quality, affordable healthcare. That is why we will immediately inject $1 billion to relieve the pressure on public hospitals as part of a $3.2 billion health and hospital reform plan. Also included is $275 million over five years to establish 31 GP Super Clinics in local communities. These super clinics will improve health services in rural, regional and outer metropolitan areas by bringing together general practitioners, nurses, allied health professionals, some specialists and other health care providers to deliver a range of health services that are tailored to meet local health needs and priorities.

Dental health has been given great consideration when writing this Budget as a dental care waiting list of 650,000 is not acceptable. The previous Government did not deliver adequate health and dental services to Australians. The Liberal Government’s dental scheme was a failure, it had low uptake and didn’t provide to those patients who needed it the most.

Over the next three years, the Government intends to provide $290 million to State and Territory governments to help fund up to one million additional consultations and treatments for Australians needing dental treatment.

Over the next five years, the Government also plans to invest up to $490.7 million to help more than one million Australian teenagers look after their teeth. The Government will provide $150 (through the newly established Dental Benefits Schedule) per eligible teenager towards an annual preventative dental check, including an oral examination, scale and clean and x-rays where required.

Around 1.1 million teenagers aged 12-17 in families receiving Family Tax Benefit Part A, and teenagers in the same age group receiving Youth Allowance or Abstudy, will be eligible for the program each year. By funding preventative check-ups, the Government wants to prevent more expensive procedures in the future as cavities and other dental diseases will be caught early or avoided all together.

Despite all of these positive proposals, the Opposition moved last week that the Health Insurance (Dental Services) Amendment and Repeal Determination 2008 made under section 3C(1) of the Health Insurance Act 1973 be disallowed. The Opposition want us to continue with their failed dental plan because they are not willing to own up to their mistakes. The arrogance of the Coalition is truly breathtaking.

Working families as well as singles will benefit from the changes to the Medicare levy surcharge thresholds. While the cost of living and incomes have changed over the last 11 years, the income thresholds haven’t. This has resulted in people on average wages by today’s standards, becoming liable for the surcharge. The Government are increasing the thresholds to bring them in line with today’s wages so that the Medicare levy surcharge is only placed on higher income earners. From 1 July 2008, singles with incomes up to $100 000 and families with incomes up to $150 000 will no longer have to pay the surcharge. These are both increases of $50 000 from the current thresholds.

Older Australians are also battling with the rising cost of living. To assist seniors in making ends meet, the Government has:

- increased the Utilities Allowance from $107.20 to $500 per year;
• increased the Seniors Concession Allowance from $218 to $500 per year;
• increased the Telephone Allowance from $88 to $132 per year for those with an internet connection; and
• committed to paying the $500 Seniors Bonus again this year.

I have been in contact with my older constituents and they have been concerned by the fact that their pension has not increased at the same pace as the cost of living. To alleviate this, the Government will ensure that the Age Pension will increase in line with the higher of the consumer price index, increases in male total average weekly earnings or the living cost index for age pensioner households. Older Australians have contributed, and continue to contribute, a great deal to Australia, Labor has not and will not leave them behind as we move towards a fairer, better future.

The Government also appreciates the contribution that carers make in our community. This appreciation is reflected in this budget with $293.6 million being allocated for 19,000 carers of children with profound disability and a $500 Utility Allowance for seniors which is now extended to 130,000 carers for the first time.

Labor honoured another election promise in its first budget, and that was to address the issue of climate change. Unlike the opposition who when in Government denied the existence of climate change, we have listened to researchers and taken action. One of the first acts of this Government was the ratification of the Kyoto Protocol and this budget ensures that we continue work in this area.

This Budget allocates $2.3 billion over five years to reduce Australia’s greenhouse emissions, adapt to climate change and ensure that Australia takes the lead in the transition to a low emissions economy.

The Rudd Government knows that everyone can make a difference in the battle against climate change, which is why the government will invest almost $1 billion to help Australians make their homes more environmentally sustainable. This includes $300.0 million over five years for low interest green loans of up to $10,000 to assist families to install solar, water, and energy efficient products.

Climate change along with extended drought and over allocation has had a significant impact on the Murray-Darling, this is an area of particular concern to my South Australian constituents. The Government is acting quickly to restore the river’s health. With this Budget, an additional $112.3 million will be provided to the Department of the Environment, Water, Heritage and the Arts to fund a variety of water initiatives. This includes an additional $81.0 million in 2007-08 as part of a bring-forward of $400 million of funding from 2011-12 under the Water for the Future package, to accelerate investment in water-saving infrastructure and to purchase water entitlements from willing sellers. Water for the Future focuses on four key priorities: taking action on climate change, using water wisely, securing water supplies and supporting healthy rivers.

Another area of Government spending which is of much interest to South Australians is defence. South Australia has a proud history of defence innovation.

Labor’s Budget has made a significant investment of $1.036 billion for 2008-09, into the Australian Defence Forces to assist the ADF in their vital role of supporting domestic, regional and international security. The funding consists of:

• $618.9 million for Operation Slipper, Australia’s contribution to the International Security Assistance Force in Afghanistan. This demonstrates Australia’s commitment to working with the international community to help combat terrorism;
• $174.3 million for Operation Astute, Australia’s assistance to Timor-Leste to restore peace and stability;
• $215.7 million for the continuation of Operation Catalyst, Australia’s contribution to the rehabilitation and reconstruction of Iraq; and
• $27.1 million for Operation Anode, Australia’s contribution to the Australian-led Regional Assistance Mission to the Solomon Islands.

This funding is evidence of the Rudd Labor Government’s commitment to supporting the defence
forces and their role in providing the defence and security of our nation.

The budget also gives back to those in the veteran community and their families who need and deserve the support of their country. During the election campaign, Labor was clear that if elected, we would work closely with the veteran community to address the issues that concern them. We owe much to our defence personnel and must reflect this in the way we treat veterans when they complete service. The Rudd Labor Government budget amends veteran’s entitlements through the extension of the income support supplement to war widows and war widowers who are under qualifying age. No longer will those under qualifying age have to be permanently incapacitated or have a dependant child or partner receiving an income support before they can receive the income support supplement that they so rightly deserve. Once in place, this amendment will immediately benefit approximately 1400 war widows or widowers, assisting them in meeting the rising cost of living.

The budget extends the automatic grant of war widow, widower or orphan pension to the widows, widowers and eligible children of veterans and members who, immediately before their death, were in receipt of the temporary special rate or intermediate rate disability pension. Veterans will also see the disability pension bereavement payment extended in certain cases. As it stands, this payment is only payable in respect of partnered disability pension recipients. Labor wants to make these payments more equitable. That is why this Budget extends the bereavement payment to cover single recipients of the special rate and extreme disablement adjustment disability pension who die in poor circumstances.

Appropriation Bills 1 and 2 are part of Labor’s budget that delivers to working families, addresses the issue of inflation and will take Australia into the future with confidence and strength. Despite this, those opposite continue to play games, stopping these benefits from being rolled out to Australians. The opposition’s referral to committees of several key budget measures has the effect of stripping away nearly $300 million worth of real money from the budget surplus.

The Labor Government has come up with a budget that includes much needed initiatives many of which the Opposition is frustrating by its belligerent attitude in the Senate. By blocking and delaying Budget bills, the Opposition is eroding the $22 billion surplus of our Budget and taking away from those who need assistance. We have developed a Budget that provides for Australians, is economically responsible and will put downward pressure on inflation and interest rates. To not allow this Budget to come into effect shows just how economically irresponsible the Opposition are but we already knew that, as did the people of Australia who chose to elect a Rudd Labor Government last year.

Senator CROSSIN (Northern Territory) (7.12 pm)—The incorporated speech read as follows—

The 2008 Budget is a responsible one that will help fight the high inflation inherited from the previous government and help working families.

Despite this, those opposite continue to play games, stopping these benefits from being rolled out to Australians. The opposition’s referral to committees of several key budget measures has the effect of stripping away nearly $300 million worth of real money from the budget surplus.

The Budget also delivers $5.9 billion towards meeting our Education Revolution, $2.3 billion to
address climate change, and $3.2 billion to end the blame game on our hospitals.

We have invested in our future with a $20 billion Building Australia Fund for investment in infrastructure, $11 billion Education Investment Fund for improving university and TAFE education and a further $10 billion in the Health and Hospitals Fund.

These are all areas of spending investment sadly neglected by the previous government. The result has been a worsening infrastructure bottleneck slowing down our exports and productivity. A worsening position for our higher education sector with deteriorating infrastructure, increasing class sizes, falling morale and a rising skills shortage. Our hospitals have been struggling to meet demand for their services.

We achieved this budget by cutting out waste. Every new dollar in our budget came from savings elsewhere. This meant of course thoroughly analysing previous spending and making tough decisions on where to save money to invest for the future with new programs.

Federal Labor’s first Budget in 13 years won the backing of the Reserve Bank as one that fights inflation. The Reserve Bank is of course rightly an independent body that makes its own decisions, but to have them consider that this budget is one that fights inflation is a considerable plus sign.

I make no apology for now focusing on a few of the Budget areas of particular interest to me as a former teacher working in Indigenous Education, playing an early role at Charles Darwin University and representing the whole of the vast Northern Territory.

The Education Revolution includes $2.5 billion over 10 years for Trade Training Centres in schools. This will enable more of our young Australians to pursue technically oriented careers, contributing to reducing the skills shortage our nation inherited.

Applications for these funds have been open for some time and schools are already applying to use this program.

The Education Revolution includes $1.9 billion over 5 years for an additional 630,000 training places to boost workforce skills. Again this will greatly increase the number of skilled workers far more over time than the Australian Technical Colleges seem to be doing.

It includes $1.2 billion over 5 years to fund computers for those in years 9 to 12. Again, in this day and age our students cannot afford to be anything but computer literate and so much learning occurs using computers and associated programs.

School needs have been assessed and the first tranche of these funds is out there for those assessed as most needing computers to get them.

An additional $500 million will be provided in 2007-08 to help universities upgrade and maintain teaching and research facilities in advance of any decisions on funding made under the Education Investment Fund in future years.

This is for universities to start catching up on capital works projects that they have for years had to postpone due to under funding by the previous government. In later years when the Education Investment Fund starts more funds will be available to them.

We believe higher education is an investment in skills for the future, and quality education cannot take place in poor facilities.

In addition full fee university courses are abolished and there is a growth in the number of scholarships offered. These will increase from 44000 up to 88000 by 2012 — a doubling of the number. This measure will clearly help families who are doing it hard to get their children into tertiary education.

There will be a reduction in the maximum annual student contribution in subjects such as maths and science to encourage more students into these important areas.

Once again we have fallen behind many other developed nations in the number of science graduates entering the workforce — science teachers for example are becoming very hard to find or recruit.

At the same time as reducing costs for students there will be a Transitional Loading under the Commonwealth Grants Scheme to fully compensate Higher Education providers for the reduced revenue from lower contributions for maths and science.
Students and providers are all remembered in this Budget. It is responsible AND fair.

This budget delivers $1.2 billion over 5 years towards Closing the Gap between Indigenous and non-Indigenous Australians. The Gap is too well known for me to enter into details here, but exists in health, education, training and employment.

If I may focus on my electorate for a while. There are commitments totalling $666.1 million in the Northern Territory alone. These include: $3.4 million for early childhood development services; and $154.2 million to expand educational opportunity which includes building 3 new boarding facilities, increased professional development of teachers, a Nutrition Program to provide breakfast and lunch in many community schools and funding of 200 additional teachers by 2012.

Despite the efforts of the Territory Labor Government in establishing secondary education facilities and courses in many remote communities, there are still many Indigenous children whose only access to secondary education is by going away from home.

These proposed new boarding facilities will enable many more to do so at the same time as having safe, supported accommodation to stay in.

The School Nutrition Program is providing breakfast and lunch for many young kids who might otherwise well go without. I have heard reports from health clinic nurses in communities who say the rate of anaemia for example has dropped when kids have a good breakfast and lunch.

The NT commitment includes $78 million for community safety and policing for further assistance for safe houses and support workers; alcohol diversionary activities; more on ground police; more night patrols in remote communities.

Night patrols make communities safer and more secure for families and children and will continue in communities covered by the NTER.

More police on the ground in communities has been welcomed and while reports indicate that since the Intervention rates of alcohol abuse and violence have dropped, this is again a valuable program which will continue to help closing the gap and keep children safe.

$168 million for employment and pre-employment services to increase Indigenous access to skills development and jobs.

This too is a key element in closing the gap in enabling Indigenous people to access more training to increase their employability.

While many remote communities in the NT have only limited real jobs, we want to ensure that Aboriginal people can take them.

$113.3 million for health services to provide follow up health care, improved child and family health service delivery.

This government is committed to ensuring that the interests of children are foremost but equally that we Close the Gap.

The team to carry out the Intervention Review has recently been announced and they will report by September on how the Indigenous people see these interests best served.

The Indigenous population in the Northern Territory is fast growing so these tasks will not be easy and will require long ongoing budget commitments.

More generally this budget provides $8 million over 4 years for the establishment of the Office of Northern Australia. This will provide high level advice on infrastructure, transport, and sustainable regional development for the whole north of Australia. Information from this office will flow direct to Canberra to the Minister.

Defence Force families in Katherine will benefit from the roll out of the free basic health care trial — this enables families to select the doctor or dentist of their choice and receive basic general practice consultations free of charge or dental care up to $300 per dependent per annum.

Defence personnel get moved around frequently and are often away doing a great job for the nation so it seems only fair that we look after these families.

Defence bases across Australia, including those in the Territory will benefit from base maintenance both in facilities and base living-in accommodation including at the Darwin patrol boat base and Bradshaw Field Training Area.

This budget provides $78 million for infrastructure in the NT. Of this $8.8 million will deliver as
a matter of urgency, funds for the Port Keats Road, Tanami Road, Plenty Highway and Buntine Highway.

While these roads may not be big in terms of comparison to a city freeway in size or traffic volume, for the NT they are very important. They are important not only for connecting territory communities, but for tourism and the pastoral industry.

For example The Buntine Highway connects Katherine to communities such as Kalkaringi and Lajamanu and goes on to join the road to the Tanami which is used not only by a gold mining company but by "adventure" tourists. The Buntine itself is important for bringing out live cattle exports to Darwin.

Improving roads such as these, while fairly small in the big picture, reduces infrastructure bottlenecks for moving our products thereby improving our productivity.

A total of $11.7 million will funds Roads to Recovery projects. These projects enable local authorities to upgrade smaller roads through relatively minor works but this contributes to improved road conditions and safety.

So while only a very small part of the overall national budget, the Northern Territory gets funding for a range of programs that will help to close the gap for Indigenous people, help families, help our defence force facilities and personnel and develop our road network that bit more.

So despite the difficult circumstances under which this budget has been framed, it is both fair and responsible, meets election commitments, helps working families and Indigenous Australians, invests heavily in our future health, education and infrastructure, and yet still brings in a strong surplus.

It is a budget that shows this government as sound economic managers that can make tough economic decisions and find savings to fund necessary budget commitments.

Senator CAROL BROWN (Tasmania) (7.12 pm)—The incorporated speech read as follows—

I am pleased to support the Appropriation Bills Nos 1 and No. 2 and the first Labor Government Budget in more than a decade.

Indeed the Rudd Labor Government used their first budget to deliver on its election commitments to the Australian people and to build strong and secure foundations for our Nations future.

The Government used this year’s budget to deliver some much needed financial relief to working families.

It also used this year’s budget to invest in our Nation’s long term future, establishing a number of funds in the priority areas of infrastructure, health and education.

Therefore this budget effectively delivered a double dividend for working families by providing both immediate relief on the family budget and investing in their long term economic security.

While the Rudd Labor Government used the budget to deliver much needed financial relief for working families and invest in our nation’s long term future it did so responsibly.

The Rudd Labor Government believes in governing for the future—it believes in laying the foundations for the nation’s long-term prosperity.

That is why it used this year’s budget process to rein in unnecessary and wasteful spending by the previous Government, in a bid to tackle inflation and put downward pressure on interest rates.

This budget proves the Government understands the concept of responsible economic management. It understands that it is possible to deliver for Australian families while at the same time pursuing economically responsible policies to tackle inflation and protect our long term future.

Need I remind the chamber that this lies in stark contrast to the previous Howard Government, whose spending habits drove up inflation and which ignored the basic long term needs of many Australians?

Indeed, the spending habits of the previous Howard Government reveal that it had no long term plan for the future or little understanding of the needs of working families.

This is reflected by the fact that when the Howard Government left office last November inflation was at its highest level in 16 years and we had the
second highest interest rates among advanced economies.

To add to this, the failure by the Howard Government to invest in essential infrastructure, resulted in the Rudd Labor Government inheriting a nation plagued by a permanent skills crisis and a chronically under funded health and hospitals system.

However, as history demonstrates, the Labor party has never been a party to shy away from the challenges of Government.

Indeed, since being elected last November the Rudd Labor Government has hit the ground running—it has rolled its selves up and got stuck into the business of government and business of building prosperity of our nation’s future.

Our sleeves most definitely are rolled up, Mr President. The measures contained in the Government’s first budget prove that.

It proves that this Government is a Government of action and is dedicated to building for our nation’s long term future.

Indeed, this budget contains several “national building” initiatives aimed squarely at re-establishing the key foundations of a strong economy and thus laying the key foundations for Australia’s future.

The Government has taken a strategic approach to the investment of the budget surplus by creating three new funds.

These funds largely address capital shortages resulting from the failure of the Howard government to invest in the important areas of infrastructure, health and of course education.

As a result the Government will invest $40 billion in these priority areas through three primary funds.

These funds include:

Building Australia Fund, which will receive around $20 billion over the next two years to fund shortfalls in the national transport and broadband;

Education Investment Fund, in which the government will invest $5 billion and which will absorb and extend the Higher Education Endowment Fund, bringing the total funding to around $11 billion in this area; and

The Health and Hospitals Fund, to which the Government has allocated $10 billion to help revitalise our public health system and refurbish the nations public hospitals. The fund will also be used to support the development of major medical research facilities and projects.

This is nation building—these measures deliver on our commitment to govern for the Nation’s future.

These measures will help address critical infrastructure shortfalls, they will assist greater access to crucial services and most of all they will help tackle inflation.

Indeed, the Rudd Labor Government’s first budget, brought down just over a month ago, made tackling inflation and bringing the economy under control front and centre.

To this end, the Government used the budget to introduce a number of measures, based upon its five point plan to tackle inflation, including increased investment in infrastructure, and education and training.

For working families this means a double dividend, because not only has the Rudd Labor Government delivered a budget aimed at tackling inflation, it has also delivered a budget that provides some relief to working families when it comes to cost-of-living pressures.

The Rudd Labor Government recognises that families were forced to do it tough under the Howard Government’s twelve years of inaction and families are now faced with housing prices at an all time high and rising petrol and grocery prices as a result of growing inflation.

That is why the Rudd Labor Government, along with delivering a budget that is economically responsible has also delivered a budget aimed at tackling cost of living pressures on families.

The Budget contains $55 billion working Families Support Package, which includes:

$46.7 in tax cuts, which will see families with a single income of $40,000, $1,050 better off a year and families with a combined income of $100,000, where the primary earner’s income is $60,000, $1,650 better off a year;
The introduction of the Education Tax Refund; which will provide up to $350 per primary school child and up to $750 per child for those currently in receipt of Family Tax Benefit; helping parents with the cost of their kids’ education; and

An increase to the Childcare Tax Rebate from 30 per cent to 50 per cent to be paid quarterly; with the first payment being made to families in October this year. The Government is increasing the amount payable cap from $4354 per child per year to $7,500 per child per year. This measure alone will assist up to 700,000 families a year.

The Budget also importantly catered to the immediate and long term needs of seniors. The Government announced a number of measures with immediate benefits for seniors including:

An increase to the Utilities Allowance from $107.20 to $500.00 per year to be paid quarterly. The second instalment of the allowance is due to paid in the next week or so, as are the bonuses of $500 for seniors, the $1000 for those in receipt of carers payment and $600 for those receiving the carers allowance.

The Government also increased the Telephone Allowance from $88 to $132 per year to assist those with an internet connection to be paid quarterly.

The Labor Government also announced that it will investigate and review the adequacy of current levels of social security benefits received by seniors as part of its comprehensive review of the Australian tax system. The Government plans to release an initial discussion paper on the review as early as July this year.

This move comes off the back of a recommendations made by the Senate Community Affairs Committee to review basic pension levels as part of the recently completed Inquiry into the cost of living pressures on older Australians.

With Housing affordability at an all time high the Rudd Labor Government also used this year’s budget to tackle the issue of housing affordability head on, with the Government announcing a $2.2 billion housing affordability package to assist first home buyers and renters, including enhanced First Home Saver Accounts, a National Rental Affordability Scheme and the Housing Affordability Fund.

These are the actions of a Government that recognises the pressures on working families, seniors and carers and that is genuinely committed to assisting them achieve long term financial security and stability.

Our Government has also in recent times proven that it is serious when it comes to the issue of climate change.

In the lead up to last year’s election, the Rudd Labor Government, unlike the previous Howard Government acknowledged the need to take urgent action on climate change.

The Government, as part of the budget announced $2.3 billion over four years to help tackle climate change-delivering on its pre-election commitments to take real action on in this area.

The $2.3 billion includes:

$1.0 billion to help make Australian’s homes and their communities more energy and water efficient;

$260 million to Australian businesses to reduce their impact on the environment;

$1.7 billion to support Australia’s leading scientists, researches and industry in their work to improve energy efficiency and develop cleaner energy options; and

$459 million to establish the Department of Climate Change to deliver on commitments in this area including a national renewable energy target and an emissions trading scheme.

With the green paper on the emissions trading scheme due to be handed down next month, the Government has wasted little time on taking action to address climate change.

The Minister for Climate Change and Water, Senator Wong has already openly stated that “climate change is one of the biggest challenges we face as a nation.”

Indeed its impacts threaten not only our economic prosperity, but also our way of life.

While the Minister has also acknowledged that after eleven years of inaction by the previous
Government, taking action on this issue will not be easy and it will involve an element of cost, the cost of inaction threatens to be much greater.

Those opposite know this—yet they are already threatening to delay the introduction of the emissions trading scheme.

For eleven long years they failed to act to protect the nations future from the threat of climate change, and now, when action is needed more than ever, they have retreated to the same position.

This proves once and for all that those opposite have been and continue to be climate change sceptics.

Just in the same way that, for eleven long years the opposition failed to act in response to the threat posed by climate change, it also failed to sufficiently fund our now failing health and hospitals system.

After 11 years of neglect there is a desperate need to provide a better health and hospital system for Australians.

This year’s budget delivers on the Rudd Government pre-election health commitments.

The Rudd Labor Government’s first budget saw the creation of a multi-million dollar plan aimed squarely at building a stronger public health system for all Australians.

The $3.2 Billion National Health and Hospitals Plan will ensure Australian families have access to affordable health care by working with the States and Territory Governments for the first time in 12 years.

The Government’s significant long-term commitment to health is nowhere better reflected than in my home state of Tasmania, where it will provide more than $50 million in additional health services.

This significant investment in Tasmanian health services includes, amongst other things:

Up to $15 million to build 4 new GP Super Clinics in Burnie, Devonport, Bellerive and Sorell;
$15m towards the establishment of an Integrated Care Centre in Launceston;

Up to $7.7 million to establish an additional radiation oncology unit in the north or north-west coast;
$3.5m to support the purchase of a PET scanner at Royal Hobart Hospital; and

a share of:

- $600 million set aside to work with States and Territories to cut elective surgery waiting lists; of which Tasmania is to receive $8.1 million as part of the first allocation. This will enable an additional 895 Tasmanians who have been waiting to have their surgery this year.
- $87.4 million to fund the National Bowel Cancer Screening Program, where 50, 55 and 60 year olds will be scanned to enable early detection.
- $39 million to boost the health workforce to bring more nurses back into the system.

The Government’s investment in the public health system, comes as a welcome relief, especially in my home state of Tasmania, where, in its last five years in office, the Howard Government under funded the public health system by a staggering $70 million.

The Budget also contains a number of significant other measures which directly benefit Tasmanians. These include, amongst other things:

$104 million in road and rail in the 2008-09 year, with more than $450 million in rail and road infrastructure over the next five years. This money is for vital projects such the Bridgewater Bridge upgrade, the Kingston by-pass, the North-East Freight Roads, and the Brighton by-pass. And, in 2008-09 there is $1.2 Million in Black spot road funding and $11.1 million in the roads to recovery program.

There is over $140 million for water infrastructure in Tasmania, including $12 million for the Huon Valley Water Scheme, which will provide clean drinking water to residents that live just 40 minutes to the south of Hobart. There is also $10.5 million for the Clarence Water Re-Use Scheme—a valuable scheme that provides reused water for irrigation.
$12 million to establish a manufacturing centre on the north-west coast to assist Tasmania’s 2,000 small and medium size manufactures become more productive and competitive.

To quote the Tasmanian State Treasurer:

“[The Federal Budget] delivers in the key areas of health, education and infrastructure and will ease the pressure on working families.”

“I am pleased that the Federal Government has recognised the areas of importance to Tasmanians with three special funds for infrastructure, education and health and hospitals.”

Other important Budget measures to benefit Tasmania include:

- The establishment of a specialised child care centre for children with autism in the north-west of the state;
- $10 million to fund research into the crippling devil facial tumour disease;
- $11.5 million for the University of Tasmania to revamp its buildings;
- The extension of the Tasmanian freight Equalisation Scheme to cover the cost of freight from King Island to Mainland Tasmania; and
- An increase in the vehicle rebate, under the Bass Straight Passenger Subsidy Equalisation Scheme, from $168 to $180 which will benefit tourists travelling to Tasmania as well as Tasmanians heading interstate.

When combined with the Rudd Labor Governments other budget measures aimed at reducing cost-of-living pressures and tackling inflation, this year’s federal budget has been a win, win for the majority of Tasmanians.

While the Rudd Labor Government delivered an economically responsible budget that promised to provide some welcome relief to families when it comes to the household budget, Australian families could be denied such benefits if those opposite have their way.

Right from the word go, Dr Nelson and the federal opposition, faced with poor opinion ratings decided to play politics with several of the Governments budget announcements.

They did so purely in an attempt to score political points rather than advancing the best interests of the Australian people.

Indeed, not content with leaving a legacy, which saw inflation levels at its highest in 16 years, the liberal opposition last week used its numbers in the senate to block a number of crucial budget measures including:

- The increase to the Medicare levy threshold, which was set to free around 400,000 from the liability of paying the levy and level a significant number of Australians up to $1,000 better off a year;
- The National fuel watch scheme; which would have given motors more control over what they pay at the bowsers;
- The luxury car tax;
- The amendments to the rules regarding political donations and;
- Reforms designed to end financial discrimination against same sex couples.

Adding to this, the opposition is also threatening to delay a number of other crucial budget measures and policy initiatives, including:

- The proposed tax increase on ready-to-drink beverages—which gained the support of the Senate Community Affairs Committee in its report, handed down yesterday; and
- The emissions trading scheme, which the Government working to a crucial time line of introduction by 2010.

This amounts simply to opposition for opposition’s sake. It is a staged attempt to get short-term political mileage out of key measures designed to protect our long term future.

Indeed the oppositions actions in relation to blocking key budget measures is nothing more than budget vandalism-with no purpose except to delay key measures that would benefit Australian families.

Treasury estimates that the cost of delaying these measures will be $284 million, which will come directly out of the budget surplus. Such a fall in the Budget surplus will result in increased pressure on inflation and interest rates.
Indeed as Senator Evans pointed out last week, that’s the equivalent of taking $13 out of the pockets of each and every Australian. Australian families have already been forced to do it tough because of eleven years of neglect by the Howard Government, who turned a blind eye to the pressures on inflation, and the impact it was having on the family budget; why should the liberal opposition be allowed to force them to endure more?

Australians should condemn Doctor Nelson and the opposition for putting party politics above their best interests by failing to support measures designed to assist working families and secure our country’s long term economic future.

Overall the Rudd Labor budget delivers something for all: it delivers some much needed relief to working families and it delivers significant investment in our long term future.

I commend this bill to the Senate, and urge those opposite to stop their budget vandalism and support the measures contained in this years budget.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (7.13 pm)—I am pleased to bring the second reading debate on Appropriation (Parliamentary Departments) Bill (No. 1) 2008-2009 and the cognate bills to a close. The government’s first budget delivers on election commitments to ease pressures on working families by helping them to deal with rising costs of living. It outlines far-sighted steps to address the long-term challenges for Australia in education and skills, infrastructure, health and climate change. We are keeping our election promise to reduce inflationary government spending while providing tax cuts for working Australians hit hard by rising living costs. We have trimmed the fat from the budget, and we will use the savings to invest for the future—tackling long-term challenges like climate change, infrastructure bottlenecks and skills shortages. This is the end of short-term irresponsible spending and the beginning of long-term responsible investment. The Rudd Labor government has delivered a tight, well-managed budget that focuses on practical solutions to immediate problems and long-term planning and investment for future challenges. I commend the bills to the Senate.

Question agreed to.

Bills read a second time.

Third Reading

Bills passed through their remaining stages without amendment or debate.

LEAVE OF ABSENCE

Senator PARRY (Tasmania) (7.16 pm)—by leave—I move:

That leave of absence be granted to Senator Nash from 23 June to 26 June 2008 and Senator Fierravanti-Wells on 25 June 2008, for family reasons.

Question agreed to.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (7.16 pm)—by leave—I move:
That leave of absence be granted to every member of the Senate from the end of the sitting today to the day on which the Senate next meets.

Question agreed to.

ADJOURNMENT

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (7.17 pm)—I move:

That the Senate do now adjourn till noon on 26 August 2008, or, such other time as may be fixed by the President or, in the event of the President being unavailable, by the Deputy President, and that the time of meeting so determined shall be notified to each senator.

Child Abuse

Senator KIRK (South Australia) (7.17 pm)—I rise to give my final speech, and I wish to inform the Senate of some important measures that are being taken by the South Australian and the Rudd Labor governments to help protect children from abuse and neglect, and to promote their wellbeing. In valedictory statements tonight, a number of senators kindly acknowledged the work that I have done over a number of years with Parliamentarians Against Child Abuse. It is for this reason that I would like to make some comments about this very important social issue that faces this country in my final remarks to the Senate this evening.

What prompted me to do this tonight, in part, was the shocking news that emerged on Monday of this week of allegations of child neglect involving two families—one of seven children, and one of 12 children—who are living in Adelaide’s northern suburbs. A police raid was triggered by one of the mothers taking her son, who had hypothermia and malnutrition, to hospital. It transpired that at least 16 children were taken to hospital, and six of these children, aged between two and six, were admitted to the Women’s and Children’s Hospital. Fortunately, they have been responding well to treatment.

I raise that example here tonight merely to point out that child neglect and child abuse are continuing problems in our society, and things that this parliament needs to continue to address. I hope that our continuing senators and other members of parliament will do so. Whilst he is in the chamber, I would like to acknowledge the work that Senator Bartlett has done in raising this very important social issue in this chamber during his term as a senator.

There has been an alarming increase right across Australia in the number of children needing protection. Substantiation rates of children that have been, or are likely to be, harmed, abused or neglected increased by 45 per cent over the four years to 2007. In the 10 years to 2007, the number of children in out-of-home care doubled to over 28,000. We are failing our children as a society. We are allowing their opportunities for a productive and fulfilling life to be squandered before they even reach adulthood. We know that a child who is neglected or abused is more likely to experience physical injuries, anxiety, depression, mental health disorders and suicide. Their school performance and ability to socialise is likely to suffer. They can go on to develop substance abuse problems and repeat the pattern by becoming perpetrators of child abuse themselves. Children who have been abused or neglected become adults who have higher rates of criminality, higher rates of chronic disease, and higher rates of homelessness.

We all know that child abuse is not a pleasant subject—delving into this subject is uncomfortable for many, and painful to talk about. Despite this, it is clear that the community does want something to be done about child abuse. Just look at the newspapers in the major capital cities, and throughout this country. We see headlines all the time alerting people to the grave cases of child abuse that do, unfortunately, occur—
and they seem to be increasing. These examples of alleged neglect of many children just cry out to us that we need to take action to prevent the abuse happening in the first place. We need to educate and empower parents in parenting; we need to train parents, carers and teachers, and even neighbours—people in the community—to pick up signs of abuse and respond appropriately when they do see something which does not seem right. Many service providers, research bodies and key stakeholders repeatedly identify the need to move beyond only managing the crisis end of child protection, and to focus on the issues driving these increases: the poverty, homelessness, drug and alcohol addiction, domestic violence, mental health issues, and social isolation.

What, then, is being done to reverse this very difficult and concerning rise in neglect and child abuse? I am pleased to say that the South Australian Labor government and the Rudd Labor government are taking this issue seriously, with major initiatives to stop the increase in child abuse notifications and to care for those children who are being abused. Last week, the South Australian Premier, Mr Rann, made an apology on behalf of the South Australian government and the churches to the people whose sexual abuse as children in state care was exposed by the Mullighan inquiry report earlier this year, about which I spoke in the chamber.

The South Australian government also announced that it had accepted 49 of the 54 recommendations made by the Mullighan inquiry. Some of these actions include the establishment of a task force to examine compensation schemes, including those operating interstate, for survivors of the abuse. The state Labor government in South Australia also will expand screening processes for people involved in child related work and will strengthen child-safe environments. A specialist team is being created to provide assertive, specialised therapeutic services and to provide secure care for those children in care who frequently abscond and place themselves at high risk.

The state government in South Australia has allocated extra resources to the Guardian for Children and Young People to strengthen her role and independence as an advocate for children in care and to monitor that care. A pilot scheme is being initiated to fast-track trials involving child complainants of sexual abuse. A number of other announcements were made in the state budget. Time does not permit me to go into detail on all of those announcements, but I do congratulate the South Australian Labor government on its initiatives in this area.

I turn now to the Rudd Labor government. I am pleased to say that this government has released a discussion paper entitled ‘Australia’s children: safe and well’, which outlines various options to address the increase in the number of child protection substantiations. The Rudd Labor government is providing national leadership to protect Australia’s children. The government has committed some $2.64 million towards the development of the National Child Protection Framework, which is going to have a stronger focus on prevention.

This government wants to work closely with the states and territories to improve the way that agencies, payments and programs interact with each other in order to help prevent abuse and better protect children identified as being at risk. The paper discusses a range of child protection issues, including: a stronger prevention focus; better collaboration between services; improving responses for children in care and young people leaving care, including ways to boost and retain high-quality foster carers; improving responses to Indigenous children; attracting and retaining the right workforce; and im-
proving child protection systems. I commend the paper to all senators and suggest that they take the time to look at the important initiatives that are outlined there. The paper considers how we can better use existing resources, such as child care, to provide more support for children at risk and respite for parents who are under stress.

The Chief Executive Officer of Families Australia, Mr Brian Babington, said in the Canberra Times:

What makes [the] launch of the Government’s discussion paper on a national child protection plan so significant is that it makes a long-overdue acknowledgment of the crisis Australia faces in protecting its children from abuse and neglect, as well as proposing a course for the coming decade which aims to join together government and non-government efforts in an overarching plan.

One of the greatest gifts that we can give to our children is the love and support of caring adults in an environment that is free from abuse. A safe and nurturing environment provides an unrepeatable head start in life and freedom from the traumas that damage a child’s prospects of growing into a well-adjusted and productive adult. On the other hand, every time we fail a child, there is a cost. There is not only a personal cost to the child, which they will pay throughout their lifetime, but also a very significant social and financial cost that we incur as a society. I thank the Senate.

Immigration
Taxation
Australian Democrats

Senator BARTLETT (Queensland) (7.27 pm)—Mr President, as you would know, Thursday evening is usually the time when an opportunity is given to speak to government documents. As some senators might know, that is something that I often take the opportunity to do in the interests of accountability. It is not something I have been able to do in recent times because, as often happens at the end of sittings, the opportunity to speak to government documents gets cast aside. It is probably a great relief to many senators that I will not have the opportunity to speak to documents in future.

I do want to take this final opportunity to speak on a couple of issues of continuing importance. The first is immigration. As I mentioned earlier this week when I spoke in the appropriations debate, immigration is a crucial issue. It is really important that the debate is conducted in a way that is balanced and factual. There are many valid arguments to be put, as with many issues, but we need to try and keep the debate balanced and reasoned. I was very disappointed to see in my home town newspaper, the Courier-Mail, over the last couple of days quite a distorted portrayal of an attempt by the government to give consideration to dealing with what is an entrenched problem of people who are living validly in the community for years without work rights or any access to health or welfare benefits. They are living on nothing but charity for years, living lawfully in the community.

The previous government acknowledged this as a problem and had been trying to work on it for some time. It is a difficult problem, which is why finding a solution to it is hard. But to simply run a page 3 article with a big headline saying ‘Dole payment plan for illegal migrants’ is both false and inflammatory, as is reporting the next day that these proposals have split the community. If you put a big banner headline saying ‘Dole payment plan for illegal migrants’, of course you are going to get community concern. Of course you will get community unease about it. But if you report it factually and without the sensationalism then community attitudes will be different. There will still be different attitudes about how to deal with it because it is a difficult issue, but to
just say illegal migrants are all going to be here on the dole indefinitely, as the articles imply, is unnecessarily inflammatory, destructively inflammatory and false.

Firstly, what has to be said over and over again about the phrase ‘illegal immigrants’—because it was used in both headlines yesterday and today and in the text of the story—is they are not illegal immigrants. If people are here on bridging visas, then that is a visa and they are lawfully in the community. Their status is temporary. Their status is unresolved but they are lawfully in the community. As with any other visa, a bridging visa has some rights attached to it. A tourist visa does not have a work right, a Medicare attachment or welfare rights. A bridging visa E does not have these rights either; some other visas do. We need to consider the impact on people who are in the community lawfully on any sort of bridging visa for prolonged periods of time.

Let us look at the flip side: we have people living here for years while their cases are resolved, relying on charity, sometimes with children who are unable to attend school during that time. I know people in this situation in Brisbane, let alone elsewhere. I have met many of them over the years. What happens to them? They rely totally on charity. It drains those charities, which are indirectly in many cases taxpayer funded. People inevitably consider whether they will work illegally, which is risky for them and not helpful for our economy and which reduces the nation’s tax take. It means that people are likely to work for less than appropriate wages and often in unsafe conditions. If they were given some limited capacity to work, as is attached to many other visas, they would not work illegally. It would reduce the drain on charities and other services. They would have jobs. They would be contributing taxes to the economy. They would in many cases be meeting the existing skills and labour shortages. We are trying to bring in hundreds of thousands of people a year to meet labour shortages when we have got people in the community who are not allowed to work, and then the newspapers want to smear them. It is ludicrous.

This not only is destructive but makes it very difficult for any government to try and resolve the issue. I know it is easy to score points on this stuff but I urge the opposition to try and resist doing that and at least look at the facts. Of course you have to look at people trying to game the system and making frivolous claims so they can stay here and work. You could put limits on how much they can work or the length of time they have to be here before they are entitled to work, or only give them access to Medicare, not social security payments—there are all sorts of ways of doing it—but do not call them illegal immigrants when they are not and do not suggest that most of them are false. People do not put themselves into these situations oftentimes without a reason. That sort of reality has to be recognised.

I also want to talk briefly on the issue of tax. Tax has caused a bit of grief for the Democrats over the years but in reviewing taxation, as the federal government is doing, I want to lend my support to ideas dealing with some of the broader issues about tax raised by Joshua Gans and Andrew Leigh recently, including what Mr Gans calls ‘the society gap’—the reality these days where we means test benefits based on household income but means test taxes on the basis of individual income. This creates a lot of distortions, inequities and anomalies. Again, there is not necessarily an easy solution, although one idea is to look at some sort of broader consideration of households as a unit, whether legally in an incorporated sense or some other less formal sense for tax purposes and then look at income and deductions for things like child care and household
expenditure as a group to try and match the reality, rather than having this continuing mismatch.

I also support, as has been Democrat policy for a long time, looking at making income tax returns optional so people can opt out and forgo any refund. This system exists in other countries and it saves an enormous amount in terms of bureaucracy. I also support the need for more data, an example of which was mentioned and noted in the recent Senate committee on housing affordability. We have enormous tax expenditures—for example, forgone revenue and some of our capital gains tax exemptions in that area alone are estimated to be tens of billions of dollars. We do not even know how much they cost or what the opportunity cost is. There are lots of things that we still do not know and are not getting enough data about, and I think we need to put a few more resources—and I know at the moment the government is looking at cutting back here and there—into this area. We have to look at those macroissues in the tax system, rather than just bits and pieces within it, although they are also important.

In closing, I want to acknowledge a few more senators, whom I have not had the opportunity to speak about, even though I have spoken a lot in recent times—there are always time limits. I want to acknowledge a number of Democrat senators who perhaps have not had proper recognition. I think it is a real tragedy that Jack Evans, a Western Australian, who was a foundation member of this party and is still here at the end, only served in this chamber for one truncated period—18 or 20 months. He got caught in the double dissolutions and the vagaries of preference flows. He would have been a great contributor if he had had longer. I say the same about former senator Karin Sowada from New South Wales and indeed the person she replaced, Senator Paul McLean, as well as Jean Jenkins from Western Australia—people who think the Democrats somehow shifted left from where we were in the eighties might want to have a look at some of Jean Jenkins’s record, not to mention that of Norm Sanders, from that time. I would suggest they were more radical than any of us here now—and that is not a criticism.

I thank all the other Democrats over the years and I particularly acknowledge Senator Sid Spindler, someone else who I think people thought probably spoke more often than he needed to but he was a great legislator. I recall sitting up in the gallery here when he finished at the end of June 1996, not expecting I would be walking out the same way 12 years later. He died earlier this year. He is sadly missed as are the other now departed Democrat senators: Robert Bell, Janine Haines, Don Chipp and David Vigor. I pay tribute again to Sid Spindler’s contribution. I thank the Democrat membership and the people of Queensland for the honour and privilege of serving them—I like to think well—for so long.

Mr Cleaver Elliott

Senator FIELDING (Victoria—Leader of the Family First Party) (7.37 pm)—I rise tonight to speak of someone named Mr Cleaver Elliott, who will be swapping jobs in the Senate and leaving his position as Clerk Assistant. That job title did not mean much to me before I got here and it probably does not mean much to most Australians, but I cannot speak highly enough of Cleaver Elliott. That job title did not mean much to me before I got here and it probably does not mean much to most Australians, but I cannot speak highly enough of Cleaver Elliott. It did not matter what time of the day I phoned or what the request was, Cleaver was always willing to assist in drafting amendments that sometimes may have seemed like strange requests. Cleaver would always assist in that area. Before I got here there were reports about Mr Smith going to Washington. Well, Mr Smith teamed up with Mr Elliott,
and on a number of times we have gone to town on a few issues.

I would really like to say to Cleaver: thank you. I am glad you are in the chamber tonight. I sincerely thank you. I do count you as a friend. We have had many funny moments, and I want to sincerely thank you for your professionalism. You have made me feel more than welcome in this place, but you have probably done that for everybody else as well. That is a credit to you and your professionalism. I cannot speak highly enough of you. You have really gone out of your way to serve Australia, this parliament and this Senate extremely well. I wish you the very best in your next role. Thank you.

**Budget**

Senator CHAPMAN (South Australia) (7.39 pm)—I want to take a minute or two to expand on a point that I was making earlier on at the conclusion of my remarks about this year’s budget. For the last 11 years, I have sat in this place on budget night and been inspired by the direction our nation was taking. Budgets were presented with vision and responded to economic and social challenges with innovative and responsible solutions, as did a number of the other initiatives of the Howard government over the years I have sat in this place. Sadly, on budget night this year, I was left with a sense of emptiness. Even those on our side of the house, those in the Liberal and National parties, expected that the Rudd government would have some semblance of a coherent agenda for economic management and social progress. At least you would expect that because they stole half of the budget from us in the first place, including the tax cuts, which they now claim as the centrepiece of their budget. I think everyone needs to be reminded that those tax cuts were, in fact, an initiative of the Howard government, copied by the Labor Party during the election campaign.

All we have seen from this Treasurer in all that he has delivered in this budget is a budget of unintended consequences. We need more from this federal government than empty rhetoric and spin. You cannot Google an education revolution. A real education revolution requires genuine substance to invoke genuine change in our education system. A real revolution would inspire passion in our teachers and a sense of hope for the future of our students.

It is not a budget for all Australians when our rural Australians are delivered yet another raw deal. This is indeed a sunburnt country of droughts and flooding rains, and we have seen that on both counts over the last several years. But you need to understand that when you sit behind a big desk in Canberra. That is what Labor consistently fails to do. The Prime Minister and his work experience Treasurer claim this budget confirms their self-advertised credentials as economic conservatives.

The PM is a churchgoer. Can I remind him of the parable of the talents. Three servants are given money by their master—in this case, for the sake of analogy, the Howard-Costello government and its record surpluses. Prime Minister Rudd would be the one who buries his money in the ground and eventually comes back and says: ‘Praise be to me. I didn’t spend it wisely. I didn’t invest it at a profit, but I didn’t lose it. I must be an economic conservative.’ To this his master replies—and here I translate freely from the original Hebrew: ‘You’re a dill, mate. You’re not an economic conservative; you’re an economic Neanderthal.’

In conclusion, as these are my last remarks on my last occasion as a member of the Senate, I will not be here to see the Rudd government and whoever replaces Wayne Swan as Treasurer squander the magnificent inheritance they got from the Howard-
Costello government. But I am confident that in a couple of years or less the Australian people will see the Rudd government and dismiss it for what it is: an unintended consequence.

President of the Senate

Senator PARRY (Tasmania) (7.42 pm)—I will not detain the Senate for very long. I indicate that it is good to see retiring senators such as Senator Bartlett and Senator Chapman here to the very end. There are only minutes to go before we adjourn for what are their final moments in the chamber. I know that Senator Chapman has an emotional attachment to leaving here as we all walk out together when the adjournment is finally agreed to.

Could I also say, Mr President, congratulations on a fine term as President of the Senate. Your presiding months have been exemplary and I know you will leave your office with a heavy heart in August prior to us commencing in the chamber again. From a personal perspective as whip of the coalition, I thank you very much. I have really enjoyed working with you on both sides, as Government Whip and now as Opposition Whip. Our relationship is necessarily close because of that involvement. Thank you. You leave the office with a great deal of respect.

Senate adjourned at 7.44 pm

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

Aged Care Act—Determinations—
Amount of flexible care subsidy—
Extended aged care at home—dementia—ACA Ch. 3 No. 20/2008 [F2008L02237]*.

Australian Passports (Application Fees) Act—Australian Passports Amendment Determination 2008 (No. 1) [F2008L02171]*.

Bankruptcy Act—Bankruptcy (Fees and Remuneration) Determination 2008 [F2008L02175]*.

Christmas Island Act—Utilities and Services Ordinance—Christmas Island Water and Sewer Services Fees and Charges Determination No. 1 of 2008 [F2008L02088]*.

Civil Aviation Act—Civil Aviation Safety Regulations—Airworthiness Directives—Part 105—
AD/CL-600/101—Main Landing Gear Trunnion Fitting Web [F2008L02226]*.
AD/EC 135/17—Main Gearbox Oil Sampling & Analysis [F2008L02201]*.
AD/EMB-145/16—Ailerons Power Control Actuator and Damper [F2008L02287]*.
AD/S-PUMA/78—Main Rotor Blade De-Icing System Clamps [F2008L02227]*.
Cocos (Keeling) Islands Act—Utilities and Services Ordinance—Cocos (Keeling) Islands Water and Sewer Services Fees and Charges Determination No. 1 of 2008 [F2008L02087]*.
Financial Management and Accountability Act—
Determinations—
2008/34—Section 32 (Transfer of Functions from PM&C to FaHCSIA) [F2008L02291]*.
2008/35—Section 32 (Transfer of Functions from the former DEWRFaHCSIA) [F2008L02293]*.

Select Legislative Instrument 2008 No. 108—Financial Management and Accountability Amendment Regulations 2008 (No. 2) [F2008L02162]*.

Private Health Insurance Act—

Private Health Insurance (Complying Product) Rules 2008 (No. 2) [F2008L02207]*.

Private Health Insurance (Prostheses) Rules 2008 (No. 1) [F2008L02219]*.

Quarantine Act—

Quarantine Amendment Proclamation 2008 (No. 1) [F2008L01163]*.

Select Legislative Instrument 2008 No. 101—Quarantine Amendment Regulations 2008 (No. 1) [F2008L01161]*.

Social Security Act—

Social Security Exempt Lump Sum (Climate Change Adjustment Program Re-establishment Grant) (DEEWR) Determination 2008 [F2008L02158]*.


Superannuation (Productivity Benefit) Act—


Superannuation (Productivity Benefit) (Penalty Interest) Amendment Determination 2008 (No. 1) [F2008L02209]*.


Veterans’ Entitlements Act—Statements of Principles concerning—

Acquired Cataract No. 39 of 2008 [F2008L02190]*.

Adjustment Disorder No. 37 of 2008 [F2008L02187]*.

Adjustment Disorder No. 38 of 2008 [F2008L02189]*.

* Explanatory statement tabled with legislative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Veterans’ Affairs: Media Management Contract
(Question No. 466)

Senator Minchin asked the Minister representing the Minister for Veterans’ Affairs, upon notice, on 30 May 2008:

Since 1 July 2006: (a) has the department or any agency in the Minister’s portfolio engaged: (i) CMAX Communications, (ii) Maximum Communications, (iii) Mr Christian Taubenschlag, (iv) Ms Tara Taubenschlag, or (v) any company operated by Mr Christian Taubenschlag or Ms Tara Taubenschlag; and (b) if so, in each case: (i) when was the engagement, (ii) what was the nature of the engagement, (iii) what was the value of the engagement, (iv) what was the term of the engagement, (v) what was the term of the engagement, (vi) did the Minister or any of his/her staff have a role in recommending this engagement.

Senator Faulkner—The Minister for Veterans’ Affairs has provided the following answer to the honourable senator’s question:

(a) The Department of Veterans’ Affairs and the Australian War Memorial have not engaged or had any contractual arrangement with the companies or persons listed in (i), (ii), (iii), (iv) and (v) since 1 July 2006.

(b) N/A