COMMONWEALTH OF AUSTRALIA

SENATE

Hansard

MONDAY, 10 NOVEMBER 2008

CORRECTIONS

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Monday, 17 November 2008

Facsimile: Senate (02) 6277 2977
          House of Representatives (02) 6277 2944
          Main Committee (02) 6277 2944

BY AUTHORITY OF THE SENATE

PROOF
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**SITTING DAYS—2008**

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<td>December</td>
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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—THIRD PERIOD

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

Senate Officeholders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Hon. Alan Baird Ferguson
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. Helen Lloyd Coonan

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 Barnaby Thomas Gerard Joyce
Deputy Leader of the Nationals—Senator Hon. Nigel Gregory Scullion
Leader of the Australian Greens—Senator Robert James Brown
Deputy Leader of the Australian Greens—Senator Christine Anne Milne
Leader of the Family First Party—Senator Steve Fielding
Government Whips—Senators Kerry Williams Kelso O’Brien, Donald Edward Farrell and Anne McEwen
Liberal Party of Australia Whips—Senators Stephen Shane Parry and Judith Anne Adams
The Nationals Whip—Senator John Reginald Williams
Australian Greens Whip—Senator Rachel Mary Siewert
Family First Party Whip—Senator Steve Fielding

Printed by authority of the Senate
## Members of the Senate

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<th>Senator</th>
<th>State or Territory</th>
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<th>Party</th>
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(1) Chosen by the Parliament of South Australia to fill a casual vacancy vice Amanda Eloise Vanstone, resigned.
(2) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Ian Campbell, resigned.
(3) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

PARTY ABBREVIATIONS
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

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# RUDD MINISTRY

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<td>Prime Minister</td>
<td>Hon. Kevin Rudd, MP</td>
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<tr>
<td>Deputy Prime Minister, Minister for Education, Minister for</td>
<td>Hon. Julia Gillard, MP</td>
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<td>Employment and Workplace Relations and Minister for Social</td>
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<td>Inclusion</td>
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<td>Treasurer</td>
<td>Hon. Wayne Swan MP</td>
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<tr>
<td>Minister for Immigration and Citizenship and Leader of the</td>
<td>Senator Hon. Chris Evans</td>
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<td>Government in the Senate</td>
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<tr>
<td>Special Minister of State, Cabinet Secretary and</td>
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<tr>
<td>Vice President of the Executive Council</td>
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<tr>
<td>Minister for Finance and Deregulation</td>
<td>Hon. Lindsay Tanner MP</td>
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<td>Hon. Joel Fitzgibbon MP</td>
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<td>Hon. Nicola Roxon MP</td>
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<td>Hon. Jenny Macklin MP</td>
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<td>Minister for Infrastructure, Transport, Regional Development</td>
<td>Hon. Anthony Albanese MP</td>
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<td>and Local Government and Leader of the House</td>
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<td>Minister for Broadband, Communications and the Digital</td>
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<td>Economy and Deputy Leader of the Government in the Senate</td>
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<tr>
<td>Minister for Innovation, Industry, Science and Research</td>
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<td>Minister for Climate Change and Water</td>
<td>Senator Hon. Penny Wong</td>
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<tr>
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<td>Hon. Peter Garrett AM, MP</td>
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<tr>
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<td>Hon. Robert McClelland MP</td>
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<td>Minister for Human Services and Manager of Government</td>
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<td>Hon. Tony Burke MP</td>
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<tr>
<td>Minister for Resources and Energy and Minister for Tourism</td>
<td>Hon. Martin Ferguson AM, MP</td>
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[The above ministers constitute the cabinet]
RUDD MINISTRY—continued

Minister for Home Affairs
Hon. Bob Debus MP

Assistant Treasurer and Minister for Competition Policy and Consumer Affairs
Hon. Chris Bowen MP

Minister for Veterans’ Affairs
Hon. Alan Griffin MP

Minister for Housing and Minister for the Status of Women
Hon. Tanya Plibersek MP

Minister for Employment Participation
Hon. Brendan O’Connor MP

Minister for Defence Science and Personnel
Hon. Warren Snowdon MP

Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation
Hon. Dr Craig Emerson MP

Minister for Superannuation and Corporate Law
Senator Hon. Nick Sherry

Minister for Ageing
Hon. Justine Elliot MP

Minister for Youth and Minister for Sport
Hon. Kate Ellis MP

Parliamentary Secretary for Early Childhood Education and Childcare
Hon. Maxine McKew MP

Parliamentary Secretary for Defence Procurement
Hon. Greg Combet AM, MP

Parliamentary Secretary for Defence Support
Hon. Dr Mike Kelly AM, MP

Parliamentary Secretary for Regional Development and Northern Australia
Hon. Gary Gray AO, MP

Parliamentary Secretary for Disabilities and Children’s Services
Hon. Bill Shorten MP

Parliamentary Secretary for International Development Assistance
Hon. Bob McMullan MP

Parliamentary Secretary for Pacific Island Affairs
Hon. Duncan Kerr MP

Parliamentary Secretary to the Prime Minister
Hon. Anthony Byrne MP

Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion
Senator Hon. Ursula Stephens

Parliamentary Secretary to the Minister for Trade
Hon. John Murphy MP

Parliamentary Secretary to the Minister for Health and Ageing
Senator Hon. Jan McLucas

Parliamentary Secretary for Multicultural Affairs and Settlement Services
Hon. Laurie Ferguson MP
SHADOW MINISTRY

Leader of the Opposition
The Hon Malcolm Turnbull MP

Shadow Treasurer and Deputy Leader of the Opposition
The Hon Julie Bishop MP

Shadow Minister for Trade, Transport, Regional Development and Local Government and Leader of The Nationals
The Hon Warren Truss MP

Shadow Minister for Broadband, Communications and the Digital Economy and Leader of the Opposition in the Senate
Senator the Hon Nick Minchin

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

Shadow Minister for Infrastructure and COAG and Shadow Minister Assisting the Leader on Emissions Trading Design
The Hon Andrew Robb AO, MP

Shadow Minister for Foreign Affairs and Manager of Opposition Business in the Senate
Senator the Hon Helen Coonan

Shadow Minister for Finance, Competition Policy and Deregulation and Manager of Opposition Business in the House
The Hon Joe Hockey MP

Shadow Minister for Energy and Resources
The Hon Ian Macfarlane MP

Shadow Minister for Families, Housing, Community Services and Indigenous Affairs
The Hon Tony Abbott MP

Shadow Special Minister of State and Shadow Cabinet Secretary
Senator the Hon Michael Ronaldson

Shadow Minister for Human Services and Deputy Leader of The Nationals
Senator the Hon Nigel Scullion

Shadow Minister for Climate Change, Environment and Water
The Hon Greg Hunt MP

Shadow Minister for Health and Ageing
The Hon Peter Dutton MP

Shadow Minister for Defence
Senator the Hon David Johnston

Shadow Minister for Education, Apprenticeships and Training
The Hon Christopher Pyne MP

Shadow Attorney-General
Senator the Hon George Brandis SC

Shadow Minister for Agriculture, Fisheries and Forestry
The Hon John Cobb MP

Shadow Minister for Employment and Workplace Relations
Mr Michael Keenan MP

Shadow Minister for Immigration and Citizenship
The Hon Dr Sharman Stone

Shadow Minister for Small Business, Independent Contractors, Tourism and the Arts
Mr Steven Ciobo

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

Shadow Minister for Financial Services, Superannuation and Corporate Law
The Hon Chris Pearce MP

Shadow Assistant Treasurer
The Hon Tony Smith MP

Shadow Minister for Sustainable Development and Cities
The Hon Bruce Billson MP

Shadow Minister for Competition Policy and Consumer Affairs and Deputy Manager of Opposition Business in the House
Mr Luke Hartsuyker MP

Shadow Minister for Housing and Local Government
Mr Scott Morrison

Shadow Minister for Ageing
Mrs Margaret May MP

Shadow Minister for Defence Science and Personnel and Assisting Shadow Minister for Defence
The Hon Bob Baldwin MP

Shadow Minister for Veterans’ Affairs
Mrs Louise Markus MP

Shadow Minister for Early Childhood Education, Childcare, Status of Women and Youth
Mrs Sophie Mirabella MP

Shadow Minister for Justice and Customs
The Hon Sussan Ley MP

Shadow Minister for Employment Participation, Training and Sport
Dr Andrew Southcott MP

Shadow Parliamentary Secretary for Northern Australia
Senator the Hon Ian Macdonald

Shadow Parliamentary Secretary for Roads and Transport
Mr Don Randall MP

Shadow Parliamentary Secretary for Regional Development
Mr John Forrest MP

Shadow Parliamentary Secretary for International Development Assistance and Shadow Parliamentary Secretary for Indigenous Affairs
Senator Marise Payne

Shadow Parliamentary Secretary for Energy and Resources
Mr Barry Haase MP

Shadow Parliamentary Secretary for Disabilities, Carers and the Voluntary Sector
Senator Cory Bernardi

Shadow Parliamentary Secretary for Water Resources and Conservation
Senator Fiona Nash

Shadow Parliamentary Secretary for Health Administration
Senator Mathias Cormann

Shadow Parliamentary Secretary for Defence
The Hon Peter Lindsay MP

Shadow Parliamentary Secretary for Education
Senator the Hon Brett Mason

Shadow Parliamentary Secretary for Justice and Public Security
Mr Jason Wood MP

Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry
Senator the Hon Richard Colbeck

Shadow Parliamentary Secretary for Immigration and Citizenship and Shadow Parliamentary Secretary Assisting the Leader in the Senate
Senator Concetta Fierravanti-Wells
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been elected Deputy Leader of the Australian Greens:

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (12.30 pm)—It is my pleasure to inform the Senate that Senator Christine Milne has been elected Deputy Leader of the Australian Greens:

FINANCIAL MATTERS AND OTHER MEASURES) BILL 2008

Consideration of House of Representatives Message

Message received from the House of Representatives returning the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008, and informing the Senate that the House has made the amendments requested by the Senate.

Third Reading

Senator LUDWIG (Queensland—Minister for Human Services) (12.31 pm)—I move:

That this bill be now read a third time.

Senator FIELDING (Victoria—Leader of the Family First Party) (12.31 pm)—Marriage as we know it in Australia today will exist no more after this week. If the Rudd government gets its way, marriage will be diminished; it will be tossed on the scrap heap. With the Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008, the Rudd government is determining that the status of marriage counts for nothing and is reducing it to just another relationship—nothing remarkable. The changes put forward by the Rudd government in this legislation mean that there will be no area of Australian law where it will matter whether you are married or in a de facto relationship.

This legislation is mind-blowing, interventionist rubbish. Out in the suburbs and in the cities of Australia, people do not know what the government—with the opposition giving it a helping hand—is trying to sneak through with this legislation. It is even more absurd that the new laws entrench the notion that one of the partners in a marriage can be in a de facto relationship at the same time. Also, the government’s legislation would for the first time allow multiple concurrent de facto relationships. Most family laws promote exclusivity in relationships, and for good reasons. Multiple partners are not good for a family because they are not good for children, who thrive on stability. Think of the chaos that will be caused in the Family Court if partners from multiple concurrent de facto relationships start lodging applications in property settlements.

The government’s mantra is that they are not changing the Marriage Act and so marriage between a man and a woman is protected. But the government are trashing the special status of marriage by giving benefits to other relationships so, in practical terms, there will be no difference between a de facto relationship and a marriage. Legislation should be child focused, not adult focused. It is in the best interests of children to have both a mother and a father when possible. It is vitally important to promote marriage and not reduce its status, because it is in marriage where children get both a mum and dad. Marriage is the relationship which provides children with the best chance of the stable family life that they need. It is the backbone and the core of our society. This should not be reduced by any measure. Without question, marriage is the best environment in which to raise children.

Family First believes that the important and overriding principle to guide us when looking at this legislation is that marriage should keep its privileged status and not be undermined. A second important principle is that relationships other than marriage relationships should be recognised as interdependent relationships rather than as marriage-like relationships. Interdependent relationships could include same- and opposite-sex couples in a sexual relationship, but they could also include a couple of mates or two sisters who live together and who share housework, rent and other bills and who are genuinely financially interdependent.

In drafting this bill, the government failed to ask why certain couples want rights granted. It is not true that all people engaged in a sexual relationship want to share their assets and legal responsibilities. Some couples do not marry, because they do not want the legal obligations of marriage or the equivalent that this bill would bring. Yet, under this bill, people deemed to be in a de facto relationship do not need to have made an explicit decision to take on that status. What one person may consider a casual, ongoing relationship may be deemed by another to be a de facto relationship, with all the legal status that that could entail.

For de facto couples, this legislation removes choice. It states that they have a legal status whether they have sought it or not. It would be better to allow all couples who have agreed to share their lives together, and who do not wish to or cannot marry, to decide to have shared rights and responsibilities as members of interdependent relationships. Rights could be granted on the basis of a couple’s commitment to a shared life.

For de facto couples, this legislation removes choice. It states that they have a legal status whether they have sought it or not. It would be better to allow all couples who have agreed to share their lives together, and who do not wish to or cannot marry, to decide to have shared rights and responsibilities as members of interdependent relationships. Rights could be granted on the basis of a couple’s commitment to a shared life.

Family First opposes this bill because it is a revolution that undermines marriage and means that there will be no area of Australian law where it matters whether you are married or in a de facto relationship. To help senators join me in calling for a third reading division, I draw attention to the state of the chamber.

(Quorum formed)

Senator BRANDIS (Queensland) (12.37 pm)—Can I just indicate that, as I made clear at the time of the
second reading debate, this bill has the opposition’s support. The opposition does not share the views expressed by Senator Fielding in the contribution which he has just made. The opposition does not regard the bill as an attack on the institution of marriage and we note that no amendment to the Marriage Act is contemplated by it.

The bill does two things, both of which have the opposition’s support. First, it brings de facto relationships within the jurisdiction of the Family Court. That is a practical law reform measure which was actually initiated during the previous government, by the former Attorney-General, Mr Ruddock. Second, the bill enshrines the principle of the equality of treatment of same-sex couples and de facto heterosexual couples. That proposition, for reasons I and others have explained before, also has the opposition’s wholehearted support.

Not only does this bill not undermine marriage but, by maintaining a clear and sharp distinction between marriage and de facto relationships, in fact the bill reinforces the unique status of marriage, to which the opposition is wholeheartedly committed.

Question agreed to.

Senator FIELDING (Victoria—Leader of the Family First Party) (12.39 pm)—by leave—I would like it noted that Family First opposes the bill.

Bill read a third time.

TRADE PRACTICES LEGISLATION AMENDMENT BILL 2008

Consideration of House of Representatives Message

Message received from the House of Representatives returning the Trade Practices Legislation Amendment Bill 2008, informing the Senate that the House has agreed to amendments Nos (1), (3), (4), (6) and (7) made by the Senate, disagreed to amendments Nos (2) and (5), has made six further amendments, and requesting the reconsideration of the bill in respect of the amendments disagreed to and the concurrence of the Senate in the amendments made by the House.

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

Senator LUDWIG (Queensland—Minister for Human Services) (12.40 pm)—I move:

That the committee does not insist on its amendments to which the House has disagreed.

Senator ABETZ (Tasmania) (12.42 pm)—I was wondering if the Minister for Human Services could advise us as to the degree of consultation that has taken place with the states in relation to these amendments.

Senator LUDWIG (Queensland—Minister for Human Services) (12.43 pm)—I might have to take that on notice whilst the advisers change over after the previous piece of legislation. If we could deal with some other matters prior to that, I will be able to have a response shortly.

Senator ABETZ (Tasmania) (12.43 pm)—Perhaps the minister could give me an appropriate nod when his advisers are present in the chamber. That will allow me to make some comments in relation to this legislation finding its way back into the Senate so quickly. The coalition has a matter of great concern in relation to this legislation. The coalition, the Greens, Family First and Senator Xenophon had a unity ticket in relation to the amendments to this legislation—a unity ticket supported by the ACTU and the ACCI. The only people that seemed to be against it were the Australian Labor Party and its state and territory branches. Now, with the change of government in Western Australia, it has become apparent that the new government there in fact does support the extra representation being given to the social partners, namely the ACCI and the ACTU. It is therefore passing strange that the Minister for Employment and Workplace Relations, Ms Gillard, came out immediately after the Senate made these amendments and said they were unacceptable to the government.

At Senate estimates—and the minister will recall this—I asked some questions about these very matters, about whether the minister, before rejecting the Senate’s amendments, had consulted with her state colleagues. Of course, there was no answer. My understanding is that in fact there was no such consultation, which shows the arrogance and high-handedness of this government and this particular minister, the Deputy Prime Minister. I still recall the accusations and allegations made against the coalition about the Howard government allegedly treating the Senate as a rubber stamp. What greater arrogance, what greater high-handedness, can you have than a Deputy Prime Minister, before she has even had the opportunity to fully consider and consult in relation to coalition amendments, coming out and saying that they will be opposed because somehow they strike at the intergov-
ernmental agreement that had been reached between the states and territories and the Commonwealth? Indeed, one of the questions I asked was this: how could the imposition of an audit committee unravel the legislation and the agreement? There was no answer, which is indicative of the high-handed, arrogant approach of this government and, in particular, this minister.

All of us around this chamber are committed to a safer working environment in Australia for all Australian workers. Of course we want to see the best possible regime in place. But to suggest that all wisdom resides between the ears of federal Labor and state Labor governments is, to say the least, pushing things a bit far, especially when the organisation that bankrolled these people into government—namely, the ACTU—actually happens to agree with us on this issue. The ACTU actually agrees with us on this issue. That goes to show that, now that they have got the sniff of the ministerial leather in their nostrils, the Labor government and their ministers are just jettisoning everybody who was part and parcel of their campaign—and, it would seem, on this occasion, even the ACTU.

I would have thought that, when you have the extraordinary circumstance of agreement being reached between Senator Xenophon, Senator Fielding, the Greens, the coalition, the ACTU and ACCI, there might be some substance in the amendments that this place passed and there might be some proper engagement with those of us who pursued the amendments as to why these amendments were somehow wrong or would somehow unravel the harmonisation process. We were not given those responses during the debate that we had in this place. Initially, when we were in the committee stage, we asked the questions on how the audit committee, for example, could unravel harmonisation and what was so evil about allowing the social partners, ACCI and the ACTU, to have increased representation—and, when I say ‘increased representation’, might I say that that would just restore the representation of the social partners to that which it was under the Howard coalition government. The Labor Party was changing it to reduce the social partner representation and we moved to restore it. We were not told how that could somehow unravel—other than, of course, that the Labor state governments might not get their full voting power as they wanted under the coalition government. But we happen to believe that the organisations that are at the coalface of industrial relations and of occupational health and safety, namely the employer groups and those groups representing the workers, ought to have a say and a significant say, and that is why we moved the amendments that we did.

I now note that the minister is armed with at least one adviser, and I trust that that will be enough. There is a smile from the box suggesting that he feels more than capable and confident in answering all the questions. Allow me then, Minister, to ask you what specific consultation took place between Deputy Prime Minister Gillard and the state governments prior to her immediate announcement that the Senate amendments—all Senate amendments—would be unacceptable to the government.

**Senator LUDWIG** (Queensland—Minister for Human Services) (12.50 pm)—What I can say is this: I am advised that part of the response is contained within the Wednesday, 5 November 2008 communiqué from the Australian, state, territory and New Zealand Workplace Relations Ministers Council—I am unsure of whether you have a copy of that; I can provide it to you. Ministers at that meeting:

… were also updated on the progress of legislation to establish Safe Work Australia. Ministers highlighted that Senate amendments to the Safe Work Australia Bill 2008 were inconsistent with the historic commitment of all governments to uniform national OHS legislation as reflected in the intergovernmental agreement on OHS reforms signed by the Council of Australian Governments (COAG) in July 2008. The ministers also:

… noted with much concern that the amendments threatened the harmonisation of national OHS legislation, thereby delaying a significant and long overdue economic reform which would enhance OHS outcomes, reduce red tape for business and strengthen Australia’s productive capacity.

The attendees included not only the Deputy Prime Minister, Ms Gillard, but also Hon. Robert Hulls for Victoria, Hon. John Hatzistergos from New South Wales, Hon. John Mickel from Queensland, Hon. Paul Caica from South Australia, Hon. Troy Buswell from WA, Hon. Tim Holding from Victoria and Hon. Joseph Tripodi from New South Wales. They were in unison about the need to pass these laws as put to this house. Why? The communiqué goes through a range of issues, but let me put it this way: this government has set itself the task of creating a seamless national economy unhindered by unnecessary state duplication, overlap and differences in occupational health and safety. This is a historic time where we can move to get outcomes in relation to harmonisation of OHS codes. Occupational health and safety is a prime example of the reform that is needed and should be allowed to progress. The opposition agrees with it. We seem to be stuck on some issues. The opposition cannot seem to grasp that it has been agreed by both the states and the Commonwealth to move forward. We want to move forward in this area.

The cost to the economy is significant if we do not get OH&S reform. We know more than 300 Australians are killed each year at work. More die as a result of work related disease. Each year over 140,000 Australians are seriously injured at work. This is an area where the establishment of Safe Work Australia is an essential part of the government’s strategy to improve safety outcomes. I ask the opposition to consider the
overarching necessity of moving forward with this rather than getting bogged down over the detail, which they are now doing. We have the communique from the Australian, State, Territory and New Zealand Workplace Relations Ministers Council. They have signed up to a document that they want and would like to see passed in this place.

Importantly, it is not only the ministerial council that has dealt with this. I note that in some of the issues you raised there seems to have been a coalition of opposition from both the unions and employers. But can I take you also to the position of the Business Council of Australia. On Sunday, 9 November 2008, the BCA urged the Senate to:

... remove a potential handbrake on business activity by reconsidering amendments to the Bill establishing Safe Work Australia in the parliamentary sessions resuming from this week.

The BCA chief executive, Katie Lahey, said the removal of any barriers to the efficient operation of businesses were even more important in tough economic conditions.

She went on to state:

In the current climate, businesses need every help to get on with the job. The amendments sought by the Senate jeopardise moves to make business operations and employment of workers simpler across our jurisdictions.

She also went on to say:

The amendments sought by the Senate in the last sitting are inconsistent with the agreement by all governments at COAG to deliver a uniform national system of occupational health and safety (OHS) laws.

In addition, she stated:

The BCA remains strongly of the view that the implementation of a nationally consistent OHS legislative framework is critical to realising the aim of a seamless economy for Australia.

In conclusion, the statement that the Business Council of Australia made effectively urged the Senate to reconsider its view, to consider the views of business and to pass the bill in its original form when it returns to the house, which is today. I ask the opposition to take note of both the communique from the ministerial council plus the views of the BCA and to support our position. We do want harmonised occupational health and safety outcomes, and they should allow that message to go through. We accept that we do not always get what we want, but, for the overall good of the economy, the ability to get all states and territories in the carding is really a historic occasion that we should not let slip by. With that, I urge that the Senate consider this issue and, in reconsidering its amendments, accept that they should not pass.

Senator ABETZ (Tasmania—Deputy Leader of the Opposition in the Senate) (12.57 pm)—The minister took, I think, a good 10 minutes or so to provide a response to a question that I in fact did not ask. The question I asked was: when the Deputy Prime Minister first came out saying that she opposed all the Senate’s amendments, clearly before 5 November, what consultation had taken place with her state and territory counterparts? I asked that question at Senate estimates but was unable to receive an answer. I have a hunch that we know what the answer is: zero, nil, none, no consultation whatsoever before her high-handed statement. So I ask again and if we do not get an answer I will just assume that the answer is that there was no consultation before she made her high-handed statement.

I have a second question: Minister, did the communique to which you referred make any reference to the Western Australian minister saying that he in fact did support some of the amendments, including giving increased representation to the social partners, namely ACCI and the ACTU? Whilst you are at it, can you tell us how the provision of an audit committee by virtue of Senate amendment is inconsistent with the intergovernmental agreement?

Senator LUDWIG (Queensland—Minister for Human Services) (12.59 pm)—I am advised in respect of the consultation by the Deputy Prime Minister that the amendments were discussed with various states and territories on 20 October and that the IGA and concerns about the Senate amendments were discussed. In response to the second question—yes, the communique does say that the ministers were, as I have indicated, updated on the progress of legislation to establish Safe Work Australia. In addition, the WA minister noted—and I did volunteer to provide a copy to you—that the WA government supported a number of the amendments passed by the Senate. The communique goes on to say:

However, Ministers noted with much concern that the amendments threatened the harmonisation of national OHS legislation, thereby delaying a significant and long overdue economic reform which would enhance OHS outcomes, reduce red tape for business and strengthen Australia’s productive capacity.

Ministers endorsed the proposed response to COAG on recommendations from the Productivity Commission …

This is a matter that we dealt with at length during the committee stage of the bill. It is not, of course, inconsistent with the IGA but the position we put at the time was that it was not required because these matters are dealt with in the FMA Act. Quite frankly it is unnecessary to go over those arguments again. I know that the opposition argued that it is a belt and braces approach. The reason to have FMA legislation in place, which deals comprehensively with how you deal with audit and a whole range of other matters, is to put it in legislation where it will apply to all of these types of organisations. Therefore when you happen to reproduce it in various other statutes over time, you do not depart or change the wording. Also the wording does not get amended with the effluxion of time or with change of
governments when sometimes the wording alters, not through any general desire of people but it just occurs that way. You then expose yourself to the possibility that people will read it differently.

It is always much better to have it in a framework piece of legislation where it can be amended once, if there is a requirement to change it with emerging circumstances, and then be reflected across. It is more logical to keep it in the FMA Act and it is not logical to reflect it in this legislation, for those reasons that I have outlined. It ensures that there is an audit committee which operates effectively and provides the necessary assurances that, I think, you raised in terms of how it would work on the ground. It is an audit committee designed to undertake the work to ensure that Safe Work Australia works effectively for all states and territories.

**Senator ABETZ** (Tasmania) (1.03 pm)—Can the minister advise with which state and territory governments Ms Gillard actually communicated on 20 October, or was it not Ms Gillard but departmental staff talking to other departmental staff? Can we have some clarification on this alleged consultation?

**Senator LUDWIG** (Queensland—Minister for Human Services) (1.04 pm)—I have indicated that consultation with states and territories took place. I have also indicated that, as of 5 November 2008, we had a clear communique from Australian state and territory and New Zealand workplace relations ministers. There were apologies, of course, to that meeting but they would have otherwise been advised of the communique. The position is plain as to where we have got to. I think that the opposition is now trying to split hairs about matters. What I am putting to the opposition is that this is about harmonisation of OH&S laws—either you agree or you disagree. In terms of the direction we are heading, my understanding is that you agree—so come on board, let us move on from here and ensure that Safe Work Australia takes up the mantle, improves outcomes for occupational health and safety and, ultimately, for those who are injured at workplaces to ensure that we do have safe workplaces and that we have harmonised laws. The state and territory governments have signed up to the IGA and they have indicated in the communique that they continue to maintain that position. We need to start to move forward from here and I ask the opposition to agree to allow the legislation to pass in an unamended form. I do that as politely as I can.

**Senator ABETZ** (Tasmania) (1.05 pm)—The arrogance from the lower house seems to be seeping up to this place as well when we have the minister telling us to come on board with his proposal, or else, and that you either support it or you do not.

**Senator Ludwig**—I did not say that.

**Senator ABETZ**—But you did say, ‘You either support it, or you don’t.’ It is that sort of arrogance that is making this legislation stick at the moment. The government is not willing to consider that anybody else—be it the ACTU, ACCI, Senator Xenophon, Family First, the Greens, the coalition—might have any ideas whatsoever to contribute to this to make the occupational health and safety regime even better. It is that sort of non-consultative and very arrogant approach that is causing the deadlock we are currently in.

Minister, I want a specific answer—and I want clarification on this, and you will not fob us off—as to whether Deputy Prime Minister Gillard personally spoke with state ministerial colleagues on this issue before or on 20 October. If she did not and it was simply departmental consultation, were all state and territory departments actually consulted?

**Senator LUDWIG** (Queensland—Minister for Human Services) (1.07 pm)—The only information I have is what I provided to you originally, which outlined that, as I understand it, the Deputy Prime Minister consulted with the various states and territories on the Senate amendments on 20 October. The issue then went to the need to maintain the IGA, and they were concerned about the Senate amendments. I do not have any greater specificity on that answer than what I have provided. I think it provides an answer on the consultative process that was undertaken. With all due respect, the opposition should have a look at the communique. They would then see that the states and territories have entered into the IGA, they have looked at the Senate amendments post the Senate process, they have considered the position and continued with a desire to ensure that we have a harmonised outcome—that is, OHS legislation through Safe Work Australia. These amendments have been looked at by all states and territories—you even drew me to the communique, which indicated WA’s position. In their own words:

… the WA Government supports a number of the amendments passed by the Senate.

However, Ministers noted with much concern that the amendments threaten the harmonisation of national OHS legislation …

Ultimately, we have got to a position where we do want the intergovernmental agreement reflected in the legislation. The government does want OHS legislation through Safe Work to be established and we want it in the form that we have put forward. We ask the chamber to consider that position and provide a positive outcome.

**Senator Abetz**—How long was this matter under consideration at the ministerial council meeting on 5 November?

**Senator LUDWIG**—Unfortunately, they do not invite me there. I will see whether I can provide any ad-

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dional information from the advisers which might assist.

Senator ABETZ (Tasmania) (1.10 pm)—Whilst the minister is doing that—and I thank him for that—is it not a fact that the minister and the government’s mantra in relation to not enhancing the position of the social partners, namely, ACCI and the ACTU, by increasing their representation on Safe Work from two to three each, was based on this wonderful balance of ensuring that the states did not lose their position of power, as it were, in the balance of power under this finely tuned agreement? As I recall, that was the rationale provided to us. It would seem passing strange, if that were the rationale, that the one state government that now actually supports this change—moved by the Senate and passed by the Senate—is in fact the Western Australian government, which one could reasonably argue is the most states rights focused of any of the state governments in Australia.

We have this bizarre proposition being put to us by the government that we should believe them on this matter, because of the finetuned agreement to ensure that all the states rights considerations were taken into account, yet the most proud, pro states rights government in Australia, the Western Australian government, is willing to dilute, as it were, state representation on Safe Work Australia and allow greater representation by the social partners. Are we actually to believe that to be the case, Minister, because, to coin a phrase I once used before—and for which I got into some trouble—it does not have the ring of truth about it?

Senator LUDWIG (Queensland—Minister for Human Services) (1.12 pm)—As an aside, as for your bidding for WA over Queensland in being more focused on states rights, I, coming from Queensland, am not sure whether we would not call ourselves equal in terms of all pursuing states rights issues.

Senator Abetz—When did you try for secession?

Senator LUDWIG—I will take that interjection. Clearly, Senator Abetz has never visited Queensland north of Mackay and, if he has, I apologise. There is certainly a strong argument in Queensland. Let me recognise from the start that the population of North Queensland has long held views about a range of issues, including the one you talk about. It would be remiss of me if I did not stand up for my state and say that, from my experience, people are proactive on states rights. They also recognise that WA has similarly held views about states rights. As to who would come first in that, a dead heat might be a better term, considering the politicians who are currently in the chamber.

Having said that, the government asks the Senate to politely reconsider the amendments. We have done that in the House, and they are now here in the Senate. It is important to the government that we develop national workplace occupational health and safety arrangements and that we achieve an outcome. It is important that we get Safe Work Australia up and running as early as possible.

It is important that we get the opposition, employers and unions to agree on the necessity for OH&S harmonisation. One of the cornerstones of that, which this government has been pursuing, is to achieve state agreement. I am advised that it has not been an easy process to obtain state agreement on harmonising OH&S, but the underlying rationale for achieving harmonisation is clearly seen by everybody. Having achieved that through the IGA, having that reflected in the Safe Work Australia legislation—the bill that is currently before us—it is important to reflect upon the journey that was taken to get that agreement, to get to the position we are now at, where we have a communique from the ministerial council which recognises that we do need strong, harmonised legislation on OH&S for all the reasons that were argued in the second reading debate and in committee.

We note the amendments that are currently before us. The communique from the Workplace Relations Ministers Council states:

However, Ministers noted with much concern that the amendments threatened the harmonisation of national OHS legislation, thereby delaying a significant and long overdue economic reform which would enhance OHS outcomes, reduce red tape for business and strengthen Australia’s productive capacity.

I do think that they are overarching considerations. Again I ask the Senate to consider those overarching considerations in light of the need to move forward.

Senator SIEWERT (Western Australia) (1.16 pm)—What the government has not articulated—and I cannot tell this from the communique from the meeting—is just how the Senate’s decisions are threatening the harmonisation of OH&S laws. What the Senate did was to insert a clause on objects. I would have thought that was straightforward. That merely points out what this legislation is intended to do—that is, increase the representation of employees and employers. What this legislation did before that was to take us backwards. As Senator Abetz has articulated, this request puts it back to what we had.

Given that this is supposed to be a tripartite approach, I would have thought that the government would have jumped at the chance to have increased representation of employees and employers. It is about removing ministerial discretion, appointing employee and employer representatives and removing the ability of the ministerial council to amend Safe Work Australia’s operational and strategic plans. I think this is where we are actually getting to the heart of why the government did not like it. It is removing some of the government’s control over Safe Work Australia—that is, state, territory and federal governments. The gov-
ernment said this was supposed to be an independent tripartite body. What the Senate seeks to do is to deliver on the government's rhetoric.

The legislation also removes the power of additional voting rights for government representatives on Safe Work Australia. It removes the power of the minister to direct the CEO contrary to strategic operational plans and the power of the minister to terminate the CEO for unsatisfactory performance. It also includes an audit committee, which we spoke on before. All these are sensible amendments to this legislation. In other words, the Senate was doing its job. It reviewed this legislation, found it wanting and put in place sensible amendments that go to the heart of the matter, which is: putting in place Safe Work Australia to develop model laws and regulations. That is what this is about.

I am having real trouble understanding why this legislation jeopardises the harmonisation of OH&S laws. The fate of that harmonisation is actually up to the Commonwealth and the states. It is very rare, we have to remember, that Senator Abetz and I agree on a whole range of issues. As I said before, I found it difficult to come to terms with. But Senator Abetz asked a very key question, and it is: how long were these issues considered? Were each of the amendments considered on their own merits or was it a case of: ‘We don’t like what the Senate’s done. They have dared to question the intergovernmental agreement that we reached’? The Senate dared to look at that and found it wanting. We dared to suggest some better rules, some better laws, some improvements to the legislation. We did our job. I would like to know whether each of these amendments were talked about and reviewed. Were the merits of each amendment discussed or was it just a case of saying, ‘They are daring to say something different; therefore, we’re going to disagree’? How does this jeopardise harmonisation if it is actually improving the legislation?

Senator LUDWIG (Queensland—Minister for Human Services) (1.20 pm)—I think it is very hard to go behind the communiqué, once published, and talk about the merits of individual matters as discussed or provide a blow-by-blow description of what might happen in a ministerial forum. What is important is that each of the relevant state and territory ministers would have had advisers. They also had the Deputy Prime Minister there, who has carriage of the matter. There was also all the work that led up to the intergovernmental agreement in the first place—the detailed work that went behind all of that.

Although I do not have any firsthand knowledge of it—let me make that plain—I find it difficult to then start to mount an argument that it was about rejecting the Senate on the basis that the ministerial council did not like the Senate’s position. Quite frankly, the position they got to was through the intergovernmental agreement. There was a historic agreement to sign up to harmonised OH&S laws. I think that point alone should not be missed. To try to put issues to individual state and territory ministers I think makes it even more difficult, but to ascribe to them a view that they might somehow not treat the Senate in a particular way misses the point of what they have actually tried to do.

They have signed up to a significant historic agreement and they have asked the Senate to turn that into legislation—through the carriage of Ms Gillard—in this place to reflect the agreement that they have reached. They think, I suspect, that it is a historic agreement. I tend to agree with them that it is pretty historic, having worked in state government in Queensland and having looked at—

Senator Abetz—Did you ‘prehistoric’ or ‘pretty historic’?

Senator LUDWIG—Historic. I have looked at this issue of harmonising state OH&S legislation. My dealings with it go back to the early to mid 1980s when people talked about this. It recalled the Robens style occupational health and safety legislation that was promulgated in the 1970s. We then moved to that by the 1980s and the 1990s. The idea of getting OH&S legislation harmonised across all the states and territories is not a recent invention. It has been desired because it would provide much better outcomes for achieving reduced numbers of injuries in workplaces and greater outcomes for people in terms of their safety in workplaces.

I think we are now left with a position where the opposition and minor parties may be championing causes other than those which would achieve occupational health and safety outcomes by harmonising the legislation. If we look at the intergovernmental agreement, it has provided a mechanism to spread the voting across the states and territories, with each having a representative. It allows the CEO to have a casting vote. The council obviously spent—at least from the records I have read—a significant amount of time working through the arrangement, and I think the parties are settled with the arrangement and would like the Senate to similarly accept that they have reached a historic agreement and to pass the legislation. I think that is the point we are at now. I cannot say it any more plainly than that. I think the Senate does play a valuable role in pointing all these things out. I have always said that: the Senate does play a very valuable role.

It is sometimes the case that the Senate does not get its way. Sometimes the Senate is asked, even when it does have the numbers, to let those go. The Senate is being asked to accept that there is a historic intergovernmental agreement and to allow Safe Work Australia to be established. It can always continue to have an interest in the outcomes of Safe Work Australia and to ensure that it is delivering OH&S benefits for Austra-
lians. That is the Senate’s role. It can act in an obstructionist way. It has happened in the past that parties have sought to use their numbers when they have had the majority in this place. We accept that sometimes the opposition, when the government is putting a case, can accept the position that this is for the interests of OH&S overall and accept the position the government is putting. It is not unusual for that to happen either. A number of times in this place, when we have been in opposition, we have accepted the government’s position, although it might not have been perfect in our view and might not have been what we would otherwise agree to. We would continue to have an interest in the issue and to ensure that the government would maintain its outcomes as promised. In this case it is improved OH&S outcomes. We accepted that the amendments that we might otherwise have wanted passed would not be put and would not be pursued and we have withdrawn them accordingly. Those things are not unusual for this place. It is not a case where we are seeking to trample over the rights of the Senate. The Senate has an interest.

What we are in a position of asking for today is that the Senate recognise that the government has reached an agreement. We would like the Senate to acknowledge that and allow the Safe Work Australia legislation to be passed.

Senator SIEWERT (Western Australia) (1.26 pm)—The problem here is: we have got a supposedly tripartite, independent body where one member of that—government—has joined together to make a historic agreement that gives them a much stronger voice, a much stronger role than the other two parts of that body. What the amendments did was to try to even that out a bit and to improve the legislation. I appreciate the fact that you cannot give us a blow-by-blow description of what went on in the ministerial council meeting, but I am struggling to understand why the government—state, territory and federal—did not think that these amendments, that improve the legislation, were even worth adequately considering. I get the sense that each of these amendments were not specifically considered in detail in the same way that the Senate considered them in detail. I would really like to know why these amendments threaten harmonisation of OH&S laws, when we are all trying to achieve the same outcome and these amendments actually improve the legislation. It certainly evens up the balance in terms of representation from the other two parts of the tripartite body, and that is the employers and the employees.

Senator LUDWIG (Queensland—Minister for Human Services) (1.28 pm)—One of the arguments that was raised is one which was dealt with in the committee stage. I will reiterate it, although I do not have the notes that I had at the time. I will paraphrase what I said then. If anyone compares it, hopefully I will be pretty close. One of the main arguments is really about process. It seems a trite argument to run, but it goes like this. It is extremely difficult, not only in my experience but from what I understand, to reach an intergovernmental agreement such as this one in such a broad area. The states acknowledge that we do need Safe Work Australia, we do need overarching OH&S legislation, we do need an outcome which is focused across Australia to ensure that we do have a plan and a strategy in place to reduce occupational health and safety incidents at workplaces across Australia and that the same outcomes can be continuous across all states and territories.

In reaching agreement, one of the challenges is always how you ensure that each state will reflect within the various parliaments the same legislation. This is not just a mild issue; it confounds and confronts states and territories. One of the experiences I can relate is the one where there were two model laws. One related to the Criminal Code. The second related to how you govern the solicitors and barristers across Australia. Both of those had their gestation period—the Model Criminal Code was much earlier—in the nineties, though I may stand corrected. I know that the first time I saw the green paper for the solicitors and barristers legislation was, as I recall, in the early nineties, and it took a long time for that to get across both states and territories. You would think it was pretty easy to have model laws that applied, but it took that long. In the outcomes, we ended up with various disagreements between the states and territories and the Commonwealth and, ultimately, variations in the legislation that were reflected in states and territories across the land. With the Model Criminal Code there was a similar experience. The federal government and the opposition were arguing for getting Model Criminal Code laws across, but we ended up with state variation.

State variation ultimately means that you do not have harmonisation because, once you have separate iterations in various states and territories, you have the capacity for people to depart and for arguments to create differences once they are litigated—or even without litigation sometimes. You then have a breakdown. What we are trying to do here is avoid that right at the start by saying: ‘They’ve signed up to an intergovernmental agreement. We then want this progressed and harmonised throughout the various states and territories. They have agreed to do suchlike.’ It is so important that we achieve it at this point because, if we start to break out with amendments and variations to the intergovernmental agreement, I suspect that other states and territories will not feel as signed up to the intergovernmental agreement as they may have and may also want to gabble on it as they reflect on their jurisdiction. They may not be able to argue, like I am arguing to the Senate today, that the intergovernmental agreement be reflected in legislation. They may simply
accept that there are going to be variations and that ultimately we do not end up with harmonised occupational health and safety laws.

We would perhaps argue and end up with a position slightly improved over what we currently have but not with the historic agreement that I have indicated. That is what concerns me most. I am speaking from personal experience. I hope this agreement is not the last, that there are many more that come forward to demonstrate how states and territories can agree to work through these issues by signing up to intergovernmental agreements and that they can provide outcomes that are beneficial to both workers and employers. BCA provided a short snapshot of what the beneficial employer outcomes would be, but the employee outcomes of course are reduced injuries at the workplace and longer contact with workplace rehabilitation to be able to come back to the workforce. All of those things are necessary. If this means that, for that outcome, I have to ask the Senate to accept the position we put forward, I do so unhesitatingly. I do so with conviction because it is one of those areas that I strongly believe we need.

The TEMPORARY CHAIRMAN (Senator Ellison)—Senator Abetz.

Senator ABETZ (Tasmania) (1.34 pm)—What a very distinguished temporary chairman we have in the chair. Senator Ellison, I wish you well in that new role. We have just received the schedule of the amendments made by the Senate to which the House of Representatives has disagreed. That has been circulated in the chamber with some of the reasons and rationale provided to us. For example, for Senate amendment (1), the ‘Objects’ clause, the only objection seems to be that it is unnecessary; it is not going to unravel harmonisation. I ask why that was not, at least as a gesture of goodwill and an indication that this arrogant government was treating the Senate seriously, accepted by the government if the only thing that could be said against it is unnecessary; it is one of those areas that I strongly believe we need.

I note that we still have not been told how long the ministerial meeting considered the Senate’s amendments. We would have had officers representing the Commonwealth there, so the Minister for Human Services is in a position to tell us. I would be very interested in that. I am also interested in the government’s response to termination of CEOs’ appointments for unsatisfactory performance. We went through that at Senate estimates, did we not? Every example that could be provided was materially different from the provision in this legislation, yet we are now being given a document—when we were just about to conclude this discussion it got dropped on my desk, so I read through it. It is one of those occasions when I must say I am thankful for the minister’s longwinded answer, but he is now going to be suffering the consequences of it.

I was able to read through this document, and it quotes certain legislation—if I recall correctly, the legislation on CEOs that was referred to during Senate estimates. If I recall correctly, it had the caveat that it had to be within the ‘reasonable’ opinion of the minister—whereas the word ‘reasonable’ is not in this legislation. Another thing that the officer at the table tried to serve up to me when I asked for the details was that it had to be done by the Governor-General in council. In other words, it had to be by the agreement, one would imagine, of the cabinet and the Executive Council, and not simply at the whim of the individual minister. At Senate estimates, when I pursued this ground, the department and you, Minister, were unable to come up with one single analogous situation. So I ask again whether that is the correct situation and how amending the termination provision for the CEO in any way underlines the harmonisation process. In your answer, please spare us a lecture about the need for harmonised legislation and the importance of having good occupational health and safety legislation, because we are all in heated agreement on that. We do not need the generalities; we are down to the specifics. That is what the committee stage is all about.

Senator LUDWIG (Queensland—Minister for Human Services) (1.38 pm)—Mr Temporary Chairman Ellison, I congratulate you on your new position. Senate amendment (1) in relation to the objects clause is unnecessary, and it is plain that it is unnecessary. I will not labour the point. It is plain within the terms that are explained there. Senator Abetz, I think you would agree: if it is unnecessary, why put it in? It is quite plain. Secondly, in respect of Senate amendment (19), this provision enables the minister to terminate the appointment of a CEO for unsatisfactory performance. Frankly, such a provision is not uncommon. Such a provision is appropriate for a body such as Safe Work Australia. If the CEO is performing poorly, not achieving results or impeding the process of OH&S harmonisation then there needs to be a mechanism—and the mechanism that is in the current legislation is satisfactory and it is necessary.

Senator ABETZ (Tasmania) (1.40 pm)—It is clear that we are not going to get specific answers to the specific questions. It is out of either ignorance or arrogance—the government can take its pick—but, quite frankly, the government should treat the Senate with more respect than to just repeat what the legislation says in relation to a CEO’s termination. It is something that was well canvassed. When justification of this provision was sought at Senate estimates, each and every example that was proffered was shown to be completely or substantially different from the legislation we are dealing with. I am not going to labour the
point or delay the chamber any longer on these matters, but this now indicates the heights of arrogance that this government has reached before its first anniversary.

The TEMPORARY CHAIRMAN—The question is that the Senate not insist on the amendments to which the House of Representatives has disagreed.

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

The committee divided. [1.45 pm]

(The Chairman—Senator the Hon. AB Ferguson)

Ayes……………… 27
Noes……………… 39
Majority…………… 12

AYES
Arbib, M.V.  
Cameron, D.N.  
Conroy, S.M.  
Farrell, D.E. *  
Feeley, D.  
Furner, M.L.  
Hutcheson, S.P.  
Ludwig, J.W.  
Marshall, G.  
McLachlan, J.E.  
Polley, H.  
Sherry, N.J.  
Sterle, G.  
Wortley, D.

NOES
Adams, J. *  
Birmingham, S.  
Boyd, S.  
Brandis, G.H.  
Bushby, D.C.  
Colbeck, R.  
Cormann, M.H.P.  
Eggleston, A.  
Fielding, S.  
Fifield, M.P.  
Fisher, M.J.  
Hanson-Young, S.C.  
Heffnerman, W.  
Joyce, B.  
Ludlam, S.  
Mason, B.J.  
Milne, C.  
Nash, F.  
Payne, M.A.  
Ryan, S.M.  
Siewert, R.  
Trood, R.B.  
Xenophon, N.

Second Reading
Debate resumed from 16 October, on motion by Senator Ludwig:

That these bills be now read a second time.

Senator FARRELL (South Australia) (1.49 pm)—I seek leave to incorporate Senator McEwen’s speech on the Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill 2008 and related bills.

Leave granted.

Senator McEWEN (South Australia) (1.50 pm)—The incorporated speech read as follows—

The Rudd Labor Government is a Government of change; this Government will take Australia into the future with innovation and courage. Our climate change and environment policies demonstrate this huge difference between us and the former Government. Unlike those on the other side, we are not full of climate change deniers. We have recognised climate change as a problem and we are addressing it with a range of policy and legislative measures.

That we are a bold and innovative Government was proved again last month with our $10.4 billion Economic Security Strategy. This strategy is designed to strengthen the Australian economy in the face of the worst global financial crisis since the Great Depression. Since Budget night we have stressed the importance of having a strong surplus to act as a buffer during tough economic times. Those tough times have now arrived, so the Rudd Labor Government is ensuring that surplus will strengthen Australia’s economy.

The Government’s $10.4 billion Economic Security Strategy contains five key measures:

• $4.8 billion for an immediate down payment on long term pension reform.
• $3.9 billion in support payments for low and middle income families.
• $1.5 billion investment to help first home buyers purchase a home.
• $187 million to create 56,000 new training places in 2008-09.
• Accelerate the implementation of the Government’s three nation building funds and bring forward, the commencement of investment in nation building projects to 2009.

Just as the Economic Security Strategy is an important element of the Rudd Government’s plan for the future, so are the Bills before us today.
Energy security is an issue not only for Australia but the world, because whoever controls access to energy resources is able to control economic growth. Almost 20 per cent of Australia’s exports are energy resources — and this proportion is growing.

Currently 80 per cent of Australia’s electricity is generated from coal. It would be incredibly irresponsible for us to simply stop the production of coal as it would be of great detriment to Australia’s economy. Australia is the world’s largest coal exporter, generating an estimated $43 billion in export income in 2008-09. In addition, some 30 000 people are employed in the industry, making it a significant part of our rural and regional communities.

While a majority of coal mining in Australia is done in Queensland and New South Wales, South Australia plays an important role in the mining industry. According to Primary Industries and Resources SA, the first discovery of coal in South Australia was the very small occurrence of lignite near Pidiganga, found in 1885. Coal has subsequently been found widely distributed throughout the State in sedimentary basins ranging in age from Permian to Tertiary.

While a majority of this coal is of low rank and poor quality, it is suitable for local electricity generation. Coking coal for ore smelting at Whyalla and Port Pirie is imported by ship from the eastern States and a small amount of high-grade steaming coal is also imported for rural industries and steam-train use.

Coal comprises a significant part of South Australia’s energy resource and it will play an increasing role in supplying more of the State’s energy needs over the next few decades. Coal is a part of the economy of South Australia, Australia and the Asia-Pacific region, a reality that must, and will be considered as we take action on climate change.

Despite investment in renewable energy, it is expected that coal will continue to generate a large proportion of Australia’s electricity in the future. This is supported by the International Energy Agency (IEA), which monitors and forecasts global energy supply and demand. The IEA estimates that the world’s future energy needs will be met primarily by fossil fuels, forecasting that coal will provide around 44 percent of world electricity needs in 2050; this is an increase on its current share.

It is therefore vitally important that domestic and international greenhouse gas abatement solutions include policies that support the development and deployment of low-emissions coal technologies.

That is why we have focused part of our response to climate change on making fossil fuel use cleaner. These bills help to establish carbon capture and geological storage (CCS) which will move us towards making low-emissions coal a reality. The Government will establish a framework to allow for the capture and geological storage of greenhouse gases emitted from fossil fuel use; not only domestically but also in countries which purchase Australian coal.

The Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill 2008 amends the Offshore Petroleum Act 2006 to establish a system of offshore titles that will authorise the transportation, injection and storage of greenhouse gas (GHG) substances, principally carbon dioxide (CO2), in deep geological formations under the seabed. To achieve this aim, the Bill changes the existing regime of petroleum titles in order to accommodate the new kinds of activity being authorised by the Act. Accordingly, the legislation seeks to balance the rights of new participants in the industry with those of the petroleum industry.

The Bill provides for access and property rights for greenhouse gas injection and storage activities in Commonwealth offshore waters. It applies to titles which will be located in the area between the outer limits of the states’ coastal waters and the outer limit of the continental shelf. Importantly, the Bill also provides a management system for ensuring that the storage is safe and secure.

A greenhouse gas injection license will authorise the injection and storage of a ‘greenhouse gas substance’. For practicality, this will initially mean carbon dioxide, together with any substance incidentally derived from the capture or injection and storage processes. There will be a power by regulation to extend the meaning of ‘greenhouse gas substance’ in the future to include other greenhouse gas substances.

This regulation-making power could be used in two circumstances: if the Protocol to the London Dumping Convention is amended to permit geological storage of other greenhouse gas substances; or if the provisions of the legislation need to be extended to include the permanent storage of methane from offshore petroleum operation.

Under the proposed greenhouse gas legislative model, the Australian Government will be primarily responsible for administering the regulation in Commonwealth waters, rather than the current Joint Authority arrangements applying to the petroleum industry. The responsible commonwealth Minister will have ultimate regulatory responsibility. This approach is consistent with industry’s preference for a consistent and harmonised national approach and will improve the efficiency of project approvals and minimise administrative duplication.

The legislation confers on the responsible Commonwealth Minister a range of powers for dealing with situations where injection and storage operations do not go as planned. The Bill defines a ‘serious situation’ as existing if one of the following has happened or is happening, or if there is a significant risk that one of the following will happen:

- leakage of a greenhouse gas substance from an identified greenhouse gas storage formation; or
- an injected greenhouse gas substance behaving otherwise than as predicted in the site plan; or
- injection or storage of a greenhouse gas substance compromising the geotechnical integrity of a geological formation; or the identified greenhouse gas storage formation not being suitable for the permanent storage of greenhouse gas

If the Minister is satisfied that a ‘serious situation’ exists, they have the power to direct the injection licensee:

- to carry on operations in a manner specified in the direction; or
- to cease or suspend injection at one or more, or all, sites; or
- to inject greenhouse gases at one or more sites; or
- to undertake such activities as are specified in the direction for the purpose of eliminating, mitigating, managing or remediating the serious situation.
The legislation before us will create an environment in which industry can invest in CCS projects with confidence and will encourage the commercialisation of technologies which have the potential to play a vital role in reducing global greenhouse gas emissions in the future.

The Government has provided $500 million for the National Low Emissions Coal Fund to support the National Low Emissions Coal Initiative and deliver breakthroughs in clean coal technologies, of which CCS is a key part.

It is integral that we work with industry on these plans, which is why the National Low Emissions Coal Initiative is being matched by the coal industry’s COAL2 I initiative. The industry has set up a $1 billion fund to support clean coal projects to combat climate change and reduce our emissions. Just last month the first meeting of the Australia Government’s Carbon Storage Taskforce took place. The Minister for Resources and Energy, Martin Ferguson, addressed the meeting and stressed to members the important role Australia can play in developing economically-responsible climate change policy.

The Taskforce has been charged with developing the National Carbon Mapping and Infrastructure Plan, which will prioritise the development of geological storage sites for carbon capture and storage.

The Taskforce is also pivotal to the development of the Government’s aforementioned $500 million National Low Emissions Coal Initiative and complements the research and development work to be undertaken by the National Low Emissions Coal Research Centre.

What we are discussing today is an integral part of the Government’s ongoing commitment to addressing climate change, a commitment that has been evident from the minute we stepped into office. Just over a week after the election, the Rudd Government ratified the Kyoto Protocol, something that the Howard Government had refused to do for years. Labor did not stop there. We have reached an agreement with State Governments to secure a sustainable future for the Murray Darling Basin, something the Howard Government failed to do.

We have also injected substantial funding into projects including; $1 billion to help Australians overcome barriers to making their homes more environmentally sustainable and $2.2 billion over five years to deliver an environment that is healthy, better protected, well managed and resilient in the face of climate change as part of Caring for our Country.

The Rudd Government’s innovative approach to climate change keeps getting bigger and better. Today we released a $6.2 billion plan to make the automotive industry more economically and environmentally sustainable by 2020.

The overall Green Car Plan will provide:

- $116.3 million to promote structural adjustment through consolidation in the components sector and to facilitate labour market adjustment;
- $20 million from 2009-10 to help suppliers improve their capabilities and their integration in complex national and global supply chains;
- $6.3 million from 2009-10 for an enhanced market access program;
- A new Automotive Industry Innovation Council, bringing key decision makers together to drive innovation and reform; and
- A $10.5 million expansion of the LPG vehicle scheme, to start immediately, that doubles payments to purchasers of new vehicles using LPG technology.

The Carbon Pollution Reduction Scheme is another element of our climate change strategy and will help to make coal greener. The scheme has two distinct elements - the cap on carbon pollution and the ability to trade. The cap achieves the environmental outcome of reducing carbon pollution. The ability to trade ensures carbon pollution is reduced at the lowest possible cost.

The following principles will guide the development of the scheme:

- The scheme will be a ‘cap and trade’ scheme. That is, it will set an overall environmental cap by issuing a set number of permits, and allow entities to trade permits, thereby putting a price on carbon.
- The caps will be designed to place Australia on a low emissions path in a way that best manages the economic impacts of transition, while assuring our ongoing economic prosperity.
- The scheme will have maximal coverage of greenhouse gases and sectors, to the extent that this is practical. The broader the scheme’s coverage, the more cost-effectively it will reduce greenhouse gas emissions, and more fairly spread the burden of such reductions across the community.
- The scheme will be designed to enable international linkages, while ensuring it suits Australia’s economic conditions.
- The scheme design will address the competitive challenges facing emission-intensive trade-exposed industries in Australia.
- The scheme will also address the impact on particularly low income households - to adjust to the impact of carbon prices.
- Measures will be developed to assist households - particularly low income households - to adjust to the impact of carbon prices.

New clean technologies, including both fossil fuels and renewable energy sources are the key to a sustainable climate change solution. Australia’s geothermal energy resources have the potential to play a significant role in Australia’s clean energy future. It was astounding to hear that Geoscience Australia estimates that if we were able to extract just one percent of Australia’s geothermal energy, it would be equivalent to 26 000 times Australia’s total annual energy consumption.

This technology is a very clean source of energy; it is renewable and despite claims to the contrary, it is not radioactive.
The challenge Australia faces is to develop the technologies and techniques needed to produce this heat from deep below the earth’s surface, convert it into power and get it to market without detriment to the economy.

At CEDA’s Energy Overview Forum in Adelaide on 24th October, the Minister reiterated this point saying that ‘In a carbon-constrained world, we have to continue to pursue new clean energy technologies such as geothermal, even though capital-raising may be more challenging in the near to medium term.’

The Rudd Labor Government sees those challenges and with State Governments, the private sector and our $50 million Geothermal Drilling Program, we are working to overcome them so that geothermal energy can become a reality.

While we have our eyes on a healthier environment, we have not lost sight of Australia’s economic prosperity and the jobs of Australians. The Rudd Government is making responsible decisions as we don’t want to achieve success in one area at the detriment of another.

We have made it clear from the beginning that we consider climate change to be as much an economic issue as it is an environmental one. Without sound environmental and economic policies working in conjunction with one another, we will not be able to move forward.

These Bills have received extensive consideration by both houses, particularly through the committee process. The Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill 2008 was the subject of an inquiry by the House of Representatives Standing Committee on Primary Industries and Resources. It was also the subject of an inquiry by the Senate Economics Committee, a report of which was tabled during the September sitting. The committee recommends that the Bill be passed and that the operation of the bill be reviewed three years after its proclamation.

I look forward to Senate support for these important Bills.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (1.51 pm)—As outlined when the Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill 2008 and related bills were introduced to the Senate, the government is committed to comprehensive action to tackle climate change whilst maintaining Australian jobs and economic prosperity. We are committed to a portfolio of responses, including development of renewable energy sources and a focus on improving efficiency in energy consumption. Carbon dioxide capture and geological storage, or CCS, holds great potential to reduce emissions of carbon dioxide and other greenhouse gases from fossil fuel use. Geological surveys have indicated that the storage formations in offshore waters made available by these amendments have the potential to securely store hundreds of millions of tonnes of carbon dioxide. These quantities represent a significant proportion of Australia’s greenhouse gas emissions from coal-fired power generation and from industrial processes. CCS has the potential to substantially reduce Australia’s emissions.

On Friday, 19 September, the Prime Minister announced a major initiative to accelerate the development of carbon capture and storage technology to pave the way for its commercial deployment across the world by the end of the next decade. The initiative will involve the establishment of a new global institute to help deliver the Group of Eight’s goal to commit to at least 20 fully integrated carbon dioxide capture and storage projects by 2020. The institute will help deliver this goal by facilitating large-scale demonstration projects and identifying and supporting the necessary research, regulatory settings and policy frameworks. The Australian government is determined to play a global leadership role in CCS. This bill is an important part of that objective and will create the world’s first property rights and regulatory framework specifically for long-term greenhouse gas storage.

On 25 June 2008, the Senate Selection of Bills Committee referred the provisions of the bill and associated bills to the Senate Standing Committee on Economics. The committee received submissions and heard testimony from a broad range of stakeholders, including the petroleum industry, coal producers, government and NGOs. The committee publicly released its final report, which includes four recommendations, on 23 September. I would like to thank the members of the Senate economics committee on behalf of the government for their hard work on this bill. The committee’s report provides an endorsement of the government’s proposed legislative framework. The government has already addressed the committee’s recommendation 3 through the amendments that were tabled in the House of Representatives on 18 September and that are contained in the revised bill.

The government supports the four recommendations made by the Senate economics committee. The government supports recommendation 1. The passing of this bill will enable a key component of the CCS process—geological storage—to be actively developed by industry proponents. Companies are keen to identify suitable storage sites to match their parallel development of carbon dioxide capture from coal- or gas-powered electricity generation and from other industrial and extractive processes.

The government also supports recommendation 2. However, given the lead times likely to be involved, the government considers that it would be unlikely that three years would allow sufficient experience with the administration of the act to provide the background for a comprehensive review. The government therefore proposes that the review be undertaken after five years.

The government largely supports recommendation 3 from the report. The bill, as amended in the House of Representatives, now includes a provision for the responsible Commonwealth minister to establish expert advisory committees on a needs basis which will strengthen the treatment of the significant risk of a significant adverse impact test. The revised bill also ad-
addresses such matters as membership, remuneration, confidentiality and conflicts of interest. However, the government does not consider that the scope of expert advisory committees to be established under this legislation should extend to environmental impacts. This is because environmental impact assessment is the role of the Environment Protection and Biodiversity Conservation Act and is therefore not dealt with in this legislation.

In relation to recommendation 4 from the committee, which deals with long-term liability, the government notes that this recommendation supports the current framework in the bill but it also recognises that the whole issue is a complex balance between the need to provide industry with the certainty it needs to make investment decisions while ensuring that the risks of anything untoward happening in the longer term are addressed.

The Senate Scrutiny of Bills Committee, in considering the amendments made in the House of Representatives, concluded that provisions in the revised bill relating to the minister’s regulation-making power in respect of the significant risk of a significant adverse impact test ‘may inappropriately delegate legislative powers’ and sought the minister’s advice on whether these criteria might be included in the primary legislation rather than in the regulations. To address this matter, it is proposed to amend the bill to define the impacts that will be regarded as adverse impacts. The amendment will allow the regulations to set threshold criteria that may be taken into account when determining whether a significant risk of a significant adverse impact exists. Thresholds will be determined on the basis of the probability of occurrence and consequences.

In closing, may I refer to the need for urgent action in addressing climate change and the significant role that these amendments may play in developing one of the available methods for reducing greenhouse gas emissions from coal-fired power generation and industrial processes. Large-scale projects for capturing and storing greenhouse gases involve investments of many hundreds of millions, or billions, of dollars. Several large-scale projects have already been considering their requirements for geological storage for some years. While recognising the complexities needing to be addressed by this bill, the proponents are also eager to gain access to areas so that they can commence detailed assessment of storage formations. This bill provides that access and will play a key role in accelerating the development of the carbon capture and geological storage industry. In doing so, it provides a significant opportunity to tackle climate change in a way that protects Australian jobs and maintains our economic prosperity. I look forward to the detailed debate on the bill.

Question agreed to.

Bills read a second time.

QUESTIONS WITHOUT NOTICE

Diplomatic Protocol

Senator COONAN (2.00 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. Who leaked the confidential details of a private conversation between the Prime Minister and the President of the United States on 10 October, as reported by Matthew Franklin in the Weekend Australian on 25 October? Who was responsible for the claim that the US President asked, ‘What is the G20’?

Senator CHRIS EVANS—I thank the senator for the question. I have no personal knowledge but I understand that the Prime Minister has made it clear, and the White House has made it clear, and the United States Ambassador has made it clear that the reported comment was never made and was inaccurate. The US Ambassador has made it clear that the matter is now concluded. I think if everyone had made it clear that the reported comment was never made then clearly it could not have been leaked. So, as far as the government are concerned and as far as the United States Ambassador is concerned, the matter is closed.

There was a call between the Prime Minister and the President of the United States where they both emphasised the importance of the G20 and its response to the global financial crisis. That was the purpose of the call from the Prime Minister to the President of the United States and that, I think, is an important call. Certainly, from the Australian government’s point of view, it was important that there was a commitment to the G20. I think all parties to the call and the US Ambassador have made it clear that they have a common understanding and that the matter, as far as they are concerned, is closed.

Senator COONAN—Whatever the contents of the conversation, someone leaked it. Mr President, I ask a supplementary question. As the Prime Minister’s office has now confirmed that when he took the call from President Bush the only other person present was a note-taker, will the Prime Minister now investigate the security breach or come clean and admit he was the source of the leak?

Senator CHRIS EVANS—I cannot really add much to the original answer I gave. I made it clear that the Prime Minister and the White House had made it clear, and the US Ambassador has also commented to this effect, that the comment was never made and was inaccurate. Therefore, a question of a leak does not occur. As I understand it, all parties agree on the importance of the call and what occurred and, as far as the US Ambassador is concerned, the matter is concluded.

Automotive Industry
Senator WORTLEY (2.03 pm)—My question is to the Minister for Innovation, Industry, Science and Research, Senator Carr. Can the minister update the Senate on the government’s new car plan for a greener future?

Senator CARR—I thank Senator Wortley for her question and I am sure all senators would appreciate the importance of the automotive industry for South Australia. The government’s new car plan will secure investment in new technologies, new capacities and new jobs. The $6.2 billion 13-year New Car Plan for a Greener Future will drive innovation across the industry. The automotive sector employs over 60,000 people directly and many more indirectly. In 2004-05 the car industry used $3 billion worth of inputs from other branches of manufacturing and $8 billion worth of inputs from the service sector. Thousands of people were employed in providing these inputs. It has been estimated that at least 200,000 Australians owe their jobs to car making in this country. This industry is the cornerstone of Australian manufacturing and the lifeblood of communities across the nation.

A New Car Plan for a Greener Future is about making the industry stronger, greener and more innovative so it can go on building high-wage jobs now and into the future. It is about reinventing the industry. We want to see Australia produce fuel-efficient, low-emission vehicles for the world market, and that is what this plan will achieve. It includes an expanded Green Car Innovation Fund of $1.3 billion, which will be brought forward to 2009 and run for 10 years. It includes a better targeted, greener $3.4 billion assistance program; the Automotive Transformation Scheme, which will be run from 2011 to 2020; and support for structural adjustment and business improvement in the component sector. It will also involve an enhanced market access program, the new Automotive Industry Innovation Council and an expanded LPG vehicle scheme that doubles payments to purchasers of new vehicles using LPG technology. This is the most comprehensive plan ever devised for the Australian car industry. It is a long-term plan to deal with long-term challenges. These challenges include growing environmental concerns, volatile petrol pricing, increased competition and changing consumer preferences. The answer to these challenges is innovation. The government’s new car plan will give a huge boost to research and development.

Our aim is to create a green car industry that will provide quality, green-collar jobs—substantial and sustained jobs; quality jobs—that will be an essential part of tomorrow’s low-carbon economy. Our aim is to give Australia a head start in developing fuel-saving and carbon-cutting technologies that we can use at home and then sell to the world. Our aim is to give Australian consumers greener, safer, better designed, more affordable cars to choose from. Above all, our aim is to secure long-term investment that will see us through today’s global slowdown and set us up for a much stronger future. This plan is an essential part of the government’s broader green investment strategy to maintain Australia’s prosperity and living standards in a carbon constrained world. It is a great plan for the Australian car industry, for Australian manufacturing and for Australian jobs.

Senator WORTLEY—Mr President, I ask a supplementary question. Can the minister explain why the plan has been announced now?

Senator CARR—The global financial crisis has thrown the difficulties confronting the industry into very sharp relief, not just in Australia but around the world. Germany is assisting its car makers, the United States is assisting its car makers, and President-elect Obama says he will make help for the auto industry a high priority. Yesterday, the member for North Sydney said that we did not know if immediate action was required. The opposition thinks that drift is the best option. In times of crisis, Australians expect their governments to act decisively, and that is what we have done. We have delivered better outcomes today and for the long term.

Automotive Industry

Senator ABETZ (2.08 pm)—Mr President, my question in fact follows on from the supplementary just asked and is to the Minister for Innovation, Industry, Science and Research, Senator Carr. Will the minister confirm that, as a result of the government’s bungled unlimited deposit guarantee and its devastating impact on the availability of credit for car dealers, one of Australia’s car manufacturers has approached the government seeking urgent assistance separate to that which was announced today?

Senator CARR—What I might say to Shadow Minister Abetz is: when he is indicating that he believes there is a particular company that has approached the government, would he like to specify which one? Could I ask him: in the context—

Senator Minchin—You’re in government now; you’ve got to answer the question.

Senator CARR—Senator Minchin puts to me that it is the government that answers the question. We are in the process of answering the question. We are in the process of developing decisive action. We are in the process of ensuring that this industry has a future. Senator Minchin would know, of course, that that stands in sharp contrast to the position that was taken by the previous government, which took the view that, in 2002, arrangements were made and the industry should be left on automatic pilot thereafter.

We are in the process of ensuring that we have constant discussions with all aspects of the industry. We are in the process of working with the industry to deal
with the implications of the financial crisis as they relate to liquidity issues that arise across the industry—in dealerships and in small and large manufacturing plants. My department has facilitated meetings between the industry, the Treasury and the Department of the Prime Minister and Cabinet concerning this issue. The government has announced the most comprehensive plan the Commonwealth has ever developed—irrespective of which party was in government. We are in the process of answering the challenges, and I would call upon the opposition to support the government in these difficult times.

Senator ABETZ—Mr President, I ask a supplementary question. That was a non-answer if ever I heard one. The question was specifically related to the availability of credit for car dealers. I ask: why does today’s package fail to address the critical credit issues facing Australia’s car dealers and therefore car manufacturers? Is it true that, unless this credit bungle is immediately addressed, at least one local manufacturer may exit Australia before today’s package is actually implemented?

Senator CARR—I have indicated that the government is working with the automotive industry and the banking industry to develop practical solutions to the financial crisis that goes to the issue of dealership stocks. We are in the process of ensuring that practical solutions are evaluated. But these are matters that go to the broader financial questions facing the economy at large. What Senator Abetz is trying to do, as I understand it, is undermine the confidence of the industry by suggesting that a company is about to quit Australia. Frankly, I do not believe that to be a responsible attitude to take at a time when we are developing serious responses. Unfortunately, the opposition does not seem to see the need to have a serious policy response. It is a disappointment to the government. (Time expired)

Indonesia

Senator FORSHAW (2.13 pm)—My question is to the Minister representing the Minister for Foreign Affairs, Senator Faulkner. Can the minister advise the Senate on the position of the Australian government regarding any proposed travel by Australians to Indonesia at this present time?

Senator FAULKNER—I certainly acknowledge Senator Forshaw’s interest in and concern about this matter—which I am sure is shared by all senators. I can inform the Senate that the Department of Foreign Affairs and Trade’s travel advisory for Indonesia was re-issued on 8 November and again on 9 November this year. The travel advice is underpinned by up-to-date, recent and professional assessments. It is not issued on the basis of commercial or travel arrangements that Australians have entered into.

The travel advice for Indonesia remains at the level of ‘reconsider your need to travel’. It has been at this level for some considerable period due to the high threat of terrorist activity or terrorist attack in Indonesia. The travel advice notes the execution of the three Bali bombers and that it could prompt a strong reaction from their supporters, such as demonstrations, acts of violence and reprisal attacks. These attacks could take place at any time, anywhere, including places frequented by foreigners. Previous terrorist attacks against Westerners in Bali and Jakarta indicate that these areas are priority targets.

The travel advice notes we continue to receive credible information that terrorists could be planning attacks in Indonesia and that Bali is an attractive place for such attacks or for terrorists to contemplate such attacks. The travel advice urges Australians to exercise great care and avoid locations that have a low level of protective security and where previous attacks have occurred. These would be locations such as beaches, bars, shopping malls and other places where people, particularly young Australians, could congregate.

The travel advice notes that we are aware that many young Australian school graduates may be travelling to Bali in mid- to late November and early December, and we urge these young Australians and their parents, like other Australians, to exercise heightened caution at this time. Ultimately, of course, it is up to individual Australians to decide whether or not to travel to Indonesia, but I urge, and the government urges, all Australians to consider and assess carefully the information that is contained in the travel advisory.

We would strongly urge Australians intending to travel to register their contact details with the Australian government on the smartraveller website, www.smartraveller.gov.au. This is critically important so that if any emergency does arise those travellers can be contacted.

Economy

Senator WILLIAMS (2.17 pm)—My question is to the Minister representing the Treasurer, Senator Conroy. Following my question to Senator Conroy on 13 October, in which I asked whether the government would underwrite debenture-issuing companies and similar institutions under ASIC regulations, will the government accept responsibility for the freezing of funds held by companies such as AXA, Challenger and others?

Senator CONROY—Thank you, Senator, for that question. The government’s deposit guarantee scheme covers off around $800 billion in deposits and provides additional stability to the entire Australian financial system. The scheme covers 100 per cent of individuals’ and businesses’ cash deposits. Obviously, it is not possible or desirable to provide cover for all investments that individuals or companies might make. The government has provided a guarantee as to cash deposits that are held by APRA-regulated bodies. However,
there are a broad range of other high-quality financial institutions that provide good, high-quality investment products. The government’s announcement of a guarantee should not impact on the willingness of individuals to invest in these products.

More generally, the government’s deposit guarantee and guarantee of wholesale funding will support confidence in the financial system in general and contribute to the eventual recovery in financial markets. The likelihood of any government expenditure arising from these guarantees is both remote and difficult to estimate. ADIs are subject to prudential regulation by APRA which is designed to ensure that their financial promises are met. In the unlikely event that a guarantee is called upon, the government is likely to be able to recover any such expenditure through a claim on the relevant institution. So these guarantees are fully disclosed as a contingent liability—

Senator Coonan—Mr President, I raise a point of order. It is all very interesting to hear the editorial about what was intended to be achieved by the deposit guarantee—of course it has been an abysmal failure—but the question was all about whether the government would accept responsibility for the freezing of funds such as those held by AXA.

Senator Chris Evans—Mr President, on the point of order: Senator Conroy was directly on the subject matter of the question asked of him, which went to the government’s guarantee—who it applied to and who it did not apply to. It is perfectly in order for the senator to canvass those issues in directly answering the question.

The PRESIDENT—There is no point of order. I cannot instruct the minister how to answer the question. The question has been asked and the minister must remain relevant to the question. He has two minutes and 12 seconds to respond.

Senator CONROY—As I was saying, in addition to the guarantees of bank deposits and wholesale funding, the government is working to address the liquidity concerns that have seen a number of investment funds freeze redemptions over recent months. Treasury has established task forces dealing with each category of market-linked investment institution in what is a complex sector involving highly diverse and risk differentiated investment products.

The government has asked David Murray to help facilitate larger and more liquid institutions, providing liquidity to various market linked investment vehicles. ASIC has put in place provisions to allow people to access funds in market linked investment funds in cases of hardship. APRA is preparing to fast-track applications by mortgage funds and other financial institutions seeking to attain the status of a prudentially regulated APRA institution, and the government has provided additional funds to facilitate this. In total the government has provided an additional $84 million over four years to ensure that our regulators continue to have the resources they need to maintain the strength of Australia’s financial system during the global financial crisis. The RBA has widened further the range of securities eligible for its repurchase operations—‘repos’—to include high-quality commercial paper added to liquidity in this market.

So let us be clear: this government has set out to put in place measures to address the greatest financial crisis since the Great Depression and is working through with the regulators the impact on other institutions. This government has taken responsible and decisive action, unlike those opposite, who try and walk both sides of the street and pretend they are on board—(Time expired)

Senator WILLIAMS—Mr President, I ask a supplementary question. Does the minister agree with the CEO of Westpac, Ms Gail Kelly, that a cap of $100,000 should apply to the government guarantee of bank deposits?

Senator CONROY—Thank you for that supplementary question. Let us be clear: the government are working through all of the issues that are arising from the government’s introduction of swift and decisive action to protect this country’s financial stability. That was the No. 1 priority: to ensure that this country was in a position to be able to protect deposits and to ensure that our financial system remained stable. Unlike those opposite, we are taking the financial situation very seriously. We are not trying to walk both sides of the street, pretending we are supporting the government on the one hand and yet constantly carping and working on criticising the government at every opportunity. We are working through these issues carefully and with consideration. We have put in place a range of measures, which I have just outlined—(Time expired)

Child Care

Senator HANSON-YOUNG (2.24 pm)—My question is to the Minister representing the Minister for Education, Senator Carr. Can the minister please advise the Senate when Minister Gillard was first informed of the troubles of ABC Learning, when the childcare industry task force was established and who the members of the task force are?

Senator CARR—Thank you very much for the question. On 24 September 2008 Minister Gillard established the childcare industry task force in her department to develop contingency plans in the event of ongoing problems at ABC Learning. The task force, immediately upon being established, contacted the ABC Learning directors about their lending syndicate, who up until 2 November were indicating that ABC Learning was aiming to trade itself out of its current financial difficulties. On 6 November ABC Learning Centres Ltd entered into voluntary administration and a
receiver was appointed. Preliminary data from the receiver indicated that there were 1,040 ABC Learning childcare centres of which 40 per cent were currently unprofitable. On 7 November the minister announced that the Australian government had reached an agreement with the receiver of ABC Learning and their lending syndicate.

In order to ensure that ABC Learning childcare centres remain open and provide care until 31 December 2008, the Australian government has committed up to $22 million in conditional funding. The $22 million commitment represents the possible cost of supporting the continued operation of the unprofitable ABC centres for two months. The government understands that the parents and employees are anxious about the situation. That is why the government has moved to establish a dedicated task force to work with the receiver and with the banks.

Senator Bob Brown—Mr President, I rise on a point of order. The pivotal part of this question was about when Minister Gillard first knew of problems associated with ABC Learning. The minister should answer that question.

The President—As you know, Senator Brown, I cannot instruct the minister how to answer the question. The minister has two minutes in which to continue answering the question.

Senator CARR—Senator Hanson-Young asked me a question about when did the minister first know of the situation with regard to ABC Learning and when was the task force established. That is clearly the second part of the question I am addressing. I would like to indicate that, in terms of the actions of the task force, the government is moving to reassure parents and workers involved with ABC Learning Centres and is obviously working with the receiver. When a receiver comes into a business and finds parts of the business are unprofitable, the receiver would normally immediately act either to close or to rationalise those unprofitable parts of the business. But the government has provided assistance to the ABC Learning receiver to ensure that the centres are able to open until 31 December.

As to the specific question on when the minister was first aware, I am not able to provide the senator with further information at this point. I will seek further advice from the minister on that particular aspect of the question.

Senator HANSON-Young—Mr President, I ask a supplementary question. I understand that the minister will take on notice when Minister Gillard first became aware of the ABC Learning troubles, but I would also like to know who the members of the task force are. Given that a spokesperson for Minister Gillard confirmed on Friday that Don Jones of 123 Careers has met with the heads of the task force—whoever they are—can the minister advise the Senate which other stakeholders they have entered into consultations with?

Senator CARR—I am not aware of who the task force has met with. As I have indicated, I cannot add anything further to the answer I have already given the Senate. I will seek further advice from the minister to see if she can add to the answer I have given.

Immigration

Senator BOYCE (2.30 pm)—My question is to the Minister for Immigration and Citizenship, Senator Evans. When will the minister act to enable intensive-care specialist Dr Moeller and his family to remain in Australia?

Senator CHRIS EVANS—I thank the senator for her question. As the senator would know, there has been a deal of controversy around the decision to reject an application for permanent migration to this country from Dr Moeller. The process is that, once rejected initially by the department, Dr Moeller has the right to apply to the Migration Review Tribunal for review of that decision. I understand he recently did that and sought that review. If that appeal is not successful, if the tribunal upholds the decision of the department, he can then ask me, as the minister, to intervene in his case. I am able to take into account his individual circumstances, including his contribution to the community. Contrary to the press release put out by Senator Bernardi, which sought to misrepresent the situation—and I thought that was a very unhelpful contribution—Senator Coonan—Mr President, I rise on a point of order. I want to draw Senator Evans’s attention to the fact that he attributed to Senator Bernardi an intention that reflects, I think, on Senator Bernardi. Perhaps he might care to just reword it.

The President—There is no point of order.

Senator CHRIS EVANS—The reason I do so is that I think it is important because everybody else in the Australian community understands that the minister cannot intervene until such time as a tribunal or court upholds the department’s decision to refuse a visa. That is a question of law. It is the situation that applied under the previous government. Nothing has changed. If Senator Bernardi or anyone else was genuinely interested, they could have sought the advice of anyone who knew anything about immigration matters.

Dr Moeller currently holds a temporary business visa valid until 2010, so there is no suggestion of him having to leave the country in the short term. He and his family are not being forced to leave Australia. The department recognises the need for and contribution of skilled professionals such as doctors in rural areas, but it has an obligation to apply the relevant laws and regulations to all visa applicants.

Australia’s immigration laws do not preclude persons with Down syndrome visiting or migrating to
Australia. Any health issue with significant cost implications is likely to lead to the health requirement not being met and a visa being refused. This is not just in terms of disabilities; it might be to do with cancer, kidney disease, cardiac conditions et cetera. All applicants for Australian visas must meet the health requirement, which is determined by the department on advice from the Department of Health and Ageing. That health requirement is held in order to protect the Australian community from public health and safety risks, to contain public expenditure on health care and community services, and to safeguard the access of Australian citizens and permanent residents to health care and community services in short supply. Where the medical officer of the Commonwealth has assessed a visa applicant as having a medical condition that is likely to require the applicant to be assessed as unable to work, that application will be referred to a medical officer of the Department of Health and Ageing. That health requirement is held in order to protect the Australian community from public health and safety risks, to contain public expenditure on health care and community services, and to safeguard the access of Australian citizens or permanent residents to health care or community services, this decision must be accepted by the department’s visa decision maker. Dr Moeller applied for a permanent skilled visa, and a waiver to that health requirement is not available for skilled migration visas.

As I say, I understand Dr Moeller and his family have applied for a review of that decision. That will go through to the MRT. I understand they will try and deal with that expeditiously. If Dr Moeller and his family are unsuccessful in that appeal then they can seek ministerial intervention and put their case to me. Therefore, it is not appropriate for me to comment on the individual circumstances of the case—I may well end up being the decision maker. But I can assure the senator that proper process is being followed and it is the case that those steps have to be gone through under the migration law of this country. (Time expired)

**Economy**

**Senator Lundy** (2.35 pm)—My question is to the minister representing the Treasurer, Senator Conroy. Can the minister update the Senate on the recently released Mid-Year Economic and Fiscal Outlook and the implications it has for the government’s approach to economic policy?

**Senator Conroy**—I thank Senator Lundy for that very thoughtful question. The recently released Mid-Year Economic and Fiscal Outlook, MYEFO, clearly demonstrated that the budget has felt the full force of the global financial crisis. We know that the world faces the most significant upheaval in global financial markets since the Great Depression. The MYEFO figures are a dramatic reminder that, despite the fact that we are better placed than most countries to weather the global conditions, we are not immune. The MYEFO forecasts show an underlying cash surplus for 2008-09 of $5.4 billion, or 0.4 per cent of GDP. At budget, the surplus was $24.7 billion, or 1.8 per cent of GDP. This is a decrease of $16.3 billion since the 2008-09 budget. This decline is mainly due to the impact of the Economic Security Strategy package and the downward revision to tax receipts as a consequence of the global financial crisis.

The underlying cash surpluses for forward years are $3.6 billion in 2009-10, $2.6 billion in 2010-11 and $6.7 billion in 2011-12. Almost all of the decrease in the surplus beyond 2008-09 is due to the significant reduction in revenues associated with the global financial crisis. GDP growth is expected to slow to two per cent in 2008-09, three-quarters of a percentage point lower than what we forecast in the May 2008 budget. This is slower but solid growth given the international conditions that we face. Let us remember that all members of the G7 group of advanced economies have now experienced negative growth at some point this year and the world’s major advanced economies are now expected to grow at their lowest rates in more than a quarter of a century.

**Senator Colbeck**—Scaring the children.

**Senator Abetz**—Not only the financial markets.

**Senator Conroy**—That is due to the performance of the opposition that the kids had to watch. The MYEFO figures indicate weaker employment growth, with the unemployment rate expected to rise to five per cent by the June quarter 2009, up slightly from the 4½ per cent expected at budget. But the unemployment rate is expected to rise to 5½ per cent by the June quarter 2010.

We know that the global financial crisis has delivered a global recession and budget deficits all around the world. That is why the Rudd government makes no apologies for taking early, responsible and decisive action to protect the Australian economy from global events which are affecting every continent around the world. We have injected $10.4 billion as part of the Economic Security Strategy to stimulate economic activity and protect vulnerable groups in our society, especially pensioners, carers, disabled people and low-income families. We have taken steps to guarantee the bank deposits of all Australians and we have taken a number of additional steps to address the impacts of the global financial crisis on our financial system. (Time expired)

**Australian Federal Police**

**Senator Brandis** (2.39 pm)—My question is to the Minister representing the Attorney-General and the Minister representing the Minister for Home Affairs, Senator Wong. How will proposed budget cuts affect the operations of the Australian Federal Police and other national security agencies?

**Senator Wong**—Can I thank Senator Brandis for his question and say at the outset that this is a government absolutely committed to Australia’s national security and a government that has delivered a budget
that provides for Australia’s long-term defence and security needs and helps Australia meet the security challenges of the future. As you know, Mr President, it was also a budget that contributed to a strong economy through responsible economic management, and decisions made in the context of the budget have been part of why this government has had the capacity to respond, as Senator Conroy said, decisively and swiftly on the issue in the face of the global financial crisis. It is why, apart from Defence, all government agencies were asked to review their operations to achieve an efficiency dividend. That is appropriate. All national security agencies have experienced rapid growth in spending in recent years and I am advised that this is the time to take stock and to work to use resources more efficiently and more effectively. This was consistent with the recommendation of the report of Mr Lenmore, which the government put in place under the former Howard government.

It is also the case that the government is investing new funds to provide for Australia’s long-term security needs: over $190 million to recruit 500 sworn AFP officers over the next five years to help tackle domestic and transnational crime; over $190 million to assist the AFP with international deployments and capacity development initiatives to promote stability both in our region and in global hotspots such as Afghanistan and Iraq; around $23 million for critical infrastructure protection modelling and analysis to help make essential services such as electricity, gas, water, health and banking more resilient for the benefit of Australian working families; and around $19 million within the next 12 months, within the first 12 months, to help states, territories and local governments better prepare for national natural disasters. So there are a range of measures which the government put in place in the budget.

In relation to the efficiency dividend, I remind those opposite that the efficiency dividend has been applied consistently across agencies. Apart from Defence, there is no differential treatment. It is a case that obviously ensuring there was a strong budget surplus was a priority of the government in the context of the last budget, a priority which I think recent events have demonstrated the importance of.

Senator BRANDIS—Mr President, I ask a supplementary question. Minister, given that since the Treasurer announced that there would be cuts to the budget the national threat assessment has not changed, will the government assure the Senate that funding of the Australian Federal Police and national security agencies will be quarantined from cuts?

Senator WONG—It is the case, and I am sure those opposite would be aware of this, that we face extremely difficult economic times as a result of the global financial crisis and the potential impact on the real economy. Internationally, we have seen quite a number, I think 25, of financial institutions either bailed out or in significant financial trouble. We see revision downwards in growth estimates internationally in OECD economies. Senator Conroy, on behalf of the Treasurer, has outlined the most recent MYEFO figures, which do demonstrate that these are difficult economic times. The government has made it clear that it will approach these times responsibly. At the forefront of our mind obviously is ensuring responsible economic management. This is also a government that takes very seriously the issue of national security.

(Time expired)

Water

Senator McEWEN (2.44 pm)—My question is also to the Minister for Climate Change and Water, Senator Wong. Will the minister update the Senate on recent progress on water infrastructure projects as part of the government’s $12.9 billion Water for the Future plan, and is the minister aware of any alternative approaches?

Senator WONG—I thank Senator McEwen for her question and for her ongoing interest in the approach that this government is taking to tackle the very serious problems in the Murray-Darling Basin—a further reminder of what we are up against. The fact is that in a changing climate we do have to do more with less, and I am pleased to say that this government is already progressing $3.1 billion for purchasing water entitlements to improve the health of the rivers of the Murray-Darling Basin, our government is also investing $5.8 billion to make irrigation infrastructure more efficient.

We know that we are in a time of unprecedented low inflows. In the last 37 months it is the case that monthly inflows into the Murray system have been below average, and those who are interested in the most recent Bureau of Meteorology projections would know that they are projecting a hotter than average summer in the basin—a further reminder of what we are up against. The fact is that in a changing climate we do have to do more with less, and I am pleased to say that this government is already progressing $3.7 billion worth of priority water infrastructure projects through COAG. Last Friday I visited Tailem Bend—and Senator Minchin would know where that is—to inspect and announce the continued construction of pipeline works that will deliver water from Tailem Bend and Strathalbyn to houses currently drawing water from the Lower Lakes or from depleted groundwater sources. I am advised that around three kilometres of pipes are being laid every day. This is a pipeline that is going in now and that will provide potable water to those communities. This is in recognition of the difficult situation that those communities face. The pipeline works are part of
the government’s $610 million commitment to priority projects to benefit the Murray River and Lower Lakes in South Australia. These are in addition to our urban water commitments announced during the election and given force in the budget.

I contrast that to what happened when those opposite were in government. Despite announcing their botched $10 billion takeover in January 2007, the Howard government had not commenced a single infrastructure project under this plan when they left office some 11 months later. Perhaps this is because they could not agree amongst themselves how to spend the money. We have, for example, Mr Pyne saying we need to spend $1 billion on water purchases immediately but Mr Cobb saying water purchases make the drought worse. What this demonstrates is that those opposite simply say one thing in one community and one thing in another. They simply are not prepared to take the hard decisions and make long-term investments. They simply tell people in each area of the basin what they want to hear and they never run a consistent policy position when it comes to the Murray-Darling Basin. This government is prepared to make the long-term investments and to take the hard decisions on the Murray-Darling Basin.

**Telstra**

Senator MINCHIN (2.49 pm)—My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. I refer the minister to a statement by the then shadow communications minister and now Minister for Finance and Deregulation, Mr Tanner, in February 2003. The statement read:

... Labor believes that whatever the telecommunications policy merits of full structural separation of Telstra may be, the existence of the minority private shareholding in Telstra and the cost and complexity therefore associated with such separation, make that an inappropriate strategy for reforming Telstra.

I ask the minister: is that still Labor Party policy?

**Senator CONROY**—I thank Senator Minchin for his question. The national broadband network will be the biggest national investment in broadband infrastructure ever made by an Australian government. As expected with a project of this magnitude, there has been considerable debate within the industry and media about the regulatory settings and the structural arrangements that should apply to the national broadband network. Far from shying away from this debate, this government has encouraged it.

**Senator Minchin interjecting**—

**Senator CONROY**—Senator Minchin, I know that you are new to the portfolio—

**The PRESIDENT**—Senator Conroy, address your comments to the Chair.
attention to the question and the minister has one minute and 58 seconds in which to complete his answer.

Senator CONROY—The request for proposals sets out 18 objectives that proponents should address, including open access arrangements to facilitate competition and ensure equivalence of access terms. Section 1.5.16 of the request for proposals states:

Proponents should submit their proposed arrangements for ensuring open access to the NBN, including measures or models to ensure that access is provided on the equivalent price and non-price terms and conditions. This section goes on to state:

If a proponent proposes to supply both wholesale and retail services it should demonstrate what structural measures or models it proposes be put in place and maintained to prevent inappropriate self-preferential treatment and ensure that effective open access is achieved on the terms required by the Commonwealth.

The government has no preconceived preference on whether any particular measures or models for open access are better than others. What is important is that the government focuses on objectives such as competition, open access and equivalence. The arrangements put forward by proponents in response to the RFP will be considered by the expert panel, which will provide a report to the government on its recommendations.

It is not surprising that some proponents are keen to avoid the competitive tension of the NBN process by seeking to have regulatory options ruled in or out before bids have even been lodged. It is disappointing, however, that the current shadow minister has bought into this public posturing around the NBN process. Senator Minchin’s comments on this process are particularly difficult to understand—(Time expired)

Senator Minchin—Mr President, I ask a supplementary question. I refer the minister to the statement by the CEO of AAPT, Paul Broad, whose company has now withdrawn from the Terria consortium. He said of Labor’s NBN tender:

It seems to me that the rules of the game are being determined by the bid itself ...

And that the government has got it ‘arise about’. In light of Mr Broad’s criticisms and those of many industry leaders, will the minister now admit that his NBN tender process is fatally flawed and should be abandoned forthwith?

Senator CONROY—As I said, it is very disappointing to see the knee-jerk reaction from the current shadow minister. Senator Minchin’s opposition to this process is particularly difficult to understand in the context of his boast that he sat around the cabinet table for nine years under the previous government dealing with every submission that came forward on this issue. We have taken exactly the same approach on these regulatory settings as the previous government took in its process last year.

Senator Minchin interjecting—

Senator CONROY—Wrong one. The previous government’s expert task force guidelines—and Senator Coonan’s guidelines—state:

The onus is on each proponent to detail and justify any proposed legislative or other regulatory changes as being necessary to facilitate its proposal.

Yet this is exactly the process the shadow minister is now criticising.

Automotive Industry

Senator MOORE (2.57 pm)—My question is to the Minister for Innovation, Industry, Science and Research, Senator Carr. Can the minister inform the Senate how the government’s new Car Plan for A Greener Future differs from previous assistance packages for this industry?

Senator CARR—I thank Senator Moore for her question and I am sure she also appreciates how important the automotive industry is for Queensland. The short answer is that this plan is more comprehensive, better targeted and based on genuine partnership. It is about mutual obligation all around. No-one is being offered a blank cheque. The three car makers have committed to significant new investments. The component makers will sign up to a new code, which will see them increase their capabilities, exports and R&D to make adequate provision for worker entitlements and to bring smaller suppliers into the global supply chains. All program assistance is predicated on environmental, innovation and production milestones being met. The government will work closely with the component sector to ensure it remains strong and sustainable.

The automotive industry structural adjustment program will provide $116 million to facilitate consolidation by helping smaller firms to merge. This will enable the industry to achieve global scale and retain core capabilities. The companies that have merged in the consolidation process will be more resourceful and more resilient. The automotive supply chain development program will provide $20 million over four years to extend the component sector’s capabilities and improve supply chain integration.

The component companies will also have access to the diagnostic and business improvement services of Enterprise Connect. We want to work proactively with these firms to sort through any difficulties that may arise, before they turn into major problems. Overall, we expect the industry to invest $7 for every dollar it receives in plant and equipment, $3 for every dollar it receives from the Green Car Innovation Fund and $1 for every dollar it receives from general R&D. The government will establish an Automotive Industry Innovation Council to keep a close eye on how the industry is going and how the plan is going.
Senator Minchin made the point some years ago that economies of our size would kill to have a car industry like ours and we would be mad to do anything to put it unduly at risk. What a shame it is that the member for Warringah did not appreciate that simple proposition. Mr Abbott has asked us for an assurance that we are getting good value or a good return for the money that we invest. I am here to give the member for Warringah that assurance. We have secured concrete investment commitments and we have ensured that there are concrete structural adjustment commitments from component makers, and we expect the community to invest in a plan to yield a further $16 billion worth of private investment.

The member for North Sydney, who obviously has not been in touch with a car worker for some time, seems to have failed to understand how important this industry is to Australia—and how important the German industry is to the German government, which has invested €12 billion to assist the German automotive industry. He has also failed to understand why the United States has already advanced a package of $25 billion to assist their industry and why it is that President-elect Obama has made it clear that the automotive industry is the backbone of manufacturing in the United States. It is a pity that the member for Warringah and the member for North Sydney have failed to understand the international lessons on why the automotive sector is so important to the social and economic fabric of this country.

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Economy

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (3.02 pm)—I wish to add to an answer I gave earlier. I quoted the 2008-09 budget surplus at, I think, $24 billion. It should have been $21 billion.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Diplomatic Protocol

Senator COONAN (New South Wales) (3.02 pm)—I move:

That the Senate take note of the answer given by the Minister for Immigration and Citizenship (Senator Evans) to a question without notice asked by Senator Coonan today relating to the disclosure of an alleged conversation between the Prime Minister and President Bush.

The leak was not only a fundamental breach of a diplomatic convention that reaches back to the time of Bismarck but also an unfortunate part of a pattern of behaviour from a Prime Minister who cannot resist making himself the centre of attention. Like a moth to a flame, he cannot resist the pulling power of celebrity, of being associated with the stars and of feeding his own self-importance and self-satisfaction. Even those on the other side have recognised this objectionable quality in Mr Rudd. Last week, none other than the former Prime Minister Paul Keating said ‘Kevin is all about acclaim’.

On its own, this sort of personal pomposity may not matter but, when it affects Australia’s international relationships, our capacity to deal with our partners around the world and the regard that other countries have for our trustworthiness in dealing with confidential material, it is a matter of enormous public importance. What do we know about this unfortunate breach of convention and diplomatic security? We know that the Prime Minister was having dinner with several people at Kirribilli House, including the editor of the Australian, Mr Chris Mitchell—whose integrity in this matter, I hasten to say, is not at issue. We know that there was a confidential phone call in Mr Rudd’s study with President Bush about a meeting of the G20. We know that only Mr Rudd and a note taker were present. And from that exchange we got an extraordinary and disparaging comment in an article in the Australian that attributed to Mr Bush a question about what the G20 is.

We also know, from a vague clarification by a spokesperson in the Prime Minister’s office, that someone very close to the Prime Minister has falsely and recklessly misrepresented a private conversation between Mr Rudd and President George Bush. This ridiculous assertion has forced senior officials in the United States to issue to the Washington Post a formal statement denying the words attributed to President Bush by someone very close to Mr Rudd. As far as we can establish, this is unprecedented. I cannot find an example in more than 50 years of our alliance with the United States when the White House has been forced to issue such a correction. From the time that this issue first emerged, Mr Rudd has been hiding behind anonymous briefings from his office and has made nonsensical statements. I will quote one of them. On 3 November 2008, he said the following about the source of individual stories:

… there are multiple conversations with multiple people from political offices and elsewhere which leads to the construction of a story.

Go figure that one! It is time that Mr Rudd came out and explained frankly to the public how he or someone close to him got this so very wrong and what he intends to do to resolve it. If he is unable or unwilling to do this, he leaves open the inference that his word, or the word of those close to him—perhaps the hapless note taker—is not to be trusted when it comes to informing the Australian public of the nature of discussions with our major ally. It also leaves open the clear inference that Mr Rudd and those close to him simply
cannot be trusted with the important protocols for managing sensitive discussions with one of Australia’s key international partners and indeed our most important international ally.

I also note the silence on the details of this issue from the invisible Minister for Foreign Affairs, Mr Smith. Does he see himself as having any responsibilities at all in this matter, or is he happy to just stand back and watch those around Mr Rudd trash our good name and good standing in international matters? This is simply no way to conduct diplomacy with our most important ally. The Australian people deserve an explanation directly from the Prime Minister on how and why his office leaked this matter at all. It is simply not good enough to say that the United States have said officially that they did not say it. (Time expired)

Senator HURLEY (South Australia) (3.08 pm)—On a day when we have had a major announcement about the automotive industry in this country, on a day when we have committed billions of dollars to a manufacturing industry which is important to preserve and important across a number of states and all around our country, it is certainly a bit disappointing that the opposition is nitpicking about the details of a phone call and whether or not they were leaked. Today we have had the car industry announcement and the mid-year economic forecast. You would have thought that the opposition might take a bit of interest in how our country is faring, in the mid-year economic forecast and in the global economic situation—which is, as many people have said, a crisis in our financial industry such as we have not faced in the last 100 years. Yet we hear the opposition’s lead speaker talking about whether there was or was not a phone call and what was included in the phone call. It is clear from the instant response from all concerned that the article in the Australian was in error.

Senator Coonan, after decrying the foreign minister’s involvement in this, later asked for a statement directly from the Prime Minister’s office. After saying that she wanted a statement from the foreign minister, she then said that that would not be good enough and that she wanted one from the Prime Minister’s office. We have a very clear statement from the Prime Minister’s office. We have a very clear statement from the office of the President of the United States. US Ambassador McCallum, with his wonderful use of the English language, said in that typical American way: ‘I can simply say that it is clear that the Prime Minister accurately indicated that the article mischaracterised the conversation and mischaracterised the President’s involvement in it and that the White House has confirmed that.’ That seems pretty clear to me. The Prime Minister’s office has said that the article was inaccurate. The White House has said that the article was inaccurate. As far as I am concerned, it is a closed matter. The quote from US Ambassador McCallum is pretty clear to me.

The allegations have been very clearly refuted by both offices involved in the phone call. We understand that the explicit purpose of that phone call was to talk about the role of the G20 in responding to the global financial crisis. The odd politician may have made a couple of comments, but instead of accepting that and moving on, instead of concentrating on what the phone call was about—the G20 and the financial crisis—instead of having the coalition come in here and use the forum of the Senate to address those key issues and give us their thoughts about them as one might have expected, senior people in the opposition have been talking about a trivial matter and trying to beat up something which is not only old news but has been quite clearly and finally refuted by both offices concerned.

It is extraordinary, in any case, that the opposition would want to come in here and talk about rectitude and protocols and sensitive issues with key partners, when their record on matters such as the AWB is not as pristine as they might like. We have serious issues to discuss that affect the long-term health and wellbeing of this country and its inhabitants, but the opposition’s first question today in the Senate was on a trivial matter. This is extraordinary and it shows how unprepared the opposition are for any kind of a role in this parliament.

Senator PAYNE (New South Wales) (3.13 pm)—I rise to take note of the answer by Senator Evans to Senator Coonan’s question during question time today. I would firstly like to advance the proposition that Senator Hurley really is missing the point. The context of Senator Coonan’s question is to with the broader question of the government’s approach to foreign affairs and international relations and their general handling of the manner and approach that the Prime Minister is taking—which has the capacity to cloud relationships and to cause Australians and Australia some significant concern at a time of international crisis. I think that is the very important point which Senator Coonan was advancing.

We are in the middle of a global financial crisis which poses a real and present danger to the continuing development of many countries in the world. The concerns we raised, which Senator Coonan advanced in part in her questioning of the minister, were about the level of attention that the government has actually paid to the threat posed to the developing nations in our region in particular and the potential to set back the progress which has been made.

The World Bank report, which was made available at last weekend’s meeting, has delivered a particularly disturbing assessment of the global financial scene, warning that many developing nations are headed into
a new danger zone. That report delivers on the very significant fears across the developed financial markets about a developing world into which so much effort has been put in recent times to look at measures and reforms by which greater economic stability can be achieved. The World Bank report is not alone though; there is also a recent report from the IMF. Let us take as an example the impact of the global financial crisis on Africa, a continent which this government says it intends to take a greater interest in—and we are waiting with interest to see where that will be played out. A senior official of the IMF has recently predicted that Africa will also be very hard hit by the financial turmoil that is being felt throughout the world. The IMF director for the Africa region, Antoinette Sayeh, has said that sub-Saharan Africa is now more vulnerable to the crisis because the food and fuel price shock has already caused higher inflation and rising current account deficits. That leaves them in a particularly vulnerable situation.

Where does that leave the rest of the world in trying to assist in the achievement of, for example, the Millennium Development Goals? I remind the chamber of the Millennium Development Goals, which are in place for achievement by 2015: the eradication of extreme poverty and hunger; the achievement of universal primary education; the promotion of gender equality and the empowerment of women; the reduction of child mortality; improvements in maternal health; the combating of HIV-AIDS, malaria and other chronic diseases; ensuring environmental stability; and a global partnership for development. These are eight absolutely pivotal and important goals for the world, and they are particularly significant in this region. We must contemplate these challenges in the midst of the global financial crisis and at a time when a General Assembly meeting on the Millennium Development Goals was effectively lost in the myriad conversations and discussions about the global financial crisis. This is perhaps understandable but it is, nevertheless, extremely frustrating for those who are trying to support the developing world. This is about not only supporting the developing world to achieve the Millennium Development Goals but also potentially, in the context of the global financial crisis, supporting them to continue to survive.

So what are the concerns? There is concern about the capacity of the developed world to continue to support the developing world as economies contract. As participation in the economic toing and froing of the daily markets has become so much more difficult, where does that leave developing nations? There is concern about the capacity of the developing world to manage its way through this. These are issues that we discussed with AusAID at estimates. They spoke about the work that they are doing within our region. They are speaking with our neighbours—countries which face enormous challenges and are already struggling very significantly to meet the Millennium Development Goals. Even aid agencies in Australia are concerned—and they said as much last week—about whether Australians are going to continue to make donations at the level that they have been making them as they begin to feel the constraints that the global financial crisis brings upon them. So we need to examine this in the context of how seriously the government is advancing those concerns and addressing those matters.

Senator Hutchins (New South Wales) (3.18 pm)—The contribution by the opposition is very interesting. On the one hand, we can see why Senator Coonan should not be a frontbencher. On the other hand, we can see from Senator Payne’s contribution why she should be a frontbencher. I was advised that I would be taking note of answers at the end of question time today. I tried to work out how the opposition would effectively attack the government. There were a number of good questions asked by the opposition. They raised serious issues and sought serious answers—which they got from the government. But what was it they got up and talked about? They talked about a trivial matter that did not occur and has been adequately dealt with by the Australian and United States governments. As Senator Hurley said, there are a number of very significant issues confronting this nation and the world at the moment—one of which has just been well outlined by Senator Payne. But what was the opposition on about? It was some sort of witch hunt about an issue that has been adequately explained by the United States and the Australian governments.

Let me just read out for the record what the US ambassador said on 6 November: ‘The Prime Minister’s office has said that the article was inaccurate, and, as far as I am concerned, it is a closed matter.’ However, that is not the case for the opposition, nor for the second floor up here. They all think there is some sort of conspiracy involved. Let me talk about conspiracies. Senator Coonan took a pretty interesting line when she attacked the Prime Minister’s character. She used words to the effect that the Prime Minister cannot resist the pulling power of celebrity. We know that in the last few months there has been a propensity for plagiarism to occur within the coalition. This has been highlighted by a number of people who have had to out themselves as being the original authors of articles that were purportedly written by senior opposition frontbenchers.

So where did Senator Coonan get that idea? Of course, it was published yesterday—from an article in yesterday’s Sydney Sun-Herald in Sydney by Paul Daley, a right-wing commentator. Mr Daley spent most of the article attacking Kevin Rudd’s character. He said: ‘Then you realise that, like any geek—’ and he is referring to Prime Minister Rudd—
with the good fortune and circumstance to rub shoulders with celebrity, he’s addicted.

Senator Coonan could not even come up with an original thought to attack the Prime Minister. She had to use an article by this fellow in yesterday’s Sun-Herald in Sydney. It is very disappointing for us on this side of the chamber, and for the Australian people, to listen to the trivialising of this great House.

There are a number of crises at the moment. Senator Payne has outlined one that we should be concerned about. We have outlined here today, through Senator Carr, the car industry plan, which will save thousands of jobs and keep people in their homes. Where was the opposition on that? Where was their question on that? Where was their motion to take note of answers on that? They have forgotten it. They have lost the plot. They are not fit to govern, and they have proven that again today by trivialising the take note debate. There are, as I said, great issues at stake at the moment, on which we require cooperation from all parties in both houses of parliament. But what happens? One of the former senior ministers in the previous government gets up and asks about the silly phone call that did not occur and that has been dispatched by all those involved in it. The opposition ought to think about how they have acted. Senator Hurley has already mentioned the scandalous AWB affair. We who were here in the parliament remember the whole children overboard issue and what those opposite did with that. (Time expired).

Senator TROOD (Queensland) (3.23 pm)—What an extraordinary performance this has been on behalf of the government in relation to the taking note debate. The best that they can say about this situation is that it is finished. In response to a question by Senator Coonan, Senator Evans said that the matter is closed. He repeated once again the point that the Prime Minister has supposedly made: that the comment was never made. This is an important issue because it points to the traducing of a fundamental and longstanding principle by which governments have conducted their international relations for several hundred years. And this is not just any relationship that we are talking about. Senator Coonan could not even come up with an original thought to attack the Prime Minister or any of his ministers, there would be every likelihood that that would be prepared to leak the contents because it served their own sleazy political purposes—that the Prime Minister or any of his ministers would be prepared to compromise the essence of an important and fundamental relationship just to serve some perceived local need that they may have.

I doubt that there is one person who joins the Department of Foreign Affairs and Trade as a recruit who on walking through the door on day one does not know that one of the fundamental principles of international affairs, one of the key elements of governments having trust in one another, is that diplomatic communications should be private and confidential. There would not be a person in that new group of recruits who walks through the doors of the Department of the Foreign Affairs and Trade, even before they take their seat at a desk in the department, who would not know that this is an elemental part of conducting Australia’s international relations.

Last week Greg Sheridan pointed out in an article in the Australian Literature Review that the Prime Minister came to office with more experience in foreign policy and international relations than any other Prime Minister to date. We can contest the virtue of that particular argument but he is probably right—because we know that this Prime Minister has spent almost half his professional life engaged on Australia’s service in international diplomacy. He knows the protocols. He knows the conventions. He knows the essence of conducting confidential relationships with other governments. He knows the importance of maintaining the integrity of that confidentiality. He also knows that, when that confidentiality is breached and that trust is gone, it is not recovered in a hurry; it is not recovered in an instant. You have to work hard at building these relationships.

We know how hard we have to work at that relationship with Washington. We know that the relationship that has existed between Australia and the United States for over 50 years is unique in terms of intelligence, security and those fundamental things on which governments trust each other. We had that relationship with Washington. We now have a situation where, in the future, those in Washington will be asking themselves whether or not they should be having these conversations with Australia. They will not just be asking questions about whether they should be having those conversations on the telephone; they will be asking questions about whether or not they should be having those conversations with our diplomats abroad and in Canberra. (Time expired)

Question agreed to.
PETITIONS

The Clerk—A petition has been lodged for presentation as follows:

Marriage Legislation
To the Honourable the President and Members of the Senate in Federal Parliament assembled:
The petitioners and citizens of Australia draw to the attention of the Senate that
(1) In 2004, the Commonwealth Parliament amended the Marriage Act 1961 to define marriage as “the union of a man and a woman to the exclusion of all others, voluntarily entered into for life”.
(2) This reinforced the Biblical norm of heterosexual marriage, which has been the cornerstone of every civilization since the beginning of humanity.
(3) The word ‘marriage’ is thus appropriate only for legally united heterosexual couples, who are able to model dual-parenting that is balanced (providing both father and mother role models), natural (as to male-female physical union), and morally acceptable to God (bringing up children within the marriage bond).*
(4) The establishing of Relationship Registers in the States and Territories will inevitably expand the above definition of marriage (para. 1) into meaninglessness, and so compromise the purpose of the Marriage Act.

Your petitioners therefore pray that, with the powers vested exclusively in the Federal Parliament under Section 51 (xxi and xxii) of the Australian Constitution, you amend the Marriage Act 1961 to invalidate any present or future States’ or Territories’ Relationship Registers.

*Genesis 1:27; Matthew 19:4-6; Leviticus 18:22; Romans 1:18-27
by Senator Heffernan (from 14 citizens)
Petition received.

NOTICES

Presentation

Senator McEwen to move on the next day of sitting:
That the Environment, Communications and the Arts Committee be authorised to hold a public meeting during the sitting of the Senate on Wednesday, 12 November 2008, from 12.30 pm to 2 pm, to take evidence for the committee’s inquiry into the Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008.

Senator Moore to move on the next day of sitting:
That the time for the presentation of the report of the Community Affairs Committee on the Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2008 be extended to 2 December 2008.

Senator Moore to move on the next day of sitting:
That the Community Affairs Committee be authorised to hold a public meeting during the sitting of the Senate on Tuesday, 11 November 2008, from 4.30 pm, to take evidence for the committee’s inquiry into Government expenditure on Indigenous affairs and social services in the Northern Territory.

Senator Hutchins to move on the next day of sitting:
That the Joint Standing Committee on Electoral Matters be authorised to hold public meetings during the sittings of the Senate, from 12.30 pm to 2 pm, to take evidence for the committee’s inquiry into the 2007 Federal Election, including the Commonwealth Electoral (Above-the-Line Voting) Amendment Bill 2008, as follows:
Tuesday, 11 November and 25 November 2008
Tuesday, 2 December 2008.

Senator Hurley to move on the next day of sitting:
That the Economics Committee be authorised to hold public meetings during the sitting of the Senate on Tuesday, 11 November 2008, as follows:
(a) from 6.30 pm, to take evidence for the committee’s inquiry into disclosure regimes for charities and not-for-profit organisations; and
(b) from 7 pm, to take evidence for the committee’s inquiry into the joint marketing arrangements on the North West Shelf project.

Senator Sterle to move on the next day of sitting:
That the Rural and Regional Affairs and Transport Committee be authorised to hold public meetings during the sittings of the Senate on Wednesday, 12 November 2008, and Thursday, 13 November 2008, from 3.30 pm, to take evidence for the committee’s inquiry into the provisions of the Water Amendment Bill 2008.

Senator Fisher to move on the next day of sitting:
That the Select Committee on the National Broadband Network be authorised to hold a public meeting during the sitting of the Senate on Tuesday, 11 November 2008, from 7 pm.

Senator Hurley to move on the next day of sitting:
That the Select Committee on Agricultural and Related Industries be authorised to hold a public meeting during the sitting of the Senate on Tuesday, 11 November 2008, from 3.30 pm, to take evidence for the committee’s inquiry into pricing and supply arrangements in the Australian and global fertiliser market.

Senator Bernardi to move on the next day of sitting:
That the Senate—
(a) notes the Horsham physician Dr Bernhard Moeller, his wife Isabella and their children Lukas, Felix and Sarah have been refused permanent residency in Australia because Lukas Moeller, has Down’s Syndrome;
(b) rejects the notion that those with Down’s Syndrome are a burden on society;
(c) acknowledges the important role that Dr Moeller fulfils as a doctor in a regional community and in the
Wimmera Base Hospital which serves more than 50,000 people;

(d) calls on the Rudd Government to expedite the decision-making process with regard to Dr Moeller and his family’s application for permanent residency; and

(e) condemns the lack of action, advocacy, commonsense and compassion given to the Moeller family by the Rudd Government.

Senator Heffernan to move on the next day of sitting:

That the following matter be referred to the Community Affairs Committee for inquiry and report by the last sitting day of 2009:

The impact of the granting of patent monopolies in Australia over human and microbial genes and non-coding sequences, proteins, and their derivatives, including those materials in an isolated form, with particular reference to:

(a) the impact which the granting of patent monopolies over such materials has had, is having, and may have on:

(i) the provision and costs of healthcare,

(ii) the provision of training and accreditation for healthcare professionals,

(iii) the progress in medical research, and

(iv) the health and wellbeing of the Australian people;

(b) identifying measures that would ameliorate any adverse impacts arising from the granting of patent monopolies over such materials;

(c) the patentability of such materials under current Australian and international law; and

(d) whether the *Patents Act 1990* should be amended so as to expressly prohibit the grant of patent monopolies over such materials.

Senator Coonan to move on the next day of sitting:

That, on Thursday, 13 November 2008, the Independent Reviewer of Terrorism Laws Bill 2008 [No. 2] have precedence over all other business till determined.

Senator Siewert to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) the week beginning 9 November 2008 is National Cleft Awareness Week,

(ii) one in every 700 babies born in Australia is born with a cleft, either a cleft lip or a cleft palate or a combination of both,

(iii) children with a cleft will usually require a range of dental, orthodontic, speech pathology and surgical therapies throughout their lives to support their full participation in society,

(iv) in some states, there are waiting lists of between 6 months and 2 years for speech pathology services and children face ongoing educational challenges unless their speech and language needs are addressed, and

(v) the shortfall in public speech pathology services has forced families to seek services in the private sector which many families are unable to afford; and

(b) calls on the Government to:

(i) provide better support to publicly-funded speech pathology services, and

(ii) investigate the costs of including speech pathology services within the existing Medicare Cleft Lip and Cleft Palate Scheme.

Senator Hanson-Young to move on the next day of sitting:

That the Senate—

(a) notes:

(i) the Government’s recent announcement of a $22 million package to keep ABC Learning open until the end of 2008, following months of financial woes, and

(ii) ABC Learning accounts for more than 100,000 long day-care places;

(b) recognises that the expertise and experience of those in the sector should be included in planning the response to this crisis; and

(c) calls on the Government to hold an emergency summit of the key child care providers from around the country, to open up the lines of communication and learn from those who are caring for children, in determining how best to stabilise and improve child care within Australia.

Senator WORTLEY (South Australia) (3.29 pm)—Following the receipt of satisfactory responses, on behalf of the Standing Committee on Regulations and Ordinances, I give notice that on the next day of sitting I shall withdraw four notices of motion to disallow, the full terms of which have been circulated in the chamber and I now hand to the clerk.

The list read as follows:

**Nine sitting days after today**

Business of the Senate notice of motion No 1—Private Health Insurance (Benefit Requirements) Rules 2008 (No. 2), made under item 3A of the table in section 333-20 of the *Private Health Insurance Act 2007*.

**Ten sitting days after today**

Business of the Senate notices of motion Nos:

(1) Determination of Fees for Water and Sewerage Services No. 1 of 2008, made under section 9 of the *Christmas Island Act 1958*.

(2) Determination of Fees for Water and Sewerage Services No. 1 of 2008 made under section 12 of the *Cocos (Keeling) Islands Act 1955*.

**Eleven sitting days after today**

Business of the Senate notice of motion No. 2—Livestock Export (Merino) Orders (Amendment) No. 1 of 2008, made under regulation 3 of the *Export Control (Orders) Regulations 1982*.

Senator WORTLEY—I seek leave to incorporate in Hansard the committee’s correspondence concerning these instruments.
Leave granted.

The correspondence read as follows—

Private Health Insurance (Benefit Requirements) Rules 2008 (No. 2)
28 August 2008
The Hon Nicola Roxon MP
Minister for Health and Ageing
Suite MG50
Parliament House
CANBERRA ACT 2600
Dear Minister

I refer to the Private Health Insurance (Benefit Requirements) Rules 2008 (No. 2) made under item 3A of the table in section 333-20 of the Private Health Insurance Act 2007.

The Explanatory Statement to this instrument states that in Part 3 of Schedule 3 to the Rules, Category 9 of the current Rules (which comprises certain Medicare Dental Items) has been omitted from the Type C List in the Rules. This reflects the withdrawal of these items from the Medicare Benefits Schedule by the Health Insurance (Dental Services) Amendment and Repeal Determination 2008. However, that Determination was disallowed by the Senate on 19 June 2008, with the consequence that those items were reinstated in the Medicare Benefits Schedule on that date. The Committee seeks your advice as to whether this then requires a further amendment to these Rules to reflect the reinstatement of these items. Further, the Committee would also appreciate your advice as to whether any person has been disadvantaged by the omission of these items that is made by these Rules.

The Committee would appreciate your advice on the above matters as soon as possible, but before 12 September 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

As your Committee will be aware, the Rules set out the minimum levels of benefit which are payable for hospital treatment and includes the Type C list which is a list of MBS procedures which normally do not require hospital treatment. While I can understand my Department including the Medicare Dental Items on the Type C list as a precautionary measure, these Items can only be claimed under Medicare for dental services provided in the community. Consequently, there will be no need to reinstate these Items on the Type C list. Privately insured persons with hospital benefit policies would not have been disadvantaged since the Items do not relate to hospital treatment.

I trust that the above information is of use to your Committee.

Yours sincerely

Nicola Roxon
Minister for Health and Ageing

Determinations of Fees for Water and Sewerage Services for Christmas Island and the Cocos (Keeling) Islands
28 August 2008
The Hon Bob Debus MP
Minister for Home Affairs
Suite M1.19
Parliament House
CANBERRA ACT 2600
Dear Minister

I refer to the following instruments that determine fees in the Christmas and Cocos (Keeling) Islands:

Determination of Fees for Water and Sewerage Services No. 1 of 2008 (Christmas Island)
Determination of Fees for Water and Sewerage Services No. 1 of 2008 (Cocos (Keeling) Islands).

These two instruments are drafted in substantially similar, though not identical, terms. Clause 5 of each instrument lists definitions which are used to classify land for the purposes of determining appropriate fees for water and sewerage services. Paragraph 5(b) of the Christmas Island Determination defines the category of ‘charitable purposes’ by reference to whether the Authority is of the opinion that the land is used for specified purposes. The Cocos (Keeling) Islands Determination does not have a similar category. The Committee would appreciate your advice as to the reason for this difference.

Secondly, clause 5 in both instruments defines a category of ‘charitable purposes’ by reference to whether the Authority is of the opinion that the land is used for specified purposes. The Committee would appreciate your advice as to the rights of appeal that can be exercised by a person who believes that the Authority’s opinion regarding the charitable uses for which land is used is in error.

The Committee would appreciate your advice on the above matters as soon as possible, but before 19 September 2008, to enable it to finalise its consideration of these instruments.

Correspondence should be directed to the Chair, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely

Senator Dana Wortley

7 October 2008
Senator Dana Wortley
Chair
Standing Committee on Regulations and Ordinances
Parliament House
CANBERRA ACT 2600

Thank you for your letter of 28 August 2008 regarding the reinstatement of Part 3 to Schedule 3, Category 9 of the Private Health Insurance (Benefit Requirements) Rules 2008 (No. 2) (the Rules).

I note the Senate disallowed the Health Insurance (Dental Services) Amendment and Repeal Determination 2008 on 19 June 2008 and as a consequence, the Medicare Dental Items omitted from the Type C List of the Rules were reinstated in the Medicare Benefits Schedule (MBS).
Chair

13 October 2008
Senator Dana Wortley
The Chair
Senate Standing Committee on Regulations and Ordinances
Room SG49
Parliament House
CANBERRA ACT 2600

Dear Senator Wortley

I refer to your letter dated 28 August 2008 in which you sought advice about:

reasons for a difference when defining land use for the purposes of determining appropriate fees for water and sewerage services on Christmas Island and Cocos (Keeling) Islands; and

the rights of appeal that can be exercised by a person who believes that the Authority’s opinion regarding charitable uses for which land is used is in error.

There are no services on Cocos (Keeling) Island at present that are classified within Commercial/Residential category. Therefore there has been no need to have this classification. However as part of the strategy to align the terms and conditions that apply to remote WA communities to Indian Ocean Territories, all of the WA classifications are to be adopted. Future Determinations will contain similar definitions.

Appeals are currently dealt with by the Department and considered in accordance with current WA guidelines.

As part of the process to align terms and conditions that apply in remote WA, AGD and Water Corporation are drafting an application for an Operating License from the Economic Regulation Authority. This process requires the development of a Customer Charter which includes processes for dealing with complaints.

The action officer for this matter in the Attorney-General’s Department is Chris Kuster who can be contacted on 08 9225 1413.

Yours sincerely
Bob Debus
Minister for Home Affairs

Livestock Export (Merino) Orders (Amendment) No. 1 of 2008

28 August 2008
The Hon Tony Burke MP
Minister for Agriculture, Fisheries and Forestry
Suite M1.26
Parliament House
CANBERRA ACT 2600

Dear Minister

I refer to the Livestock Export (Merino) Orders (Amendment) No. 1 of 2008 made under regulation 3 of the Export Control (Orders) Regulations 1982. These Orders incorporate the current edition of the Guidelines and Conditions for Export Sales and Nomination of Merino Rams as Export Semen Donors into the principal Orders. The Committee notes that clause 7 of Annexure A to the Guidelines gives the Australian Association of Stud Merino Breeders Limited an absolute discretion to refuse entry for the sale of any rams, without liability for compensation. This is a very broad discretion the exercise of which may adversely affect the business of sheep breeders. No criteria or grounds have been specified as prerequisites for the exercise of the discretion. The Committee therefore seeks your advice as to the reasons for this broad discretion.

The Committee would appreciate your advice on the above matter as soon as possible, but before 19 September 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

16 September 2008
Senator Dana Wortley
Chair
Senate Standing Committee on Regulations and Ordinances
Room SG49
Parliament House
CANBERRA ACT 2600

Dear Senator Wortley

Thank you for your letter of 28 August 2008 about the Livestock Export (Merino) Orders (Amendment) No.1 of 2008.

As the committee is aware, these orders incorporate the 2008 edition of the Guidelines and Conditions for Export Sales and Nomination of Merino Rams as Export Semen Donors, published by the Australian Association of Stud Merino Breeders (AASMB).

I note the committee’s concern about clause 7 of annexure A to the guidelines. This clause provides a necessary mechanism for quality control over the merino export process. The Australian merino is the product of substantial investment by the wool industry over many years, and the competitiveness and integrity of the export industry is built on Australia’s reputation as a consistent supplier of superior quality merino sheep. By affording the AASMB the discretion to refuse the entry of any rams for sale at a designated auction, the clause allows industry to maintain a consistently high standard of merino sheep offered for sale.

I also note the committee’s concern that, by freeing the AASMB from any liability by way of compensation, the exercise of this clause could adversely affect the business of sheep breeders. Prior to publishing the annual guidelines the AASMB consults its six state constituent bodies. I am confident that, while the AASMB has not been required to exercise the clause since the orders were introduced in 1990, if industry feels this clause could be detrimental to sheep breeders the consultative process offers an appropriate avenue for it to raise its concerns.
Thank you again for bringing the committee’s concerns to my attention. I trust this information has been of assistance.

Yours sincerely

Tony Burke
Minister for Agriculture, Fisheries and Forestry

13 October 2008
Senator Dana Wortley
Chair

I note the committee’s concern that, when consulting industry on the formulation of the 2008 edition of the Guidelines and Conditions for Export Sales and Nomination of Merino Rams as Export Semen Donors (the guidelines), the Australian Association of Stud Merino Breeders (AASMB) may not have drawn industry’s attention explicitly to clause 7 of annexure A, which affords the AASMB the discretion to refuse rams for sale without liability for compensation.

The AASMB is the national association representing six state merino organisations and, through these, around 1300 registered studs. As I previously noted, the AASMB’s process of consulting its constituent bodies prior to publishing the guidelines offers an avenue for industry to raise any concerns.

The AASMB is a small organisation with limited resources. The association was developed to promote the breeding and presentation of higher quality merino sheep, and to improve the standard of the breed across the country. While it obtains some funding from state member organisations, the costs of the AASMB’s activities, including conducting export auctions and maintaining the National Flock Register, are partially recouped through charging sheep breeders a fee to sell rams at auction.

If clause 7 of the guidelines is amended or withdrawn, it is likely that the AASMB would be forced to take out insurance to cover potential liability. It is to be expected that the costs of insurance premiums would be passed on to sheep breeders through increased selling fees. This would have the effect of disadvantaging those that the committee is most concerned about. It may also discourage sheep breeders from selling rams for export, therefore impacting adversely on the overall viability of this industry.

As I noted previously, the AASMB has never exercised the clause, so no sheep breeder has incurred costs associated with having a ram rejected from sale. This suggests that the clause is an effective self regulating mechanism for the industry, as breeders are aware of the standard required by the AASMB to sell rams for export. As there is only one auction remaining for the 2008 selling season, it is highly unlikely that the AASMB will be required to exercise the clause this year.

Notwithstanding this, I have asked the Department of Agriculture, Fisheries and Forestry to undertake a full review of the orders prior to the 2009 export year, including consulting the AASMB and sheep breeders on all aspects of the guidelines to ensure these continue to meet the needs of industry.

Thank you again for bringing the committee’s concerns to my attention.

I trust this information is of assistance.

Yours sincerely

Tony Burke
Minister for Agriculture, Fisheries and Forestry

Senator Milne to move on the next day of sitting:

That general business order of the day no. 53, relating to the Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008, be discharged from the Notice Paper.
port the greater commercialisation of renewable energy technologies, and for related purposes. **Renewable Energy Amendment (Feed-in-Tariff for Electricity) Bill 2008.**

**LEAVE OF ABSENCE**

Senator McEWEN (South Australia) (3.31 pm)—by leave—I move:

That leave of absence be granted to Senator Carol Brown for today, on account of parliamentary business interstate.

Question agreed to.

**COMMITTEES**

**Economics Committee**

**Extension of Time**

Senator McEWEN (South Australia) (3.31 pm)—On behalf of the chair of the Economics Committee, Senator Hurley, I move:

That the time for the presentation of reports of the Economics Committee be extended as follows:

(a) joint marketing arrangements on the North West Shelf project—to 1 December 2008; and

(b) the provisions of bills relating to economic regeneration funds—to 24 November 2008.

Senator Parry—This matter was put on the Notice Paper. There was a meeting of the committee earlier today. The committee was not aware that this would be on the Notice Paper. It had not been discussed prior to being on the Notice Paper. The deputy chair of the committee, Senator Eggleston, confirmed this with us a short while ago, and also the opposition wanted to seek a further extension of time.

The PRESIDENT—Is it just part (b) that you are opposing, and not part (a)?

Senator Parry—Yes. Without having the full details, I would imagine it would be just part (b). It is the COAG Reform Fund Bill 2008.

Senator McEwen—We are talking about the Economics Committee reports.

Senator Parry—That is correct.

The PRESIDENT—Senator McEwen, may I suggest that you split your motion. Those who are in favour of part (a) of the motion which relates to the North West Shelf project, say ‘aye’; to the contrary ‘no’.

Question agreed to.

The PRESIDENT—I will now put the second part of the motion, which relates to the COAG Reform Fund Bill 2008. The question is that the motion in respect of paragraph (b) be agreed to.

The Senate divided.  

(The President—Senator the Hon. JJ Hogg)

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Question negatived.

**Rural and Regional Affairs and Transport Committee**

**Meeting**

Senator McEWEN (South Australia) (3.42 pm)—by leave—On behalf of the Chair of the Rural and Regional Affairs and Transport Committee, Senator Sterle, I move:

That the Rural and Regional Affairs and Transport Committee be authorised to hold a public meeting during the sitting of the Senate today, from 3.30 pm, to take evidence for the committee’s inquiry into the provisions of the Interstate Road Transport Charge Amendment Bill (No. 2) 2008 and the Road Charges Legislation Repeal and Amendment Bill 2008.

Question agreed to.
NOTICES

Postponement

The following items of business were postponed:

General business notice of motion no. 183 standing in the name of Senator Milne for today, proposing the introduction of the Energy Efficiency Opportunities Amendment (Mandatory Implementation) Bill 2008, postponed till 1 December 2008.

General business notice of motion no. 233 standing in the name of Senator Xenophon for today, proposing an order for the production of a document relating to the Productivity Commission, postponed till 24 November 2008.

COMMITTEES

Economics Committee

Extension of Time

Senator COONAN (New South Wales) (3.43 pm)—I seek leave to move a motion proposing an extension of time for the Economics Committee to report on the provisions of the COAG Reform Fund Bill 2008 to 3 February 2009.

Leave not granted.

MATTERS OF PUBLIC IMPORTANCE

Automotive Industry

The DEPUTY PRESIDENT—The President has received a letter from Senator Abetz proposing that a definite matter of public importance be submitted to the Senate for discussion, namely:

The serious threats facing Australia’s car dealers and car industry as a result of the Rudd Labor Government’s bungled unlimited deposit guarantee.

I call upon those senators who approve of the proposed discussion to rise in their places.

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

The DEPUTY PRESIDENT—I understand that informal arrangements have been made to allocate specific times to each of the speakers in today’s debate. With the concurrence of the Senate, I shall ask the clerks to set the clock accordingly.

Senator ABETZ (Tasmania) (3.45 pm)—There is now no doubt that Labor’s inept handling of the financial guarantee legislation is having greater reverberations every day. Prime Minister Rudd’s spin-over-substance approach is starting to have an impact. It is impacting negatively, and very negatively. The financial guarantee legislation, which we were willing to assist the government with on the assurance that Labor was levelling with us and the Australian people, has now been shown to be not what it was claimed to be at the time. It is now obvious that Labor’s package was ad hoc, on-the-run spin doctoring with a view to the news cycle rather than the financial markets.

The alternative Prime Minister, Mr Turnbull, talked about a guarantee on a Friday. We know that. Two days later, on the Sunday, Mr Rudd had to provide an assurance of a scheme that he said would be uncapped. It was announced two days later. Three days later it was possibly going to be with a cap. And of course, as Senate estimates revealed, the announcement of the cap, on the run in question time, by the Treasurer, Mr Swan, was done without the knowledge of the Secretary to the Treasury. In fact, Mr Swan had already made his announcement during question time when I again asked the Secretary to the Treasury whether or not the government had made its decision in relation to a cap on the financial guarantee legislation, and his answer came back: ‘no’. When I told him that it had been announced in the House of Representatives only a half-hour or so before, he was quite shocked that that had occurred. If ever we needed proof positive that this government is all about spin and not substance then that was a classic example of it.

The scheme—which, might I add, the banks did not ask for—has hugely impacted the financial market. We have now seen the flight of capital, all self-engineered by Labor, from companies like AXA, Challenger and others, which are now suffering the consequences. Consumers are suffering the consequences as well. And, of course, GMAC, GE and other financiers of the car industry are now suffering exactly the same consequences. With the announcement today of Labor’s lightweight car industry plan, with talk of the sector in 2020—that is, two five-year plans plus away—car dealers were also waiting for a package dealing with today’s problem of a lack of finance.

The Minister for Innovation, Industry, Science and Research, Senator Carr, tells us that the government is now working on the issue. I welcome that. But it appears to have occurred only after we as an opposition pursued this issue on behalf of car dealers. GMAC has announced its withdrawal from the Australian market by 31 December, with devastating consequences. GE is having real problems as well. We now know another company is struggling. What Labor does not seem to understand is that the viability of car dealerships is based not so much on the movement or sale of cars as on the sale of finance packages, and that the dealers rely on financiers for their stock holdings. The industry estimate that 40 per cent of dealers will be closed by Christmas is alarming. My own view is that that estimate may well be conservative. I hope it is not. The loss of literally tens of thousands of jobs will be devastating. Competition will be diminished. What is more, the sources of finance for consumers to purchase their cars will not be available either, and that will impact on car manufacturers and the jobs in that sector.

The flow-on consequences of Labor’s ill-considered financial guarantee legislation are now reverberating...
right around our economy, right through and into car
dealerships and from there into car manufacturers. La-
bor’s inept handling of the guarantee legislation is add-
ing to the hurt and difficulties being faced by the
automotive sector. Whilst today’s package seeks to
address some of the problems, I note that it says: ‘The
engine that will drive all this is innovation.’ Of course
it is; innovation is vital. But if that is the case, can
Minister Carr and the Labor government explain to the
Australian people why, in their very first budget, they
slashed $707 million from the Commercial Ready pro-
gram and $63 million from the CSIRO, which were the
drivers of innovation in this country? In their very first
budget, $763 million was axed from innovation and
now, today—guess what?—innovation is the answer. If
only they had known it in their May budget, they
would not have axed the $763 million which we, the
Howard coalition government, had ensured that these
drivers of innovation would receive.

It is this ad hocery approach to policy, the on-again
off-again, the yes-no, the stop-start— all dependent on
news cycles—that is doing this untold damage to our
economy, and unfortunately the car sector is not ex-
empt. Labor hack innovation support and then they
pretend to discover it. Labor fiddle with financial guar-
antee legislation and, because of their speed and lack
of consultation, make the problem worse. Then they
tell us how they are acting decisively to deal with the
problems that they created.

It is a similar situation with the luxury car tax. I no-
tice Senator Cameron opposite. He championed the
increase in the luxury car tax, which has now seen a 17
per cent decrease in the sale of these vehicles. Every
single one of Australia’s car manufacturers were op-
posed to this new luxury car tax. They said it would
devastate them. So, with Labor having cut innovation
and having increased taxation on the Australian car
industry, today we get an announcement that they are
going to somehow help and support the industry. It
would have been a lot better to leave Commercial
Ready in place, to leave the CSIRO funding in place,
to not put an extra burden on the car industry in this
country.

What we need is sound, steady economic manage-
ment, where decisions are made after full consulta-
tion and announced when they are ready, not for the pur-
pose of the news cycle. There was no excuse for delay-
ing this announcement. As I understand it, it had been
in the can for quite some time, ready for announce-
ment, but deliberately delayed so it could be used for a
particular purpose—such as today, when the parliament
resumes and Mr Rudd is being hammered in the other
place about the notorious phone call, or the alleged
contents of the phone call, between himself and Presi-
dent Bush of the United States. He will not make the
denials being sought of him, where the Prime Minister
is now basically fingered as the author of those state-
ments. So what do they do? They keep this package for
a day on which they think they need something else to
fill the news cycle rather than an expose on Mr Rudd.
The car industry deserves better. The car industry
needs better from this government.

What I can assure those involved in the Australian
car industry is this: the coalition is committed to it; we
support it. That is why under us, under ACIS between
2001 and 2007, it received some $3.8 billion. Today
Senator Carr announces that they are going to spend $6
billion over 13 years and somehow that is better. Do
the maths and you will know that the Howard coalition
was the best friend the automotive sector had. (Time
expired)

Senator CAMERON (New South Wales) (3.55
pm)—I appreciate the opportunity to participate in this
debate on Senator Abetz’s matter of public impor-
tance—a typical Abetz approach: a rambling tirade
against the government. The framing of Senator
Abetz’s motion, which attempts to link the govern-
ment’s initiative on deposit guarantees to the global
threat facing the Australian car industry, is quite bi-
zarre. It is actually an insult to the 200,000 Australians
who owe their jobs to the car industry. This motion
demonstrates that Senator Abetz lacks even a basic
understanding of the drivers for the Australian manu-
facturing industry. It is not surprising, as Work Choices
and short-term adjustment packages were the hall-
marks of the Howard government.

Senator Abetz raises the luxury car tax. I happened
to sit through all of the submissions on the luxury car
tax. The people who were complaining most about the
luxury car tax were the importers of luxury cars, who
were saying that it gave the Australian manufacturing
industry an unfair competitive advantage. Senator
Abetz fails to understand that it is not the CSIRO who
will drive innovation in the Australian car industry; it
has to be the car industry itself. It has to be the manag-
ers of the car industry, it has to be the workers in the
car industry—they have to bring the technology and
the ideas to bear to make the car industry internation-
ally competitive in the future.

The Howard government were all about crisis man-
agement and media management as distinct from lead-
ership on the car industry. The Howard government,
of which Senator Abetz was a prominent minister, had no
vision, no strategy, no planning—it was simply ‘let the
market rip’. That was the Howard government’s ap-
proach to the car industry. In the face of a clear market
failure, where the Australian car industry ignored
changing consumer demand and where the car industry
ignored the need for more fuel efficient vehicles, the
Howard government stood back and did nothing. The
opposition need a shadow minister with at least a basic
understanding of the current economic crisis and the
problems facing the car industry. This motion from Senator Abetz demonstrates that he does not have that skill; he does not understand the industry.

This motion continues the carping negativity that underpins much of the opposition’s response to the current international economic crisis. It is Senator Abetz at his whining and moaning best. This is an opposition who think they are too smart by half—all form and no substance. While Senator Abetz is busy focusing on cheap political stunts, the government continues to take strong and decisive measures to help our working families, to help our pensioners, to help our industry and to help our car industry as it faces massive global challenges. This is an opposition that for 11½ years in government failed to deal with the key issues facing the economy and Australian working families. This is an opposition who were lazy, indolent and unprepared for the bigger economic challenges of globalisation.

Howard, Costello, Turnbull and Senator Abetz presided over a collapse of investment in this country. Senator Abetz stood idly by while productivity and innovation declined. Senator Abetz failed to take the real steps to develop our economy for the future. The opposition presided over the collapse of elaborately transformed manufactures in this country. They presided over a decline in the skill base in this country, and their only answer was 457 visas and to bring workers in to make up for their vandalism in terms of the skill base in this country.

This is an opposition who were climate change sceptics and who, while in government, failed to take steps to ensure the environmental sustainability of our industries and our nation. This is an opposition who rode on the back of the mining boom while masquerading as competent economic managers—11½ years of lost opportunities, of failing to deal with the hard economic challenges that our country, our industry, our communities and our workers face. They were all ignored in the 11½ years of the Howard government.

What did the Howard government do for industry? They negotiated free-trade agreements with the United States and Thailand—free-trade agreements that were a disgrace. They benefited the manufacturing industries of the US and Thailand. They created jobs in the US car industry and the Thai car industry at the expense of Australian workers. Following the implementation of the Howard government’s free-trade agreements, our balance of trade with these countries has declined and cutting-edge and high-skill jobs have been lost to Thailand and the US.

What did the Howard government give us? They gave us Work Choices. They gave us increased managerial prerogative to reduce wages and conditions in the vain hope that this would improve the productive performance of our industries—a lazy approach to industry development, an approach that was doomed to failure. The Howard government adopted a policy of allowing business to cost-cut instead of investing for the future of this nation. Liberal ministers sat around the cabinet table discussing the latest right-wing ideology for attacking working families while real policies which could have driven an internationally competitive economy were ignored.

It has been left to the Labor government to focus on the real issues facing the economy and Australian working families. We have led the world in moving decisively to ensure the stability of our banking sector. As distinct from the opposition’s political stunt on pensions, we have developed an $11.3 billion economic package designed to stimulate economic activity while targeting assistance to the needy. We have moved quickly to focus the car industry on environmental sustainability—something the Howard government failed to do for 11½ years. We have committed $250 million to Enterprise Connect, which is about focusing companies on innovation, management systems, skill development and technological investment—the real drivers of economic wealth and international competitiveness, unlike Work Choices, attacking working families’ wages and conditions, and giving bosses the easy way out to try and reduce costs. We have committed $240 million for Clean Business Australia, practical assistance to help our industries meet the challenges of global warming. We are developing a sophisticated approach to export policies, one designed to assist our companies to compete in cutthroat international markets.

Global manufacturing leaders such as Germany and China have moved quickly to assist their domestic industries, with stimulation packages worth $96 billion in Germany and $871 billion in China. US President-elect Obama has foreshadowed a domestic stimulation package and assistance for the beleaguered US car industry. Nations around the world understand the importance of having a strong, internationally competitive car industry. No nation can provide a high standard of living in a sustainable manner if they simply rely on mineral extraction and agriculture as their economic base. Australia must be more than a quarry, a farm and a tourist destination.

The Prime Minister, Mr Rudd, and the Minister for Innovation, Industry, Science and Research, Senator Carr, have again acted decisively in developing A New Car Plan for a Greener Future. This is a car plan that will maintain jobs in the Australian manufacturing sector—a sector that directly employs 64,000 Australians, three-quarters of them in Victoria and South Australia. An estimated 200,000 people owe their jobs to the car industry. The car industry produces economic activity of $8 billion a year to GDP. Flow-on activities from the car industry go into iron, steel, rubber, mechanical re-
pairs, wholesale trade and business services. On exports, the Australian auto industry’s exports are worth $5.6 billion a year, making it the largest manufacturing export sector and putting its products in the top 10 of all goods and services. On research and development and innovation, the Australian auto industry invests over $600 million a year in research and development and employs over 3,000 researchers, technicians and support staff. The Australian auto industry is absolutely critical to manufacturing because building a car involves other advanced technologies, from microchips to light metals.

This was never an issue for the Howard government. The Howard government were content to throw money at the industry without any strategy, without any reciprocal obligation and without real results. The plan that we have produced today is a plan that will bring the industry into the 21st century and bring the management of the industry to focus on the innovation and research and development that is so important for our future. Our New Car Plan for a Greener Future is about attracting new investment in long-term sustainable vehicle production—something that the Howard government failed to do in 11½ years. It is about greening the industry. It is about what the community wants. It is not about turning our back on global warming and pretending it is not happening. It is about improving fuel efficiency and reducing carbon emissions. It is about strengthening the local supply chain and boosting skills.

When I was the secretary of the biggest manufacturing union in the country, every time I wrote to a Howard government minister or to the Prime Minister, I was treated with contempt and ignored. Back five and six years ago we were writing to the Howard government saying, ‘You must take steps to protect this industry from their own bad practices and management. You must have an investment in green cars. You must look at what we can do on innovation and technology.’ Yet we were ignored. When we raised the issue of the cost-down approach from the car industry to our components sector, we again were ignored. We said, ‘If our car components sector declines, there is nothing to keep the car industry here.’ Yet we signed a free-trade agreement with Thailand that allows them to build their car components sector into one of the most effective and efficient in the world—off the back of a crook free-trade agreement the Howard government signed, off the back of what is really one of the worst deals that we have ever seen with the United States of America in terms of that free-trade agreement.

We have to strengthen the local supply chain and boost the skills in the industry. We have to link our supply chains to improve market access around the world. If we do not have the skills, if we do not have the innovation and if we do not have the technology, we will not compete. For Senator Abetz to come here and do a cheap political stunt for 10 minutes, saying it is the government’s economic position that is damaging the car industry, beggars belief. It is the most hypocritical thing that I have heard for years in this place. (Time expired)

Senator FISHER (South Australia) (4.10 pm)—As a senator for South Australia, where the car-manufacturing sector is a key part of the local economy, I rise to speak in support of this matter of public importance. There is no question that the global financial crisis is having an impact upon Australia’s economy and in particular on the motor vehicle manufacturing sector. Nor is it any secret that the motor car manufacturing sector has struggled with a series of challenges for a series of years. My home state of South Australia has a proud history in car manufacturing from the times of Tom Playford. But in recent years we have seen job losses in the sector. We have seen job losses at car-making firms across Australia, and South Australia in particular. In 2006 South Australia and Victoria contributed 75 per cent of national automotive industry employment. In South Australia over 11,000 people were employed in the sector.

The coalition does more than recognise the vital importance of the car-manufacturing sector to the economy, both nationally and of course in my home state of South Australia, and, indeed, the co-relative contribution made by the components-manufacturing sector, still employing some 200,000 workers across Australia. But our concern is that today’s headline grab by the Rudd government fails to address the short-term threats to the industry. The government has promised something like $6.2 billion over 13 years, but our $7.7 billion or thereabouts a year industry is at serious and immediate risk because the Rudd government has failed in large part in its response to the turbulent global financial situation. We have already had more than 900 workers being retrenched at South Australia’s Clovelly Park plant in the Mitsubishi manufacturing regime earlier this year. The Motor Traders Association of New South Wales is warning now that dealerships are at immediate risk, and I will go to that in more detail in a minute. According to the association, dealers employ about 90,000 workers across Australia and some 40 per cent of those dealerships employ about 30,000 Australian workers. They stand to be critically affected by the forecast pullout of General Electric and GMAC from financing the sector. The Rudd government announcement today does zip to address that potential short-term crisis, the credit squeeze that is facing this sector. Indeed, the Rudd government announcement today erodes the capacity of these dealers to keep cars on their floors. Effectively just seven weeks out from the forecast pullout of GE and GMAC from the sector, the government’s announced initiative fails to address the point.

CHAMBER
What did we have instead? We had the Prime Minister on the weekend saying things like ‘we need confidence in the economy’ and ‘next year is going to be ugly’. But what does that do? All that does is erode confidence and give people concerns. It does not provide any information about why next year is going to be ugly. It does not provide any detail as to the government’s plans to address what is otherwise going to be an ugly year. As the Leader of the Opposition has said, in failing to provide useful information, all the government does is tell the Australian community something that no-one really knows about—other than that it sounds bad.

The Prime Minister owes Australians a range of explanations, but in particular he owes them an explanation about the Rudd government’s response to the global financial crisis. The Prime Minister owes Australians an explanation as to why the government entered into an unlimited bank guarantee deposit scheme, which has had so many adverse impacts. Indeed, what other developed country has proffered a supposed solution that has made the situation worse instead of better? That is a distinction the Prime Minister enjoys, and he must explain it to the Australian people. Indeed, in the context of the vehicle manufacturing sector, he owes Australians an explanation as to why he has unveiled a response to the global financial crisis that makes it worse for those companies that would otherwise be financing dealers to keep their cars on the floor. The CEO of the Motor Traders Association of New South Wales, Mr James McCall, speaking about General Electric and GMAC on the AM radio program this morning, said:

They fund an arrangement whereby the dealers stock, the cars they keep in their showroom and looking across New South Wales, there is 500 dealers with an average of 100 cars each in showroom, you are looking at very, very big money.

Now that financial arrangement was funded by GE and GMAC probably to the extent of about 40 per cent of the total market or over 40 per cent of the total market.

Now if the dealers can’t fund their floor room, their showroom stock, then they are in breach of their franchise agreement with the manufacturers and the manufacturers will not renew their franchise agreement so they will have to close their doors.

Why hasn’t the government’s package announced this morning addressed the short-term crisis facing the sector? Where are the details behind the policy announcement? We have no details on the grants process, no details on how a structural adjustment scheme will work, no details as to the cost of the scheme to taxpayers and no details as to how the innovation council will work—and the list goes on.

This is no time for yet another policy to be announced on the run; there is no time for spin over substance without the detail and without the depth. Where is the evidence based policy to address the short-term crisis facing the car manufacturing sector? Instead we have a scenario that looks like the government’s announcement six months ago to provide $500 million for the green car innovation fund from 2011. Today we learn that the government will more than double the funding available for that program, but they are yet to officially announce—(Time expired)

Senator FARRELL (South Australia) (4.19 pm)—I note Senator Fisher’s reference to the proud history of car manufacturing in South Australia. She correctly talked about the role of Tom Playford in establishing the General Motors Holden plant, which first started mass producing cars in 1948. But, in fact, the history of car manufacturing goes back even earlier than that. It goes back to when a fellow called David Shearer—who I assume had some connection with Shearers agricultural manufacturing—produced the first steam-driven horseless carriage in South Australia in 1897. That was really the first car made in Australia, and it was made in South Australia. We continue to make great cars in that state. Tragically, under the previous Howard government, we watched as, bit by bit, Mitsubishi died a very slow death. The previous government did not have a plan for the car industry. Labor does have a car plan—Carr’s car plan—which was announced with the Prime Minister today.

The federal Labor government is committing $6.2 billion to a green car plan to help ensure the future of Australia’s car industry. Senator Abetz suggested that we are ignoring the car industry, but we are in fact devoting the sort of attention to it that the previous government should have done in order to prevent the collapse of the Mitsubishi car factory. This assistance package has important economic and environmental objectives and it is going to help entrench the car industry in Australia, despite the challenges that we currently face from the global financial crisis.

It is interesting that the President-elect of the United States, Mr Barack Obama, has almost immediately homed in on the car industry. He has made clear his view that the car industry is the backbone of the United States economy. In the United States today, Nancy Pelosi and the Senate majority leader, Harry Reid, have asked the Treasury Secretary to assist the big United States car manufacturers with an emergency plan. Of course, two of those companies, Ford and General Motors, have car plants in Australia. Obviously, whatever the American government is planning to do in this area is going to have a dramatic impact in Australia.

Senator Cameron spoke of some of the initiatives in this plan, but I think they are worth repeating. The aim is to attract new investment in the long term for sustainable vehicle production. We want to green the industry by improving fuel efficiency and reducing carbon emissions. We want to strengthen the local supply chain and boost skills—and, of course, the Manufactur-
ing Workers Union, the union that works in this industry, is going to be very important. That union is very ably led in South Australia by Mr John Camillo. I know he will be working hard with the companies and with the government to ensure that the skills in the sector get boosted. Finally, the plan will link to international supply chains and improve market access for Australian manufacturers. I fully endorse the car plan announced today and believe it is going to provide the necessary impetus to keep car manufacturing in this country going and see it improve and strengthen.

Senator WILLIAMS (New South Wales) (4.24 pm)—I rise to talk on the car industry and my very real concerns about where it is going and the problems it faces. I believe the first nail in the industry’s coffin is the luxury car tax approved by the Senate. It will put more tax on our cars, especially vehicles such as the Holden Statesman and the top of the range Ford Territory—both, of course, manufactured in Australia. I have some real concerns about the future of our motor vehicle industry. Obviously, it will not be long before import tariffs will be reduced from 10 per cent to five per cent. I believe the government is planning on doing this in 2010. As I said in my maiden speech, we do not play on a level playing field when it comes to trade. The countries we are competing against have very cheap labour. I have been to factories in Thailand to see the manufacturing of parts and vehicles, and some of them pay workers $5 a day. This is what we are expected to compete against. It is virtually impossible.

The big problem I see for the industry is the one now facing dealerships, especially those in country areas. GMAC will withdraw from the financing of motor vehicle dealers by the end of the year. GMAC finances around 25 per cent of all motor dealers in Australia. Those dealers do not necessarily have to be Holden dealers; they have many other makes of vehicles. GMAC has said that about 185 staff from Australia and New Zealand will leave the company by the end of the year, with some staff to be retained to continue on with the leasing, hire purchase and financial agreements already in place.

There is also a problem with GE Money, who are set to leave the industry as well. They also finance around 25 per cent of the car dealerships in Australia. If we do not have dealers, who will sell the motor vehicles? Two financial institutions, GMAC and GE Money, finance around 50 per cent of the dealerships in our nation and both have said they are going. They are going for two reasons: the cost of money following the financial meltdown around the globe—and we are all familiar with that—and the lack of domestic investment in these companies. I would like to expand on that issue.

As I said in question time today, on 13 October I asked the question: what is the government doing about those financial institutions not covered under APRA, those that are in fact covered under ASIC? You do not have to have a college education or be a rocket scientist to realise what will happen if one group of financial institutions, which I will call group A, is underwritten by the government—banks, building societies, credit unions—while another group, group B, which includes debenture issuing companies, cash management trusts and other financial institutions, is not guaranteed by the government. What is the logical thing that will happen when people get nervous about their investments and about whether their money is safe? They will withdraw their money from group B and put it in group A. That is obvious, and the government has done nothing about it. We have seen the withdrawal of funds, and financial institutions are pulling out from financing dealerships. This is a huge problem facing our nation and it is a direct result of the actions of this government. After asking that question on 13 October, I did my best to work with the ministers to stay out of the media and not cause a run on these financial institutions but to instead forgo political gain and try to save many of these financial institutions that are now frozen.

It is frightening to get more calls today, only to find that more financial institutions have gone to the wall and are in receivership. I will comment on one institution that has frozen its funds. A farmer wanted to withdraw money to buy water for his citrus trees. He cannot get the money out of the institution. His trees will die and his livelihood will go. Another person requires his money next month, to pay the Australian Taxation Office, but cannot get the money out of the institution because it is frozen. What is the ATO going to do to this bloke whose money is frozen in this institution and who cannot pay them? These are just some of the problems coming up that we are about to face.

As I said earlier, 50 per cent of our car dealers are financed by GMAC and GE Money—and my colleague Senator Fisher pointed out that there are around 90,000 people employed by motor vehicle dealers. If this 50 per cent cannot refinance, what is going to happen? Are there 45,000 jobs at stake? The banks are very reluctant to finance motor vehicle dealers because the security is not real property; it is on wheels and it can be moved. Any bank will tell you why they will not do it. Other financial institutions are offering money at 20 per cent interest. How can a dealership survive paying 20 per cent interest rates?

We now have a real situation where we are facing the closure of many car dealerships. I will give you some examples. United Holden in Rockdale, Sydney, has pulled the pin and is shutting up soon. Seventy jobs will be gone. I know of one large car dealership that has seven franchises and requires $9 million to refinance. There are approximately 350 people employed in these seven franchises. What is going to happen to
them? If they cannot refinance, the doors will close. So much for the working families—the people employed in motor vehicle dealerships—who will lose their jobs as a result of this government not listening when it came to underwriting the institutions. These are the huge problems we face now. (Time expired)

Senator WORTLEY (South Australia) (4.31 pm)—As a senator from South Australia, a car manufacturing state, I welcome the opportunity to speak in this chamber on the car industry in Australia and on what this government is doing to assist in securing its future. Unlike those on the other side, we in the government do not adopt a wait-and-see approach. We do not deny the existence of a problem, like those in the Howard government did with the crucial issues of climate change and the water crisis. We do not sit on our hands and wait until the point of no return has passed.

Today the Prime Minister and the Minister for Innovation, Industry, Science and Research announced a $6.2 billion, 13-year plan to make the automotive industry more economically and environmentally sustainable by the year 2020. The New Car Plan for a Greener Future is in fact a new deal for Australian car makers and for Australian car buyers. As the minister told us today, the Green Car plan will boast an expanded $1.3 billion Green Car Innovation Fund, which will provide Australian car companies with the opportunity to receive government funding to design and sell environmentally-friendly cars. The plan reflects the government’s commitment and, in Minister Carr’s words, determination to create high-quality, high-skilled, high-wage jobs.

It reflects too our belief in innovation and our thirst to give Australians greener, safer, more affordable vehicle choices. This fund will see the Australian government match industry investment in green cars on a $1 for $3 basis over a 10-year period from 2009. This is decisive and strong action put in place with the aim of protecting the Australian economy during the global financial crisis. The 13-year New Car Plan for a Greener Future is about manufacturing competitive, low-emission, fuel-efficient vehicles in Australia.

This is a significant day for the car manufacturing industry in our nation. Over its life, this plan is expected to be the catalyst for $16 billion in investment in this industry. It will implement the recommendations of the Bracks review of the automotive industry, including an expanded Green Car Innovation Fund, a reworked automotive transformation scheme and moves to increase our industry’s competitiveness in a tough and tight global market. It is very welcome news, particularly for my home state of South Australia, which has a long and proud history of vehicle manufacturing that stretches back to 1897, when David Shearer revealed his steam-driven horseless carriage.

Having a healthy, prosperous, forward-thinking and outward-looking automotive industry is central to ensuring a healthy future for all Australian manufacturing. It is therefore an essential contributor to our nation’s wellbeing and wealth. That is because today’s vehicles utilise an ever-widening range of advanced technologies. We need to be able to manufacture a vast array of components to be able to build a car from scratch. Australia is one of only about 15 countries worldwide that is able to do just that. Indeed, manufacturing employs one million Australians. It is the backbone of communities and the life force of families.

At least 200,000 Australians are employed either directly or indirectly by the car industry. In uncertain global times we need to ensure that such a crucial industry can have certainty for the future. Automotive manufacturers in Australia have already had to contend with high petrol prices, changing consumer preferences and intense global competition as they try to sell their products. As Senator Cameron pointed out, let us also not forget the impact of the US and Thailand free trade agreements on the industry.

There is no doubt that the global financial crisis has placed unprecedented pressure on local automotive manufacturers, who have already been doing it tough. Australia needs to create an environment that will foster investment, encourage innovation, generate employment, reward research and development and, crucially, restore confidence for the years to come in the long term. For those reasons, the Rudd Labor government—(Time expired)

The DEPUTY PRESIDENT—Order! The time for discussion on the matter of public importance has expired.

MINISTERIAL STATEMENTS

Resale Royalty Right

Financial Sanctions on Burma

Norfolk Island governance

Senator FAULKNER (New South Wales—Special Minister of State and Cabinet Secretary) (4.36 pm)—I table the following ministerial statements relating to:

• the introduction of a resale royalty right;
• financial sanctions on Burma; and
• Norfolk Island Governance.

Senator WILLIAMS (New South Wales) (4.37 pm)—I seek leave to incorporate a statement by Senator Coonan in relation to the Burma issue.

Leave granted.

Senator COONAN (New South Wales) (4.37 pm)—The incorporated speech read as follows—

The Coalition has had a longstanding concern with the oppressive regime in Burma. Not only has the regime caused grave damage to the rights and welfare of the people of Burma, the regime has also generated tensions within the region.
Burma’s rulers in the State Peace Development Council have overseen economic decay and social disintegration since 1988. The regime has ensured that Burma is now the out case of South East Asia.

The United Nations remains concerned about the ramifications of the activities and nature of the Burma regime. Even the tragedy of Cyclone Nargis in May this year has not changed the approach of the Burma regime to maintaining its grip on the Burmese people. The UN Secretary General, Ban Ki-moon, in his address to the 63rd Session of the United Nations on 23 September said “... in Myanmar after Cyclone Nargis ... the challenge now is to push for political progress, including credible steps on human rights and democracy.” Perhaps rather hopefully, he also linked international relief efforts following Cyclone Nargis with the potential to build trust and dialogue with Burma’s leadership when he spoke in the Philippines on 29 October. Australian and other efforts to support the recovery of the Burmese people from Cyclone Nargis remain largely decoupled from human rights and civil freedoms in Burma.

On 22 October, the Coalition welcomed further well targeted measures expressing Australia’s deep concerns relating to the violation of human rights, and the suppression of popular democratic ambitions in the state of Burma. Public demonstrations against the regime in September 2007 and the violent responses by its military and police brought the plight of the Burmese people to the world’s attention, but the problems remain. The continuing detention of Aung San Suu Kyi, the General Secretary of the National League for Democracy, has become the symbol of the brutal nature of this regime and her release is a key step towards reaching a peaceful settlement.

The Government must continue to persist, as the Coalition Government did, in making formal representations at the highest levels of government in urging the Burma regime to address human rights and the release of all political prisoners. This must be done in cooperation with our regional neighbours including China and Thailand who are among Burma’s leading trade partners.

It is also critical that ASEAN be front and centre of such efforts. We see signs that ASEAN members are starting to consider the effect on the organisation of the Burmese situation.

We in the Coalition are concerned by the wider foreign policy implications of authoritarian states, such as Burma, which through their lack of care for their citizens, appears to be robustly impervious to efforts to achieve basic political and participatory reforms.

Burma’s tensions with Bangladesh in the past days along their shared Bay of Bengal border are also of concern and in part, as we see it, a result of Burma’s inability to hold substantial discussions about its policy strategies with Bangladesh as well as other members of the international community despite long standing contact. This situation illustrates another of the Coalition’s concerns—the management of tensions caused by the demand for energy.

The further sanctions announced by the Minister for Foreign Affairs in October follows on from the sanctions implemented in October last year by our government. These financial sanctions announced by the former Minister for Foreign Affairs, Alexander Downer were well targeted against 418 individuals, including members of the State Peace and Development Council, Cabinet Ministers and senior military figures.

This coincided with $14 million in humanitarian assistance to the Burmese people who are the innocent victims of this regime.

These funds were directed through a number of organisations and supported basic health, water and sanitation for vulnerable people along the south-east as well as northern borders of Burma. This helped show the Burmese people we were not seeking to add distress to their already difficult circumstances.

Now, Australia’s financial sanctions have been extended to a total of 463 individuals who are active within the Burmese regime.

We support targeting Burma’s leadership and their supporters and backers. It keeps our pressure visible and direct. We are not alone, the United States, for example, uses the same type of pressure applied to both individuals and commercial entities to show its concern over the “continued repression of the democratic opposition in Burma”.

The Federal Opposition supports the measures taken by the Government today in extending the previous government’s financial sanctions of 2007 as sign of our requirement that the Burma regime must improve the conditions it imposes on its people. We hope that its leadership understands that its actions carry serious consequences.

**Senator SIEWERT** (Western Australia) (4.37 pm)—I seek leave to incorporate a statement by Senator Milne in relation to the resale royalty right.

Leave granted.

**Senator MILNE** (Tasmania) (4.37 pm)—The incorporated speech read as follows—

Minister for the Arts, the Hon. Peter Garrett’s proposals for a resale royalty right for Australian visual artists is yet another example of this Government’s favoured approach—take a good idea and do as little as you possibly can so you can pretend to be doing something about it while safe in the knowledge that nothing will actually happen.

Resale Royalties are an important way for visual artists to be recognised for their work which, not uncommonly, increases dramatically in value over time. This is obviously particularly the case for indigenous artists. It is an approach which the Australian Greens support.

What Minister Garrett has proposed, however, is a scheme which will provide little or no benefit for many years. This is mostly because of the decision to apply the royalty only to second and subsequent sales after the legislation comes into effect. This will inevitably delay any royalty receipts for decades and deprive some artists of significant benefits on first sales. This is a breach of what the community thought the Rudd Government was promising during the 2007 election campaign and members of the artistic community are extremely disappointed.

It is also problematic that the scheme will be different from other schemes around the world, jeopardising hopes that we could negotiate reciprocal rights that would allow Australian artists to benefit from resale of their work in the European and US markets, for instance.
Why is Minister Garrett so determined to do so little when he could so easily do so much?

DOCUMENTS

Tabling

The ACTING DEPUTY PRESIDENT (Senator Trood)—Pursuant to standing orders 38 and 166, I present documents as listed below which were presented to the President and the temporary chairmen of committees since the Senate last sat. In accordance with the terms of the standing orders, the publication of the documents was authorised. In accordance with the usual practice and with the concurrence of the Senate I ask that the government response be incorporated in Hansard.

The list read as follows—

Committee reports


Government response to parliamentary committee report


Government documents

4. Repatriation Commission, Military Rehabilitation and Compensation Commission, National Treatment Monitoring Committee and the Department of Veterans' Affairs—Reports for 2007-08 (presented to the President on 24 October 2008, 8.07 am AEST).
18. Rural Industries Research and Development Corporation (RIRDC)—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 28 October 2008, 1.05 pm AEST).
19. Land and Water Resources Research and Development Corporation (Land and Water Australia)—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 28 October 2008, 1.05 pm AEST).
23. Department of Foreign Affairs and Trade—Reports for 2007-08—
   Volume 1—Department of Foreign Affairs and Trade
   (presented to temporary chair of committees, Senator Moore, on 29 October 2008, 11.25 am).
   Volume 2—AusAID (presented to temporary chair of committees, Senator Moore, on 29 October 2008, 11.25 am).
30. Australian Communications and Media Authority—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 29 October 2008, 2.30 pm).
32. Companies Auditors and Liquidators Disciplinary Board—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 29 October 2008, 2.30 pm).
34. Australian Reinsurance Pool Corporation—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 29 October 2008, 2.30 pm).
37. Australian Reward Investment Alliance (ARIA)—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 29 October 2008, 2.30 pm).
52. Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS)—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 30 October 2008, 2.50 pm).
54. Australian Customs Services—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 30 October 2008, 2.50 pm).
55. Medicare Australia—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 30 October 2008, 2.50 pm).
56. Food Standards Australia New Zealand—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 30 October 2008, 2.50 pm).
58. Superannuation Complaints Tribunal—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 30 October 2008, 2.50 pm).
60. Takeovers Panel—Report for 2007-08 (presented to temporary chair of committees, Senator Moore, on 30 October 2008, 2.50 pm).
64. Department of Health and Ageing—Report for 2007-08 (presented to temporary chair of committees, Senator Crossin, on 31 October 2008, 8.50 am CST).
67. Department of Defence—Reports for 2007-08—Volume 1—Department of Defence (presented to temporary chair of committees, Senator Crossin, on 31 October 2008, 8.50 am CST).
Volume 2—Defence Materiel Organisation (presented to temporary chair of committees, Senator Crossin, on 31 October 2008, 8.50 am CST).
70. Office of the Official Secretary to the Governor-General—Report for 2007-08 (presented to temporary chair of committees, Senator Crossin, on 31 October 2008, 8.50 am CST).
71. Australian Hearing Services (Hearing Australia)—Report for 2007-08 (presented to temporary chair of committees, Senator Crossin, on 31 October 2008, 8.50 am CST).
73. Supervising Scientist—Report for 2007-08 (presented to temporary chair of committees, Senator Crossin, on 31 October 2008, 8.50 am CST).
75. Gene Technology Regulator—Quarterly report for the period 1 April to 30 June 2008 (presented to temporary chair of committees, Senator Crossin, on 31 October 2008, 8.50 am CST).
82. Albury-Wodonga Development Corporation—Report for 2007-08 (presented to temporary chair of committees, Senator Crossin, on 3 November 2008, 4.20 pm).
83. Australian Prudential Regulation Authority—Report for 2007-08 (presented to temporary chair of committees, Senator Crossin, on 3 November 2008, 4.20 pm).
85. Australian Hearing Services (Hearing Australia)—Report for 2007-08 (presented to temporary chair of committees, Senator Crossin, on 3 November 2008, 4.20 pm).
86. Coal Mining Industry (Long Service Leave Funding) Corporation—Report for 2007-08 (presented to temporary chair of committees, Senator Crossin, on 3 November 2008, 4.20 pm).
rary chair of committees, Senator Parry, on 7 No-
November 2008, 1.24 pm).
87. Migration Review Tribunal and Refugee Review Tribu-
4nal—Report for 2007-08 (presented to temporary
chair of committees, Senator Parry, on 7 November
2008, 1.25 pm).
Tabling of guidelines pursuant to an Act
Report of the Auditor-General
Statements of compliance with Senate orders
1. Indexed lists of files (continuing order of the Senate of
30 May 1996, as amended on 3 December 1998):
Resources, Energy and Tourism portfolio agencies (pre-
sented to temporary chair of committees, Senator
Moore, on 29 October 2008, 11.25 am).
2. List of contracts (continuing order of the Senate of 20
June 2001, as amended on 27 September 2001 and 18
June, 26 June and 4 December 2003):
Human Services portfolio agencies (further information
and clarification to statement presented out
of sitting on 4 March 2008, and tabled in the
Senate on 11 March 2008) (presented to the Presi-
dent on 21 October 2008, 12.30 pm).
3. Lists of departmental and agency appointments (con-
tinuing order of the Senate of 24 June 2008):
Water Resources (presented to the President on 16
October 2008, 7.16 pm).
4. Lists of departmental and agency grants (continuing
order of the Senate of 24 June 2008):
Water Resources (presented to the President on 16
October 2008, 7.16 pm).
The government response read as follows—
Interim Government Response to the Report of the Joint
Standing Committee on Electoral Matters:
Civics and Electoral Education
All seventeen recommendations have been referred to an
interdepartmental taskforce established to facilitate a two-
part green paper process on electoral reform. The taskforce
comprises representatives from the Australian Electoral
Commission, the Department of the Prime Minister and
Cabinet and the Department of Finance and Deregulation.
The taskforce will review a wide range of electoral matters
including those raised by the Joint Standing Committee on
Electoral Matters in this report. The taskforce’s deliberations
will assist in the formulation of the Government’s final re-
sponse.
It is anticipated that the Government’s final response will be
tabled after the completion of the green paper process.

MIGRATION LEGISLATION AMENDMENT
(WORKER PROTECTION) BILL 2008
Report of Legal and Constitutional Affairs
Committee
Senator MOORE (Queensland) (4.39 pm)—On
behalf of the Chair of the Standing Committee on Le-
gal and Constitutional Affairs, I present the report of
the committee on the Migration Legislation Amend-
ment (Worker Protection) Bill 2008 together with the
Hansard record of proceedings and documents pre-
sented to the committee.
Ordered that the report be printed.
COMMONWEALTH ELECTORAL
AMENDMENT (POLITICAL DONATIONS AND
OTHER MEASURES) BILL 2008
Report of Electoral Matters Committee
Senator MOORE (Queensland) (4.39 pm)—On
behalf of the Joint Standing Committee on Electoral
Matters, I present an advisory report of the committee
on the Commonwealth Electoral Amendment (Political
Donations and Other Measures) Bill 2008 together
with the Hansard record of proceedings and documents
presented to the committee.
Ordered that the report be printed.
Senator HUTCHINS (New South Wales) (4.40
pm)—by leave—I move:
That the Senate take note of the report.
The Senate asked the committee to review the bill,
which proposes a number of amendments to the Com-
monwealth Electoral Act, including: ensuring that
claims for public funding are limited to verifiable elec-
toral expenditure; reducing the disclosure threshold
from more than $10,000 to $1,000; facilitating the pub-
lication of disclosure returns in a more timely manner;
making it unlawful to receive foreign or anonymous
donations; and strengthening associated penalties and
compliance processes. The committee believes that the
changes proposed by the bill will significantly improve
the transparency of financial support for political par-
ties and candidates as well as the political expenditure
and income of other participants in the electoral proc-
есс.

The committee has made two recommendations to
amend the bill. The first is to expand the definition of
‘electoral expenditure’ to allow for reasonable adminis-
trative expenses relating to campaigning. This will en-
sure that minor parties are not disadvantaged by the
proposed changes, which are designed to ensure that ‘celebrity’
candidates cannot profiteer from public
funding.

The second recommendation to amend the bill re-
lates to the proposal to ban receiving anonymous dona-
tions. As currently provided, the bill may create an on-
erous burden in minor situations such as small-scale
raffles and fundraising activities. The amendment pro-
posed by the committee is that a cap of $50 apply, be-
low which anonymous donations can be received.

The committee’s choice of a $50 threshold for ac-
cepting anonymous donations was based on a sugges-
tion by the Democratic Audit of Australia. The com-
mittee did not receive feedback from the political par-
ties on this issue. Others have argued for the threshold
to be set at a higher level. However, the committee
considers that a $50 threshold provides the appropriate balance for small-scale fundraising activities to be conducted without the fundraiser needing to identify all contributors.

The committee worked to achieve consensus on the report, with changes made to accommodate concerns over the definition of 'electoral expenditure' and the unlikely situation where a donor may be subject to harassment or intimidation. The committee recommended that the existing protections for interference with political liberty in section 327 of the Commonwealth Electoral Act be supported by establishing a dedicated unit within the Australian Electoral Commission that is responsible for promoting awareness of this section of the act and for maintaining a formal complaints register, and is directly contactable by a separate website and an advertised telephone hotline number.

The Australian Electoral Commission told the committee that it estimated that the proposed measures were likely to lead to at least a threefold increase in their workload. It will therefore be important that the government allocates appropriate resources to the commission so that it is able to implement the proposed arrangements in a manner that minimises compliance costs on participants, reduces publication time frames and ensures that compliance processes operate effectively.

Some inquiry participants have argued that the proposals included in the bill should be deferred and considered as part of a broader review process, including a government green paper and a separate inquiry by this committee. The committee does not share this view. The incremental reforms proposed by this bill are based on the overriding principle of openness and transparency in the financial transactions of participants in the electoral system. This principle will remain, notwithstanding any reforms which are progressed into the future. It is also important that the proposed changes are not delayed to close off the disclosure loopholes that currently exist and to give participants greater certainty over the arrangements that apply from 1 July 2008.

Changes to financial disclosure arrangements by the previous government—in particular, the lifting of the disclosure threshold from $1,500 to more than $10,000, indexed to inflation—have allowed significant funding to be provided to political parties and candidates without being disclosed. To give an example of how the lifting of the threshold to more than $10,000 weakened transparency, figures provided by the Electoral Commission revealed that the number of donor returns fell from 1,442 in 2004-05, when the threshold was $1,500, to only 229 in 2006-07, when the threshold was $10,300. The lengthy delay in the publication of disclosures above the threshold has meant that up to one year and three months may elapse after a donation has been made before it is made public. These arrangements clearly do not allow information to be provided to the community in a timely manner about financial support for political parties and candidates. The committee acknowledges that the proposed changes may lead to some additional compliance costs for participants in the political process. However, the committee considers that the proposed changes achieve the appropriate balance between transparency and the freedom to participate in the political process.

I would like to take this opportunity to thank my fellow committee members for their contribution to the inquiry, and those who participated by making submissions or appearing at the public hearings. I would also like to thank the committee secretariat for their assistance. I commend the report to the Senate.

Senator BIRMINGHAM (South Australia) (4.46 pm)—I rise to speak on the advisory report on the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008 tabled by the Joint Standing Committee on Electoral Matters. At the outset, let me say that I welcome reform in the areas of electoral and campaign funding. It is a critical step that needs to be taken to ensure that public confidence in our electoral system is maintained. That is of the key aims of all members of this and the other place as we move through the process of campaign reform.

The opposition is, however, concerned by the manner in which this is being approached. We welcomed the establishment of the green paper process. It promised a holistic approach to campaign finance reform. It promised that all issues would be taken into consideration and that, if we were to restructure the campaign financing system in Australia, we would do so in a thoughtful and well-considered manner. It promised to balance all of the concerns that the different stakeholders may have, and it sought, ultimately, to lay down a fresh, new arrangement that would guarantee maximum levels of government support.

Regrettably, however, we have instead seen a piecemeal approach run in tandem with this green paper approach. We have seen the government pick off and try to push through certain issues ahead of any type of comprehensive, overreaching campaign finance reform. We have seen this done in a manner that has not embraced a consultative approach with other parties or other stakeholders, but instead has simply sought to target particular political issues. It has been a breach, sadly, of the principles and goals that I would have thought should have stood behind the green paper and the proposal to ensure that we have clear, comprehensive campaign finance reform to the benefit of the Australian polity in its entirety. The tabled report demonstrates the piecemeal agenda that the government has pursued. It contains one of those random pieces that have been taken out of the context of what could be,
and ideally should be, a bipartisan, sweeping and comprehensive reform that guarantees future public confidence in our electoral system, in campaign finance and in avoiding the concerns that we have seen—particularly in states like New South Wales—about campaign finance arrangements.

The opposition not only holds the broad concern that this is being done in isolation and that it should instead be tackled as part of the comprehensive measure; we also hold some specific concerns about the proposals. One concern, which Senator Hutchins mentioned before, relates to the treatment, under the bill, of anonymous donations. In the initial context of the bill as it has been introduced, anonymous contributions are totally banned. That would lead to the absurd arrangement where party organisations—local branches from all political parties—would have to be keeping some sort record of every contribution, every donation, every raffle ticket sold and every dinner attendee. We welcome the fact that the government members on the Joint Standing Committee on Electoral Matters have supported a recommendation that would at least set a threshold level for when such records would have to be kept, but we are disappointed that that level has been set at just $50. As any member in this or the other place would know, if they were being quite honest, the $50 threshold is not a satisfactory threshold when dealing with these issues—far from it. We all know that many of the average branch functions that are held nowadays will have a $50 or $60 cover charge for a fairly run-of-the-mill dinner that is hardly a significant fundraising event for the party. And yet, under these laws, we will be expecting that, if audited, branches will be able to produce a record of all who attend such functions and part with $60—all for a pub dinner at a small branch fundraiser. It is obviously not the government’s intent to tie up volunteers operating in all political parties in a form of red tape that is unnecessary for the type of disclosure regime that we really need.

I urge the government to consider the recommendation in the majority report to increase the $50 threshold and to set the anonymous threshold at a higher level. In our dissenting comments, we recommended a $250 threshold or something in that order. It could be $200, which in legislation up until 2004 was treated as the level for anonymous donations. Up until 2004, we said that we did not expect volunteers to keep records of donations below $200. It is madness to now suggest that records of donations above $50 will have to be kept. If this type of legislation is put through in isolation of the more sweeping and broader comprehensive green paper process, we will need to ensure that we get things right and not place unfair burdens on volunteer members of any political party in Australia. We all know that it is hard enough to get people engaged with and involved in the political process. I am sure that the role of branch treasurer is one that many people in all parties hate to take on. Treasurers already have to fulfil requirements for their party head office in relation to the reporting of financial arrangements of the branch. If we take it further and increase the burden on the volunteer level of all party organisations then we will be sending a message to people that it is too hard to be involved in the grassroots activism which we should be encouraging and fostering and which is healthy for our democratic process.

I also note with pleasure that recommendation 8 of the report was adopted. Recommendation 8 is about protections against harassment and ensuring that there is a broad understanding in the community of the type of protections that apply. If we are to have a significantly more open disclosure regime, it is important that those who make contributions to political parties, whose names will be known to all and sundry, understand that there are certain protections afforded to them and that they cannot be unduly harassed as a result of their contributions to or involvement in a political party. We urge the government to take that recommendation seriously and to look at the resourcing provided to the Australian Electoral Commission and the funds required to deliver the complaints register and complaints processing procedures that we have called for.

In closing, I thank the witnesses who brought issues to the attention of the committee, particularly those witnesses who highlighted some of the issues surrounding anonymous donations. I again urge the government to consider those. Finally, I make a further plea to the government that, instead of this ad hoc, piecemeal approach of throwing pieces of legislation at us on a random basis, they go back to first principles on campaign finance reforms and deliver a green paper that is comprehensive, that allows for discussion and dialogue with the opposition, the minor parties and other stakeholders throughout the community and that also allows us to tackle these issues in a holistic way, not in a partisan way where it can be seen that one side or the other is benefiting. It actually needs to be seen as serving the aims of a better democracy for Australia and an electoral system that the Australian people have faith in and can be proud of.

Senator RONALDSON (Victoria) (4.55 pm)—I want to endorse the very eloquent words of Senator Birmingham. In light of his contribution, I will significantly limit my contribution today. Also, I am pleased that Minister Faulkner is in the chamber. As the Senate would be well aware of, in March this year, on behalf of the coalition parties—the Liberal Party and the National Party—and with the support of the Greens and the Democrats, we put through the Senate a reference to the Joint Standing Committee on Electoral Matters. It was a very substantial and, dare I say it, holistic reference to the joint standing committee to report on campaign finance reform. Without making too strong a
point about it, I will remind the chamber again that the Australian Labor Party actually opposed that reference.

Minister Faulkner, who is in the chamber, will know that we have supported the green paper process. The minister will be acutely aware that the timing of the release of this green paper was to be in July, with a second paper to be released in October. I, on behalf of the coalition, have made it quite clear that we will not be making any public comments about the slippage in that timing, because our strong view is that this issue is far too important for us to be playing politics with. If this green paper needs another month, two months or three months then, in our view, so be it. Rather than being rushed, we would like to see it done properly and have an outcome that will benefit the Australian community.

In my view, part of the deal—and I obviously do not mean a literal deal—is that that article of faith can be repaid by the government in relation to the two pieces of legislation on disclosure and tax deductibility that have been brought in ahead of the release of the green paper. I refer honourable senators to the dissenting report, in which coalition senators said that any debate on those two pieces of legislation should occur after appropriate consideration of the green paper. It is not a case of there being no scrutiny of those two pieces of legislation by the Senate—to the contrary. The debate on those two pieces of legislation should be after an appropriate level of community debate and discussion following the release of the green paper.

While the minister was speaking to one of my colleagues in the chamber, he might not have heard me say this, so I will repeat it: we are and have been quite happy about the process and have made no comments in relation to the slippage of time with the release of the green paper because we believe that this needs to be done properly. I assume that the delay has been caused by the requirement to do that. We will make no comment at all, Minister. As I said, if it is another three months or four months then the coalition will not be making any adverse political comment in relation to that.

I ask the government, as an act of good faith, to ensure that there is not debate in this place on both this bill and the tax deductibility bill until the release of and appropriate level of community debate and discussion of the green paper. Some of our colleagues on both sides might disagree with these reforms, but I think the minister and I agree that status quo is not an option. There will be other colleagues in the other place and here who might disagree with that. I do not think that it is an option. If it is not an option and we do need to make changes, let’s do it on the back of agreement between the political players in this process to ensure that we get the right outcome. The right outcome can only be done on the back of an acknowledgement that we need to look at this whole area as one and not cherry pick bits and pieces out of potential campaign finance reform.

I again confirm to the minister that he has our full support to make sure that the green paper process is done properly. We are not concerned about the timing of the release of the green paper. What we are concerned about is that the government has attempted to cherry pick certain parts of campaign finance reform before the joint standing committee has had the opportunity to finish its inquiry on the motion put by me and passed by the Senate in relation to a holistic approach to campaign finance reform. Let’s do this properly because the decisions that we make on campaign finance reform will have huge ramifications for not the next two or three years but for decades. The Australian community quite rightly believes—as I suspect the minister does, and as I most certainly do—that the status quo cannot continue. I am not going to use the next 4½ minutes to talk about Wollongong and other areas because this debate quite frankly is above that in this particular climate. But if we are going to do it, let’s do it properly and let’s do it in a climate of realistic and reasonable discussions between the political parties and the Independents to ensure that what we do is right and that it is right for the Australian community. I think it would be an act of good faith on behalf of the government to look at the dissenting report and to hold any discussion of this legislation over until after the green paper has been considered, because I would be very surprised if further legislation did not follow from an appropriate and considered inquiry into the green paper—both aspects of it—and that, in my view, is the time when we look at a wider legislative process.

Senator FAULKNER (New South Wales—Special Minister of State and Cabinet Secretary) (5.03 pm)—
The government welcomes the report of the Joint Standing Committee on Electoral Matters on the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008, which was tabled in the House of Representatives on 23 October 2008. I particularly thank the committee for two things that it recommended: that the bill—which I believe will help restore accountability, integrity and transparency to our electoral laws—be supported, and also that the committee report in October this year rather than in July next year, which the opposition originally wanted, for no other reason, I fear, than delaying its passage.

Senator Ronaldson—The Senate wanted it.

Senator FAULKNER—Just so that we are clear, when this bill was originally referred, the government and all the then minor parties in the Senate—which included the Australian Democrats, the Australian Greens and the then Independents that were represented in the Senate—were happy to see this particular piece of legislation brought forward for debate. I refer
you to the _Hansard_ so that you can refresh your memory on those matters.

Let me say that the issues and the measures that are dealt with in this bill are very important, and I hope all senators would acknowledge this. First of all, the legislation includes a measure to lower the threshold for the disclosure of political donations and political expenditure to $1,000 as opposed to the $10,900 index-linked threshold that it was raised to under the Howard government. It also proposes to introduce a six-monthly disclosure of donations and political expenditure rather than just annual disclosure. There is a proposal in the bill to ban foreign donations and anonymous donations. The bill also proposes that donations to separate branches of the same party being treated as separate donations for disclosure purposes will no longer be allowed, which obviously closes a loophole where multiple donations below the threshold can be hidden. It also makes the receipt of public funding for elections more accountable by tying it to verified expenditure—actual electoral expenditure—so that candidates are not able to make financial gain from public funding.

I made very clear at the time this bill was introduced that we consider these measures to be urgent. I still believe they are urgent. I still believe these measures are critically important reforms. I also believe that the green paper process is important, and I am pleased that other senators have acknowledged that that is the case. That green paper process is well in train. There is a consultation draft—best described as that—before state and territory governments as we speak. They are considering that, and I think that is absolutely appropriate to ensure that we have that level of consultation in the green paper process.

The involvement of the states and territories is important because, obviously, we must work for harmonisation of our electoral laws across the Commonwealth. Also, I think the involvement of the Joint Standing Committee on Electoral Matters is important, and I appreciate their report on this bill. It is also absolutely vital that we work cooperatively with the political parties—political parties of all persuasions—because they are at the coalface in relation to these matters, so that we can progress these important issues that are dealt with in the green paper. We must work within the framework that is provided by our Constitution and our democratic system, and we must work in accordance with the values of our Australian democracy, which are values that I hope would be shared by all in this parliament.

So that process is progressing, but this bill that the JSCEM has reported on remains urgent. We still have a situation where a person can be in receipt of public funds for elections without having spent those amounts of money on the actual electoral campaign itself. It has been a scandal. We need to fix it. The threshold of $10,900—courtesy of Mr Howard’s government—needs to be reduced to $1,000. These reforms are urgent, and I would commend their being dealt with by the Senate. (Time expired)

DELEGATION REPORTS

Official Visit to Japan and Australian Parliamentary Delegation to the 54th CPA Conference

Senator FERGUSON (South Australia) (5.10 pm)—by leave—I present two delegation reports. I present a report on my official visit to Japan which took place from 28 July to 2 August 2008, and the report of the Australian parliamentary delegation to the 54th Commonwealth Parliamentary Association Conference, which took place from 4 to 10 August 2008 in Malaysia, with a bilateral visit to Thailand which took place from 10 to 15 August. I seek leave to move a motion in relation to the reports.

Leave granted.

Senator FERGUSON—I move:

That the Senate take note of the documents.

The first report I wish to speak to is the report of the parliamentary delegation which I led to the 54th Commonwealth Parliamentary Association annual conference in Malaysia this year and a bilateral visit which followed to Thailand in August this year. The delegation’s visits were very successful, and I would like to thank my fellow delegates: Mr Michael Danby MP, who was the deputy leader; Senator the Hon. Bill Hefernan, Mr Barry Haase MP and Mr Graham Perrett MP. I would also like to particularly thank my then senior adviser, Mr Gerard Martin, and the delegation secretary, Mr David Elder.

The delegation commenced with attendance at the 54th Commonwealth Parliamentary Association conference hosted by the Malaysian Parliament. The theme of the conference was ‘Expanding the role of parliament in global security: environment, development and security’. The conference plenaries and workshop sessions provided the opportunity for our delegates to contribute to the sessions and to learn from other delegates about issues within their countries and parliaments. The conference also provided us with the opportunity to engage with parliamentarians from other Commonwealth countries on a more informal basis. As the Australian federal regional representative of the Commonwealth Parliamentary Association, I also attended the executive committee meetings of the CPA prior to the conference starting.

While I think it is fair to say that the delegation found aspects of the conference and its format a little frustrating, overall the conference was very well organised, and the delegation extends its congratulations and thanks to the Malaysian parliament for the success of the conference. I would also like to particularly thank

CHAMBER
the Australian High Commission in Kuala Lumpur, led by the High Commissioner, Ms Penny Williams, for briefing the delegation and assisting the delegation during its visit.

The delegation’s bilateral visit to Thailand was both very worthwhile and very informative. The delegation’s visit provided the opportunity to strengthen Australia’s already strong ties with Thailand. There is scope to improve the people-to-people ties and to further the trading relationship. The delegation explored both these areas during its visit. The visit, in particular, strengthened relationships at the parliamentary level, and it is hoped that this foundation can be built on in the future.

Thailand continues to undergo considerable political turmoil as it struggles to ensure that democracy achieves a firm foundation in Thai political culture. Of course, since we made that visit to Thailand, many events have taken place in Thailand, including a change of Prime Minister and members of the ruling government. The delegation was able to gain some insight into the difficulties the Thais are experiencing but was also able to appreciate the strong desire on the part of many Thais to make democracy work effectively.

The delegation also was able to be briefed on a number of defence, law enforcement and immigration issues that are of mutual concern to Australia and Thailand. Thailand, because of its geographical location, is a hub for a range of illegal activities within the region. Australia has worked closely with Thai authorities on these matters, including on training and capacity building, sharing of information and data, and cooperation on extradition.

In the final stages of the delegation’s visit we had the opportunity to visit a number of the key sites on the Burma-Thailand railway, on which a large number of prisoners of war, including thousands of Australians, worked during World War II. The delegation visited such famous sites as the bridge over the River Kwai and Hellfire Pass and was able to honour those who died in the construction and maintenance of the railway. The visits were very moving experiences for us and we gained at least some appreciation of the suffering and sacrifice of so many prisoners of war.

While I am on the subject of Hellfire Pass, I pay particular tribute to Mr Bill Slape, the work that he does at Hellfire Pass—there have been considerable improvements by way of the information centre there—and the enthusiasm with which he runs the facility and memorial on behalf of Australia and those who suffered there. I think he has been in charge for seven or eight years and I certainly wish him well in the future, because his contribution is enormous. His knowledge of the people and of the history of the place is probably unsurpassed, and the information he provides to all visitors to Hellfire Pass, particularly Australians, is to be admired. I believe that Bill Slape is doing an outstanding job and I certainly wish him well in the future as, I hope, he continues in that role.

I would like to thank the Thai parliament for hosting the delegation, and in particular the Speaker of the House of Representatives, His Excellency Mr Chidchob, and the President of the Senate, Mr Prasob-suks Boondech. I also thank the staff of the Australian embassy in Bangkok, led by Ambassador Paul Grigson, for their excellent assistance during our visit. They gave us wonderful briefings on our arrival. It was a Sunday afternoon and nearly all of the embassy’s staff made themselves available to brief us as a delegation. The contribution that they made to our visit certainly cannot be underestimated.

In speaking on the second report I tabled, a report on my visit to Japan just prior to the CPA conference in Malaysia, I can say that the Australia-Japan partnership is one of the strongest in the Asia-Pacific region and has been a longstanding one. I was delighted to be so well received by the leaders in Japan. There had not been a parliamentary visit since the delegation in early 2006 led by the former Speaker, the Hon. David Hawker. I was able to meet and have lunch with a delegation of senior Japanese Diet members, led by the Chair of the Diet Affairs Committee, and I sought to undertake a range of meetings with senior Japanese parliamentarians, business people and officials during the four days that I was there. These included an official lunch with His Excellency Mr Satsuki Eda, President of the House of Councillors, and Mr Yohei Kano, Speaker of the House of Representatives and Chairman of the Japan-Australia Diet Members League. On these visits I was accompanied by Mr Murray McLean, the ambassador.

Early on the morning I arrived I had a chance to visit the Tokyo fish market, which is well known to many visitors to Japan. It meant a rather early start, at about 4.30 on the morning, but it was well worth it. It was a most important part of the visit.

I also had the opportunity to travel to Toyota City, near Nagoya, and view the Toyota assembly plant, including the assembly line for the Camry hybrid vehicle. I met with Mr Watanabe, the President of the Toyota Motor Corporation. The office manager and assistant manager of the Australia group provided a briefing on the plant and the various Toyota vehicles exported to Australia. Later that day I travelled to Kyoto—I travelled by train all the time I was there, which was a very effective way of getting around Japan—to meet with the Vice-Governor of Kyoto Prefecture, and I gained some useful insights from him.

The following Friday I visited Peace Memorial Park in Hiroshima and met the mayor of Hiroshima, who is an internationally recognised peace campaigner. I was
privileged to lay a wreath, on behalf of the Australian parliament, at the cenotaph in Peace Memorial Park. I also met with the Director of the Atomic Bomb Museum and viewed the museum, and I inspected the Children’s Peace Monument and the A-Bomb Dome.

It was a very worthwhile visit to Japan, one that I certainly will remember for a long time, not only for the hospitality I was shown but also for the information I was able to glean and share with the people I contacted while I was there. I commend the two reports to the Senate.

Question agreed to.

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Parry)—Order! The President has received letters from a party leader requesting changes to the membership of committees.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (5.21 pm)—by leave—I move:
That senators be discharged from and appointed to committees as follows:

Community Affairs—Standing Committee—

Appointed—

Substitute member: Senator Ludlam to replace Senator Siewert for the committee’s inquiry into the provisions of the National Rental Affordability Scheme Bill 2008 and a related bill

Participating member: Senator Siewert

Education, Employment and Workplace Relations—Standing Committee—

Appointed—

Substitute member: Senator Milne to replace Senator Siewert for the committee’s inquiry into the provisions of the Schools Assistance Bill 2008 and a related bill

Participating member: Senator Siewert

Finance and Public Administration—Standing Committee—

Appointed—

Substitute member: Senator Siewert to replace Senator Hanson-Young for the committee’s inquiry into residential and community aged care in Australia

Participating member: Senator Hanson-Young.

Question agreed to.

EDUCATION LEGISLATION AMENDMENT BILL 2008

SCHOOLS ASSISTANCE BILL 2008

INTERSTATE ROAD TRANSPORT CHARGE AMENDMENT BILL (No. 2) 2008

ROAD CHARGES LEGISLATION REPEAL AND AMENDMENT BILL 2008

TEMPORARY RESIDENTS’ SUPERANNUATION LEGISLATION AMENDMENT BILL 2008

SUPERANNUATION (DEPARTING AUSTRALIA SUPERANNUATION PAYMENTS TAX) AMENDMENT BILL 2008

NATIONAL RENTAL AFFORDABILITY SCHEME BILL 2008

NATIONAL RENTAL AFFORDABILITY SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2008

WATER AMENDMENT BILL 2008

First Reading

Bills received from the House of Representatives.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (5.22 pm)—These bills are being introduced together. After debate on the motion for the second reading has been adjourned I shall move a motion to have the bills listed on the Notice Paper as separate orders of the day. I move:

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

Question agreed to.

Bills read a first time.

Second Reading

 Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (5.23 pm)—I table a revised explanatory memorandum relating to the Water Amendment Bill 2008 and I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

EDUCATION LEGISLATION AMENDMENT BILL 2008


The bill repeals the States Grants (Primary and Secondary Education Assistance) Act 2000 which appropriated funding for government and non-government schools for the 2001 to 2004 funding period. As such, this Act is no longer required.

While many of the amendments in the bill are technical or consequential amendments, a particularly important component of the Education Legislation Amendment Bill 2008 is contained at item 6 of Schedule 1 which continues the operation of the Indigenous Education (Targeted Assistance) Act 2000.
In the first sitting week of this Parliament, the Rudd Government apologised to Indigenous Australians for the laws and policies of successive Parliaments and governments that have inflicted profound grief, suffering and loss on our fellow Australians. At the time, the Prime Minister made the point that this is not the end of the Government’s commitment, but the start. If Australia is to be truly reconciled there must first be an acknowledgement of past wrongs, but this must be followed up with actions to close the gaps between Indigenous and other Australians.

By putting in place appropriations for another four years under the Indigenous Education (Targeted Assistance) Act 2000 the Australian Government can continue working with a range of stakeholders to develop and implement innovative measures to close the gaps. The Act provides an excellent vehicle to action good ideas. Indeed, in a truly bipartisan way, the Act maintains commitments to initiatives introduced by the opposition including the Indigenous Youth Mobility Program and the Sporting Chance program. We have also built our own election commitments into the Act including funding an expansion of intensive literacy and numeracy programs for Indigenous students, professional development support to assist teachers to develop Individual Learning Plans for their Indigenous students, an additional 200 teachers in the Northern Territory and the provision of three new boarding college facilities for Indigenous secondary school students in the Northern Territory.

The Act will appropriate more than $0.5 billion between 2009 and 2012 for Commonwealth lead initiatives and partnerships aimed at achieving better educational outcomes for Indigenous Australians. In addition, a further $109 million is estimated to be spent over the next four years augmenting ABSTUDY entitlements through the Away from Base for ‘mixed-mode’ delivery program assisting Indigenous students access tertiary education.

As a transitional provision until other elements of our intergovernmental financial relations reforms are introduced in 2009, the Education Legislation Amendment Bill 2008 appropriates over $160 million across 2009 to 2012 to assure preschool and training providers that the Australian Government recognises that Indigenous students need extra assistance if the gaps are to be closed. These appropriations will eventually be phased into the new early childhood and training arrangements. New arrangements for non-government schools are captured through the Schools Assistance Bill whilst new arrangements for Government schools will be provided for in the proposed State Finances Bill.

The Australian Government is working with States and Territories, through the Council of Australian Governments, to develop a shared set of aspirations and policy directions which will provide the basis for our school funding arrangements and our reform initiatives over the coming years.

The new framework will connect educational investment in schools, teachers and families with a new commitment to transparency. This will involve strengthened reporting systems, against ambitious and clear performance targets including goals to halve the literacy and numeracy gaps within a decade and to halve the gaps in the Year 12 or equivalent attainment rate by 2020.

In 2006 gaps between the achievement of Indigenous and non-Indigenous students against literacy and numeracy benchmarks ranged from 13% for Year 3 reading to 32% for Year 7 numeracy. The $779 million to be appropriated under the Indigenous Education (Targeted Assistance) Act 2000 through this bill is only one part of an Education Revolution being initiated by this Government. Social inclusion and closing the gaps will be central to the billions of dollars collectively invested in schools and school communities by the Australian Government in partnership with school systems, parents and other stakeholders.

Closing the gaps can be achieved by working together to reveal those approaches that are making a difference for Indigenous students and by effectively implementing those approaches through our partnerships. The Education Legislation Amendment Bill 2008 can make an important contribution to closing the gaps between the education outcomes of Indigenous and non-Indigenous Australians.

SCHOOLS ASSISTANCE BILL 2008

To best meet the challenges of the future, Australia needs a school system which delivers excellent outcomes for all students and which connects educational outcomes with opportunity for all students to achieve their full potential. This system must be high-quality, transparent, well-funded and it must focus on the needs of individual students.

The Education Revolution has at its core a commitment to a school system that enables all students to acquire the skills and knowledge that they need to participate effectively in society and the globalised economy. To support this goal, it is critical that we move forward from the historical focus on the public/private divide, to a deeper debate about how we improve the fundamental quality of school education.

We need an ambitious national strategy to improve our schools, driven by the twin goals of excellence and equity. Social disadvantage continues to be highly significant in determining the life chances of too many children. Disadvantage should not be destiny. In raising educational outcomes across the board, we need to ensure that areas of disadvantage are targeted and receive the support they need, regardless of sector.

The impact of disadvantage is not restricted to any one sector, and nor should our response be restricted. There are schools that struggle with limited resources trying to serve disadvantaged communities in both the government and non-government sector. The future of Australian schooling will require resources to be targeted to the areas where they will have maximum impact on educational outcomes.

The Australian Government is working with States and Territories, through the Council of Australian Governments, to develop a shared set of aspirations and policy directions which will provide the basis for our school funding arrangements and our reform initiatives over the coming years.

The new framework will connect educational investment in schools, teachers and families with a new commitment to transparency. This will involve strengthened reporting systems, against ambitious and clear performance targets. It will be guided by our overriding objective of creating a schooling system in which every school can deliver a high quality education that is responsive to the needs of individual
students. New ‘National Partnership’ payments will encourage further improvements in the priority areas.

The non-government school sector is a vital part of this national reform agenda. The Government recognises that schools need certainty and stability.

Funding for non-government schools will be appropriated under the Schools Assistance Bill 2008. The funding arrangements for the non-government schools sector for 2009 to 2012 will remain largely the same as those currently in place so as to deliver on the Government’s 2007 election commitment that no school will lose a dollar.

This will also allow time for the arrangements between States and non-government schools to be put in place to ensure that in future funding arrangements, the States will be able to take a lead role in delivering improved outcomes across the entire schools system.

The Schools Assistance Bill 2008 will appropriate funding of an estimated $28 billion for the non-government school sector for the years 2009 to 2012. This bill will maintain the current SES funding and indexation arrangements to ensure that total recurrent funding for schools over 2009 to 2012 will not fall below 2008 levels.

There will be additional funding for all non-government schools where 80 per cent or more of the students are Indigenous and for non-government schools in remote and very remote areas where 50 per cent or more of the students are Indigenous.

Strategic recurrent assistance for schools with Indigenous enrolments, previously funded under the Indigenous Education (Targeted Assistance) Act 2000, will also be appropriated under this bill.

The incorporation of a number of schools funding elements for Indigenous students into a single, streamlined Supplementary Assistance element will reduce reporting and red tape for schools and provide increased flexibility for schools to put in place long-term approaches that have proven successful.

The provisions of the bill, including the provision of maximum recurrent funding to schools with a high proportion of Indigenous students and the Indigenous Funding Guarantee, provide a real opportunity to close the gap in educational outcomes for Indigenous students.

The bill continues to provide for targeted funding for teaching of languages other than English, English for new arrivals to Australia, literacy and numeracy and students with special learning needs and for students in country areas.

A central element of the bill and funding arrangements for 2009 to 2012 is a simpler, but strengthened and better focussed performance information and reporting framework for non-government schools. These requirements for non-government schools will be consistent with the conditions required of the states and territories under the National Education Agreement covering government schools.

Information and reporting requirements in the bill focus strongly on five requirements central to good reporting to parents, the community and government - national testing, national reports on the outcomes of schooling, provision of individual school information, reports to parents and publication of school information. This is in contrast to the legislation for the previous four year funding period that imposed over twenty requirements spanning a range of policy areas, necessitating a high level of regulation, monitoring and red tape on systems and schools.

This bill will ensure certainty of funding for non-government schools from 2009 to 2012, it gives additional support for schools servicing Indigenous students and provides a framework for ensuring a high quality, consistent and accountable school sector across Australia.

INTERSTATE ROAD TRANSPORT CHARGE AMENDMENT BILL 2008

The Interstate Road Transport Charge Amendment Bill 2008 enables nationally agreed new Heavy Vehicle registration charges to be applied to heavy vehicles registered under the Australian Government’s Federal Interstate Registration Scheme (FIRS).

The new charges are set out in the 2007 Heavy Vehicle Charges Determination, which was unanimously endorsed by Commonwealth, State and Territory Transport Ministers at the Australian Transport Council meeting in Canberra of 29 February 2008.

The new heavy vehicle charges are one component of the Rudd Labor Government’s broader heavy vehicle productivity and safety agenda.

The bill will ensure that Federal Interstate Registration Scheme charges are consistent with state and territory registration charges as of 1 July 2008.

National consistency in heavy vehicle regulation is important for our nation.

Heavy vehicles operate right across our country transporting freight across state and territory jurisdictions.

There are approximately 365,000 Heavy Vehicles operating in Australia. Industry needs to be certain that it can operate nationally, without excessive red tape or confronting access issues at state borders.

In 2006 Heavy Vehicles moved a total of 1.69 billion tonnes of freight, representing 70% of the total domestic tonnes carried by all transport modes.

Successive Governments at both Commonwealth and State and Territory levels have supported the principle of cost recovery from the heavy vehicle industry for road construction and maintenance costs incurred through the collection of Heavy Vehicle Charges.

In a speech given on 28 June 2007 entitled The Coalition Government’s Transport Reform Agenda, the Member for Lyne, then Federal Transport Minister and Leader of the Nationals said:

The National Transport Commission will develop a new heavy vehicle charges determination to be implemented from 1 July 2008.

The new determination will aim to recover the heavy vehicles’ allocated infrastructure costs in total and will also aim to remove cross-subsidisation across heavy vehicle classes.”

Recovery of road expenditure under the nationally agreed heavy vehicle charges is achieved through a combination of a fixed registration charge, collected by the states and territories and a road user charge collected by the Australian Government. This bill deals only with the registration charges.
The most recent heavy vehicle charge determination was introduced in 2001. It established charges to recover past expenditure from the heavy vehicle sector, that at the same time, lowered registration fees for some larger trucks, effectively cross subsidising them.

Registration charges were indexed while fuel charges were not.

As a result of this, the amount of money raised does not recover the cost of providing infrastructure for heavy vehicles.

This was confirmed in the December 2006 Productivity Commission Report into Road and Rail Infrastructure Pricing.

The National Transport Commission estimates that the current under-recovery is in excess of $100 million per annum.

In April 2007, the Council of Australian Governments directed that as part of an overall transport reform package, Australian Transport Ministers should require the National Transport Commission to prepare a new heavy Vehicle Determination.

That determination was to deliver revised charges for introduction in 2008, which fully recovered the heavy vehicle industry’s share of aggregate government road expenditure, to index those arrangements so as to not lead to further under-recovery, and to remove cross subsidisation across heavy vehicle classes.

During 2007, the National Transport Commission undertook a comprehensive consultation process which informed its final recommendations.

A six week consultation process on the draft Regulatory Impact Statement was undertaken. This process involved written submissions, provision of industry briefings and a series of focus group consultations with industry, trade unions, state and territory governments, peak industry associations and freight customers.

As a result of these consultations, the National Transport Commission made a number of changes to its recommendations, which were discussed with industry and jurisdictions.

The Determination proposed by the National Transport Commission recommended a new set of registration charges which rebalance the relative contribution of different heavy vehicle classes.

These new charges will result in larger trucks, the B doubles and road trains, paying more in registration charges. To assist the industry adjust, these increases will be phased in over three years.

They will also result in a reduction in charges for smaller trucks.

No longer will owners of smaller trucks have to subsidise the B doubles and road trains.

These changes better align charges to the impacts of those vehicles on our roads.

The Determination also increases the Road User Charge from 19.633 cents per litre to 21 cents per litre, indexed annually.

After consulting with the industry, the Government has decided to delay the increase in the Road User charge until 1 January 2009.

As I outlined earlier, this charge is not part of the bill before the House, but a separate Declaration under the Fuel Tax Act 2006.

The Rudd Government has decided to supplement the Determination with a $70 million, four year Heavy Vehicle Safety and Productivity Package that will fund:

- Trials of technologies that electronically monitor a truck driver’s work hours and vehicle speed;
- The construction of more heavy vehicle rest stops and de-coupling areas along our highways and on the outskirts of our major cities to assist truck drivers rest; and
- Bridge strengthening projects and upgrades to linkages between existing Auslink freight routes enabling access to those roads to more productive heavy vehicles.

The Government will consult with industry and state and territory Governments to determine the best combination of projects for the use of the $70 million package.

Since taking carriage of an issue that we inherited from the previous Government, the Government has been carefully listening to the views of the industry.

Our decision to implement the $70 million safety and productivity package, and to delay the implementation of the Road User Charge until 1 January 2009 were taken after consultations with industry.

On 29 February, Stuart St Clair from the Australian Trucking Association said:

“The trucking industry and working families will benefit from the Australian Government’s decision to delay increasing the fuel tax paid by trucking operators…”

“Minister Albanese has listened to the industry and delivered a strong result for trucking operators and Australian Families…”

The heavy vehicle industry needs to pay its fair share of road construction and maintenance costs.

It is also important that the very largest trucks pay their full share and that they are no longer subsidised by smaller trucks.

The new charges will be fairer to both those in the industry and to the wider community. Importantly, the new charges deliver the Council of Australian Governments’ requirement for full and ongoing cost recovery.

The new charges will encourage state and territory Governments to facilitate access to the road network to higher productivity heavy vehicles.

This, in turn, would make better use of the nation’s infrastructure - a key element of the Rudd Labor Government’s plan to raise productivity, fight inflation and maintain economic growth.

I commend the bill to the Senate.

ROAD CHARGES LEGISLATION REPEAL AND AMENDMENT BILL 2008

The purpose of the Road Charges Legislation Repeal and Amendment Bill is to restore uniformity to heavy vehicle registration charges in Australia and to update the heavy vehicle road user charge to ensure the Australian heavy vehicle fleet pays its way for its share of road infrastructure costs incurred by Governments.
It is one of two bills to implement the 2007 Heavy Vehicle Charges Determination, which sets a new road user charge and new heavy vehicle registration charges for heavy vehicles throughout Australia. The Determination was unanimously agreed by transport ministers at the Australian Transport Council meeting in February 2008.

Recovery of road expenditure associated with the heavy vehicle industry is achieved through a combination of a fixed registration charge, collected by the states and territories, and a road user charge collected by the Commonwealth through the Fuel Tax Act 2006.

The bill repeals the Road Transport Charges (Australian Capital Territory) Act 1993 as well as making consequential amendments to the Road Transport Reform (Heavy Vehicle Registration) Act 1997 to remove links to the former Act.

The bill also amends the Fuel Tax Act 2006 to set the road user charge rate at 21 cents per litre, in line with the 2007 Heavy Vehicle Charges Determination. Amendments to the Fuel Tax Act will also establish a mechanism to allow adjustment of the road user charge by regulation. These regulations would be subject to review by this Parliament in the normal manner.

The House should note that, in a speech given on 28 June 2007, entitled The Coalition Government’s Transport Reform Agenda, the then Federal Transport Minister and Leader of the Nationals said:

The National Transport Commission will develop a new heavy vehicle charges determination to be implemented from 1 July 2008.

The new determination will aim to recover the heavy vehicles’ allocated infrastructure costs in total and will also aim to remove cross-subsidisation across heavy vehicle classes.”

In developing the 2007 Heavy Vehicle Charges Determination, the National Transport Commission proposed a revised road user charge and amended registration charges that remove cross subsidies between the smallest heavy vehicles in the fleet and the larger trucking combinations. These changes would address a $100 million under-recovery of heavy vehicles share of road construction and maintenance expenditure.

After consulting with industry, the Government decided to delay the increase in the road user charge until 1 January 2009.

The revised heavy vehicle charges bring a new level of fairness to the recovery of road construction and maintenance costs from heavy vehicles. These revised charges remove the unfair registration charge cross subsidies that see operators of small heavy vehicles subsidising the road construction and maintenance costs attributed to the largest heavy vehicles.

It is unreasonable to expect operators of small heavy vehicles to subsidise the road costs of the largest heavy vehicles. Those opposing measures to implement revised national heavy vehicle charges are condemning operators of small heavy vehicles to a continued and unfair burden.

Instead, by ensuring that heavy vehicles pay their fair share of road construction and maintenance costs, we are ensuring that the tax payer is not left to foot the bill of the damage and wear and tear that heavy vehicles do to our roads. And neither is the ACT.

All states have now implemented the revised heavy vehicle registration rates, with the Northern Territory currently introducing the new national charges into their Parliament.

The Commonwealth, however, is yet to introduce new registration charges for Federal Interstate Registration Scheme vehicles. This is despite the fact that these vehicles represent just three per cent of heavy vehicles and that registration revenue from these vehicles is returned to states and territories in full.

The Road Charges Legislation Repeal and Amendment Bill will also repeal legislation that is currently preventing the ACT government setting its own heavy vehicle registration charges.

A key element of the Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Inter-modal Transport entered into between the Commonwealth of Australia and the States and Territories requires that the Commonwealth ‘repeal any road transport legislation that has been enacted by the Commonwealth for the ACT as soon as practicable’.

Repealing the Act will enable the ACT to implement the revised heavy vehicles charges determination within their legislative framework in the same manner as the other States and Territories have already done. This will bring Australia closer to uniform national heavy vehicle registration charges.

The Road Charges Legislation Repeal and Amendment Bill also amends the Fuel Tax Act 2006 to increase in the road user charge from 19.63 cents per litre to 21 cents per litre.

I would like to take this opportunity to clearly explain that this measure does not re-introduce indexation of the fuel excise tax.

Truck operators to do not pay fuel excise the way the rest of Australian motorists do. Like all motorists they pay 38.14 cents per litre at the bowser for their fuel however, they receive a fuel tax rebate of 18.51 cents per litre. The balance (19.63 cents per litre) represents the road user charge. This is not a tax – instead it is a mechanism to recover costs from the industry for its share of road infrastructure costs.

Nor does this bill implement indexation of the road user charge.
The 2007 heavy vehicle charges determination included recommendations for a mechanism to allow automatic adjustments to the road user charge to minimise the impact of possible future price shocks that have accompanied heavy vehicle determinations to date.

The bill allows the government to implement a mechanism to adjust the road user charge by regulations. These regulations are not protected from disallowance. Should the government of the day decide to declare regulations to adjust the road user charge, the Parliament will have the opportunity to scrutinise these regulations at the time.

The increase in the road user charge proposed by this bill ensures that heavy vehicles over 4.5 tonnes pay their fair share of road construction and maintenance costs. No more and no less.

If heavy vehicles don’t pay their fair share of road construction and maintenance costs, these costs must be met by the rest of the community.

In addition, ongoing under recovery of heavy vehicle charges provides a strong disincentive for states and territories to allow wider access to their road networks for high productivity vehicles.

This puts at significant risk any further expansion of high mass limits networks and the ability of the heavy vehicle industry to innovate and develop new, safer and more productive vehicles to take advantage of these networks.

The Rudd Government maintains its commitment to supplement the Determination with a $70 million, four-year Heavy Vehicle Safety and Productivity Package that will fund:

- the construction of more heavy vehicle rest stops along our highways and on the outskirts of our major cities to assist truck drivers rest; and
- trials of black box technologies that electronically monitor a truck driver’s work hours and vehicle speed.
- bridge strengthening projects and upgrades to linkages between existing Auslink freight routes;

The Government has consulted with industry and state and territory Governments to determine the best combination of projects for the use of the $70 million package.

That package can only be funded through from the passage of this bill and the Interstate Road Transport Charge Amendment Bill (No 2) 2008.

In closing, I would urge those opposed to these measures to take a moment to seriously consider the impact on the 25 per cent of those heavy vehicle operators who stand to benefit from reduced registration charges as a result of the introduction of revised heavy vehicle charges.

These operators will no longer have to subsidise the road construction and maintenance costs of the biggest heavy vehicles.

And let’s not forget that operators of the biggest heavy vehicles stand to gain from revised charges too. By ensuring that they pay their fair share of road construction and maintenance costs, states and territories are far more likely to open up their networks to these higher mass vehicles because they will be assured that they will recover the costs of the damage that these vehicles will do to these new networks.

The new charges will encourage state and territory Governments to facilitate access to the road network to higher productivity heavy vehicles.

This, in turn, would make better use of the nation’s infrastructure - a key element of the Rudd Labor Government’s plan to raise productivity, fight inflation and maintain economic growth.

I commend the bill to the House.

TEMPORARY RESIDENTS’ SUPERANNUATION LEGISLATION AMENDMENT BILL 2008

The Temporary Residents’ Superannuation Legislation Amendment Bill 2008 implements the Government’s measure to help reduce the number of lost accounts and unclaimed money in the superannuation system which can arise when temporary residents depart Australia without taking their superannuation with them.

The Government is concerned by the growing amount of superannuation which has been identified as lost over the past decade. The Tax Office’s 2006-07 annual report shows that the number of superannuation accounts reported on the Lost Members’ Register grew from 5.7 million to 6.1 million in that income year. These inactive accounts total approximately $12 billion in assets.

While temporary residents who depart Australia are able to take their superannuation with them as a departing Australia superannuation payment, many do not do so. This contributes to the total amount of lost monies in the system.

The amendments contained in this bill seek to address the lost account problem by requiring superannuation funds to pay the unclaimed superannuation of departed temporary residents to the Tax Office.

The Government has consulted on the measure by releasing a discussion paper in May of this year and engaging in consultation with key stakeholders on the draft legislation. The Government’s final policy reflects many of the suggestions made during the consultation process.

The amendments provide that the superannuation of a temporary resident will effectively become unclaimed and payable to the Tax Office after the individual has ceased to be the holder of a temporary visa (that is, their temporary visa has been cancelled or has expired), and they have departed Australia and at least six months has passed and they have not claimed their superannuation.

Departed temporary residents will retain the ability to claim their superannuation benefits through the existing departing Australia superannuation payment process, before it becomes unclaimed.

Departed temporary residents who have not claimed their superannuation and have unclaimed superannuation paid to the Tax Office, can claim back their money at any time. The individual (or if they have died, their legal personal representative or beneficiary) can apply to the Tax Office for the amount to be paid to them or to be transferred to a super fund in certain circumstances.

This provides consistent or better treatment to temporary residents compared to that in many other countries (where temporary residents may be unable or limited in accessing compulsory social security contributions).
Generally, the amount that is claimed back from the Tax Office will be subject to the departing Australia superannuation payment withholding tax. This is consistent with existing arrangements as the withholding tax already applies when a temporary resident claims their superannuation after departing Australia.

This measure will be administered by the Department of Immigration and Citizenship and the Tax Office. The Department of Immigration and Citizenship will provide the Tax Office with information to assist the Tax Office in identifying departed temporary residents who have left unclaimed superannuation behind.

The Tax Office will then issue notices to super funds identifying departed temporary residents. Funds which receive such notices will be required to report and pay any unclaimed superannuation they hold for a departed temporary resident to the Tax Office by a certain day. The first notices are proposed to be issued in March 2009 requesting payments from funds by April 2009. In future, it is proposed that the Tax Office will issue notices at least twice a year.

The Tax Office will also have the ability to revoke a notice it has sent to a fund where it is appropriate in the circumstances to do so (for instance, if the individual returned to Australia on a new temporary visa prior to the six months lapsing).

The superannuation of Australian and New Zealand citizens, current holders of permanent or temporary visas, and those applying for permanent residency, will not be paid to the Tax Office. Instead, their superannuation will remain in a super fund. Certain types of temporary visas can also be prescribed in the regulations to be excluded from the measure if it is appropriate in the circumstances to do so and to cater appropriately to any specific visa classes. For instance, retirement visa holders (subclasses 405 and 410) will be excluded from the measure so that their superannuation will remain in the fund and not be paid to the Tax Office.

At this stage, state and territory public sector funds will not be captured by the measure although the Commonwealth will enter into discussions with state and territory governments to examine the scope to include such schemes in the future.

The Tax Office will have the ability to refund overpayments that have been wrongly made by super funds. Individuals will also have review rights.

This measure will commence from a date to be fixed by Proclamation. This will occur in sufficient time for the Tax Office to send the first notices out to funds in March 2009 and to receive payments of unclaimed superannuation from funds in April 2009.

Full details of this measure are contained in the explanatory memorandum.

SUPERANNUATION (DEPARTING AUSTRALIA SUPERANNUATION PAYMENTS TAX) AMENDMENT BILL 2008

The Superannuation (Departing Australia Superannuation Payments Tax) Amendment Bill 2008 forms part of the Government’s temporary residents’ superannuation measure.

Under the measure, departed temporary residents will retain the ability to claim their superannuation benefits through the existing departing Australia superannuation payment process, before it becomes unclaimed.

This provides consistent or better treatment to temporary residents compared to that in many other countries (where temporary residents may be unable or limited in accessing compulsory social security contributions).

The departing Australia superannuation withholding tax currently applies to amounts claimed by departed temporary residents. The tax aims to ensure that taxation concessions provided to superannuation are appropriately targeted to those who retire in Australia. The amendments contained in this bill make a small increase to the departing Australia superannuation payment withholding tax rates by 5 percentage points to further recoup the taxation concessions provided to departed temporary residents.

NATIONAL RENTAL AFFORDABILITY SCHEME BILL 2008

This bill establishes the Australian Government’s National Rental Affordability Scheme.

The National Rental Affordability Scheme is a key part of the Government’s $2.2 billion affordable housing package, which will increase the supply of affordable rental homes, help people save for their first home, lower housing infrastructure costs, and build new homes for homeless Australians.

With this bill, the Government is delivering on one of its key 2007 election commitments – to increase the supply of affordable rental housing for Australians and their families. There are now 1.1 million Australian households in housing stress.

Almost 700,000 of these households are renters.

Many of these renters are low and moderate income earners.

These are people who are either moving house or cutting back on essentials to keep a roof over their head.

They are renting in a private rental market where rent rises are outstripping wages growth and inflation.

This is having an enormous impact on families, key workers, young people and pensioners.

The rental affordability pressures are driven by a poor supply of affordable rental properties.

The National Rental Affordability Scheme is a major supply-side initiative to make rental properties more affordable by encouraging large-scale investment in rental housing for low and moderate income earners.

The National Rental Affordability Scheme will create up to 50,000 new rental properties across Australia at a cost of $623 million in the first four years.

The Scheme will offer institutional investors and other eligible bodies annual rental incentives every year for 10 years, provided the conditions of the Scheme continue to be met.

The incentive is made up of a Commonwealth contribution of $6,000 per dwelling per year and a State or Territory contribution in the form of direct financial support or in-kind contribution to the value of $2,000 per dwelling per year.

Incentives will be indexed to the rental component of the Consumer Price Index.
The Scheme is deliberately targeted to low and moderate income households.

Incentives are only available to providers on condition that dwellings are rented to low and moderate income households at 20 per cent below market rates.

More than 1.5 million households will be eligible for tenancies under the Scheme, including key workers: entry level police officers and teachers, carers, apprentices, cleaners, hospitality staff and child care workers.

The Scheme provides a new opportunity for all levels of government, the business sector and not for profit organisations to work together to increase the supply of rental housing.

The Government expects the Scheme will facilitate new and creative partnerships between institutional investors, developers and community housing providers. Involvement of both investors and the not for profit charitable sector is crucial to its success.

The Scheme also presents a new investment opportunity for investors – creating a new asset class of investment in residential property.

If market demand remains strong, another 50,000 incentives will be made available over five years from July 2012.

The Government acknowledges the efforts of the National Affordable Housing Summit Group who, over the last four years has helped develop the idea on which the Scheme is based.

The Summit Group is a coalition of the Housing Industry Association, the Australian Council of Trade Unions, the Australian Council of Social Services, National Shelter and the Community Housing Federation of Australia. The Group, particularly Professor Julian Disney, Adrian Pisas, Dr Ron Silberberg and Grant Bellchamber, as well as Carol Croce and Carrie Hamilton, have generously offered their time and expertise to assist the Government to implement the Scheme.

This bill provides for the making of the National Rental Affordability Scheme by regulations.

The regulations will further the object of the bill, which is to provide incentives to encourage large-scale investment in affordable housing. This will increase the supply of affordable rental dwellings and reduce rental costs for low and moderate income households.

It is desirable for most of the administrative detail of the Scheme to be in the regulations rather than in the bill.

This provides the Government with the necessary flexibility to address changing circumstances, including the process for determining market rent, tenant eligibility criteria and acceptable periods of vacancy, as well as the reporting requirements for the Scheme.

The bill provides for the regulations to prescribe a Scheme that deals with the approval of participants, the approval of rental dwellings, and providing incentives to an approved participant if certain conditions are satisfied.

Importantly, the bill and the regulations will allow for eligibility under the Scheme to be recognised from as early as 1 July 2008.

The regulations are currently being drafted by the Office of Legislative Drafting and Publishing and an exposure draft will be made available as soon it is prepared to assist with understanding the scope and operation of the Scheme.

Further, the bill provides for the Scheme to include an allocation process. Under this process, the Secretary may make an allocation for a 10-year incentive period in respect of a rental dwelling on certain conditions.

Some of these conditions (the mandatory requirements) are set out in whole or in part in the bill itself. These mandatory requirements cover the conditions relating to eligible rental dwellings, eligible tenants and the maximum rent that can be charged, as well as the permitted vacancy rates.

To preserve the integrity of the Scheme, an incentive may be offset or recouped in the circumstances provided for by the Scheme. The bill also provides that the Scheme may provide for variations, transfers and revocations of allocations.

In relation to receiving incentives, the bill provides for the Secretary either to issue a certificate in relation to a refundable tax offset or make a payment. Unless a participant is an endorsed charitable institution, the incentive is to be made available in the form of the refundable tax offset.

The National Rental Affordability Scheme is totally new in the Australian context. It is an innovative approach to reducing the number of Australians living in rental stress.

The Government will review the Scheme in the early years of its implementation to ensure it is adequately focussed on those Australians in rental stress. We will also test whether or not there is scope for simplifying the Scheme or reducing the administrative burden on providers, and whether there are evolving issues of non-compliance that need to be addressed.

We may need to make improvements to the Scheme before it is expanded.

With this bill, the Australian Government is delivering on one of its most ambitious housing reforms – to establish a National Rental Affordability Scheme. The Scheme will increase the supply of rental dwellings and reduce the costs of renting in the private market for low and moderate income Australians and their families.

NATIONAL RENTAL AFFORDABILITY SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2008

The National Rental Affordability Scheme is designed to encourage large-scale investment in affordable housing.

The Scheme offers tax and cash incentives to providers of new dwellings on the condition that they are rented to low and moderate income households at 20 per cent below market rates.

The incentive comprises a Commonwealth contribution in the form of a refundable tax offset or payment to the value of $6,000 per dwelling per year, and a state or territory contribution in the form of direct financial support or an in-kind contribution to the value of at least $2,000 per dwelling per year.

The incentive will be provided for a period of 10 years to complying participants, and will be indexed in line with the rental component of the Consumer Price Index.

The National Rental Affordability Scheme Bill 2008 establishes the National Rental Affordability Scheme. The explanatory memorandum to that Bill provides further information on the Scheme.
The National Rental Affordability Scheme (Consequential Amendments) Bill 2008 amends the Income Tax Assessment Act 1997 to enable entities participating in the National Rental Affordability Scheme to claim a refundable tax offset in their annual tax return. These entities include companies, superannuation funds and unit trusts.

The bill also amends the Income Tax Assessment Act 1997 to ensure that state and territory contributions to entities participating in the Scheme, whether in cash or in-kind, are non-assessable and non-exempt income for taxation purposes. In addition, the bill ensures that there are no capital gains tax consequences from the receipt of incentives under the scheme.

The bills implementing the National Rental Affordability Scheme fulfills one of the Government’s important election commitments.

The Scheme aims to assist institutional investors, developers and not-for-profit groups to deliver 50,000 rental dwellings over the next four financial years by creating a new residential property asset class for property investors.

If market demand remains strong, the Government will make available another 50,000 incentives for a further 50,000 affordable rental dwellings over five years from July 2012.

The Government is strongly supportive of the work of the not-for-profit sector. Where the National Rental Affordability Scheme is consistent with the objectives of a not-for-profit body, the Government welcomes their participation.

The sector’s involvement is important to the successful implementation of the Scheme. Under the right circumstances, not-for-profit groups could be tenancy managers, developers or owners of NRAS dwellings, as well as being members of consortiums to ensure their participation. The Government is making its contribution available as a cash payment for endorsed charities.

If problems arise as a result of the genuine involvement of the not-for-profit sector in the National Rental Affordability Scheme, the Government will consider what steps are required to better assist them to participate in this Scheme.

The National Rental Affordability Scheme is one of a number of measures the Government is implementing to improve the affordability of housing for families and individuals with low to moderate income levels.

Other measures include establishing the Housing Affordability Fund. This Fund will be used to streamline development approval processes, and reduce infrastructure charges and regulatory costs.

Another measure is the audit of Commonwealth land to facilitate improved housing supply through the identification of surplus Australian, State and Territory land for possible release for housing development.

The Government is also establishing the National Housing Supply Council to provide research, forecast and advice to the Australian Government and the Council of Australian Governments on issues relating to the adequacy of housing and land supply to meet future housing needs.

Finally, the Government’s program called A Place to Call Home will deliver 600 new dwellings for homeless people.

Full details of the measure in the National Rental Affordability Scheme (Consequential Amendments) Bill 2008 are contained in the explanatory memorandum.

WATER AMENDMENT BILL 2008

The current severe and prolonged drought, the onset of climate change and the consequences of past decisions and practices are placing an enormous strain on the communities, industries and natural environment of the Murray-Darling Basin.

Since pre-Federation times, water resources management in the Murray-Darling Basin has been characterised by tension between governments and competing interests, particularly between upstream users and downstream users.

It is time for effective action to address the challenges we are seeing. It is time for the Commonwealth to provide national leadership for present and future generations.

Today I am putting forward reforms in the Water Amendment Bill 2008 that reflect a new era of cooperation and collaboration between Murray-Darling Basin governments for Basin-wide water resource management.

In response to concern about many of Australia’s river systems, the Council of Australian Governments agreed in 1994 to reforms for Australia’s rural and urban water industries.

In 1995, as partners to the Murray-Darling Basin Commission, governments introduced a Cap on diversions of surface water from the Murray-Darling Basin. This Cap was based on historic levels of use.

We have, however, the situation today where science, and the evidence of what we can see for ourselves, is clearly telling us that our rivers and aquifers are stressed and over-allocated.

This Government was elected on a platform of ending the blame game and buck passing between Canberra and the States and Territories. We have reinvigorated the Council of Australian Governments with a major reform agenda, underpinned by more effective working arrangements. We have established a policy and financial framework to address Australia’s long-term challenges.

One of those challenges is to secure a sustainable water supply in the face of a changing climate and the pressures of economic development.

Cooperative partnerships between the Commonwealth and State and local Governments, farmers, industry and the community are the key to addressing this challenge.

We took a major step forward in March 2008, with the Memorandum of Understanding on Murray-Darling Basin Reform, signed by the Prime Minister and the Premiers of New South Wales, Victoria, South Australia and Queensland, and the Chief Minister of the Australian Capital Territory.

The central principle of the Memorandum of Understanding was to improve planning and management by addressing the Basin’s water and other natural resources as a whole, in the context of a new Federal-State partnership.

The agreement embodied the sound principles of Commonwealth-State relations by assigning a Basin-wide planning and management role to the Commonwealth, while providing for clear participation by Basin States in decision-making and affirming the autonomy of Basin States to manage water within their catchments.

In July 2008, as promised, an intergovernmental Agreement on Murray-Darling Basin Reform was signed by First Minis-
The matters covered include:

- the transfer of current powers and functions of the Murray-Darling Basin Commission to the Murray-Darling Basin Authority;
- the strengthening of the role of the Australian Competition and Consumer Commission by extending the application of the water market rules and water charge rules; and
- enabling the Basin Plan to provide arrangements for meeting critical human water needs.

The Commonwealth Bill is being introduced into the House at this time as the bills to refer power to the Commonwealth have entered both the New South Wales and South Australian Parliaments. I look forward to the referrals by the Victorian and Queensland Parliaments, so that this bill can be considered in another place.

The bills being considered by State Parliaments refer specific powers and a limited, defined subject matter amendment power to the Commonwealth. In relation to the amendment power, the Commonwealth has committed to securing the agreement of States before proposing any amendments to the Commonwealth Parliament. Reflecting the co-operative underpinnings of the referral, any amendments proposed by the Commonwealth would be consistent with the principles of the intergovernmental Agreement on Murray-Darling Basin Reform signed by First Ministers.

The Water Amendment Bill 2008 represents an historic agreement for the long-term reform of water management in the Murray-Darling Basin. It introduces a new era of co-operative arrangements between the Commonwealth and the states, so that governments, industry and the community can face head-on the challenges of water scarcity and water security.

Thanks to this strong collaborative approach, together we are putting in place a much better system for managing the Basin in the national interest. We will now be in a position to make the hard, but necessary decisions, to ensure a sustainable future.

A key element of the Water Act is the preparation of a whole of Basin Plan by the independent, expert Murray-Darling Basin Authority in the context of clear accountability to the Commonwealth Minister.

Central to the Basin Plan will be sustainable diversion limits on surface water and groundwater use in the Basin to ensure the long-term future health and prosperity of the Murray-Darling Basin and to safeguard the water needs of the communities that rely on its water resources.
promote a uniform approach to the regulation of rural water charges to the benefit of water providers and users.

The bill also allows for individual States and Territories to choose to extend the geographic reach of the rules and the ACCC’s new powers beyond the Basin, so they are not necessarily limited to the Murray-Darling Basin.

The bill will allow markets to operate much more effectively in allocating water between competing uses, improving water use efficiency, and delivering water to its highest value uses.

This Government has recognised that a new approach to water resource management is required to deal with the pressures of climate change, economic development and environmental degradation in the Murray-Darling Basin.

The Water Amendment Bill 2008 will implement governance arrangements that, in the long term, will improve the use and management of the Basin’s water resources, and will protect and enhance the Basin’s social, environmental and economic values.

These reforms are for the medium to long term. The first Basin Plan will commence in early 2011. The Government recognises the severity and urgency of the current condition of the Basin.

The Commonwealth Government is complementing its governance reform with our $12.9 billion Water for the Future program which has four priorities: tackling climate change, supporting healthy rivers, using water wisely and securing our water supplies.

In delivering Water for the Future we are setting a new standard in national leadership and co-operative relations with state and territory governments.

In July 2008 when the intergovernmental Agreement on Murray-Darling Basin Reform was signed, the Commonwealth announced investments of close to $3.7 billion for significant water projects in South Australia, New South Wales, Victoria, Queensland and the Australian Capital Territory. These projects will improve irrigation efficiency, raise the productivity of water use and make water savings that will be returned to the rivers of the Murray-Darling Basin.

What Australians want in the Murray-Darling Basin is action. This Government is responding with immediate practical measures to take the stress off the rivers of the Basin. For the first time in the history of Federation, the Commonwealth Government is buying water entitlements from willing sellers in the water market, to tackle over-allocation in the Murray-Darling Basin so that rivers and wetlands will get a greater share of water when it is available.

The bill revises the risk assignment framework for the Murray-Darling Basin. Where States have also adopted these new arrangements in legislation, the Government intends to recognise the State adoption through an amendment to the bill, if a State Parliament passes the relevant legislation before the Water Amendment Bill leaves this House. I note that the New South Wales Legislative Assembly has passed such provisions.

The Government has already established the statutory position of the Commonwealth Environmental Water Holder to manage water entitlements that we purchase, or recover through infrastructure efficiency measures. Our environmental water entitlements will be used to protect and restore wetlands of international importance, as well as rivers and wetlands that support listed migratory and threatened species.

We are accelerating specific infrastructure and water savings projects to return flows to rivers and wetlands, and to secure water supplies for townships, communities and irrigators.

This Government is making wise investments to create efficient irrigation areas and return water to our rivers. We aim to secure a long-term sustainable future for irrigation communities, in the context of climate change and reduced water availability into the future.

We are working with irrigation communities to buy out water entitlements from areas willing to move out of irrigation, facilitated by a price premium reflecting the value of water savings from closure of infrastructure such as supply channels.

We are working with State Governments to co-fund the purchase of appropriately located irrigation properties and their water entitlements to enhance environmental outcomes in the northern basin.

We are also committed to freeing up water trade in the Basin to allow water to go to where it brings most benefit, as agreed under the National Water Initiative.

Governments and the community need to have a clear understanding of the volume of water in storage across the Murray-Darling Basin. To this end, we have initiated the first comprehensive, detailed and externally reviewed audit of both public and private water storages in the Basin. The audit will be updated every three months and the information will be publicly available.

These are practical measures which are part of our long term plan to deal with a highly stressed river system, which is suffering from the impacts of over allocation and climate change.

Closing remarks

The Commonwealth is responding to the enormous challenges we face in the Murray-Darling Basin with national leadership and decisive on-ground actions. These things have never been done before and they will require us to make some difficult decisions, but that does not detract from the fundamental need to take action now.

I can introduce the Water Amendment Bill 2008 because the Rudd Government has reached an historic agreement with Basin States to refer certain Constitutional powers to enable the Commonwealth to manage the waters of the Murray-Darling Basin as a single system, in the national interest. This is much needed, long overdue reform in governance that will put the Murray-Darling Basin on the right footing to face the challenges that lie ahead.

This bill implements governance reforms that are complemented by the $12.9 billion investment under our national water plan, Water for the Future, which is already being rolled out.

Many Basin communities are doing it tough. They have been under stress for a number of years. With reform in governance and substantial but wise investment, the Commonwealth is working with Basin communities and Basin governments to deliver a sustainable future.

Debate (on motion by Senator Sherry) adjourned.
Ordered that the bills be listed on the Notice Paper as separate orders of the day as follows:

- Education Legislation Amendment Bill 2008
  Schools Assistance Bill 2008
- Interstate Road Transport Charge Amendment Bill (No. 2) 2008
  Road Charges Legislation Repeal and Amendment Bill 2008
- Temporary Residents’ Superannuation Legislation Amendment Bill 2008
  Superannuation (Departing Australia Superannuation Payments Tax) Amendment Bill 2008
- National Rental Affordability Scheme Bill 2008
  National Rental Affordability Scheme (Consequential Amendments) Bill 2008
- Water Amendment Bill 2008
  TAX LAWS AMENDMENT (MEDICARE LEVY SURCHARGE_THRESHOLDS) BILL (No. 2) 2008

  Returned from the House of Representatives
  Message received from the House of Representatives agreeing to the amendments made by the Senate to the bill.

  ARCHIVES AMENDMENT BILL 2008
  BROADCASTING LEGISLATION AMENDMENT (DIGITAL RADIO) BILL 2008

  Returned from the House of Representatives
  Messages received from the House of Representatives returning the bills without amendment.

  FINANCIAL CLAIMS SCHEME (ADIs) LEVY BILL 2008
  FINANCIAL CLAIMS SCHEME (GENERAL INSURERS) LEVY BILL 2008
  FINANCIAL SYSTEM LEGISLATION AMENDMENT (FINANCIAL CLAIMS SCHEME AND OTHER MEASURES) BILL 2008
  AUSLINK (NATIONAL LAND TRANSPORT) AMENDMENT BILL 2008
  AUSTRALIAN RESEARCH COUNCIL AMENDMENT BILL 2008
  EXCISE LEGISLATION AMENDMENT (CONDENSATE) BILL 2008
  EXCISE TARIFF AMENDMENT (CONDENSATE) BILL 2008
  TAX LAWS AMENDMENT (MEDICARE LEVY SURCHARGE_THRESHOLDS) BILL (No. 2) 2008
  INTERNATIONAL TAX AGREEMENTS AMENDMENT BILL (No. 2) 2008
  MIGRATION AMENDMENT (NOTIFICATION REVIEW) BILL 2008
  ARCHIVES AMENDMENT BILL 2008
  BROADCASTING LEGISLATION AMENDMENT (DIGITAL RADIO) BILL 2008
  POKER MACHINE HARM MINIMISATION BILL 2008
  POKER MACHINE HARM REDUCTION TAX (ADMINISTRATION) BILL 2008
  ATMs AND CASH FACILITIES IN LICENSED VENUES BILL 2008
  REPORT OF COMMUNITY AFFAIRS COMMITTEE

  Senator MOORE (Queensland) (5.25 pm)—I present the report of the Senate Standing Committee on Community Affairs on the Poker Machine Harm Minimisation Bill 2008, the Poker Machine Harm Reduction Tax (Administration) Bill 2008 and the ATMs and Cash Facilities in Licensed Venues Bill 2008 together with the Hansard record of proceedings and documents presented to the committee.

  Ordered that the report be printed.

  Senator MOORE—by leave—I move:

  That the Senate take note of the report.

  Before Senator Fielding jumps up, I will make a couple of short comments on this series of bills that came before the Community Affairs Committee. These bills were presented to the Senate earlier this year in sequence and there was a decision made, through selection of bills, that the three of these bills, which had a common element, looking at gambling in our community, would be referred to the Community Affairs Committee for consideration. This was done in the period from September to November and over 75 submissions were received by our committee from people within our community who are genuinely concerned about the issues around gambling, their impact on society and in particular the problems that some people have with gambling.

  There is real interest and real concern in our community about these affairs. I think a purpose of the bills presented by Senator Fielding and Senator Xenophon has been achieved: maintaining the interest of this place in these issues and ensuring that we as a community do not shirk our responsibilities and that we as a parliament, on all sides of it, understand that we have responsibilities and that there must be more discussion, more debate and much more research. I stress the issue of research particularly hard.

  To put this in context, there has been wide interest in the impacts of gambling on the community. We had submissions that talked about the range of impacts. There were so many figures being thrown around in this debate, as often happens, that the impacts were very hard to define. What occurs is that, without a genuine evidence base so we can talk about where we are going, it is way too easy, and I think a bit of a cop
out, to pull figures out of a hat in relation to what is in fact causing real harm to human beings. We have the history, which this place knows, where in August 1998 the then Commonwealth Treasurer, the Hon. Peter Costello, referred to the Australian Productivity Commission a detailed inquiry into the impact of gambling in our community. That is listed in our report. It is a very significant document. In fact, I think you almost need a wheelbarrow to cart it around. That in itself is a problem, because I believe that not many people have actually waded through the whole report. But it has been a genuine process of looking at the issues of gambling in our community. The committee inquired into:

... the economic impacts of the gambling industries, including interrelationships with other industries such as tourism, leisure, other entertainment and retailing; and—

what I think was the main focus of the bills before us today—

the social impacts of gambling industries, including the incidence of gambling abuse, the cost and nature of welfare support services, the redistributional effects of gambling and the effects of gambling on community development and the provision of other services.

On 26 November 1999 the Productivity Commission released a report which I think was aptly titled *Australia’s gambling industries*. This report indicated that there were real issues of harm in our community. The figures the commission quoted in 1999 were that around 130,000 Australians had severe problems and a further 160,000 were estimated to have moderate problems. They stated that there needed to be some form of treatment instituted and a look at developing policy to respond to the problem. Following the release of the report in 1999, the Commonwealth government established a ministerial council on gambling aimed at achieving a national approach to address problem gambling. That ministerial council still exists. It brings various state ministers together with their federal counterpart to look at the kinds of issues that were identified in the original Productivity Commission report.

I think largely due to public concern—and I think some of that has been led by Senators Xenophon and Fielding, with the support of other people in this area—there was a call during the time we were considering these bills for another referral to the Productivity Commission for a report. It is particularly important that we understand that it came out consistently throughout the process that the information and evidence that was released in 1999, important and valuable as it is, is dated. To our regret, this information has not been effectively updated in the nine- to 10-year period since. That is a major gap. It is a major worry for everyone in our community who is concerned about this issue, and it must be addressed.

The majority report of our committee—and I know we will have further comments from other senators in this place responding to this—says:

In view of the anticipated—

and now agreed—

Productivity Commission inquiry into Australia’s gambling industries, the Committee recommends that the Poker Machine Harm Reduction Tax (Administration) Bill 2008, the Poker Machine Harm Minimisation Bill 2008 and the ATMs and Cash Facilities Bill 2008 not be passed at this time.

It recommends that the real issues that have been raised in those bills be part of the Productivity Commission inquiry. In fact, the specific issues raised in these bills are part of the Productivity Commission referral—the way that the machines operate and the way that people respond, the support there must be in the community to help those with problem gambling, and the reliance on the money that comes out of gambling machines for state coffers. The latter was raised consistently, and I think it needs to be addressed. There needs to be some national consideration of the process.

At this time, to take three piecemeal bills and take some action, without the value of what will be a full-scale, deeply and effectively researched Productivity Commission report, would not be appropriate. I fully anticipate that other senators will talk about us moving away from our responsibilities and taking no action; I absolutely refute that. We are taking a responsible approach. We are engaging people to be part of this process, we are saying that there are issues and we are responding to the evidence that was given to us with great pain by a number of people across this community, including support groups and people who work on a daily basis with individuals and families who have been fractured by the evils of gambling. No-one is moving away from that. But there needs to be, as we consistently hear in this place, an effective evidence base for any action. We believe the appropriate way for that to happen is through the Productivity Commission, and we put that process in front of the Senate for consideration.

**Senator FIELDING** (Victoria—Leader of the Family First Party) (5.32 pm)—Governments in Australia must love poker machines. They are addicted to the money they rake in from pokies, and it is obvious governments are not going to do anything that would cut the billions of dollars of revenue they take each year. Between a third and half of that pokies cash comes from problem gamblers. State governments in Australia have persistently ignored problem gamblers, and that is why Family First introduced two draft laws to help fix the problem.

Family First is astounded that the Senate Standing Committee on Community Affairs has decided to stand by and let state governments continue to take advantage of hundreds of thousands of vulnerable problem
gamblers. The committee has shelved extensive and detailed evidence presented on Family First bills in favour of much of the same evidence that we will get from another Productivity Commission report. An updated Productivity Commission report will provide very important and useful information but it should not be used as an excuse for a lack of action now. One of the reasons some groups have lobbied for the Productivity Commission report is in fact to delay a decision to take real action to reduce problem gambling from pokies in the hope that their revenue will be protected.

The committee failed to make one recommendation for action to fix the scourge of problem gambling. COAG announced on 3 July this year it would ask for a Productivity Commission report into gambling. So why did the Senate committee continue an inquiry and hold four sets of hearings in September and October if it had no intention of making any real recommendations?

Family First is calling not for poker machines to be outlawed but simply for more restrictions to be placed on them to protect chronic gamblers from spending too much. The federal government must intervene to enforce limits on poker machine operations where hopelessly addicted state governments will not. Dealing with the problem of poker machines has not been high on the priorities of the federal, state and territory governments, with the Ministerial Council on Gambling’s meeting on 25 July 2008 being the first meeting since October 2006.

Prime Minister Kevin Rudd said he hates poker machines, but there are very strong and entrenched interests which favour the status quo, including the industry and state governments. Those who deal with the despair of problem gamblers felt there was some hope in the Prime Minister’s comment that he hates poker machines, but, when it comes to the crunch of breaking the state governments’ addiction, the Rudd government has been slow to tackle the issue. The committee has ducked making any recommendations for action on poker machines. Until the government decides to do something, expressions of concern are just words. They do nothing to help problem gamblers beat their addiction and they do nothing to support families fractured by the despair of living with a chronic gambler.

The poker machine industry has supported a Productivity Commission inquiry into gambling—no wonder!—in the hope that the passage of time will mean their revenue is safe. Both the Australian Hotels Association and Clubs Australia supported the new Productivity Commission inquiry, yet both dispute the validity of figures produced by the 1999 Productivity Commission inquiry into gambling. Why would anyone expect them to agree with the outcome of a new inquiry, especially if their businesses are threatened? I imagine, from their perspective, it gives them more time to bleed more money out of chronic gamblers.

The chairperson of the Gambling Impact Society of New South Wales commented to the committee on the lack of action resulting from the 1999 Productivity Commission report, but now we are waiting for another report and hoping someone will do something as a result. Evidence presented to the committee estimated that problem or at-risk gamblers account for between a third and more than 50 per cent of expenditure on poker machines. The most recent edition of the Australian Gambling Review reports that ‘problem gamblers are estimated to lose $12,000 per year or a rate of $250 per week.’ A paper published this year in International Gambling Studies stated that more than 50 per cent of regular poker machine users are problem gamblers or at risk of becoming problem gamblers. The close link between poker machines and problem gambling is shown by the fact that about 85 per cent of problem gamblers use poker machines.

In reaction to Family First legislation, the Australian Hotels Association and Clubs Australia have recently recommended harm reduction measures, which begs the question why they did not move to introduce these measures earlier. Poker machines are addictive for players but they are also addictive for state and territory governments. State government revenue from poker machines and Keno in 2006-07 was almost $3 billion. Gambling addicted state governments are incapable of weaning themselves off poker machine taxes. It is time the federal government intervened to send state governments to poker machine detox. The committee could easily have made recommendations on automatic teller machines and whether cash withdrawals should be limited or the machines removed from premises that have poker machines. Two of the bills dealt with the ATMs and there was extensive evidence provided to the committee. In the end the committee put the issue in the too-hard basket. Unless there is federal intervention on pokies, the policy paralysis at the state level will continue. The states have shown they are incapable of kicking their addiction to pokies. That is why federal intervention is desperately needed.

Family First proposed two laws as part of the plan to address problem gambling. The first, the Family First Poker Machine Harm Minimisation Bill 2008, sets out the number of harm minimisation measures which would limit the amount of money gamblers can lose and slow down the addictive nature of poker machines. The second, Family First’s Poker Machine Harm Reduction Tax (Administration) Bill 2008 dealt with the problem of accessibility of poker machines. It would over time see pokies out of pubs and clubs and have them restricted to casinos and racetracks, which are dedicated gambling venues. Governments are addicted to poker machine revenue. The lure of money far outweighs concerns about problem gamblers. Governments say they hate pokies but when it comes down to the crunch they would much rather have the money. That is not what
Australians expect of their governments. To turn their back on the despair this brings to families is absolutely shameful. Clearly state governments are hopelessly addicted to the pokie profits. The states have shown they are incapable of kicking their addiction to pokie revenue. That is why federal intervention is urgently required.

Senator HUMPHRIES (Australian Capital Territory) (5.39 pm)—I do not propose to speak for very long. I simply want to indicate that, in the view of the coalition senators who took part in this inquiry by the Senate Standing Committee on Community Affairs, the question of the social harm and economic harm done by addiction to poker machine use is unfinished business as far as Australian government is concerned. The coalition senators who took part in this inquiry do accept that to make good public policy it is important for us to look carefully at the best available data about the incidence of problem gambling and effective possible solutions to the problem that presents. As such, we support the recommendation in the majority report that there ought to be an updated Productivity Commission report to the Australian community on this issue.

We do, however, take the view that it is important for pressure to remain on the gambling industry in Australia to step up to the mark with respect to ensuring that every measure is taken, in the way in which gambling products are made available to the Australian community, to minimise the harm that occurs to those individuals who cannot use those products temperately. We do acknowledge the point made a moment ago by Senator Fielding that to some extent state and territory governments have moved a certain distance but perhaps not far enough in being able to ensure that these products are available in carefully controlled circumstances to members of the Australian public who may be at risk. We recommend that a number of measures in the Poker Machine Harm Minimisation Bill 2008 which was put before this place by Senator Fielding ought to be considered separately and perhaps with a degree of urgency to ensure that across Australia there are a raft of measures, simple but hopefully effective measures, to minimise the impact on problem gamblers of the availability of these machines: things like devices which limit the size of bets placed on gaming machines in certain circumstances; measures like limits on the use of other devices which might stimulate a gambler’s interest in placing further bets, such as repeat bets available electronically on the machine; and limits on the size of jackpots. It is very hard to understand why jackpots should be much greater than, for example, $2,000 in any one instance.

They are the sorts of measures that we feel have already been adopted by some jurisdictions, could be rolled out consistently across the nation on the basis of best available evidence and could have an immediate impact on some aspects of problem gambling even in anticipation of the report of the Productivity Commission in the near future. We feel very strongly that it is important for the Commonwealth government to play a leadership role in lifting this debate to that level, so that state governments understand that the Commonwealth will be a participant in the debate about how to reduce the effect of problem gambling in this country. The Commonwealth government should provide services which impact on the failure to some degree of state and territory governments to adequately deal with this issue and as such would have a very strong and direct interest in ensuring that further steps are taken to minimise the effect of problem gambling. We accept that this is a process which has to proceeded with on the basis of good evidence. That good evidence at this stage is to some extent ambiguous or blurred, and a Productivity Commission update would be a very welcome new piece of evidence in the armoury to look at this problem. But without even that evidence available, I believe a signal needs to be sent to Australian state and territory governments to lift their game. That is why we support a measure of the kind referred to in the additional comments made by coalition senators in this report.

Senator XENOPHON (South Australia) (5.44 pm)—The worst moment I ever had in my 10 years in the upper house of state parliament as the No Pokies MP was not in the chamber but when I went to visit a man whose wife of almost 30 years took her life because of her poker machine addiction. I sat down and spoke with him and he described how she was ravaged by this addiction. He showed me the suicide note, and there is no doubt in my mind, in this man’s mind or in their friends’ minds that but for that woman’s poker machine addiction she would be alive today. That is the most tragic manifestation of gambling addiction in this country. There are literally hundreds of thousands of Australians who are in some way materially worse off because of their addiction to poker machines or because of the addiction of a loved one. We know from the Productivity Commission that there were upwards of 250,000 Australians with an addiction because of poker machines back in 1999 and that each of them affects the lives of at least seven others.

These three bills were a genuine attempt to bring about some real reform from the damage caused by poker machines in this country. That damage has not been addressed, because state governments are hopelessly addicted to the almost $4 billion a year they rake in from poker machine taxes—state governments that tinker around the edges and participate in window-dressing; state governments that are beholden to that obscenely overpaid tax collector, namely the poker machine industry. I heard that Clubs Australia was proposing measures to look after problem gamblers. Well, getting the gambling industry to look after problem
gamblers is a bit like getting the wolf to look after Little Red Riding Hood. It is a deeply cynical industry.

The government’s position in relation to this report is to do nothing. It is to stall for another 12 months pending the outcome of a Productivity Commission inquiry. As useful as a Productivity Commission inquiry will be, there are some things that need to be done and ought to be done now. We know from the evidence, for instance, that there is a very clear link between the easy access to an ATM at a venue and the way it fuels gambling addiction, yet the government is prepared to sit on its hands for another 12 months in relation to this. We know that there are a number of measures that can be done immediately that will not impact on so-called recreational gamblers and that there can be a complete banning of banknote acceptors on poker machines. The introduction of smartcard technology could make a huge difference on the impact of poker machines, as could the immediate reduction of maximum bets and slowing down of machines. We have heard the evidence of Dr Charles Livingstone, who has undertaken extensive research, that you can do these things here and now and that the Commonwealth has the powers to do these things using its corporations and taxation powers and its banking and telecommunications powers. These are things that can and need to be done now, but the government is sitting on its hands and effectively stalling any real change on the agenda for another 12 months. Meanwhile, there are literally hundreds of thousands of Australians who are suffering and whose lives are being turned upside down because of this addiction to poker machines.

When you consider that this industry gets over 50 per cent of its income from addicted and problem gamblers, then this is an industry that is unsustainable in any sense because this industry survives off the backs of the vulnerable and the addicted. That is why the government’s position in relation to this report and in relation to the clear evidence that has been heard is more than a disappointment—it actually ignores and I believe treats with contempt the evidence and the hundreds of thousands of Australians who have been devastated by poker machines. That is why it is important that that we act and act with some considerable urgency, otherwise we will continue to hear more stories of hardship and tragedy because of the addiction of so many Australians to poker machines.

Senator SIEWERT (Western Australia) (5.48 pm)—This inquiry heard extremely compelling evidence around the impact of problem gambling on individuals and on Australian families and of the significant harm caused by electronic gaming machines—commonly known as EGMs or poker machines. The inquiry also heard evidence of the increase in addiction, particularly of young women, which coincided with the introduction of electronic gaming machines. I think that that evidence overwhelmingly showed the negative impacts that these electronic gaming machines are having on the whole of the population but in particular on women and how their gambling addiction coincided with the introduction of these machines.

We heard evidence that 85 per cent of problem gamblers in Australia have problems with poker machines and that up to 50 per cent of the revenue that is earned by the industry is earned from two per cent of the users, or those problem gamblers. The proposition was put that if we make all these changes we will impact on the vast majority of people who are recreational users and are there to have a good time. When you think about the fact that up to 50 per cent of their revenue comes from the two per cent of people who are using those machines, then (a) wouldn’t you say that that is a very significant problem and (b) would you not then question the ability of the industry to actually deal with this issue in a rational manner? It really is not in their interest to want to do anything about that two per cent. The only thing that would really be compelling for them is a regulatory approach being taken, because they are incapable of doing it themselves.

We also heard pretty compelling evidence that the way the machines are designed is particularly addictive and that there are ways that you can stop that addiction to those machines or certainly knock it back a bit. The evidence of the need to do something from the witnesses who had actually suffered from this addiction was absolutely compelling. They are begging the government to actually do something about poker machines. The evidence of the situation with addicted and problem gamblers in the eastern states compared to Western Australia, where we do not have poker machines in pubs and clubs, for me was very compelling. As a side note, that just reinforced the need to keep those machines out of pubs and clubs in Western Australia because we do not want the problem in Western Australia that is evident in the eastern states.

There was a lot of compelling evidence to show that things could be put in place now to actually deal with the problem now. If you know there is a problem now, why put off until tomorrow what you could fix today? I agree it is a good idea for the Productivity Commission to look at this issue again. I think that is extremely important, because a report has not been done for 10 years. However, I do not think it is an excuse not to do anything. Compelling evidence came out of the Productivity Commission report of 1999 and very little, really, has been done to deal with the issues that were raised then. The committee heard evidence that reinforced the findings of that Productivity Commission report. The Productivity Commission will provide more up-to-date information and, hopefully, will also give us a figure on the costs of these problems to the community—for example, we know that the alcohol
problem costs the community over $15 billion a year. We do not know the cost of the impact of the poker machine industry. We know absolutely about some of the revenue but we do not know the costs. Of course, you cannot cost the impact of human misery.

There are simple things that can be done—I say ‘simple things’, but I realise it will take a bit to put them in place. The removal of ATMs, the banning of banknote acceptors, mandatory restrictions on the rate of play, maximum bets and pre-commitment technologies are all things that will take a commitment from government to put in place, but they are doable. We know these problems are happening now and we should be doing something about them now, and this is why the Greens are disappointed that the committee did not recommend that we take action now. We support the Productivity Commission inquiry but not that it did not recommend that we take action now. We sit on our hands for another 12 months. It is important that we deal with these issues now. As we speak, people and families are being harmed by this industry. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Economics Committee

Extension of Time

Senator COONAN (New South Wales) (5.54 pm)—I seek leave of the Senate to move a motion for an extension of time for the Senate Standing Committee on Economics to report. You have to do these things in a natural break. This is one, and that is why I am moving the motion now.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (5.55 pm)—by leave—The opposition has just approached me as the minister on duty about this proposal. I have only heard about this in the last minute-and-a-half. Rather than denying leave, I ask that the opposition allow another speaker so I can get further advice. We can then consider the matter after the dinner break.

Senator COONAN (New South Wales) (5.56 pm)—by leave—It is perfectly acceptable for the minister to get some information about the proposal, but I would certainly wish to bring it back before dinner.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (5.56 pm)—by leave—That is a reasonable proposition, but I do need some time to seek further advice, otherwise I will deny leave and we could be here for quite a while if you seek to have a contingency motion debated. I think it would be better for you to wait 10 minutes.

Senator COONAN (New South Wales) (5.56 pm)—by leave—If I could respond briefly. Certainly 10 minutes is not a difficulty. We are not wanting to take up time with a contingency motion if the matter can be resolved.

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

Report of Community Affairs Committee

Senator MOORE (Queensland) (5.57 pm)—I present the report of the Standing Committee on Community Affairs on the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Further 2008 Budget and Other Measures) Bill 2008 together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

RENEWABLE ENERGY (ELECTRICITY) AMENDMENT (FEED-IN-TARIFF) BILL 2008

Report of Environment, Communications and the Arts Committee

Senator MOORE (Queensland) (5.58 pm)—On behalf of the Chair of the Standing Committee on Environment, Communications and the Arts Committee, Senator McEwen, I present the report of the committee on the Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008 together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator MILNE (Tasmania) (5.58 pm)—by leave—I move:

That the Senate take note of the report.

I rise to note the report and thank the 129 organisations that provided submissions to this inquiry into the Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008 that the Greens brought to the Senate. This legislation is for the introduction of a national gross feed-in tariff for Australia to drive the deployment of renewable energy.

It is absolutely imperative that Australia gets a nationally consistent gross feed-in tariff as soon as possible, otherwise we will be left behind in the green energy revolution that is about to sweep the world. I say about to sweep the world but it is already happening in Europe, and president-elect Obama, in the United States, has undertaken to spend $150 billion on the green energy revolution there in order, as he said, to create an army of green collar workers in all these new technologies, because he recognises that if the United States does not shift rapidly to a green energy base they will no longer be competitive in the manufacturing sector. It is absolutely recognised—in Germany, in Spain—that you have to have a national gross feed-in tariff to see the deployment of renewable energies.
Of the 129 submissions on this bill I am delighted that all but two of them were essentially in favour of a gross feed-in tariff. That is fantastic. Many of them are in business in the renewable energy sector and all agree that this is the way to move forward—to get beyond ad hoc systems of rebates and to get beyond ad hoc nature of the whole system of just trying to encourage people through very limited programs to actually put in place a mechanism that says to people: ‘We will pay you a fixed price for a fixed period of time for the energy that you generate into the grid.’ The result is that everyone is enabled to become an electricity generator. It is really exciting. This is a great new story for rural Australia, which is struggling in the drought, because it absolutely extraordinary that, when you look around from the federal Department of Climate Change. I find the government of South Australia and the other was tee, two submissions opposed this tariff. One was from the federal Department of Climate Change to it reflects the government’s opposition to it, otherwise that bureaucracy would not be opposing it.

You have to ask why the Commonwealth would be standing in the way of a national gross feed-in tariff for Australia. One can only assume that it is because the government does not want a massive deployment of renewable energy and it does not want our rural communities, through joint ventures and leasehold arrangements, bringing on utility-scale energy from solar-thermal and geothermal sources, for example. This is designed to complement the MRET so that you would have those technologies that are already commercially viable, like wind, being helped through the MRET, and then those other technologies, like solar-thermal and geothermal and large solar arrays, being brought on through the feed-in tariff.

British energy experts have also recognised that this is the way to go and have recently foreshadowed that Britain will be moving to a feed-in tariff structure. I was in Spain recently and drove from Malaga up to Granada. On the way you see wind farms on all the ridges and solar arrays amongst the citrus orchards because farmers can benefit. In Germany you have got pig farmers with photovoltaics all over their barn roofs—and on winter barns all over Europe—because farmers can get additional income by selling renewable energy. This is the way to go for Australia. This is the way to deploy renewable energy.

I am really disappointed that in spite of the fact that there was overwhelming support for this the committee recommended that it go through the COAG process. The Commonwealth has already taken over the mandatory renewable energy target as a national scheme. The Commonwealth has already taken over the Carbon Pollution Reduction Scheme—the ETS—as a national scheme that will accommodate the New South Wales model. Why would the Commonwealth not bring in a national gross feed-in tariff and bring the states into harmonisation with that national tariff. Saying it should go to COAG is a recipe for making it never happen. Everybody knows that the COAG process decided to look at feed-in tariffs in March this year and was meant to report in October, but it was deferred in October until November and it is now likely to be deferred again in November. It is a recipe for putting it off and off and off, and we already know that South Australia wants to stick to its net tariff regime—it will block. Tasmania has nothing and New South Wales has got to come on board. It is quite clear that the coal producing states will never want to see a national gross feed-in tariff. For those people who say, ‘Oh, but the problem is that if you introduce this generous tariff that rolls out renewable energy, that deals with the climate issue and that gets us significant reductions in emissions and an increase in renewables it will add to the additional cost of energy across the country.’ Yes, but you spread the cost across all consumers.
In Germany it amounts to virtually a cup of cappuccino a year. In Queensland they did some modelling which showed that it was a dollar a year. We are talking minimal costs, once you spread it across all consumers, for a massive rollout of renewable energy. If the federal government thinks it is appropriate to have a mandatory renewable energy target to deal with an emissions trading scheme, then it should be Commonwealth legislation that brings in a national gross feed-in tariff and that should be harmonised around the country.

I do not accept the COAG process as the most appropriate, because it is a mechanism for delay and it is a mechanism for the lowest common denominator. We will be standing here next year as the United States zooms ahead on renewable energy—as Europe and China continue to zoom ahead on renewable energy. As all the jobs in this energy revolution are going overseas, we will still be standing here waiting for COAG to get its act together and to agree to anything. We all know that, if COAG is left in charge of this, it will be left at a very small scale. It will not be utility scale; it will be restricted to a very few technologies. It will be a scheme that does not do the job with the urgency of climate change. I remind the government that Britain has gone to a figure of 80 per cent below 1990 by 2050, as has the United States under its new president. Australia needs to catch up, get with it and get with the green new deal or we will be left behind.

**Senator McEWEN** (South Australia) (6.08 pm)—I wish to address a few comments to this report and to pick up on a few of the points that Senator Milne has made, some of which I think are a bit disingenuous about the government’s actual position on feed-in tariff legislation. I will start by saying that the Rudd Labor government is taking Australia to a cleaner and greener future, and renewable energy will play an important role in that progression. We are committed to ensuring that at least 20 per cent of Australia’s electricity supply comes from renewable energy by 2020 and we have already made significant inroads to reach that target.

The government’s support for the solar industry is at record levels. In the budget the government brought forward an additional $25.6 million in funding, doubling the number of rebates available under the Solar Homes and Communities Plan, this year from 3,000 to 6,000. Funding has been further increased in the light of record demand for the rebate. In fact, in 2008-09 there will be more installations of solar powered systems and more Commonwealth funding for solar power than in any year of Australia’s history.

The **Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008** that the report is about was referred to the Senate Standing Committee on the Environment, Communications and the Arts for inquiry. The committee received a substantial number of submissions—129—from individuals and organisations and held public hearings in Sydney and Melbourne. It was clear from those hearings that there is broad support for the adoption of feed-in tariffs as a mechanism to encourage the uptake of an investment in renewable energy sources. The committee’s report describes a feed-in tariff as:

... a policy mechanism used to encourage the use of both small dispersed generating capacity and large ‘utility-scale’ generators. A FIT is a rate, usually set by a regulator or government, which electricity retailers or a regulator are required to pay to particular electricity generators who want to feed power into the electricity grid.

Currently, as has been noted, there is some form of feed-in tariff in the Australian Capital Territory, Queensland, Victoria, my state of South Australia and others proposed for other states. Feed-in tariff has also been piloted in the Alice Springs Solar Cities program. Those schemes all differ in different ways from design to eligibility restrictions. While they are different, it has been very encouraging—and this came out through the inquiry—to see states and territories, which have responsibility for energy supply to their populace, implementing innovative schemes to encourage renewable energy uptake. Certainly the federal government wishes to encourage that innovation and that ongoing uptake.

The differences between the systems include things like, in South Australia, the limits of the size of customers and systems eligible to participate. Its eligibility criteria are that the system must be operated by a small customer, that is a customer who fits into the small customer category defined as ‘consuming less than 160 megawatt hours of electricity per annum’, must be grid connected to a distribution network which supplies electricity to 10,000 or more domestic customers, must be connected to the grid by a bidirectional or import-export meter and must comply with Australian standard AS40007. That is in contrast to the ACT which has very few eligibility limits. Large generators receive a less generous feed-in tariff and on household size installations, there is no size limits on individual generators.

One of the reasons the government believes, and the committee agreed, that COAG is the appropriate venue for progressing a national feed-in tariff framework is that state and territory governments are at different stages of implementation. It is possible through that process to reach a harmonised approach to renewable energy feed-in tariff. The government has given clear commitments to that and is working very hard to achieve that goal by the end of 2008. It is simply wrong of Senator Milne to say that that will not be achieved in the time frame prescribed.

The recommendations in the report are strongly supportive of a national feed-in tariff framework that is
consistent and uniform as far as possible. Indeed, the first recommendation says:

Noting strong industry, consumer and government support for FIT schemes, the committee recommends that the Commonwealth government, through COAG work as quickly as practicable to implement a FIT framework that is as far as possible nationally uniform and consistent.

It is became evident through this inquiry that, while it is relatively easy to put a piece of legislation into this parliament, as was Senator Milne’s private member’s bill, the actual practical implementation of feed-in tariff legislation needs to be very, very carefully thought out. The second recommendation in the report is that all governments, whether state or federal, should consider carefully the evidence received by the Senate inquiry regarding things like metering, as well as the track record of existing FIT schemes overseas, in designing a nationally consistent FIT framework for Australia.

The committee has also made recommendations regarding payments to generators—the degression rates—and those recommendations are considered more fully in the report. I urge people to not accept the simplistic arguments that we have heard from some people in this chamber but to read the report and understand the complexities of a feed-in tariff scheme. We heard about those complexities from Mr Hans-Josef Fell, a member of the German Bundestag, who very kindly gave his time to assist the committee in its deliberations on this matter. He certainly gave the committee a deeper understanding of feed-in tariffs, and he was adamant that much care needs to be taken when writing and implementing such legislation—so it is appropriate that the COAG considers all aspects of feed-in tariff schemes. Some of the things that also need to be considered include: eligibility of different renewable energy sources; tariff values available for different sizes of generators; the parameters within which FIT payments will decrease over time—or degression—whether and how FIT payments will be indexed; and information management for the administration of the scheme.

So those are not insignificant issues that have to be worked through and, while it may be frustrating for some that some time needs to be taken to get this right, it is appropriate that the government considers responsibly all of those aspects of feed-in tariff schemes and considers the legislation and national framework that it is committed to developing through the COAG. While, obviously, some people are disappointed that the final recommendation of the report is not to support the bill that was introduced by Senator Milne, I believe that much progress is being made in this important area of ensuring uptake of, and investment in, renewable energy targets.

In conclusion, as chair of the committee I would sincerely like to thank everybody who participated in the inquiry. I also note that in the report of the bill we acknowledged that the introduction of the private member’s bill into the Senate has been a very useful way for senators and other interested parties to hear more about the complexities that are involved in feed-in tariff legislation, and the position of states and territories—and, indeed, the position of other countries in the world—in that regard.

Senator BIRMINGHAM (South Australia) (6.17 pm)—At the outset of my very brief remarks on the Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008 inquiry, I would like to echo Senator McEwen’s comments about Senator Milne, and to commend Senator Milne for the introduction of the bill. It has stimulated very worthy debate—debate that has flowed on in a very complementary manner from the inquiry that was undertaken by the Senate Standing Committee on Environment, Communications, Information Technology and the Arts into the Save our Solar bill. I have no doubt that it has built the knowledge of the senators, and hopefully the Senate—as well as more broadly—on the important issue of feed-in tariffs and the key role that they can play in how we address and encourage renewable energy into the future.

The coalition firmly believes that the growth of our renewable energy sector is critical to Australia’s future energy security and to the way in which we tackle climate change. However, we also believe that, along the way, it is important that we get every aspect of that right. Just as, in the development of their emissions trading scheme, we have urged the government to ensure that the details are correct and that it is does not unduly harm Australia’s interests or Australian industry, equally, in looking at options such as a feed-in tariff scheme, we wish to ensure that it is considered in the holistic manner of climate change policies and the encouragement of renewable energies. We wish to ensure that it is considered in terms of how it will interact with mandatory renewable energy targets and the MRET scheme, and to make sure that, should we pursue a feed-in tariff program, it is consistent with, and complimentary to, that MRET scheme that the government is increasing its targets for as well.

These are complex issues and they should not be oversimplified or rushed through with a consequent risk of getting them wrong. Equally, however, we recognise that there is a level of urgency about them. We have, in good faith, supported the government in acknowledging that the COAG process should be pursued to try to get a nationally consistent feed-in tariff regime in place. We note that states have taken various steps, from the ACT with a gross feed-in tariff regime to various other states with net systems, and I am very pleased to note the commitment of the new Western
Australian Liberal government to the introduction of a feed-in tariff regime in Western Australia as part of their election commitments. We think that there is much benefit to be had in a system that has the flexibility, which I note that part of Senator Milne’s bill tried to achieve, of being able to deal with different renewable energy sources in different ways, in acknowledging, indeed, that potentially there needs to be different rates applied even in different jurisdictions and places. We think that can potentially be achieved through the COAG process, but I note that the recommendations of the inquiry report do not rule out the potential for this to be a nationally implemented scheme. We call for it to be nationally consistent. We leave it in the hands of the government, at this stage, as to whether it is nationally consistent across a state-by-state basis or, indeed, implemented at the national level.

The coalition has further encouraged the government to potentially look at engaging the Productivity Commission—in a very quick manner, we would hope—to look at some of the broader issues around the interrelationships between MRET, feed-in tariffs and the ETS. We need to look at just how we go about most effectively building the renewable energy sector in Australia and how we do so in a manner that is simultaneously the most environmentally and most economically responsible. We are disappointed that the COAG process has not proceeded as rapidly as we would have hoped. We note that the COAG communique from March 2008 indicated that COAG would consider options for a harmonised approach to renewable energy feed-in tariffs in October 2008, and note with disappointment that the October COAG meeting came and went without that consideration having taken place. We, of course, understand that there were other issues that came up onto the agenda for that meeting, but we would urge the government to move swiftly to provide security and certainty to the renewable energy sector. This is particularly needed in the solar PV sector. It has faced a great deal of uncertainty—as I have canvassed in this place many times before—in its treatment in relation to solar rebates. Indeed, it still faces a level of uncertainty as to how long that rebate program will remain in place for. That is why it is critical that the industry receives the type of certainty that potentially a feed-in tariff program and regime could deliver. I know that the industry is working hard to try to achieve this.

This morning I met with Andrea Gaffney, from the Clean Energy Council. She has been undertaking a great deal of work on how to encourage the development of solar PV in particular but potentially all renewable energy sources. This morning she presented some modelling by Access Economics on the potential implications of introducing feed-in tariff models. That will further add to the debate that will no doubt ensue subsequent to the tabling of this report.

In closing, I genuinely urge the government to make sure that they address this issue swiftly. As I said, we have in good faith supported the government in suggesting that at this stage the COAG process proceed. We urge the government to make sure that that is the case and that it is done rapidly.

Question agreed to.

COMMITTEES
Economics Committee

Extension of Time

Senator PARRY (Tasmania) (6.23 pm)—by leave—I move:

That the time for the presentation of the report of the Economics Committee on the provisions of bills relating to economic regeneration funds and the provisions of the COAG Reform Fund Bill 2008 be extended to 1 December 2008.

Question agreed to.

TAX LAWS AMENDMENT (2008 MEASURES No. 5) BILL 2008

Report of Economics Committee

Senator McEWEN (South Australia) (6.24 pm)—On behalf of the Chair of the Economics Committee, Senator Hurley, I present the final report of the committee on the provisions of the Tax Laws Amendment (2008 Measures No. 5) Bill 2008, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

OFFSHORE PETROLEUM AMENDMENT (GREENHOUSE GAS STORAGE) BILL 2008

OFFSHORE PETROLEUM (ANNUAL FEES) AMENDMENT (GREENHOUSE GAS STORAGE) BILL 2008

OFFSHORE PETROLEUM (REGISTRATION FEES) AMENDMENT (GREENHOUSE GAS STORAGE) BILL 2008

OFFSHORE PETROLEUM (SAFETY LEVIES) AMENDMENT (GREENHOUSE GAS STORAGE) BILL 2008

In Committee

Consideration resumed from 16 October.

OFFSHORE PETROLEUM AMENDMENT (GREENHOUSE GAS STORAGE) BILL 2008

Bill—by leave—taken as a whole.

Senator WONG (South Australia—Minister for Climate Change and Water) (6.25 pm)—I table a supplementary explanatory memorandum relating to the government amendments to be moved to this bill. I am advised that the memorandum was circulated in the chamber on 14 October 2008.
Senator MILNE (Tasmania) (6.26 am)—I move Australian Greens amendment (1) on sheet 5603 revised:

(1) Schedule 1, item 2A, page 3 (after line 23), at the end of section 2A, add:

(2) Another object of this Act is to ensure the full liability into the future for any adverse impact, including any leakage from carbon storage projects, is borne by the entities undertaking those projects.

It is an additional subsection and the effect of this amendment is to include:

Another object of this Act is to ensure the full liability into the future for any adverse impact, including any leakage from carbon storage projects, is borne by the entities undertaking those projects.

The reason for this amendment is to make very clear in the objects of this legislation that the liability for leakage is borne by the entities that undertake the projects and cannot therefore be seen as being borne by the community. This is the most vexed issue of the whole thing around carbon capture and storage. Companies can go out and pump liquefied carbon dioxide into these cavities and get their closure certificate from the minister. But, as the current legislation stands, there is the question of liability. What if the liquefied carbon dioxide starts leaking out of these cavities 20 or 50 years later? You will then have massive volumes of carbon dioxide starting leaking out of these cavities and get their closure certificate from the minister. But, as the current legislation stands, there is the question of liability. What if the liquefied carbon dioxide starts leaking out of these cavities 20 or 50 years later? You will then have massive volumes of carbon dioxide going into the atmosphere. There will be localised environmental impacts but the bigger picture impact is that every country has targets that it has to meet and, if you have large volumes of carbon dioxide bubbling to the surface and leaking out wherever, the community is going to have to make good elsewhere and pay the cost.

Why should these companies be able to privatise profit and socialise cost over time? We have had enough experience of mining companies doing this. I need only refer to the Fly River in Papua New Guinea. BHP polluted it, made maximum profits over a long period and left the community with a destroyed ecosystem and long-term health and environmental costs. BHP has never had to pay the full cost of the damage, let alone rehabilitate the area. That is an example of what is occurring right around the world. The legacy issues from the mining industry go on for years. Legacy issues from the mining industry are sometimes localised and sometimes they are regional. In my own state of Tasmania, there is the King River and the effect that the operations at Mount Lyell have had on it over time. The point is that companies have walked away and have not had to bear the cost of rehabilitation. Even where bonds have been paid up front, they have never been indexed in such a way that there is a reasonable amount of money to deal with the issues at the point where they need to be dealt with as community attitudes change. Rest assured, community attitudes have changed in terms of using the environment as a sewer. We cannot use the atmosphere and the ocean as a sewer anymore. The issue of liability needs to be resolved.

Sitting suspended from 6.30 pm to 7.30 pm

Senator MILNE—I rise to continue the debate on the amendment that the Australian Greens moved in this house in relation to ensuring that the full liability into the future for any adverse impact, including any leakage from carbon storage projects, is borne by the entities undertaking those projects. This is a critical principle for this bill. I say it is a critical principle because, right around the world at this particular time, governments everywhere are grappling with this issue. There is not, at the moment, a regulatory framework in any government anywhere, so Australia is trying to be the first country in the world to put together a framework for carbon capture and storage. Therefore, the principles on which this bill is based are more important. I would argue, than a lot of legislation we deal with where there is already considerable experience in other parts of the world in comparative analysis and historical data. This is cutting new territory, and everyone around the world will be looking at what Australia has done, so the principles underlying it are critically important.

I would argue that the principle that needs to be absolutely entrenched upfront is the polluter pays principle—that is, the idea that the full liability for any adverse impact is borne by the polluter, borne by the entity that is trying to store liquefied carbon dioxide in the cavities, wherever they may be in the ground. So this amendment is a critical amendment of principle because it underpins everything else I am trying to do in my amendments and that I understand the coalition are trying to do in their amendments, because we recognise that the issue into the future is that companies come and go. That is the problem. The problem is that companies have a shelf life of one, two, five, 10, 15 years or so. It is a record if they get to 50 years as the same entity as they started. But the problem is that, once carbon dioxide is pumped underground, we have to keep it there permanently—not for five, 10, 15 or 50 years, but in perpetuity.

How do you develop a framework where the liability is very clearly demonstrated so that courts in the future can make a determination about who should pay? The amendments that are going to come after this and the Greens amendments are basically about having the closure certificate at 20 years and then going to common law. This means that, if these storage cavities leak at some time in the future, that matter will end up in the courts. It is my contention, as a member of the Greens, that that will inevitably happen because, whilst you might initially get very good geological structures, the volumes we are talking about of liquefied carbon dioxide over time are such that there will be enormous
pressure going into fewer suitable geological formations. We simply will not have them, and then you will have greater risks associated with leakage.

The second question is: how are we going to plug these storages? We do not know that. The technology for plugging cavities of liquefied carbon dioxide over time is unproven, and those plugs might well not last the distance. So, underpinning this legislation has to be a clear directive to courts in the future—20 or 50 years hence—covering when this carbon dioxide was pumped into these holes in the ground by companies that were profiting by pollution and then dealing with the pollution by carbon capture and storage, so the liability rests with them. That is why having this principle upfront is so important.

At the recent International Union for Conservation and Nature World Conservation Congress that I attended in Barcelona, I sat talking to people from the Environmental Law Centre in Bonn, Germany. They talked about how European governments were trying to grapple with this issue of liability. I come from a community perspective but I suspect there are other people in the parliament who may well come from a business perspective. But it is the same for both: there will be no investment in this technology unless there is certainty about how liability is going to be assessed in the future, because if you try to ignore it and not state it explicitly, then companies will not invest because they will run the risk that, in the future, courts may interpret it one way or another. So it is important that you be explicit and upfront about who should bear liability for any leakage and adverse environmental impact that may occur in the future. It is the Greens’ view, which is why we have an amendment to this effect, that a bond should be set aside—as we require now for mining companies and so on—and it should be indexed and looked at in terms of a reasonable projection over time so that you have a reasonable amount of money to address any leakage in the time frames that we are talking about. We do not want to have what we have now: the 100-year legacy of disastrous mining impacts around the world which, even though they are disastrous, are localised. As I said before dinner, if carbon capture and storage is rolled out on a grand scale around the planet, the potential adverse impacts as to global warming and carbon dioxide going into the atmosphere are incredibly dire.

The International Energy Agency, in its recent report on carbon capture and storage, which I have downloaded, says:

This is where, essentially, the eyes of the world are turned on Australia in terms of this technology. It is no secret to anybody here that the Greens believe this technology is too slow, too far away, too expensive and too last century to be effective in dealing with greenhouse gas emissions. That is why we have argued constantly that, if the companies involved want to spend the money on it, well and good, let them do so, but public money ought not to be spent on unproven technologies when there are proven technologies that can produce zero emissions. Carbon capture and storage can never be zero emissions. It could be, if successful in terms of capturing the carbon dioxide, a low-emissions technology but it could never be zero emissions technology. And we ought to be leap-frogging the whole coal industry in favour of renewables and efficiency.

As I have said many times in this chamber, the Stone Age did not end because we ran out of stones; the Stone Age ended because we learnt to do things better. In my view, the coal age will end not because we run out of coal but because we recognise that we cannot afford to keep using it in a planetary sense because of our climate. So I would strongly put to the chamber that it is critically important in a global context that we make very clear at the beginning in the objects of this act, for the whole world to see, that Australia endorses the polluter pays principle, that an object of this act is to make sure that the entity that is responsible for undertaking these projects bears the full liability into the future for any adverse impact, including leakage.

That is why, in another amendment I will be moving later tonight, I want to make sure that one of the expert committees that the minister must appoint in relation to this must be a committee that actually monitors these underground storages for leakage. It is no use just saying that we want to look at the rights of petroleum producers, vis-a-vis carbon capture and storage proponents; we have to also be making sure that these repositories are monitored year in and year out, so that when we see any problems occurring they can be rectified—they can be examined in terms of what is happening and can be dealt with. It is such a critical matter of principle upfront in the bill. It underpins all the other amendments that the Australian Greens have. And I think, globally, it is the only responsible thing to do.

There are only two choices here: either you accept that the polluter pays and the liability rests with the polluter, or you believe that private companies ought to be able to maximise profits and that the ecological and social costs be socialised to the community in the longer term. They are the choices here in terms of principles that should underpin this legislation. I would argue that, after more than a hundred years of polluting the atmosphere for free—as these companies have
done and maximised their profits in a way that the community is now suffering with global warming—there could be no moral argument whatsoever for suggesting that the community should not only pay the costs of climate change in terms of the environmental impacts but also pay the costs in terms of rectifying things after these companies have made mistakes.

Senator JOHNSTON (Western Australia) (7.41 pm)—The opposition opposes the Australian Greens amendment. Whilst I say that, I think to some greater or lesser extent we are all singing from the same song sheet with this very commendable, unique and revolutionary legislation that does, as Senator Milne has quite rightly pointed out, seek to establish a bit of a benchmark internationally for geosequestration of greenhouse gases. The reason we oppose this amendment is that we in the opposition have a greater emphasis on the commercial viability, and what we have seen in the last 15 to 20 years in Australia is the privatisation and the use of business models in the operation of utilities delivering electricity into all of our capital cities around Australia.

I do correct Senator Milne to the extent that it is not about postcombustion or precombustion capture; it is about geosequestration—that is, the product of, particularly, a brown coal power station being captured, in the nature of capturing the smoke or capturing the carbon pre combustion, changing it into a substance that can be moved and then injected sub surface into a repository that will hold that product, as it has held oil and gas for a very long time. What we are saying is that, if there is integrity in a geophysical formal that has held oil and gas for literally thousands, if not millions, of years, we can prove up a repository that can hold this product similarly.

I do not profess to say that this framework is perfect. It is new. It is different. It seeks to do a whole lot of things that have not been done before. I want to commend the Minister for Resources and Energy, Mr Ferguson, for his determination to get on with the job here—and he has, I think, done a very good job in difficult circumstances. It is extremely complex. It is always complex when you weigh up the priorities of different tenure holders. In this instance, we have licencees and lessees of petroleum and gas licences or permits and we have the potential applicants to sequester coming from coal fired power stations or from other sources. It may well be that people who are in the future producing carbon dioxide in one form or another will want to sequester.

The commercial reality here—and our amendments go to this—is that you cannot expect to have a system with integrity and that is viable if you cannot get insurance in the short term because of the long-term liability; if you cannot manage the risk. The fact is that the target and beneficiaries of this legislation are utility energy providers. This legislation provides that after 20 years the risk will revert to the Commonwealth, to the taxpayer. What it seeks to do—and I think it does it reasonably well, acceptably well—is to balance the commerciality of the energy producers and their emissions with the future risk in geosequestration. With respect to some of the things that Senator Milne said—and I think she was right and I do not criticise her for any of those things—if you look at all the mines around the world and all the mines in Australia, the environmental problems we have are very small relative to the number of tonnes moved every day and the amount of product that we export. If this is done well it will do very much to preserve and enhance the environment. It will take a lot of carbon out of the atmosphere.

Senator XENOPHON (South Australia) (7.46 pm)—Whilst I am sympathetic to the amendment moved by Senator Milne, as I see it the nub of the points of difference on this bill is the issue of liability. My concern is that if there is unlimited liability we will not get the investment in or commitment to geosequestration in the first place. What we now see is what has been agreed in relation to the government’s original position of simply relying on common-law liability, which was clearly not satisfactory. Common-law principles are valuable, they are all well and good, but I do not believe common law is the appropriate approach when you are looking at a greenhouse gas storage regime that is the first of its type anywhere in the world and which has at its core the issue of liability, which must be dealt with. I think the alternative approach of effectively having a 20-year period of liability and then the reversion of risk to the state, with ministerial discretion to ensure that there are bonds or a contribution from industry to a fund so that if there are problems in the future there are moneys to deal with them, is the preferable one—although I think there will be other amendments that will be dealt with in relation to this.

The issues are to what extent, in the advice from expert committees the minister receives, there is transparency about the sequestration and capping of the material that has been stored, to what extent the minister has the power to require bonds from those who store greenhouse gases for the longer term, beyond the 20-year period that has been proposed, and in what manner the minister will exercise that power. I think they are the key issues that need to be dealt with.

That is my position in relation to this. I think Senator Johnston is absolutely right—this is an issue that we will need to revisit as technology and circumstances change. I see this as only a template which could well be subject to change in years to come.

Senator MCLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (7.49 pm)—I thank Senator Milne, Senator Johnston and
Senator Milne: I refer people to the International Energy Agency in their recent report on carbon capture and storage. Contrary to what Senator McLucas has just said—that prioritising the issue of liability over everything else in the bill would elevate it to an issue beyond several others—it is the issue. It is the one issue that will govern whether people invest in this technology or not. It is the one issue that is dominating everybody’s minds for the very reason that Senator McLucas indicated—that we are talking about long-term liability. We are talking about a technology that is unproven and we are talking about companies that do not want to bear that cost.

It is interesting that Senator McLucas said—and she is quite right in saying this—that no company is going to invest if they have to take the long-term liability. Doesn’t that tell you something about this technology and about the companies involved? They all run around at every hearing on carbon capture and storage and tell you how this technology is proven—’We can do it. It’s never going to be a problem. It will never leak.’ If they believe their own rhetoric about it never being a problem, what is their problem about investing and taking on the liability? The fact of the matter is that they have no more confidence or knowledge than anybody else about whether the plugs they put on these repositories are going to last. They certainly will not withstand geological impact—a seismic impact, for example; nothing can withstand that. There are a range of other things that may occur in terms of the plug not succeeding in doing what it is set out to do.

I refer people to the International Energy Agency report. They go into a lot more considered detail about the costs, the liabilities and the level of risk associated with CO2 storage projects and how they will evolve as the project progresses given the life cycle of the project. They go on to say:

In general, the third party and self-insurance instruments are best suited to the injection-closure and post-closure periods. The risk profile of the project is clear while the site is active and the developer-owner or operator is best able at this stage to leverage the funds necessary to finance the instruments.

So you can do the estimated costs and risks and so on at the stage at which you are actually transferring the CO2, injecting it in the site and so on. But as the International Energy Agency points out:

…the long-tailed risk profiles of CO2 storage sites result in uncertain probability of risk exposure, which will make it difficult to define the degree and costs of any necessary remedial activities. It is also difficult to identify and monetise the damages that could result from the long-term leakage of CO2—

which is the point I am making about why we need to entrench the principle about who is liable, because at this point we do not know what the truth of the matter is in terms of our ability to capture and store for the long term. It goes on to say:
It is difficult to assign the upper limit of financial liability that underpins the more traditional third party and self-insurance financial instruments. In these circumstances a public-private pooling structure, either in the form of an insurance pooling model or a compensation as in trust fund model, is likely to be the most suitable to provide the necessary financial assurances over the long term. But both of these models involve a blend of financial instruments designed to pool potential risk.

Then it goes on to talk about all of that and says:

Governments are currently considering when they will take overall responsibility for managing a closed CO2 storage site—

which is the issue we have been grappling with here. Is it 10 years, 15 years, 20 years or 50 years? At what point does a government recognise a company will no longer exist? It goes on to say:

Many commentators have stated the need for governments to assume ultimate long-term liability for CO2 storage permanence, given that government is the organisational entity most likely to be in existence for the long term. However, there is still a need to clarify the extent of this transfer and the exact circumstances when this transfer of responsibility occurs—for example, the proposed European Union CCS Directive envisages the transfer of liabilities to individual member states “when all available evidence indicates that the stored CO2 will be completely contained for the indefinite future.”

It goes on:

More work is needed to clarify the conditions that might justify this transfer of responsibility.

This is where I would argue that this legislation is a pig in a poke. We simply do not know, just as the European Union does not know—nobody knows at this point—the point at which individual member states can be sure that the CO2 is completely contained for the indefinite future. The conclusion from the International Energy Agency is:

... governments and industry need to expand their discussions with the insurance industry on possible models for long-term liability. Any early CCS projects that receive special treatment regarding long-term liabilities, as in government risk sharing—

which clearly this does—

could be asked to make commitments in return—that is, regarding providing data on project performance and the independent assessment of risks and performance and so on.

This is the very latest from the International Energy Agency, making very clear that this is experimental territory. That is why this principle of the polluter pays must be entrenched. If we are silent on this issue in this legislation then we are buying ourselves real problems into the future. That is why I will be calling a division on this amendment—because I want it made very clear that, from the Greens’ point of view, we want an object in this legislation saying that it is the entity that injects the CO2, that effectively dumps CO2 into the environment, that is responsible in the longer term. Let us get that down so that 20 years hence, when this goes to court, courts can look back and see that at this time the parliament judged that the companies concerned did not have to take on long-term liability. It is a mistake, but it has to be there one way or the other.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (8.00 pm)—Thank you, Senator Milne. I really only can reiterate the assurance that I gave you earlier, that the legislation provides that the minister has to have absolute confidence before he or she can issue the closure certificate. That is the protection that I think you are seeking, the protection for the long-term liability for the material that has been sequestered. It is our view that the legislation does in fact provide that protection and it is our view that this amendment is, for the reasons I gave earlier, not necessary. I do understand your intent. We think it has been covered and we will not be supporting your amendment.

Senator MILNE (Tasmania) (8.01 pm)—I think it is extraordinarily naive to say that the minister has to be certain that it will not leak before he signs the certificate. How on earth will a minister satisfy himself or herself of that, when the people telling them it will not leak are the proponents of the injection proposal? We have seen endless examples of ministers signing off all sorts of projects—all sorts of conditions that have yet to be proven, yet to be assessed and so on—and later being proven to be wrong. In many cases they can be remediated. In this case, they will not be able to be remediated, and that is the difference.

I would hate to be a minister taking personal responsibility for signing off, saying, ‘This will not leak,’ because no minister could possibly make that judgement. Yet they will be making that judgement on an environmental impact assessment paid for by the proponents, and we all know that he who pays the piper calls the tune on environmental impact assessment. We have just had, in the last week, the Minister for the Environment, Heritage and the Arts, Mr Garrett, saying that it would be possible to approve the Gunns pulp mill in Tasmania and have the hydrodynamic modelling of the effluent done later. I have zero confidence in a minister signing a closure certificate because they are fully satisfied. He or she may well be fully satisfied, but it depends on the intelligence of the person concerned and the evidence before them; it does not actually bear any relation to the reality of whether or not that storage site will leak.

Senator JOHNSTON (Western Australia) (8.03 pm)—Without foreshadowing in too great detail, because I want to discuss this, in some respect, in context, in the scheme that is proposed, the closure certificate would be granted within five years after the end of the useful life of the repository, or earlier. The company would take its advice, the minister would take his
own advice, geophysical et cetera, and then the minister would grant the site closure certificate. Thereafter, there would be a period of 15 years, called the closure assurance period. So we are talking about a period of 20 years, technically, wherein the proponent would monitor it, with the exclusive supervision of the departments, all of the data would be referred, and all of the measurements and detections would be done. It would only be after that that the minister could say the site was safe. When he did say that, and was satisfied on all the empirical data, liability would shift to the Commonwealth.

Senator MILNE (Tasmania) (8.04 pm)—The Office of the Chief Scientist monitors Ranger on exactly the same basis, Senator Johnston. I draw your attention to the number of leaks there and the failure to report any of the adverse environmental impacts in that time frame. I take your point about the time frame you are mentioning. That is why we have an amendment to 20 years, which would take it out to 25, effectively. I understand that issue. But it does not alter the fact that no minister can make that judgement about the long term from a five-year or even a 20-year time frame because this CO2 has to stay there for time immemorial.

The TEMPORARY CHAIRMAN (Senator Crossin)—The question is that Greens amendment (1) on sheet 5603 revised be agreed to.

The committee divided. [8.09 pm]

(The Chairman—Senator the Hon. AB Ferguson)

Ayes........... 4
Noes........... 39
Majority........ 35

AYES

Brown, B.J. Ludlam, S.
Milne, C. Siewert, R. *

NOES

Adams, J. Arbib, M.V.
Bilyk, C.I. Birmingham, S.
Boyce, S. Colbeck, R.
Collins, J. Crossin, P.M.
Farrell, D.E. Feeney, D.
Ferguson, A.B. Fielding, S.
Fisher, M.I. Forshaw, M.G.
Furner, M.L. Hogg, J.J.
Humphries, G. Hutchins, S.P.
Johnston, D. Kroger, H.
Ludwig, J.W. Lundy, K.A.
Marshall, G. McEwen, A.
McLucas, J.E. Moore, C.
Nash, F. Parry, S.
Payne, M.A. Polley, H.
Pratt, L.C. Scullion, N.G.
Stephens, U. Sterle, G.
Troeth, J.M. Trood, R.B.
Williams, J.R. * Wortley, D.
Xenophon, N. *

* denotes teller

Question negatived.

Senator JOHNSTON (Western Australia) (8.13 pm)—by leave—I move opposition amendment (1); amendments (2), (4) and (5); amendments (3) and (10); amendments (6) to (8); and amendments (9) and (11), all on sheet 5620 revised. In effect, it is moving amendments (1) to (11):

10A Section 6
Insert:

closure assurance period has the meaning given by section 249CZN.

(2) Schedule 1, item 169, page 103 (after line 32), after section 249AJ, insert:

249AJA Retention lessee or production licensee to be notified of proposal to advertise blocks

Scope

(1) This section applies if:

(a) the responsible Commonwealth Minister proposes to publish a notice under subsection 249AJ(1) specifying a block that is the subject of a retention lease or production licence; and

(b) at the time of the proposal, the lessee or licensee is entitled to make an application for the grant of a greenhouse gas holding lease over the block.

Notification

(2) The responsible Commonwealth Minister must, at least 60 days before the proposed publication of the subsection 249AJ(1) notice, notify the lessee or licensee of the proposed publication.

Deferral of publication of notice

(3) If, during the period:

(a) beginning when the lessee or licensee is given the notification under subsection (2); and

(b) ending at the end of the day of proposed publication of the subsection 249AJ(1) notice, the lessee or licensee makes such an application, the responsible Commonwealth Minister must not publish the subsection 249AJ(1) notice until:

(c) the application lapses; or

(d) the lessee withdraws the application; or

(e) the responsible Commonwealth Minister refuses to grant the greenhouse gas holding lease or greenhouse gas injection licence.

(3) Schedule 1, item 169, page 104 (after line 21), at the end of section 249AK, add:

Decision must be made within 12 months

(3) The responsible Commonwealth Minister must make a decision under subsection (2) within 12 months after the end of the period specified in the relevant notice under subsection 249AJ(1).

(4) Schedule 1, item 169, page 111 (after line 12), after section 249AP, insert:
249APA Retention lessee or production licensee to be notified of proposal to advertise blocks

Scope

(1) This section applies if:
   (a) the responsible Commonwealth Minister proposes to publish a notice under subsection 249AP(1) specifying a block that is the subject of a retention lease or production licence; and
   (b) at the time of the proposal, the lessee or licensee is entitled to make an application for the grant of a greenhouse gas holding lease or a greenhouse gas injection licence over the block.

Notification

(2) The responsible Commonwealth Minister must, at least 60 days before the proposed publication of the subsection 249AP(1) notice, notify the lessee or licensee of the proposed publication.

Deferral of publication of notice

(3) If, during the period:
   (a) beginning when the lessee or licensee is given the notification under subsection (2); and
   (b) ending at the end of the day of proposed publication of the subsection 249AP(1) notice; the lessee or licensee makes such an application, the responsible Commonwealth Minister must not publish the subsection 249AP(1) notice until:
   (c) the application lapses; or
   (d) the lessee withdraws the application; or
   (e) the responsible Commonwealth Minister refuses to grant the greenhouse gas holding lease or greenhouse gas injection licence.

(5) Schedule 1, item 169, page 189 (lines 30 to 34), omit paragraph 249CR(c), substitute:
   (c) either:
      (i) the responsible Commonwealth Minister is satisfied that all of the greenhouse gas substance injected into the identified greenhouse gas storage formation or formations concerned will be obtained as a by-product of petroleum recovery operations carried on under the production licence; or
      (ii) the responsible Commonwealth Minister is satisfied that some or all of the greenhouse gas substance injected into the identified greenhouse gas storage formation or formations concerned will be obtained as a by-product of petroleum recovery operations carried on under any production licence, and that the grant of the greenhouse gas injection licence is in the public interest; and

(6) Schedule 1, item 169, page 219 (lines 13 and 14), omit subsection 249CZF(8), substitute:
   Decision must be made within 5 years

(8) If an application for a site closing certificate has been made under section 249CZE, the responsible Commonwealth Minister must make a decision on the application within 5 years after the application was made.

(7) Schedule 1, item 169, page 219 (lines 15 to 22), omit section 249CZFA.

(8) Schedule 1, item 169, page 219 (before line 23), before section 249CZG, insert:

249CZFB Acknowledgement of receipt of application for site closing certificate

Scope

(1) This section applies if an application has been made under section 249CZE for a site closing certificate.

Acknowledgement of receipt of application

(2) The responsible Commonwealth Minister must give the applicant notice of receipt of the application.

(9) Schedule 1, item 169, page 223 (after line 16), at the end of Part 2A.4, add:

Division 8—Long-term liabilities

249CZN Closure assurance period

(1) If:
   (a) a site closing certificate is in force in relation to an identified greenhouse gas storage formation; and
   (b) the responsible Commonwealth Minister is satisfied that operations for the injection of a greenhouse gas substance into the formation ceased on a day (the cessation day) before the application for the site closing certificate was made; and
   (c) on a day (the decision day) that is at least 15 years after the issue of the site closing certificate, the responsible Commonwealth Minister is satisfied that:
      (i) the greenhouse gas substance injected into the formation is behaving as predicted in Part A of the approved site plan for the formation; and
      (ii) there is no significant risk that a greenhouse gas substance injected into the formation will have a significant adverse impact on the geotechnical integrity of the whole or a part of a geological formation or geological structure; and
      (iii) there is no significant risk that a greenhouse gas substance injected into the formation will have a significant adverse impact on the environment; and
      (iv) there is no significant risk that a greenhouse gas substance injected into the formation will have a significant adverse impact on human health or safety; and
      (v) since the cessation day, there have not been any operations for the injection of a greenhouse gas substance into the formation; the responsible Commonwealth Minister may, by writing, declare that the period:
(e) ending at the end of the decision day; is the closure assurance period in relation to the formation for the purposes of this Act.

(2) A copy of a declaration under subsection (1) is to be given to the holder of the site closing certificate.

249CZO Indemnity—long-term liability

Scope

(1) This section applies if:

(a) a site closing certificate is in force in relation to an identified greenhouse gas storage formation; and
(b) when the application for the certificate was made, the formation was specified in a greenhouse gas injection licence; and
(c) there is a closure assurance period in relation to the formation; and
(d) the following conditions are satisfied in relation to a liability of an existing person who is or has been the registered holder of the licence (whether or not the licence is in force):
   (i) the liability is a liability for damages;
   (ii) the liability is attributable to an act done or omitted to be done in the carrying out of operations authorised by the licence in relation to the formation;
   (iii) the liability is incurred or accrued after the end of the closure assurance period in relation to the formation;
   (iv) such other conditions (if any) as are specified in the regulations.

Indemnity

(2) The Commonwealth must indemnify the person against the liability.

249CZP Commonwealth to assume long-term liability if licensee has ceased to exist

Scope

(1) This section applies if:

(a) a site closing certificate is in force in relation to an identified greenhouse gas storage formation; and
(b) when the application for the certificate was made, the formation was specified in a greenhouse gas injection licence; and
(c) there is a closure assurance period in relation to the formation; and
(d) a person who has been the registered holder of the licence (whether or not the licence is in force) has ceased to exist; and
(e) if the person had continued in existence, the following conditions would have been satisfied in relation to a liability of the person:
   (i) the liability is a liability for damages;
   (ii) the liability is attributable to an act done or omitted to be done in the carrying out of operations authorised by the licence in relation to the formation;
   (iii) the liability is incurred or accrued after the end of the closure assurance period in relation to the formation;
   (iv) such other conditions (if any) as are specified in the regulations; and
   (f) apart from this section, the damages are irrecoverable because the person has ceased to exist.

Commonwealth to assume liability

(2) The liability is taken to be a liability of the Commonwealth.

(10) Schedule 1, item 274B, page 372 (before line 12), before subparagraph 435B(2)(f)(i), insert:
   (ia) the powers conferred by section 249AK;
   (ib) the powers conferred by section 249AL;

(11) Schedule 1, item 274B, page 372 (after line 23), after subparagraph 435B(2)(f)(ix), insert:
   (ixa) the making of a declaration under section 249CZN;

I will try to be brief with what is a very complex piece of legislation. As Senator Milne has quite rightly identified, this is the first time that I think a constitutional government, in the Western world at least, has sought to enact a framework for geosequestration of postcombustion or precombustion greenhouse gas captured material to be sequestered in circumstances where the Commonwealth only has jurisdictional power beyond the three-mile limit. Accordingly, your first thought is that this piece of legislation is essentially focused upon Gippsland in Victoria, where the burning of brown coal for electricity generation is a very big emitter of greenhouse gases.

I refer to the vital ingredients in any piece of legislation such as this. Firstly, it must be commercially viable. If there is going to be any future for geosequestration as a solution to greenhouse gas emission, we must have a commercial focus. We must then also seek to have a commercial focus mindful that we do not want to have any diminution or derogation of the rights held by oil and gas licensees or lessees where obviously there is a high correlation between likely repositories and prospective repositories for greenhouse gas sequestration and oil and gas deposits. I emphasise commercial viability because the ultimate users will be and have been to this point in time commercial entities supplying energy into the capital cities and their hinterlands of almost every state in Australia through the combustion of coal. Such sequestration must be affordable and such rights acquired without a predominance of red tape. In other words, the system has to be very user friendly.

The first opposition amendment deals with the closure assurance period. This is relevant to amendments (9) and (11). It is simply a definition and, as I men-
tioned previously with respect to Senator Milne’s and the Greens’ amendments, it establishes the 15-year period whereby the minister, through the observation of his skilled departmental scientific officers and those of the proponent, monitors the site prior to allowing the proponent formally to be able to say that the site has fulfilled its purpose and is a secure site such that the long-term liability shifts to the Commonwealth.

Opposition amendments (2), (4) and (5) deal with the rights of the petroleum titleholders and underpin the commercial integrity of the overall offshore petroleum gas and petroleum legal frameworks. In other words, what the minister and the government have sought to do is to allow the licensees and lessees of oil and gas titles to be able to intercede—’object’ is the word I would use, as a West Australian—where an applicant to geosequester a greenhouse gas brings an application on a retention lease or another title held by an oil and gas titleholder and that titleholder can effectively stop the geosequestration proponent from proceeding further. What that does, of course, is protect the rights of the oil and gas licensee, permit holder or leaseholder, as the case may be, and it quite quickly allows—I think the period is 60 days—the proponent to realise that there is going to be disputation over that particular site so that it can move on. That is a very difficult balancing act, and I think the minister has struck a fair balance. I think that it is workable. Both the oil and gas licensees and lessees would be reasonably satisfied that their interests and proprietary rights are being protected and that the proponent to geosequester greenhouse gases would have a reasonable opportunity of knowing in a relatively short and timely fashion that that is an unacceptable proposal so far as the existing titleholder goes.

Effectively, these amendments provide for and affirm the inherent correlation and interdependence of sequestration rights with oil and gas production rights, exploration rights and retention lease rights. Such rights will now extend to greenhouse gases derived from the processing of product from the titles of, for example, the North West Shelf. So we have a difficult situation in terms of the legislative framework. In the Gippsland area of Victoria, we would anticipate that there would be greenhouse gases produced onshore through the burning of brown coal, whereas on the North West Shelf there would be substantial portions of carbon dioxide produced as a by-product of the LNG industry. The oil and gas producers in the North West Shelf would have ready access to their existing tenements for the geosequestration of those greenhouse gases into the future. I think that this is a very reasonable, albeit highly technical and difficult, marrying up of those different requirements. I want to compliment the department and the minister for what I think is a very reasonable and proper attempt at seeking to cover the field in what is a very difficult and complex area.

With respect to amendments (3) and (10), again, in line with what I have said about the user-friendly nature and the minimum of delay and red tape from a greenhouse gas producer’s point of view, we seek to limit the minister’s ability to sit on applications for any longer than 12 months. The minister will be taking advice in the practical way that I anticipate that this will be dealt with. He will be calling on his department to assess the application from a geophysical and geotechnical perspective and he will have 12 months to make a decision. Whilst that timeline, from my point of view, could be a bit quicker, we have to be thankful for small mercies. In the scheme of this complex legislation, 12 months is probably quite reasonable. Ultimately, I anticipate that a proponent into the future—and I anticipate 10 years into the future—will come to the government with a plan for carbon capture and conversion into a substance to be piped into a repository some distance away from the power station. Part of that plan will incorporate a review of the legislation. They can ask the government to change the bits they do not like or maybe alter the regulations. I believe 12 months is a reasonable period and quite user-friendly. I think it tells us that the government is dinkum about making some legislation that is actually practically applicable.

Opposition amendments (6), (7) and (8) deal with the site closure certificate. If this were to be a successful scientific scheme into the future, I anticipate there would literally be millions of tonnes of greenhouse gas product injected into the particular site. At the end of the sequestration site’s usefulness or when the geophysicist says, ‘This site will not safely accommodate any more greenhouse gas,’ the proponent must prepare the site for its capping and closure. Thereafter, when the proponent is satisfied that the capping and closure can proceed and that the site has integrity, it will apply to the minister for a site closure certificate. The minister will have five years to second-guess and review all of the data and scientific information available, as I said to Senator Milne earlier, to take the advice of his department and come to a conclusion that the site certificate may or may not be granted. If it is granted, the liability resides with the proponent. The 15 years begins upon grant of that site clearance certificate. After 15 years, if all is well and there is no leakage, and if everything goes according to the plan that was incorporated from the site’s inception in the application, the minister will declare that the site assurance period has expired.

If the minister is satisfied on all the conditions set out in amendments (9) and (11), he will effectively grant that closure and close the site such that the liability and risk moves from the corporate entity. Importantly, the corporate entity may devolve into nothing. It may be a toothless tiger, a house of straw, that has no assets and capacity to meet the liability in any event. We have suggested that 20 years is a reasonable period...
from the decision of the proponent to close the site to when the minister may formally address all of the data and say, ‘Yes, I accept that the site is safe and closed and no liability flows.’ If the minister finds something else, it is a problem for the proponent, which is in line with what Senator Milne is concerned about. In passing, I think I have dealt with amendments (9) and (11). I think that we are all, to a greater or lesser extent, singing from the same song sheet. It is simply a question of balancing the commercial risk and the liability. I think that the opposition’s amendments have struck a fair, commercial and viable balance.

Senator MILNE (Tasmania) (8.25 pm)—I have listened with interest to Senator Johnston and there are a couple of issues I would like to raise. He says that the government must make a decision within a year. Realistically, how many sites does he think are going to be up for assessment in any one year? Given the volumes of greenhouse gases we are talking about—and we are talking about coal-fired power stations—pumping out huge volumes of carbon dioxide converted to liquid CO2 and pumped by pipelines to various sites—we are giving the minister one year. It is going to involve a whole bureaucracy, depending on the number of sites. In the pilot phases and the early years there might only be a few, but it could well end up being a huge number of sites when you consider the number of coal-fired power stations pumping out carbon dioxide on the east coast of Australia and the lack of suitable sites on the east coast of Australia. There is none off the Hunter Valley. There are better prospective sites off Gippsland and Victoria, but there is certainly none off the Hunter Valley. According to the International Energy Agency maps, the most prospective sites are off the North West Shelf. It would be an awfully long pipeline from the Hunter Valley to the North West Shelf, dare I say. With carbon dioxide going one way and water the other, according to Senator Heffernan’s plan we will have an awful lot of carbonated water going one way or the other! However, that is not the point.

The issue here is: how many sites? You are saying the minister must decide within a year. That is a huge workload to be dealt with in that time. The second thing is: why five years? Whilst in the initial phases there might be greater certainty about the geological structures, as the volume increases and the necessity for more sites increases, some sites may well need longer than five years to make a decision about whether they are suitable. I would like to know why Senator Johnston has determined a five-year term and whether he thinks one year is realistic given the volumes we are talking about—if this actually proceeds in the way that the government and perhaps the opposition think it might.

Senator JOHNSTON (Western Australia) (8.28 pm)—That is a very legitimate question from Senator Milne. Nobody would lodge an application seeking to commence work on the site or the region immediately thereafter. They will do an enormous amount of work to ascertain whether the site has integrity—the geophysical profile and the cap security that is necessary in terms of the rock type formations and all of that—before they even contemplate lodging an application. They can do that by going to the department and asking for the material and information that the oil and gas companies have provided from that region, more broadly, over a long period. They would then plan an exploration program of maybe a half a dozen holes. Their plan would be completely made out before they lodged their application. If the holes do not prove up the integrity, the application simply goes nowhere.

What the minister would receive is not just a piece of paper saying, ‘I would like this area defined by GPS references.’ He would have a huge screed of documentation supporting the fact that this is a likely site, that it does not interfere with other proponents and that it is at a depth and location that is viable to the commercial interests of the greenhouse gas emitter. The minister then has 12 months to reconcile all of that work with his department to see whether they would advise that he grant the application on so many different threshold issues. That is the way the system should work and, indeed, to a greater or lesser extent that is the way mining works in Australia today. No-one simply goes out and marks out a large tenement without having done a huge amount of reconciliation of information from the particular region in question.

The other question was, I think, about the five years. Similarly, the company will never purport to close the site or apply for a closure certificate unless their scientists are telling them the site is secure and stable and they believe that the company may now make application to the minister to get the five years running. The minister may grant that application in less than the five years, in which case the 15 years would run. So there is an incentive for them to provide an enormous amount of data and supporting information that can be cross-checked by the department as to whether the site is secure.

Bear in mind that, as with the Otway trial project, there are measuring devices in the site. They are measuring and watching and calibrating the movement of the greenhouse gas material in the repository. All of this information would be available to the proponent—and must be available to him—for him to know viably how long he has got to use that site at the rate that he is injecting the material.

I actually think that the minister’s department would be able to deal with quite a number. The department has recognised from estimates, I think, some 15 feasible sites. Some are at a more advanced stage of assessment than others. But the point is that nothing is
going to happen in a way that leaves the department, the minister, the government and indeed the parliament left in the dark as to what capacity this particular site or sites would have.

Senator MILNE (Tasmania) (8.32 pm)—I accept that it is possible to measure the capacity that a site would have. What is not possible to measure is the likelihood of it staying there. That is my issue. I am fully aware that you can measure the size of a cavity and you can determine the volume of the CO₂, once liquefied, in that particular cavity. What you cannot determine is how you are going to keep it there. I am interested to know how you are going to monitor these cement plugs, or whatever they are called, over time underneath the ocean.

When I come to the one year and the five years, I am concerned that we are talking about 15 sites. But we are going to need a lot more than 15 sites for the volumes that we are talking about in the foreseeable future, because we are only talking about coal-fired power stations for the next 20 or 30 years. That is a huge volume of greenhouse gases, and I would argue that those 15 or so sites are nowhere near what would be necessary in that time frame. My concern is that the minister is only going to be as well informed as the companies that make the greenhouse gases. Contrary to the argument, you are saying that no company is going to put it forward until they can prove that there is no leakage. On the contrary, I think that, now that the principle is established that the polluter does not pay and that the liability will be shifted to the taxpayer and the community as soon as this period ends, there is a strong argument for them to get their closure certificate as fast as possible so that they can wash their hands of the liability. As long as you take away the liability from them, there is an incentive for them to get it off their books as fast as possible. To give them an incentive to do the right thing, you must make them fully liable. That is where I have a totally reverse point of view from the government and the opposition. There is no evidence anywhere that people who have been excused of liability are more responsible than people who have to bear full liability.

Senator JOHNSTON (Western Australia) (8.34 pm)—In answer to those perfectly legitimate questions, firstly, we have not even begun to properly look for sites. These are sites that have been yielded through oil and gas exploration or through any other means where we have been taking commercial carbon dioxide or where we have been mining generally. Once we start to see a commercial imperative in looking for and drilling up sites, I think you will see that there will be many more sites and they will have a potentially enormous capacity. We know how much oil and gas there is. I am told, but I stand to be corrected, that there is 70 years worth of gas at the current rate of extraction on the North West Shelf. I think the figure changes on an almost daily basis.

Currently, there is a very large number of projects around the world that are using sequestration in one form or another. It is carbon capture and storage that are new here. At Sleipner and Snohvit, in Norway, I believe there is a project going along quite successfully. In Salah, in Algeria, there is a very successful project. And at the Archer Daniels ethanol plant in Illinois there is a successful project that is sequestering carbon dioxide closely adjacent to a town site and the town’s water reservoir.

Ultimately, the proof of this pudding will be in a complete review of the Otway Basin project, which is going along, I think, very successfully. It is sequestering 100,000 tonnes of CO₂. The report on that project will probably be available in the mid to latter part of next year. The measurements and all of the information is there. The measuring devices are so sensitive that, when the wind is blowing from the north-east, they can detect carbon dioxide from the city of Melbourne, some 300 kilometres away.

Those are the facts about what is happening with this technology. Bear in mind that this is inaugurating legislation. It is the first time anyone has attempted to create a framework that is user friendly and potentially viable for brown coal energy producers in particular.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (8.37 pm)—First of all, I want to thank the Senate for facilitating the consideration of all opposition amendments together. I think it is very sensible. The amendments moved by Senator Johnston reflect the outcome of very constructive negotiations with the opposition and will be supported by the government. It is important to note that these discussions were assisted by the valuable reports on the bills prepared by the Senate Standing Committee on Economics and the House of Representatives Standing Committee on Primary Industries and Resources. I place on record our thanks to the membership of both those committees for the work that they have done in informing this debate.

Senator Johnston outlined very clearly the result of the adoption of those amendments, so I will not take the Senate’s time to go through that. On behalf of the minister, I want to thank the opposition spokespeople who have had carriage of the legislation, Mr Ian Macfarlane and Senator Johnston, for their assistance and the cooperative way in which their offices and the office of the minister have operated. The government will be supporting the opposition amendments.

Senator MILNE (Tasmania) (8.38 pm)—I am concerned about one particular amendment. When Senator Johnston said that he would move them all together, I had not anticipated that he was going to do that. I thought that we were going to take them in order. I
would like to have opposition amendments (6) to (8) on sheet 5620 voted on separately.

The TEMPORARY CHAIRMAN (Senator Barnett)—Thank you, Senator Milne. I will put opposition amendments (6) to (8) on sheet 5620 separately. The question is that opposition amendments (1) to (5) and (9) to (11) on sheet 5620 be agreed to.

Question agreed to.

The TEMPORARY CHAIRMAN—The question is that opposition amendments (6) to (8) on sheet 5620 be agreed to.

Question agreed to.

Senator MILNE (Tasmania) (8.40 pm)—I would like it recorded that the Greens voted against amendments (6) to (8) on sheet 5620.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (8.40 pm)—by leave—I move government amendments (1) and (2) on sheet PN302:

(1) Schedule 1, item 81, page 22 (line 21), at the end of the definition of significant risk, add “, 15F A, 15FB, 15FC or 15FD”.  

(2) Schedule 1, item 109, page 36 (line 23) to page 38 (line 7), omit section 15F, substitute:

**15F Significant risk of a significant adverse impact—approval of key petroleum operations**

(1) For the purposes of sections 79A, 79B, 114A, 114B, 138A and 138B and paragraph 435B(2)(a), the question of whether there is a significant risk that a key petroleum operation will have a significant adverse impact on:

(a) operations for the injection of a greenhouse gas substance; or

(b) operations for the storage of a greenhouse gas substance;

is to be determined in a manner ascertained in accordance with the regulations.

(2) A manner ascertained in accordance with regulations made for the purposes of subsection (1) must take into account:

(a) the probability, or range of probabilities, of the occurrence of the adverse impact; and

(b) the economic consequences of the adverse impact; and

(c) the economic consequences of the adverse impact relative to the potential economic value of the operations referred to in whichever of paragraph (1)(a) or (b) is applicable.

(3) Subsection (2) does not limit the matters that may be taken into account.

(4) Subsections (1) and (2) have effect subject to subsections (5) and (6).

(5) For the purposes of sections 79A, 79B, 114A, 114B, 138A and 138B and paragraph 435B(2)(a), a key petroleum operation will have an adverse impact on:

(a) operations for the injection of a greenhouse gas substance; or

(b) operations for the storage of a greenhouse gas substance;

(1) For the purposes of sections 145 and 146, the question of whether there is a significant risk that any of the operations that could be carried on under a production licence will have a significant adverse impact on operations that are being, or could be, carried on under:

(a) a greenhouse gas assessment permit; or

(b) a greenhouse gas holding lease; or

(c) a greenhouse gas injection licence;

is to be determined in a manner ascertained in accordance with the regulations.

(2) A manner ascertained in accordance with regulations made for the purposes of subsection (1) must take into account:

(a) the probability, or range of probabilities, of the occurrence of the adverse impact; and

(b) the economic consequences of the adverse impact; and

(c) the economic consequences of the adverse impact relative to the potential economic value of the operations that are being, or could be, carried on under the permit, lease or licence referred to in whichever of paragraph (1)(a), (b) or (c) is applicable.
(3) Subsection (2) does not limit the matters that may be taken into account.

(4) Subsections (1) and (2) have effect subject to subsections (5) and (6).

(5) For the purposes of sections 145 and 146, an operation that could be carried on under a production licence (the production licence operation) will have an adverse impact on operations (the relevant greenhouse gas operations) that are being, or could be, carried on under:

(a) a greenhouse gas assessment permit; or
(b) a greenhouse gas holding lease; or
(c) a greenhouse gas injection licence;

if, and only if, the production licence operation will result in:

(d) an increase in the capital costs (other than prescribed costs) of the relevant greenhouse gas operations; or
(e) an increase in the operating costs (other than prescribed costs) of the relevant greenhouse gas operations; or
(f) a reduction in the rate of injection of the greenhouse gas substance; or
(g) a reduction in the quantity of the greenhouse gas substance that will be able to be stored.

(6) For the purposes of sections 145 and 146, if there is a risk that an operation that could be carried on under a production licence (the production licence operation) will have an adverse impact on operations that are being, or could be, carried on under:

(a) a greenhouse gas assessment permit; or
(b) a greenhouse gas holding lease; or
(c) a greenhouse gas injection licence;

then that risk is not to be treated as significant, and that adverse impact is not to be treated as significant, if the amount that, under the regulations, is taken to be the probability-weighted impact cost of the production licence operation is less than the amount that, under the regulations, is taken to be the threshold amount.

15FB Significant risk of a significant adverse impact—approval of key greenhouse gas operations

(1) For the purposes of sections 249AF and 249BD and paragraph 435B(2)(b), the question of whether there is a significant risk that a key greenhouse gas operation will have a significant adverse impact on petroleum exploration operations, or petroleum recovery operations, that are being, or could be, carried on under:

(a) an existing exploration permit; or
(b) an existing retention lease; or
(c) an existing production licence; or
(d) a future exploration permit; or
(e) a future retention lease; or
(f) a future production licence;

is to be determined in a manner ascertained in accordance with the regulations.

(2) A manner ascertained in accordance with regulations made for the purposes of subsection (1) must take into account:

(a) the probability, or range of probabilities, of the occurrence of the adverse impact; and
(b) the economic consequences of the adverse impact; and
(c) the economic consequences of the adverse impact relative to the potential economic value of the petroleum exploration operations, or petroleum recovery operations, that are being, or could be, carried on under the permit, lease or licence referred to in whichever of paragraph (1)(a), (b), (c), (d), (e) or (f) is applicable.

(3) Subsection (2) does not limit the matters that may be taken into account.

(4) Subsections (1) and (2) have effect subject to subsections (5) and (6).

(5) For the purposes of sections 249AF and 249BD and paragraph 435B(2)(b), a key greenhouse gas operation will have an adverse impact on petroleum exploration operations, or petroleum recovery operations, that are being, or could be, carried on under:

(a) an existing exploration permit; or
(b) an existing retention lease; or
(c) an existing production licence; or
(d) a future exploration permit; or
(e) a future retention lease; or
(f) a future production licence;

if, and only if, the key greenhouse gas operation will result in:

(g) an increase in the capital costs (other than prescribed costs) of the petroleum exploration operations or petroleum recovery operations; or
(h) an increase in the operating costs (other than prescribed costs) of the petroleum exploration operations or petroleum recovery operations; or
(i) a reduction in the rate of recovery of the petroleum; or
(j) a reduction in the quantity of the petroleum that will be able to be recovered.

(6) For the purposes of sections 249AF and 249BD and paragraph 435B(2)(b), if there is a risk that a key greenhouse gas operation will have an adverse impact on petroleum exploration operations, or petroleum recovery operations, that are being, or could be, carried on under:

(a) an existing exploration permit; or
(b) an existing retention lease; or
(c) an existing production licence; or
(d) a future exploration permit; or
(e) a future retention lease; or
(f) a future production licence;

then that risk is not to be treated as significant, and that adverse impact is not to be treated as significant, if the amount that, under the regulations, is taken to be the probability-weighted impact cost of the key greenhouse gas operation is less than the amount that, under the regulations, is taken to be the threshold amount.
significant, if the amount that, under the regulations, is taken to be the probability-weighted impact cost of the key greenhouse gas operation is less than the amount that, under the regulations, is taken to be the threshold amount.

15FC Significant risk of a significant adverse impact—grant of greenhouse gas injection licence

(1) For the purposes of sections 249CI and 249CR and paragraph 435B(2)(c), the question of whether there is a significant risk that any of the operations that could be carried on under a greenhouse gas injection licence will have a significant adverse impact on operations that are being, or could be, carried on under:

(a) an existing exploration permit; or
(b) an existing retention lease; or
(c) an existing production licence; or
(d) a future exploration permit; or
(e) a future retention lease; or
(f) a future production licence;

is to be determined in a manner ascertained in accordance with the regulations.

(2) A manner ascertained in accordance with regulations made for the purposes of subsection (1) must take into account:

(a) the probability, or range of probabilities, of the occurrence of the adverse impact; and

(b) the economic consequences of the adverse impact; and

(c) the economic consequences of the adverse impact relative to the potential economic value of the operations that are being, or could be, carried on under the permit, lease or licence referred to in whichever of paragraph (1)(a), (b), (c), (d), (e) or (f) is applicable.

(3) Subsection (2) does not limit the matters that may be taken into account.

(4) Subsections (1) and (2) have effect subject to subsections (5) and (6).

(5) For the purposes of sections 249CI and 249CR and paragraph 435B(2)(c), an operation that could be carried on under a greenhouse gas injection licence (the injection licence operation) will have an adverse impact on operations (the relevant petroleum operations) that are being, or could be, carried on under:

(a) an existing exploration permit; or
(b) an existing retention lease; or
(c) an existing production licence; or
(d) a future exploration permit; or
(e) a future retention lease; or
(f) a future production licence;

if, and only if, the injection licence operation will result in:

(g) an increase in the capital costs (other than prescribed costs) of the relevant petroleum operations; or
(h) an increase in the operating costs (other than prescribed costs) of the relevant petroleum operations; or
(i) a reduction in the rate of recovery of the petroleum; or
(j) a reduction in the quantity of the petroleum that will be able to be recovered.

(6) For the purposes of sections 249CI and 249CR and paragraph 435B(2)(c), if there is a risk that an operation that could be carried on under a greenhouse gas injection licence (the injection licence operation) will have an adverse impact on operations that are being, or could be, carried on under:

(a) an existing exploration permit; or
(b) an existing retention lease; or
(c) an existing production licence; or
(d) a future exploration permit; or
(e) a future retention lease; or
(f) a future production licence;

then that risk is not to be treated as significant, and that adverse impact is not to be treated as significant, if the amount that, under the regulations, is taken to be the probability-weighted impact cost of the injection licence operation is less than the amount that, under the regulations, is taken to be the threshold amount.

15FD Significant risk of a significant adverse impact—power of responsible Commonwealth Minister to protect petroleum

(1) For the purposes of section 249CZC and paragraph 435B(2)(d), the question of whether there is a significant risk that any of the operations that are being, or could be, carried on under a greenhouse gas injection licence will have a significant adverse impact on:

(a) operations to recover petroleum; or
(b) the commercial viability of the recovery of petroleum;

is to be determined in a manner ascertained in accordance with the regulations.

(2) A manner ascertained in accordance with regulations made for the purposes of subsection (1) must take into account:

(a) the probability, or range of probabilities, of the occurrence of the adverse impact; and

(b) the economic consequences of the adverse impact; and

(c) the economic consequences of the adverse impact relative to the potential economic value of the operations or recovery referred to in whichever of paragraph (1)(a) or (b) is applicable.

(3) Subsection (2) does not limit the matters that may be taken into account.

(4) Subsections (1) and (2) have effect subject to subsections (5) and (6).

(5) For the purposes of section 249CZC and paragraph 435B(2)(d), an operation that could be carried on under...
rided on under a greenhouse gas injection licence (the injection licence operation) will have an adverse impact on:

(a) operations to recover petroleum; or
(b) the commercial viability of the recovery of petroleum;

if, and only if, the injection licence operation will result in:

(c) an increase in the capital costs (other than prescribed costs) of the recovery of the petroleum; or
(d) an increase in the operating costs (other than prescribed costs) of the recovery of the petroleum; or
(e) a reduction in the rate of recovery of the petroleum; or
(f) a reduction in the quantity of the petroleum that will be able to be recovered.

For the purposes of section 249CZC and paragraph 435B(2)(d), if there is a risk that an operation that is being, or could be, carried on under a greenhouse gas injection licence (the injection licence operation) will have an adverse impact on:

(a) operations to recover petroleum; or
(b) the commercial viability of the recovery of petroleum;

then that risk is not to be treated as significant, and that adverse impact is not to be treated as significant, if the amount that, under the regulations, is taken to be the probability-weighted impact cost of the injection licence operation is less than the amount that, under the regulations, is taken to be the threshold amount.

The proposed amendments also define the impacts that will be regarded as adverse impacts. These are: an increase in the capital costs, an increase in the operating costs, a reduction in the greenhouse gas injection rates or a reduction in the quantity of greenhouse gas that can be injected. Provisions to enable the regulations to set threshold criteria that may be regarded in determining if a significant risk of a significant impact exists are included in the proposed amendments. I commend the amendments to the Senate.

Senator JOHNSTON (Western Australia) (8.43 pm)—The opposition supports these amendments and commends the government for the very complex nature of issues they have had to deal with. I believe that we have achieved a lot in the addressing of significant risk to the various interests of the various parties that are potentially affected through the grant or through an application to sequester this material. I too commend these amendments to the Senate.

Senator MILNE (Tasmania) (8.44 pm)—I note with interest that these amendments refer to significant adverse impact in relation to other users but not in relation to the environment or the community. Why is it confined to sorting out the differences in terms of significant adverse impact on the petroleum and gas industry or on those proponents seeking to inject liquefied CO2? Why is there no requirement to address the significant adverse impacts in relation to what happens to the community—either at the local level, if the gas leaks out, or at the global level, in terms of a state party’s responsibility to meet an agreed treaty target—and who will bear the responsibility to make good? Why is that not there? I concur that it is a good idea to address what the significant adverse impacts are, and that a lot of work has been done on that, but why is it restricted to that and why does it not include the broader common interest position?

Senator JOHNSTON (Western Australia) (8.45 pm)—The simple answer is that, when the minister...
exercises his discretion and his powers of grant, he is taken to be considering those aspects. So he will call for advice and for matters of public interest and importance in the making of his decision. He is taken to have considered those matters because he is the guardian of the public interest in this instance.

Senator MILNE (Tasmania) (8.46 pm)—Again, I might say that there are plenty of environment ministers and resource ministers who have never been the guardian of the public interest.

Senator Johnston—That’s why they get voted out.

Senator MILNE—This is a very different issue from ones we normally deal with. Yes, as Senator Johnston says, ministers and governments can be voted out if they fail to take the public interest into account. The problem here, however, is that it is easier for a minister not to take the public interest into account because a problem may occur two generations hence and they will be long gone from the ministry. They may not even be alive when, some time in the future, the consequences of their actions in giving these certificates may come to bear on the community. My issue is that Australia, as a state party, will have binding targets in a post-2012 treaty. Senator Johnston rightly points out that we are talking about vast underground storages of liquefied CO2. If there is a substantial leak from one of these storages, from a failure of one of these plugs, or if the geological formation is unstable and leads to a massive release of CO2, there might be, as has happened in Africa, a significant localised impact.

The greater concern, however, is the impact on the liability. The country concerned will have to make good that CO2 emission. That may be in terms of offsets, or in terms of strengthening the cap, or whatever you may have in terms of your other obligatory framework, but the broader community will pay, one way or another. And they will pay in terms of greenhouse gas impacts if this fails around the world in a similar time frame. If you have pumped it in and, for 20 years, things are reasonably stable everywhere and then, for some reason, over time there is a deterioration and you lose a lot at any one time, you could potentially have a massive impact on the acceleration of global warming. So that is why I make the point that it is all very well to address the significant adverse risk to petroleum companies, and to sort out who takes precedence in terms of those injecting the CO2 and those who have exploration rights or oil and gas extraction rights, but it is the longer-term broader interest that, I think, should have been identified.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (8.49 pm)—Thank you, Senator Milne, for your comment. This amendment goes to the management of the interaction between the petrol industry and the greenhouse gas industry. The concerns that you have about long-term effects on both the environment and human health and safety are shared. I think they are shared by every person in this chamber. But this particular amendment goes to the interaction between those two entities in terms of sequestration.

When the minister is making his or her decision about closure, that is the point where your concerns will be dealt with—where any significant adverse impact on the environment or the community is covered. Division 8, ‘Long-term liabilities’, 249CZN, ‘Closure assurance period’, sections 1C (iii) and (iv), specifically says that you cannot issue a site closing certificate unless that responsible Commonwealth minister is satisfied that:

… there is no significant risk that a greenhouse gas substance injected into the formation will have a significant adverse impact on the environment …

Then, in subsection (iv), the word ‘environment’ is replaced by ‘human health or safety’. It is our view that that is very strongly considered in the issuing of a closure certificate. So your concerns are shared and, we believe, are covered off by the legislation, which ensures that the closure certificate will protect not only the fact that the gases will be captured but also the long-term security of that capturing. Can I also indicate that the EPBC Act interrelates with this bill—which, hopefully, will become an act—and that is where issues of environmental regulation, as you are undoubtedly aware, will be covered.

Senator JOHNSTON (Western Australia) (8.51 pm)—Just to support what Senator McLucas said, I think the legislation is much the better for these provisions. Let us face it, ministers are building public buildings, railway lines, roads and bridges—you name it—which are all very risk-laden activities. The minister, the department, the government and the parliament can only do their best to mitigate those risks. This legislation is an example of seeking a very laudable and noble outcome through providing a system which, if it works, if it is done properly and if it is safe, will be a substantial advance in environmentalism. It will take literally millions, if not billions, of tonnes of carbon out of the atmosphere, which is something I know that Senator Milne would want. We are seeking to do it in a way that is feasible, reasonable, safe and risk averse. That is what this piece of legislation seeks to do. At the end of the day, we cannot guarantee that the site or sites used will not be affected by geophysical activity or by something that we could not possibly know about or that was not reasonably foreseeable. But, at the end of the day, we would not get out of bed if we relied on that perspective too greatly.

Senator MILNE (Tasmania) (8.53 pm)—There are a couple of matters I want to raise. Senator McLucas made the point that the minister must be satisfied in
terms of adverse significant impact to human health and the environment and so on. What is the definition of ‘significant adverse impact’ in this legislation in relation to human health and environment? Is it a subjective analysis, or does the government have a definition of what a significant adverse impact is? We know what a significant adverse impact on a company is in relation to the petroleum rights and/or the storage and injection rights, but we only have ‘must take into account significant adverse impact’ to human health and the environment. I would like to know what a significant adverse impact is.

While Senator McLucas is considering that definition, I would point out to Senator Johnston that there is no-one in this place more passionate about reducing greenhouse gasses than I am, but the 21st century demands more than a 21st century landfill strategy. This legislation is a 21st century landfill strategy, following on from landfill strategies for the last 200 years that have landed us with shocking waste issues. The most informed and enlightened environmental thinking says that we ought not to be generating waste and that we should reuse and recycle. We should regard what we do to the ground indefinitely. That is our strategy. Let me tell you all those things. But pumping waste into holes in the ground is no different from people digging holes and dumping things in it for landfill.

Whilst we know that the earth is a finite planet, there was a view that it had an infinite capacity to provide resources and an infinite capacity to absorb waste. Interestingly, people speculated for a long time that the ecosystems would collapse because we would not be able to keep on supplying resources. In fact, our ecosystems are collapsing because we do not have an infinite capacity to absorb waste. That is what the greenhouse effect is. That is what the impact of greenhouse gasses is. The ecosystems of the planet do not have an infinite ability to absorb waste. We have said that we cannot put this waste into the atmosphere—we know that now—and we are going to pump it into holes in the ground indefinitely. That is our strategy. Let me tell you that that is a very ‘last century’ strategy.

Our aim ought to be not to produce the waste in the first place and not to dump it into landfill post the event. That is why I have an incredible scepticism about this legislation being a holding strategy for the coal industry. It is a holding strategy to legitimise ongoing burning of coal and ongoing export of coal. It is not a strategy for reducing greenhouse gasses. If you were serious about this and if you took the IPCC report seriously, you would understand that global emissions have to peak by 2015 and come down. Carbon capture and storage is not going to be commercialised by 2020—probably not even by 2025, which is long after the imperative to reduce greenhouse emissions. We have the technologies now to roll out renewable energy and to be energy efficient. Why would we want to take liability to the taxpayer for this strategy? Why would we want to spend public dollars now on a landfill strategy and take liability for that for the companies which continue to profit from it? Why wouldn’t we want to use our public investment money in a zero-waste, zero-emissions strategy? It is a fundamental difference of opinion about how quickly we can move from a landfill strategy to a prevention strategy—that is, not generating the waste in the first place.

However, I am interested in Senator McLucas’s answer to my question about the definition of ‘significant adverse impact’ in terms of human health and the environment.

Senator McLucas (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (8.58 pm)—Senator Milne would be aware that the drafters of legislation regularly use language like ‘significant’. It is term that is well understood by the general populous, and that is why drafters use it. People understand that ‘significant’ means significant. It is not quantifiable. We do not want to try and define what a significant event might be when, in many respects, we do not have a crystal ball to look into the future. But can I assure Senator Milne and the Greens that this is an often used term in legislation. It is well understood by drafters, it is well understood by those of us who sit in this place and I think it is reasonably well understood by the community that a significant event is a significant event. That language is often used.

I want to respond very briefly to Senator Milne’s comments about landfill. It is really quite wrong to characterise geosequestration as landfill. It is not helpful for the community who are trying to grapple with what is a very difficult concept. When I first heard of geosequestration some years ago I had a notion that there were all these holes under the earth that must be filled with something, and that we were going to take that something out and there would be a big cavern. It is not a big cavern. We need to be very careful with our language when we are talking about new areas of science, research and technology, and we need to use language that best describes to our constituents what we are talking about, because it is not a big cavern under the ocean. As I am sure Senator Milne knows, it is porous material that we know is contained, but through which liquefied greenhouse gases can be put. We all know that it is new technology but, for those of us who are civic leaders, it is important to use language that provides information to our constituents rather than to perpetuate a myth in the community—a myth that I shared, but that was some years ago, thank goodness—that we are pumping into these big caverns under the sea. So, it is not a hole in the ground and it is not appropriate to characterise geosequestration as landfill.
This is new technology and it is really quite important technology. If the expectations that we rightly hold are achieved, we can do some fantastic things for the planet. I understand Senator Milne’s frustration that all this greenhouse gas has been produced and people have been warning about it for years. Our government is trying to deal with it now. We have a range of other measures along with geosequestration, like increasing the renewable energy target and investing into alternative energies. We are honestly trying to deal with the reality in a practical way that will protect our economy, that will protect our environment, that will ensure that icons that I hold incredibly close to my heart—the Great Barrier Reef—have the best chance of being protected. That is why I support this legislation: to ensure that we facilitate as best we can the reduction of carbon in our atmosphere with the net benefit to the world as a whole.

Senator MILNE (Tasmania) (9.02 pm)—I am sorry, Senator McLucas, but carbon capture and storage, geosequestration, is landfill. There is no other way you can describe injecting a waste product under the ground than landfill. That is what it does. Of course the coal industry hates that terminology, just like the tobacco industry did not like being called on the consequences of its actions, and hence we got low-tar cigarettes. This is the equivalent of low-tar cigarettes. This is the coal industry’s low-tar cigarettes. For years the tobacco industry pretended there was no connection to lung cancer but, when the connection was finally proved, they came out with low-tar cigarettes to legitimise their ongoing sales of cigarettes for another 20 years. Finally they have been called on that, too. This is a holding strategy only. This is being seen as the strategy that will somehow transition us from coal fired power plants to this new energy revolution, except that the energy revolution is going to leapfrog clean coal before there is ever a commercialised plant and, frankly, by the time you get a single commercialised carbon capture and storage plant—if you ever do—we are likely to be beyond the thresholds in terms of climate change. That is the reality. We have so much warmth locked into the ocean right now that the Great Barrier Reef cannot wait for carbon capture and storage. The International Energy Agency says as much. They have said that, if this was going to be commercialised in the time frame, there needed to be many more billions spent on it in the 20 years before now. Nobody is arguing that you are going to have this at a commercial scale with any kind of real impact on greenhouse gases before 2025, and the industry is pushing it out further. Even the US government, which had all the faith in it, has pushed out the time frames, and a number of the projects have fallen over in recent years because they are just not making it on economic terms.

To give you an example, we are talking about the storage aspect of it but, in terms of the capture aspect, we are not even there yet. There is not a commercial scale coal fired power station which is capable of bolting on a post combustion capture technology. If you want to have post combustion capture, then you reduce the efficiency of your power station by at least 30 or 40 per cent, which means you burn that much more coal at the front end in order to get the same amount of electricity out the other end, and you have to have the carbon capture and storage. It does not exist yet. If you want pre combustion capture, you have to build a new power station. Talking about building new coal fired power stations to go with this technology is crazy. If you have to build a new power station, why not build renewables? Why build something that is unproven, expensive and not economically viable? However, the whole world is waiting for this technology, meanwhile burning coal as usual. But I think there is about to be a big shift in gears on this because people are going to realise that we are closer to greenhouse gas thresholds than we thought. The coral reef scientists are already saying that it is too late for the world’s coral reefs and that we are now managing them for decline. Nobody wants to hear these messages because everybody wants to think there is enough time to turn it all around, have everything the way it is at the moment, continue as we are and somehow technology will get us through it. Well, it will not.

The reality is that two weeks ago a Russian Arctic exploration ship and a British ship at two separate locations discovered methane chimneys bubbling up through the Arctic, caused by the melting of the permafrost on the ocean floor. Once you start getting methane chimneys, you are into an almost feedback loop that you cannot stop. There are indications that the thermohaline is starting to slow, the thinnest Antarctic ice is melting from underneath, and the Arctic has had its lowest level of ice ever in the summer this year. This is the reality. We do not have the time to wait for this.

I do not go out and talk about doomsday scenarios, but I can tell you that I lose a lot of sleep worrying about just how accelerating the greenhouse impact is, how little time we have got to turn it around and the lack of political will to do so in terms of rigorous targets. That is why I take some hope from the fact that Obama has come out and said that a new target for America will be 80 per cent by 2050 and that the UK government has transformed its target to 80 per cent by 2050. It will leave this government with no other choice but to do the same or be seen as a global recalcitrant. That debate is going to be had in Poznan and Copenhagen next year.

That is why I think you have to call this for what it is. Anything that is trying to deal with a waste that you
have generated is a last century idea. A 21st century idea is preventing the waste in the first place, doing the full cycle analysis of whatever the product is, learning to reuse and learning to have synergies in uses of waste products so that you do not need to deal with dumping to atmosphere, dumping to ocean and dumping to rivers. We have to end that mentality—and we are nowhere near ending that mentality right now.

Question agreed to.

Senator MILNE (Tasmania) (9.09 pm)—by leave—I move Australian Greens amendments (2) and (3) on sheet 5603:

(2) Schedule 1, item 169, page 218 (line 6), omit “may”, substitute “must”.

(3) Schedule 1, item 169, page 218 (line 7), omit “may”, substitute “must”.

These amendments regard mandatory refusal of pre-certificate notices. A concern was raised in the Senate inquiry that the minister does not have to refuse to give a pre-certificate notice relating to an application for a site even if the minister is satisfied that there is a significant risk that the greenhouse gas injected into that site will have an adverse impact.

Given that the minister, even if satisfied that there is a significant risk, does not have to refuse to give such a pre-certificate notice, these amendments change the word ‘may’ to ‘must’, so that the minister must refuse it as a site if he or she is persuaded at that point that there is a significant risk of an adverse impact. Otherwise, you can have a minister who knows that there is a significant risk that greenhouse gases injected into that site will have an adverse impact but they can still grant the particular certificate. These amendments provide the minister with some certainty when being leant on by either the politics of the day or the imperative to approve sites and so on. If he or she knows that there is a high risk of an adverse impact, then they must refuse that site.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (9.11 pm)—The government indicates that it will not be supporting the amendments moved by the Australian Greens. It is our belief that there is a need for flexibility in ministerial decision making with regard to the issuing of the closure certificate. Because of the process of the issuing of that closure certificate being very robust and very regulated, it is our view that issues and their importance will be considered on a case-by-case basis and an event-by-event basis. So it is our view that it is not a requirement to support the amendments moved by the Australian Greens.

Senator MILNE (Tasmania) (9.12 pm)—I think the minister may have misunderstood, because this is relating to the application for a site, not a closure certificate. The fact is that the minister does not have to refuse to give a pre-certificate notice relating to an application for a site even if the minister is satisfied. This is before they actually pump anything in there, not at the point at which they would sign off.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (9.12 pm)—Thank you, Senator Milne; I take your point. Can I say, though, that the same response applies whether it be either of the elements that you are referring to.

Senator MILNE (Tasmania) (9.12 pm)—I cannot understand why a minister ought to be able to have a discretion at that point. This is for an application for a site. Why would you need the discretion to approve that site if you knew that it was unsuitable? Why would you do that? I can think of a hundred reasons, with a lot of pressure on governments and so on to actually go ahead, that a minister might think: ‘Gosh, I’ve got a few suspicions about whether this site is going to be suitable but I’ll sign it anyway. I won’t be here in five years time when they finish this, so it will be somebody else’s worry.’ That has been said to me before by ministers on various things—though not of course on this matter.

So the issue to me is: why would a minister need that discretion if they know at the point of application for a site that there is a high risk associated with that site? It just seems to me that that is giving political discretion. The very point I am making about all of this is that, if it becomes a political judgement about the suitability of sites, the urgency of signing off on sites and the question of a subjective judgement about significant risk, then we might as well just accept that we are going to have the outcome of dubious political decisions.

Senator JOHNSTON (Western Australia) (9.14 pm)—It is undeniable that there may, in some circumstances, be adverse consequences that far outweigh the adverse impact, if there is one, of the granting of the pre-certificate notice. If I were to crank up my imagination I could think of myriad times whereby the minister, in consultation with state governments, looking at a blackout, a brownout—whatever you want to call it—would need to have flexibility. If the threshold of a mandatory prevention or prohibition were there, his hands would be tied, and if there were something good to flow from it he would be prevented from accessing it.

Senator MILNE (Tasmania) (9.15 pm)—That just proves the point entirely that if there is a political imperative and there is a significant risk that the greenhouse gas injected into the site will have an adverse impact then the latter can be overlooked in order to deal with the imperative of the day. And that is my concern. That is why I think the minister, having been informed that there is a significant risk that the greenhouse gas injected will have an adverse impact, ought
not to have the discretion to proceed regardless of that significant adverse impact.

Question negatived.

Senator MILNE (Tasmania) (9:16 pm)—by leave—I move Australian Greens amendments (4) and (5) on sheet 5603 revised:

(4) Schedule 1, item 169, page 220 (after line 21), after subsection 249CZGA(1), insert:

(1A) A pre-certificate notice that relates to an application for a site closing certificate must also:

(a) contain a statement specifying the ongoing liability of the applicant for the site, including (without limiting the matters for which the applicant is to remain liable) liability for the risks specified in subsections 249CZF(2) and (4); and

(b) specify the form and amount of an additional security to be lodged by the applicant to be held in perpetuity by the Commonwealth against any long-term need to meet costs arising in respect of monitoring, remediation and repair of the site.

(1B) The responsible Commonwealth Minister must seek and have regard to the advice of an expert advisory committee established under section 435A in respect of the amount of any security to be lodged by an applicant under paragraph (1A)(b).

(5) Schedule 1, item 169, page 220 (lines 22 and 23), omit subsection 249CZGA(2), substitute:

(2) The amount of the security is the sum of the estimate referred to in paragraph (1)(b) and the amount referred to in paragraph (1A)(b).

These amendments go to additional security for future liabilities. The Australian Greens believe that there should be a bond attached to these storage sites, just as we now have for the mining industry. Where clearly there will be costs associated with rehabilitation and risks associated with the venture, companies are required to put up a bond. That bond is kept by the state to make good the damages in the future. I think it is only sensible, particularly since we have no mechanism now for determining what the adverse impacts or the costs might be, that the minister has a mechanism to require the company to post a bond. If the company is so confident that the site will not leak and that there will be no liability into the future then this ought not to be a problem.

After years of dealing with the mining industry, we learnt that the best way of dealing with it was to require that companies post a bond. In that way there is an imperative for the company to be responsible. The bond money is there to address things in the future. Why wouldn't we do exactly the same thing here? We have learnt from experience that not to require mining companies to do so leaves the community with multi-million-dollar—in some cases billion-dollar—costs.

I refer again to the Tasmanian context, where the Queen and King rivers have been destroyed. There has been massive pollution of those rivers and Macquarie Harbour as a result of mining over many years. When we moved for years for tailings dams they said: ‘No, it will be too expensive. It will not be economically viable for us to continue.’ The company soon leaves, leaving the community with the massive cost of rehabilitation—so massive, in fact, that it is unlikely, in my lifetime, that they will ever clean up those rivers and Macquarie Harbour as a result of the mining at Mount Lyell over a long period. You would not want to go back and do that again, so from my point of view it is essential that we have additional security for future liabilities other than those provided for. The Greens are putting forward that:

(1A) A pre-certificate notice that relates to an application for a site closing certificate must also:

(a) contain a statement specifying the ongoing liability of the applicant for the site, including (without limiting the matters for which the applicant is to remain liable) liability for the risks specified in subsections 249CZF(2) and (4); and

(b) specify the form and amount of an additional security to be lodged by the applicant to be held in perpetuity by the Commonwealth against any long-term need to meet costs arising in respect of monitoring, remediation and repair of the site.

(1B) The responsible Commonwealth Minister must seek and have regard to the advice of an expert advisory committee established under section 435A in respect of the amount of any security to be lodged by an applicant under paragraph (1A)(b).

Amendment (5) states that the amount of the security will be the sum of the estimate referred to in the previous paragraphs. So this does not specify the exact amount; it provides a framework for the government to strike an amount for that additional liability. Otherwise, I would like to know who is going to meet the costs in respect of monitoring, remediation and repair of the site. How is the Commonwealth going to pay for the monitoring of the site?

Senator MCLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (9:21 pm)—Thank you, Senator Milne. Amendments (4) and (5), as proposed by the Australian Greens, recommend that securities be lodged by the greenhouse gas injection licence holder to obtain a site closure certificate. The security will be held in perpetuity, and that is the difficult part of the amendments that you have proposed. The security would be to cover monitoring, remediation and repair of the site. It is our belief that this approach to long-term liability will not in fact deal with the question. It assumes that contingencies will definitely be required for mediation and repair.
Like you, Senator Milne, I come from an environmentalist background. I have seen many local government approvals of mining events where a bond has not been required. But can I say it is wrong to extrapolate that sort of thinking to geosequestration. CCS is a different kettle of fish to a development that has gone awry or a mine that cannot be fixed. That is why this legislation is so complex. That is why the process, particularly of the closure certificate, is so robust that it allows the minister at that point to require that funds be provided for the ongoing monitoring of the site for a period of 15 years. We know that there is a potential for a long-term liability. It is the reasoned judgement of the government that this is the way forward that will encourage and facilitate sequestration but at the same time protect our community, protect our environment and protect our economy from a liability into the future.

The legislation as drafted adopts a more proactive approach to long-term liability, particularly compared with what is applied to the mining industry. It is far stronger; it is much strengthened. I think you would agree that this legislation is far more robust than a local government act of any state legislature. It ensures that an operator must demonstrate that any injected greenhouse gas substance is stored in a safe and secure manner and that the highest level of confidence in the long-term behaviour has been obtained. In that situation a bond for remediation and repair would be superfluous, so we will not be supporting the Greens amendment.

Senator MILNE (Tasmania) (9.24 pm)—So, after 20 years, who is going to monitor the sites and who is going to pay for that monitoring to take place? And who is going to pay for the remediation and repair if and when leakage occurs? It is not just about the remediation and repair. Who is going to make good the financial cost, to offset the carbon dioxide going into the atmosphere, that will occur under our treaty obligations? I think it is much more reasonable to ask who is going to monitor after 20 years—or are we going to pretend that no monitoring is required after 20 years? Who will pay? Who is going to remediate and repair if there is a leak? Who is going to put up the money for the offsets under our treaty obligations in order to make good the carbon that is released to atmosphere?

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (9.25 pm)—Senator Milne, I think you would be aware that the legislation requires that a prepayment would be made for monitoring by any licence holder. That is not a time limited payment. I think it is also flexible so that it can respond to the various risks that the minister may or may not see for monitoring. It would also reflect the size of the site; it would reflect how the site is behaving. So there is an opportunity in the legislation, which you would imagine would be taken up, for a prepayment monitoring charge. It is a capital payment. As I said, it is not time limited.

Should the event occur where there is a breakdown in technology or an escaping of greenhouse gases, after all of that rigour has been gone through, after we have gone through the process of the closure certificate—which, as I am sure we will talk about some more, I can confirm to you is much stronger than anything we have ever seen in the development industry or in the mining industry—it would be at that point that government would have the liability. But it is the government’s view, and I think this is shared by the opposition, that we do not predict that will happen. This legislation has been drafted in such a way as to protect human health and safety and the environment with an approach of constant monitoring and vigilance—I think that is the right word—through the life of the project. So it is our view that the amendments moved by the Greens are not required.

Senator MILNE (Tasmania) (9.27 pm)—Firstly, in terms of the monitoring, it is a fixed sum without a time limit. For how many years would you expect the monitoring to be able to be financed? Is this for the 15 years or indefinitely? For how long are we paying to monitor the site?

Secondly, I want it very strongly on the record that, unlike the government and the opposition, the Greens do believe there will be leakage and damage from these sites, that there will be a need to make good, and we totally oppose the notion that the government take liability. It will be joy to the ears of the companies to know that, after their 15 years, it is the community—it is not the government; it is the community—who will bear the liability. They will bear it not only financially but in terms of the climate. That is something that we have never dealt with before. It is a mindset entirely different from anything we have had to bear before. It has always been in monetary terms or regional or localised environmental terms before; it is now the climate—and the planet—that will suffer the consequences.

I find it naive in the extreme of anyone to stand here today, with what is a purely experimental technology and in the absence of enough safe storage sites for the volumes concerned, and say emphatically that it will not happen. I am going to stand here emphatically and say that it will, and it will happen sooner than you think. When it does then a lot of people are going to look back and realise just how naive and desperate people were to see a future for the coal industry that they were not prepared to put in place the financial mechanism for the long-term monitoring—but, more particularly, for the remediation and repair of the site—and to make good the carbon costs associated with meeting our target when it does happen, because the costs will either be monetary or the costs will be in an

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increased, more stringent cap, which means that the costs will be spread across the entire community, climate wise and financially.

I am disappointed that neither the opposition nor the government will support the need for additional security for future liabilities, but it is on the record that it is only the Greens who recognise the purely experimental and fanciful nature of this technology.

Senator McLucas (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (9.30 pm)—Very briefly, I will not respond to Senator Milne’s crystal ball, with which she can emphatically tell us that something is or is not going to happen; I do not think any of us can do that when we are talking about CCS. The specific question that Senator Milne asked was what amount per year would be required for monitoring. The reality is that that will be site specific. We are talking about sites of such variable size that every site will need to be addressed specifically. It will depend on their geology, their size and the porous nature of the material we are talking about. So it is not possible to answer that question in terms of an amount per year. The quantum will be ascertained according to the needs of each site.

Question negatived.

Senator MILNE (Tasmania) (9.31 pm)—by leave—I move Australian Green amendments (6) to (11) on sheet 5603 revised:

(6) Schedule 1, item 169, page 221 (line 9), before “site closing certificate”, insert “provisional”.

(7) Schedule 1, item 169, page 221 (line 17), before “site closing certificate”, insert “provisional”.

(8) Schedule 1, item 169, page 221 (after line 23), after section 249CZGA, insert:

249CZGAB Duration of provisional site closing certificate

(1) A provisional site closing certificate remains in force in relation to an identified greenhouse gas storage formation until a site closing certificate has been issued in relation to that formation.

(2) Without limiting the liability of the applicant for the site, the applicant (or any transferee under section 249CZH) remains liable for the matters specified in the statement made under paragraph 249CZGAA(1A)(a) while the provisional site closing certificate remains in force.

249CZGAC Issue of site closing certificate

(1) If:

(a) a provisional site closing certificate has been issued in relation to an identified greenhouse gas storage formation under section 249CZGA; and

(b) a period of not less than 20 years has elapsed since the provisional site closing certificate was issued;

the responsible Commonwealth Minister may decide to issue a site closing certificate in relation to that formation.

(2) In deciding whether to issue a site closing certificate under subsection (1), the responsible Commonwealth Minister must have regard to the matters set out in section 249CZF in relation to a decision to issue a pre-certificate notice.

(9) Schedule 1, item 169, page 222 (line 2), omit “249CZGA”, substitute “249CZGAC”.

(10) Schedule 1, item 274B, page 370 (line 26), omit “may”, substitute “must”.

(11) Schedule 1, item 274B, page 372 (after line 29), at the end of section 435B, add:

(3) The responsible Commonwealth Minister must:

(a) seek and have regard to the advice of an expert advisory committee on matters of site selection, licensing, regulation, monitoring of leakage and environmental impact and site closures; and

(b) publish the advice given by the panel.

I draw attention to the fact that we are dealing with sheet 5603 revised, so these are slightly different amendments, in terms of the expert advisory committees in particular—just to make sure that people are aware of that. In terms of the provisional site closing certificates, it is quite clear that the Greens want a longer period than that which has been proposed by the opposition. However, we recognise the opposition’s amendment to 15 years. We would have liked to make it longer, but we recognise where the government and opposition are coming from in relation to that. We would have liked to see the provisional site closing certificate remain in force until the final site closing certificate was issued, rather than the other way around, as has been proposed, but we accept that.

What I really want to speak about are the expert advisory committees. I note that the government has taken note of the concerns of the Senate committee in relation to expert advisory committees and note that there have been government amendments in relation to that. But my real concern is that, in the amendments put forward by the government and supported by the opposition, there is no requirement for the responsible Commonwealth minister to have an expert advisory committee on matters relating to site selection, licensing, regulation, and monitoring of leakage and environmental impact.

Earlier, at the closure of the second reading debate, in the summation of the government’s comments, I heard Senator McLucas say that the reason there is not to be an expert advisory committee in relation to monitoring of leakage and environmental impact and site closure is that that comes under the EPBC Act. Nobody in this chamber is under any illusion that the EPBC Act actually protects the environment. It is totally up to the discretion of the minister. It depends on what the min-
ister chooses to do, and that has been the fundamental flaw with the act from the beginning.

The issue for me is that there needs to be an expert advisory committee whose advice the Commonwealth minister must seek and have regard to in relation to issues of monitoring. Once the liquefied carbon dioxide has been pumped into storage, there must be an expert committee looking at the science and the technology and advising on the monitoring. I would like to know—and I asked this earlier—who is going to be monitoring the plugs under the sea for some of these sites, who is going to be keeping up with the latest science from around the world.

We are asking people in other countries to trust us about how well we are going to sign off our injection sites. Would we necessarily trust other countries to undertake the same due diligence with theirs? I would not, and I would not expect to. I would expect, just like with everything else around the world, some countries to have rigorous processes in place and some not to. That is the reality of the international environment. The sad thing is that we all suffer the consequences if these storage sites leak, whether they are off China, Russia, Australia, Britain or anywhere else.

So it is imperative that we set up, and the Commonwealth minister seeks and has regard to the advice of, an expert advisory committee on matters of site selection, licensing, regulation, monitoring of leakage and environmental impact, and site closures and that we publish the advice given by the panel. I do not think that is an unreasonable thing to ask for. The other expert advisory committees relate to matters of interest to the corporates and others, but there is no expert advisory committee on the environmental and ongoing impacts of these storage sites. It is imperative that the minister not only has such a panel but seeks its advice and publishes that advice so the community can see what the latest science and expert advice is in relation to these storage sites and their impacts.

Senator JOHNSTON (Western Australia) (9.37 pm)—With respect to Senator Milne’s advisory panel, the fundamental driver of risk is leakage. Leakage is a matter of expert evaluation of the geophysical environment and of the integrity of the cap structure that we are dealing with. If that is done well and there is no leakage, there is no problem. That is why the advisory panel is not talking about the wider environmental issue; it is talking about the structure and the interrelationship of accessing the structure with other tenement holders.

Senator MILNE (Tasmania) (9.38 pm)—I am not talking about the wider environment in terms of this; what I am asking is that there is an expert advisory panel in relation to the sites for which the Commonwealth has issued these site closure certificates and the pre-certificates and so on. We need to have ongoing environmental impact assessment by an expert panel, not under EPBC but in the same way as the committee recommended that there be these panels for other matters. What I am saying is that there must be an expert panel, because again this is going to determine liability. Of course nobody wants to have an expert environmental panel looking at the ongoing monitoring and the latest science and what is actually happening at that site. They would be very happy not to have one. But we want to have the minister being forced to actually have an expert advisory panel on the environmental impact of the storage sites as they currently stand at any time, regardless of who has got liability. Especially if the community ends up with the liability, it is even more imperative that the community knows what is going on at those sites.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (9.39 pm)—Thank you, Senator Milne. I refer you to section 435B. I honestly think if you look at the breadth of the matters that must be referred to the committee, a matter referred under subsection (1) must be referred and then there is almost a page and a half of matters, including, I think, the issue of environmental issues being referred to the committee. It is true that the EPBC Act is triggered by this legislation or by the actions that would be facilitated under this legislation, and I think your concerns about the EPBC Act you could deal with in amendments to the EPBC Act rather than not using the facility that exists through EPBC. However, if you read through section 435B I think you have to agree that almost any matter that you wanted to be could be referred to an expert committee. It is comprehensive; it does allow for all matters to be assessed. Can I say, though, that we thank you for the change to your earlier amendment around the membership of the expert committee. I think the panel as proposed by the government is far more sensible. But please have a look at 435B. I think you would have to agree that it is as comprehensive as it could be.

Senator MILNE (Tasmania) (9.41 pm)—I ask Senator McLucas to point out to me under 435B where the environment is taken into account. As I read it, the expert panel has the function of advising the minister and it goes under whether there is significant risk as to a key petroleum operation—rah, rah, rah—so in terms of the key petroleum operation. There is nothing in that list, as I can see it, that is telling me about environmental concerns. It is all about risks to companies. Could you tell me where in that list the minister must talk to this expert advisory panel about the environmental impacts associated with leakage.

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (9.42 pm)—I think you may have construed me to mean something that I meant not to say. But I think if you
look at (e) and (f) you will see they go to the variation of a matter specified in a greenhouse gas injection licence. I think all of them could be viewed as being environmental matters. We are dealing with the environment, and any of those licensed dealings dealing with the sequestration of greenhouse gases can be seen as being matters dealing with the environment. I will come back to the earlier point I made. EPBC is triggered by this legislation. I am advised it is not formally so, but EPBC would be triggered, and that is the more appropriate place where issues of environment will be assessed. Your point about whether or not EPBC is good legislation can be debated another day, but that is the way the environment will be protected, through this legislation.

Senator MILNE (Tasmania) (9.44 pm)—I point out that paragraph (d) says in relation to the minister and the expert advisory committee:

Where there is a significant risk that any of the operations that are being or could be carried out under a greenhouse gas injection licence will have a significant adverse impact on operations to recover petroleum or the commercial viability of the recovery of petroleum or whether a serious situation exists in relation to an identified greenhouse gas storage formation specified in a greenhouse injection licence …

It then goes on:

… matters related to the exercise of any of the following powers and in relation to the Commonwealth.

It does not actually talk about the environment—so, you are quite right to say that it does not talk about the environment, even though that is not what you said earlier, but you have now. It should be in here and not just left to the EPBC as some kind of thing over there. Everything else is spelled out in this legislation except the responsibility of the minister to set up the expert advisory panel so that they advise on the environment.

I accept that the government and the opposition are not going to support this, but it is absolutely irresponsible to be setting out conditions the minister must look at if it is going to have any impact on the operations to recover petroleum, or the commercial viability of the recovery of petroleum, but does not actually look at the adverse impacts on the environment, the monitoring and so on. Where under the EPBC Act does it tell me about monitoring for carbon dioxide leakage? It is just not going to happen. We are realists here; it is not going to happen. Are we pretending that the Environment Protection and Biodiversity Conservation Act exists for the benefit of the environmental law centre in Bonn, which will be reading this transcript? We are just referring to the fact that Australia happens to have environmental protection legislation and therefore, through some sort of osmosis, it will automatically be triggered in the mind of the Commonwealth minister and his advisory committees.

What this says to me is that the Commonwealth is more interested in making sure that the Commonwealth has an expert advisory committee so that the petroleum or the coal industries do not get themselves upset or the Commonwealth does not get caught between a fight between the petroleum industry and the coal industry as to who has precedence over the injection sites that they intend to use. The community is not part of this in terms of these expert advisory panels, and I feel very strongly that the EPBC Act is totally inadequate and almost irrelevant to this. If we are going to have expert advisory panels, let us have a panel that is there in the community interest, acting for the community, for the environment and for the bigger picture on greenhouse and not just to sort out the Commonwealth’s role in the potential litigation between the petroleum industry and the coal industry as they come to fight over precedence in the future.

Senator JOHNSTON (Western Australia) (9.47 pm)—This whole act has the environment as its fundamental objective. It is trite to say that the words ‘a serious situation exists in relation to an identified greenhouse gas storage formation specified in a greenhouse gas injection licence’ are not a matter for the environment. That is the fundamental issue that will cause the system to break down. It is what we do not want; it is about the environment. With the greatest of respect, this is not about something that is in the EPBC Act; this is about the integrity of the formation, and the environment flows from the breakdown of that. This is what the advisory committee has to look at. What we are seeking to do is establish a framework for the storage in a repository that has integrity.

The TEMPORARY CHAIRMAN (Senator Crossin)—The question is that Greens amendment 6-11 on sheet 5630 revised be agreed to.

Question negatived.

Bill, as amended, agreed to.

The TEMPORARY CHAIRMAN—There are three bills remaining. Is it the wish of the committee that the bills be taken together as a whole.

Question agreed to.

Bills reported without amendment or request; report adopted.

Third Reading

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (9.50 pm)—I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

ADJOURNMENT

The PRESIDENT—Order! It being 9.50 pm, I propose the question:
That the Senate do now adjourn.

**Breast Cancer Awareness Month**

**Senator LUNDY** (Australian Capital Territory) (9.50 pm)—Senators will know that October was Breast Cancer Awareness month. Many of Canberra’s best known buildings and those in other cities were lit up in pink and there were well patronised dinners and fundraisers, as well as wonderful publicity and support for many organisations throughout the month. Fundraising does, however, continue throughout the year, as does the work of the various support, research and fund raising organisations. I am always delighted that so many of the fund raising and support activities are focused on sporting events and encouragement to be involved in sport.

One of the October activities that I have been involved with over the years has been the annual Dragons Abreast Regatta. This year was the 10th anniversary of the establishment of Dragons Abreast Australia, and the anniversary regattas have featured the motto: ‘Ten Years on Paddling Strong’. Dragons Abreast was founded for breast cancer survivors of any age on the principle of participation and inclusiveness. For participants, competitive outcome is secondary to the idea that they are winners simply by being involved and able to paddle. Dragons Abreast was established in the ACT back in November 1999 and has become increasingly popular over the years. The ACT Regatta on 25th October was supported by the Canberra Dragon Boat Association and was fully subscribed.

That breast cancer survival may be improved by exercise is a belief that has received increasing attention in recent years. One of the research projects receiving National Breast Cancer Foundation funding is a study by Dr Sandra Hayes on physical activity and breast cancer recovery. Dr Hayes has shown that physical activity improves quality of life and coping abilities after treatment for breast cancer. She is researching two projects related to cancer recovery: one focusing on lymphoedema and the second focusing on exercise interventions among women with breast cancer.

A study in the United States has also reported that women who have been physically active before the diagnosis of breast cancer are more likely to survive. However, another report warns that:

‘While there is emerging consensus that exercise has a protective effect for postmenopausal breast cancer, there has been only limited evidence to suggest that there is a similar protective effect in younger women.

Approximately one in four breast cancers is diagnosed in premenopausal women. Cancer Research UK reports mounting evidence that a healthy lifestyle involving a high vegetable and fruit diet and physical activity could double the survival rate of women who have had breast cancer. This halving of the risk however was reported for those who had adopted both the healthy diet and the physical activity rather than just one of these elements.

It is encouraging that this research is progressing and that Australia is taking such a prominent role. Perhaps in a sense of complementing this line of investigation, one of the most popular ways to raise funds for research and support services is through sponsorship of sporting events. One of the most successful of these is the Mother’s Day Classic fun run in state and territory capitals and regions, and sponsored by Women in Super. Money raised from the Mother’s Day Classic is the largest single donation each year to the National Breast Cancer Foundation. On 11 May, I was privileged to fire the starter’s gun for this year’s ACT 10- and five-kilometre runs and walks around Lake Burley Griffin.

This year, the Mother’s Day Classic raised a national total of $1.2 million—the highest amount ever in the event’s 11-year history—and attracted a record number of participants, over 67,000. Of this number, more than 3,700 were in the Canberra run, making it the fastest growing event of all the Mother’s Day classics in that there was a 55 per cent increase over the 2007 turn out. We estimate that of the $1.2 million raised on 11 May, approximately $70,000 would have been from the ACT.

Corporate sponsors are extremely important to the success of these events and the numbers of corporate sponsors for cancer fundraising events continue to grow through the efforts of the cancer workers and volunteers. Individuals and teams are also encouraged to raise money for cancer research and support services through sponsorships. I congratulate Patricia Rae, the highest individual fundraiser in the ACT for the Mother’s Day Classic fun run. Patricia raised $8,125 and was the third highest fundraiser in Australia. Similarly inspiring was the initiative of champion master sprinter Gianna Mogentale of Wollongong. At the Alice Springs Masters Games of October 2006, she gained sponsorship for her events to raise money for the Alice Springs cancer council. To earn her sponsorship money, she had to not only win her events but also break the existing records at the Alice Springs Masters Games, which are held every two years. She did this successfully in all six events she entered and raised well over $1,000 for the cancer council.

Pink Ribbon Day on Monday, 27 October this year, was also a big fundraising day throughout Australia. Cancer councils, the National Breast Cancer Foundation and other cancer groups raised funds for research into the causes and treatments of breast cancer, support services and information, and education programs to raise awareness of breast cancer. On Pink Ribbon Day, the Prime Minister attended the National Breast and Ovarian Cancer Centre breakfast and reaffirmed the government’s support for breast cancer programs and
research with the announcement of $800,000 of extra funding to extend early intervention programs.

In the last decade there is no doubt that awareness of the cost to the community of breast cancer and the need to devote resources to tackling the problem has grown enormously. We know that one in every 11 women is likely to be diagnosed as having breast cancer during her lifetime. The increased survival rate of breast cancer sufferers can be largely attributed to this awareness, leading to early detection, and to the fund-raising and research instigated by bodies such as the National Breast Cancer Foundation, the National Breast and Ovarian Cancer Centre—formerly the National Breast Cancer Centre—and the cancer councils of each state and territory.

Each year in Australia more than 13,000 women and about 95 men are diagnosed with breast cancer and there are still 2,500 deaths per year. The encouraging news is that the breast cancer five-year relative survival rate has increased from 72 per cent in the period 1982-86 to 88 per cent in the period 1998-04.

Since 1994, the National Breast Cancer Foundation has been Australia’s leading not-for-profit community organisation, supporting and promoting research into breast cancer. Its ultimate goal is to raise enough money to fund a cure for breast cancer. Overall to date, the foundation has committed a total of $4.5 million to research, including $500,000 committed to equipment grants in 1995. Last year, the foundation allocated $14.8 million to research—a 48 per cent increase on the previous year. To date, administrative costs of this organisation have been met from investments, ensuring that money donated goes directly to research.

The foundation stresses the need for national collaboration in research projects. The Cancer Council Australia and the cancer councils of each state and territory have been conducting clinical trials and research studies that test new and better ways to prevent, diagnose and treat cancer. They have found that people being treated as part of a clinical trial do better than people treated outside of a clinical trial. They get the best available treatment or treatment that may be better and receive extra personalised care and attention from their research nurses and treating doctors. Clinical trials already have enabled numerous advances in cancer care.

On 24 September, the Minister for Health and Ageing, Nicola Roxon, and the National Breast Cancer Foundation announced a $5 million research project, which will involve the study of over 100,000 Australian women. The cohort study will support research for future studies on prevention, screening and treatments. Potentially, the study could benefit research into other cancers.

In addition to our $2.5 million commitment, the Rudd government recently announced its support for the McGrath Foundation by providing it with funding to provide specialist breast cancer nurses in 44 locations, mostly in regional and rural areas. The McGrath Foundation was set up by Jane and Glenn McGrath to support those battling the disease, as Jane did. The government will provide $12 million to help the foundation to recruit, train and employ the 44 breast cancer nurses. Locations for the nurses have been negotiated by the McGrath Foundation in consultation with state and territory governments on the basis of areas of need. Each year, I try to reflect on developments in breast cancer research and how we are progressing as a society in battling this disease. I am pleased to see that, once again, there has been some serious progress in this regard.

Broadband

Senator BARNETT (Tasmania) (10.00 pm)—I stand tonight to draw an analogy between the actions of Tasmanian Premier David Bartlett and those of Prime Minister Kevin Rudd. I refer to their ability to be consummate spin doctors. They are all spin and no substance.

Today we had an announcement from Tasmanian Premier David Bartlett with respect to the proposed start-up of the fibre optic cable across Bass Strait to Tasmania. It will now be lit, according to the Premier. He said words along the lines that high speed broadband infrastructure will be the dams, poles and wires of the future and will underpin our economic strength and jobs growth for decades to come. He says that it has been the highest priority of his government, yet his government has been there for 10 years and only today do we have the decision that the cable is finally going to be lit.

The Tasmanian government have been paying $2 million a year for the privilege of leasing the fibre optic cable across Bass Strait without it being lit or active—that is, it has been dormant. They have poured $2 million a year into a big black hole since 2004. It is a great shame. Premier Bartlett should be standing up today and apologising to the Tasmanian public. He should be saying: ‘I am ashamed of myself and the actions of my state government. For the last four years we have squandered approximately $2 million a year. But now we can say that this fibre optic cable, which is costing the taxpayers so much, is going to be activated’. This is of course welcome. This is a catch-up job for us to catch up to the rest of the nation.

I ask Premier David Bartlett to come clean with the Tasmanian public about the total cost to the taxpayer since the Basslink fibre optic cable was first laid and to announce the exact date when it will commence. We have seen a lot of fanfare today from Premier David Bartlett about this news, which he says is fantastic for Tasmania. We have seen a lot of fanfare and bluff and bluster and we have seen a lot of spin and PR, yet we have not seen the details of exactly when it is going to
start. We have heard that it will be early next year. Whether it will be February, March, April or May, we do not exactly know. That has not been made clear to us or to the public. In fact, why are we waiting until then? Why can’t it start now—this week or early next week or next month? The reason is that the Tasmanian government have been sitting on their hands in a very dilatory manner. The mismanagement and maladministration of our great state of Tasmania is very sad. Labor is foisting this on the Tasmanian taxpayer. Today’s announcement is a real catch-up job. We are so behind the times it is embarrassing. The state government cannot even announce a definitive start date. When exactly will it start? Tasmanian taxpayers have been paying $2 million a year in rent for a cable lying dormant on the sea floor. This is a disgrace.

It will be important to now review the agreement to assess its exact benefits to Tasmania, and I hope they make available to the public the terms and conditions of the agreement so that we Tasmanian taxpayers know exactly what we are going to be dealt. We will know whether it is a fair deal or a raw deal, whether it will be for the long term and what terms and conditions will apply to the agreement that has been signed with CitySpring, the owners of the cable.

I will comment shortly on federal Labor’s national broadband network but, before doing so, I want to also advise that the Premier is correct in his statement today, in which he said that the cost of moving data from Hobart to Melbourne was up to 10 times higher than the cost of moving the same data from Melbourne to Adelaide, and it was even dearer than some international routes. If it was so bad and so cost prohibitive, why has it taken the Labor government in Tasmania 10 years in to get any action? It is disappointing.

The fact that high speed broadband is now coming to Tasmania is good news for people in rural and regional Tasmania, for small business people, for those in health and education and for mum and dad broadband users. But it is a catch-up job. We are catching up to the rest of the nation. Tasmania has been left behind for years and years as a result of mismanagement and maladministration by the Tasmanian Labor government.

Yes, Telstra have had a monopoly in this regard for many years, and I am sure that they will rise to the challenge of competition in Tasmania. I am assured by the Telstra Countrywide manager in Launceston, Michael Patterson, who does a good job and is a professional, that they will be working hard to compete in this new environment once this fibre optic cable is lit.

Benefits will flow through from this, but it is a catch-up job and we must not forget that this is a big spin job by the state Labor government. I commend Will Hodgman, the state opposition leader in Tasmania, for his comments late this afternoon in which he welcomed the announcement but also confirmed that it was very belated indeed. He also expressed similar concerns about the need to get the terms and conditions clarified as soon as possible.

In addition, I notice that Aurora Energy and Basslink have put out a media release this afternoon. I thank Peter Davis for forwarding that to me. They say that Aurora Energy and Basslink have today signed a contract under which they will each deliver nationally competitive broadband services to Tasmania. That was signed in Hobart this afternoon and I hope we see the full terms and conditions of that as soon as possible.

As for waiting for federal Labor’s national broadband network, the likelihood of the national broadband network even touching on Tasmania by 2012 is looking more and more remote. Of course, under the former coalition government we would have had it years sooner. Recent reports—and I think it was on the front page of the Australian a couple of days ago—showed that there is a possibility of Telstra refusing to submit a bid. Of course, that is worrying. The Terria consortium is losing members, and some of those members have commented publicly. Senator Nick Minchin, our shadow minister, made note of that during question time today and in other places.

The tender process has been a shambles. The plan looks likely to start in the major cities and grow out to the regions, leaving Tasmania as a last priority. Why is it a last priority? Can the Labor members and the Labor senators from Tasmania please advise the public why Tasmania is a last priority. It is not right. We should be fairly dealt with. Expensive broadband is hurting Tasmanians in the same way that high fuel and grocery prices do. At some point every product uses the internet. Expensive broadband is holding us back in key areas like health, education and business.

I had the privilege of hosting a communications forum in Launceston on 11 June this year, which was attended by many industry and small business stakeholders, including Andrew Connor, from Digital Tasmania. We had the Launceston Chamber of Commerce, various small business operators, IT professionals and Hon. Bruce Billson, who was the then shadow minister for broadband. He gave an excellent address and highlighted the need for action from the federal Labor government to get the national broadband network to Tasmania much sooner. It appears that the 2012 outlook is looking very shaky indeed. I bring that to the attention of the Senate. It is a real worry and we need further action in that regard. We are looking for more action and more answers from the state Labor government and, in particular, the total cost of the cable and the definitive start date for this optic fibre cable which is bringing broadband to Tasmania.
Dragons Abreast Australia

Senator CROSSIN (Northern Territory) (10.09 pm)—I rise tonight to speak about an inspiring group, Dragons Abreast Australia. This year marks the 10th anniversary of Dragons Abreast Australia, a group which has its origins in Darwin in the Northern Territory. Dragons Abreast is a not-for-profit group of breast cancer survivors, who regularly get together to paddle dragon boats.

In October 1998 a group of women breast cancer survivors from the Northern Territory attended the National Breast Cancer Conference for Women in Canberra. Whilst there, they encountered a Canadian journalist, Sharon Batt, who mentioned that survivors of breast cancer had formed dragon boat teams in Canada. One of the Northern Territory delegates at the time, Michelle Hanton, was instantly inspired as dragon boating had recently begun in Darwin. She started up a team of breast cancer survivors and took to the waters of Lake Alexander, on the Fannie Bay foreshore, in December 1998. They became the first Australian breast cancer crew, paddling under the name of Northern Territory Breast Cancer Voice, the consumer group in the Northern Territory, which came first.

In early 1999 a breast cancer survivor crew had also formed in Canberra, which regularly paddled in Lake Burley Griffin, under the leadership of Anna Wellington Booth. By September that year, Dragons Abreast was officially formed as a national team with crews in New South Wales, the ACT and the Northern Territory. In 2000 a team competed in the Australian National Dragon Boat Titles in Penrith, New South Wales, and in local regattas in Darwin, Newcastle, Canberra and Sydney. It was from here that Dragons Abreast spread nationwide and became a national institution.

Janelle Gamble, from Queensland, was a lone paddler at the 2000 nationals and, inspired by Dragons Abreast, returned to Brisbane with a mission to form a Dragons Abreast team there. Western Australia soon followed in 2001. A group formed in South Australia in October of the same year and then a Melbourne support group formed their own team. There are now over 30 groups across Australia who take to the lakes and harbours in every state and territory, paddling as a united voice for breast cancer awareness.

Dragons Abreast was founded on principles of participation and inclusiveness. Participants consider themselves to be winners by simply being in the group and being able to paddle. Competitiveness is a secondary outcome. Breast cancer is a debilitating disease and recovery from treatment can often be long and stressful. Dragon boating has been shown to have benefits for women recovering from breast cancer. Research done by Professor Don McKenzie, an exercise physiologist from British Columbia, discovered that the impact of dragon boating on this group, which had women of all ages participating, was positive in the physical sense and, more importantly, the psychological sense. Dragon boating also impacted on other breast cancer survivors who were not in the group. It gave them inspiration to lead full and active lives.

The number of women diagnosed with breast cancer has risen in the last 20 years. In 2002 just over 12,000 women were diagnosed, compared to just over 5,000 in 1983, and that number is expected to continue to rise. The good news is that a woman’s risk of dying from breast cancer before the age of 85 is declining from a one in 29 risk in 1983 to a one in 36 risk in 2004. Australia has one of the best survival rates from breast cancer—higher than that of New Zealand, the United States, the United Kingdom and Canada.

The Dragons Abreast group paddle to show that there is quality of life despite breast cancer. The focus on team work helps to create a bond between survivors who are helping one another gain self-confidence and a sense of control in their lives in an unpredictable situation. The team also helps individuals to understand that they are not alone in having breast cancer and that there are other survivors out there who provide inspiration to each other to keep moving forward and get a renewed passion for life.

The physical aspect of the sport allows survivors to see their accomplishments; they can feel themselves getting fitter and stronger each time they paddle. It is truly inspiring to see the pink dragon boat, with its survivors on board, paddling across Cullen Bay Marina in Darwin. One Sunday I had the pleasure of being able to paddle with them and, I have to say, it was only once that I attempted to do that. It is incredibly physically demanding, and my admiration goes to those women who pursue this sport in the face of the illness from which they have suffered.

The Dragons Abreast Australia founder, Michelle Hanton, is a Darwinite, and she should not be forgotten. In fact, I know she will be long remembered for her efforts in this area. It is due to her grit, determination and passion that Dragons Abreast was established, and is now nationwide. Michelle was herself diagnosed with breast cancer in 1997, and 10 years later she is still working tirelessly to support other survivors. In June this year she was given an Order of Australia Medal in recognition for services to women’s health, particularly as the founder of Dragons Abreast Australia. She has also been honoured with the Chief Minister’s Women’s Achievement Award in 2001, and was named Northern Territory Business Woman of the Year in 2004. It is not hard to see why she has won such prestigious awards.

Michelle was absolutely instrumental in helping Dragons Abreast reach all corners of Australia. She helped branches establish themselves, even visiting those branches to provide that much needed support.
drive, relentless energy and enthusiasm. It is pretty hard to say no to Michelle, I have to say. She made herself available to members for support and advice on all matters relating to dragon boating and surviving breast cancer. As if this was not enough, inspired by the first international breast cancer survivor dragon boat regatta in Canada in 2005, she headed up the organising committee for Abreast in Australia, the first dragon boat regatta in this country where every participant was a breast cancer survivor. This was held in the last weekend of September 2007 on the Sunshine Coast and involved many trips interstate to organise sponsorship and to attend meetings. The regatta had 2,000 participants from across the globe, including survivors from Canada, New Zealand, Italy, Hong Kong and Singapore. Michelle is also a founding member of what is now known as Internationally Abreast, an Australian initiative.

I want to take this occasion this evening to congratulate Michelle, to put on record my acknowledgement of her well-deserved Order of Australia Medal and to congratulate Dragons Abreast Australia, with all its participating members, on a fantastic cause that brings hope and inspiration to countless breast cancer sufferers. This keeps the focus on increasing awareness of breast cancer and on giving hope to those who have just been diagnosed, and it helps women improve their fitness and their strength, allowing them to live full and active lives despite having been diagnosed with breast cancer. The organisation also helps in keeping their representatives educated and skilled to enable them to assist those who need it. In the Northern Territory there is the Northern Territory Breast Cancer Support Group, and it is so vital in helping women to assist each other, and allowing them to talk to someone who has had the same experience and who can provide assistance to them if they need it. This is done through workshops and, in some instances, through attendance at conferences and courses that will further their skills in specific areas. It is due to these representatives that Dragons Abreast is able to help so many women so effectively. They provide much needed support and enthusiasm to give women diagnosed with breast cancer the encouragement to fight on and survive.

So once again this evening I want to congratulate Michelle Hanton and Dragons Abreast Australia on the fantastic work they have done these past ten years. This Saturday, in the Northern Territory, they will be celebrating their 10th anniversary with a dinner at Parliament House, hosted by the Speaker, Jane Aagaard, who herself is a survivor of breast cancer. I hope that they continue their mission to inspire women and to give them hope for life after breast cancer, and I certainly want to put on record my congratulations once again in reaching their 10th anniversary. I know that this will be the first decade of celebrations of this group, with many more to come.

**Gynaecological Cancer**

Senator MOORE (Queensland) (10.20 pm)—There seems to be a bit of a theme going on this evening. Senator Crossin! Last Saturday night, my friend former Senator Ruth Webber and I, and several hundred other people, gathered together at the Roundhouse Theatre at the University of New South Wales for the third Comedy for Cancer event. We were very fortunate in 2006 to meet an extraordinary woman, Tanya Smith. She gave evidence in Perth to our inquiry into gynaecological cancer. Tanya submitted her story of being diagnosed, as a young woman of 40, with ovarian cancer. As she said in her evidence, she did not even know what it was when she got the diagnosis, but she knew there was something wrong. So Tanya gave us a submission and a chance to see into her life and the life of her partner, Cathy. But there was much more. Tanya was not prepared to just go through the medical process; she was absolutely determined that through her efforts money would be raised for the ongoing treatment of ovarian cancer in this country. She had been fortunate enough to be involved in clinical trials. In a number of the inquiries that the Senate Standing Committee on Community Affairs has done on this issue, the absolute importance of clinical trials in the ongoing treatment of people who have cancer, and also their future survival, has been reiterated over and over again by professional people and also by those of us who are working through the process ourselves.

In Tanya’s evidence in August 2006 she said that it was important for her to be involved in the clinical trial. But, as she said, in the long term:

> anyone who has been in a trial realises that you do not only try to benefit yourself, which is probably unlikely in the short term; in the long term it is benefiting everybody who has ovarian cancer. The information is invaluable.

In her submission, Tanya talked about the support that she had been given by Professor Michael Friedlander, who was also a submitter to our inquiry. Professor Friedlander is involved with an organisation with the most unattractive name, ANZGOG, the Australia and New Zealand Gynaecological Oncology Group. This group is a network of clinicians and researchers dedicated to improving prevention, detection, treatment and end of life care for women with gynaecological cancers. It is made up of technicians and professionals from across a range of areas who volunteer to be involved in this process and to identify services that can be provided to women who are working through their own processes.

Professor Friedlander says that clinical trials are widely recognised as the best way to improve outcomes for all cancers. Gynaecological cancers are no exception. There are a range of trials going on at the moment across the world, and ANZGOG makes sure that Australian women can be part of that, but it costs a
lot of money. We know through the work that goes on with Cancer Australia—a wonderful organisation; we have talked about it in this place before—that the use of clinical trials is a key priority for their work. Professor Friedlander acknowledges that. There must be ongoing federal government involvement in the funding of these trials. There needs to be much more involvement of private enterprise and also of individual donors to keep funding this essential research.

What do a group of feisty women do when they see that they have to continue raising money? They form the most irreverent group of comedians and ensure that through this process people can laugh, enjoy and extract the last cent from your wallet before you escape from the Roundhouse Theatre. They have raised an astonishing amount over three consecutive Comedy for Cancer events in Sydney. The first performance was just before Tanya came to see us in 2006. At that quite small event in inner Sydney, they raised about $40,000. This gave them a taste for bringing people together to have fun. They saw that they would be able not only to benefit other people who were going through the process but also to raise public awareness of this issue which continues to be so important. As Tanya told us in 2006, informed, educated women just do not understand the symptoms and the processes that can attack their body when they have ovarian cancer. My standing here this evening, where Jeannie Ferris talked to us many times about her own experiences, brings that home in a very personal way.

The first Comedy for Cancer in the mid-2000s gave these women the incentive to keep going. With a group of volunteer professionals in Sydney, there have now been two subsequent events. The event in 2006, which was the first one that Ruth Webber and I were able to attend at Tanya’s invitation, raised over $70,000. The event that we went to last Saturday evening exceeded that amount. Before we heard the final total, we knew that more than $70,000 had been raised by people who had shown that such effort can be successful and that people can work together. People are not asking for pity—that is the last thing on their minds—but there is something particularly confronting about women who are working through a process themselves standing in front of a crowded theatre and saying: ‘We need your help.’

Last Saturday evening was particularly poignant because Tanya is no longer with us. Her partner and the person who worked alongside her to get this process going, Cathy McCrae, was up there on the stage saying to us that this battle needs to continue. We need to continue to raise funds and to draw together women and comedians such as the extraordinary Jackie Loeb and Shelley Silverman who performed an act the other night that I think will provide a particular view on the platinum sponsor Speedo in terms of the old Skyhooks song ‘Speedo is not a dirty word’. I think that everybody who was in that theatre will remember the act and think about how important that particular process was.

The MC for the evening was the wonderful Julie McCrossin. We have all heard her on the ABC over many years. Julie called on women to take control of their lives, to have awareness campaigns and to work with each other to increase their strength but also to value their own humour as they work through the process. We must say thank you to people who are able to work together in this way and the number of professionals who gave all their time and activity free for the evening. That is how we can money, because there is no other way we can make that kind of money. We, along with Professor Friedlander, were then able to continue the message to families and people across our country. We want to get their support and for them to be aware that clinical trials are available. We want them to see the results and to understand that the best possible treatments, the best possible medications and the best possible international responses can only be achieved through the effective use and funding of clinical trials in our country.

In the final act of the evening, it was Jean Kitson, who is well known to so many of us, who reinforced the message that we had heard during the Community Affairs References Committee on Gynaecological Cancer. It was that message that we included in our report a couple of years ago. We called it the ‘silent voice’. In Jean’s comedy sketch, she said, ‘As long as ovarian cancer is the quiet voice, people may be able to overlook the issues.’ As we walked out of the Roundhouse Theatre the other evening, we committed again to be back there in two years time to have fun, to celebrate, to be quite outrageous and to behave badly. We will not be quiet.

Ovarian cancer kills many women every year in our country and across the world. We know that one in three Australians will be diagnosed with cancer in their lifetime. Ovarian cancer is the most common cause of gynaecological cancer deaths in Australian women. However, we know that there can be a cure. We know that there are more success stories now than there were three or four years ago. One of the major causes for the success is the more effective use of clinical trials. The many thousands of dollars that Comedy for Cancer has earned and will continue to earn will ensure that we will have more effective trials in this country. Women like Tanya will never be forgotten. Ovarian cancer will not be the quiet voice and we will continue to work together to find a cure.

Senate adjourned at 10.29 pm

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:
Aboriginal Land Rights (Northern Territory) Act—
Select Legislative Instrument 2008 No. 208—
Aboriginal Land Rights (Northern Territory) Amendment Regulations 2008 (No. 1) [F2008L03793]*.


Appropriation Act (No. 2) 2008-2009—Determination to reduce appropriations upon request (No. 5 of 2008-2009) [F2008L04292]*.

Australian Meat and Live-stock Industry Act—
Australian Meat and Live-stock (Beef Exports to the USA – Quota Year 2009) Order 2008 [F2008L03832]*.


Australian Prudential Regulation Authority Act—
Australian Prudential Regulation Authority (Confidentiality) Determination No. 12 of 2008—Information provided by locally-incorporated banks and foreign ADIs under Reporting Standard ARS 320:0 [F2008L04058]*.

Australian Research Council Act—
Approval of Proposals—Determinations Nos—
60—Linkage Projects Round 1 commencing in 2009.
61—Discovery Projects commencing in 2009.

Australian Laureate Fellowships Funding Rules for funding commencing in 2009 [F2008L04272]*.
Future Fellowships Funding Rules for funding commencing in 2009 [F2008L04274]*.

Banking Act—
Banking (Foreign Exchange) Regulations—
Direction relating to foreign currency transactions and to Burma—Amendment to the annex; and variation of exemptions—Amendment to the annexes, dated 16 October 2008 [F2008L03865]*.

Direction relating to foreign currency transactions and to Iran, dated 13 October 2008 [F2008L03785]*.
Variations of exemptions, dated 13 October 2008—
[F2008L03788]*.
[F2008L03787]*.

Select Legislative Instrument 2008 No. 222—
Banking Amendment Regulations 2008 (No. 1) [F2008L04286]*.

Broadcasting Services Act—
Broadcasting Services (Amalgamated Remote Television Licence Areas – Geraldton and Remote and Regional Western Australia Determination 2008 [F2008L04260]*.

Broadcasting Services (Amalgamated Remote Television Licence Areas – Kalgoorlie and Remote and Regional Western Australia) Determination 2008 [F2008L04255]*.

Broadcasting Services (Amalgamated Remote Television Licence Areas – South West and Remote and Regional Western Australia) Determination 2008 [F2008L04259]*.

Broadcasting Services (Amalgamated Remote Television Licence Areas – Western Zone and Remote and Regional Western Australia) Determination 2008 [F2008L04258]*.

Charter of the United Nations Act—Charter of the United Nations (Designated Commonwealth Entity) Amendment Declaration (No. 1) [F2008L03609]*.

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Civil Aviation Regulations—Instruments Nos—

CASA—

527/08—Instructions – GLS approach procedures [F2008L03776]*.

528/08—Directions – for determining maximum weight [F2008L03784]*.

EX59/08—Exemption – refuelling with passengers on board [F2008L03100]*.

EX66/08—Exemption – navigation and anti-collision lights [F2008L03467]*.

EX70/08—Exemption – use of radiocommunication systems in firefighting operations (Western Australia) [F2008L03710]*.

EX73/08—Exemption – solo flight training using ultralight aeroplanes registered with RAA at Coffs Harbour Aerodrome [F2008L03907]*.

Civil Aviation Safety Regulations—Airworthiness Directives—Part—

105—

AD/A320/11 Amdt 2—Engine Rear Mount Barrel Nuts [F2008L04175]*.

AD/A320/178 Amdt 1—Trimmable Horizontal Stabilizer Actuator [F2008L03738]*.

AD/A330/76 Amdt 4—Electrical Power/APU Generator Inspection [F2008L03969]*.

AD/A330/84 Amdt 1—Flight Control Primary Computer Dispatch Limitations [F2008L03786]*.

AD/B737/342—Lavatory Water Supply [F2008L03708]*.

AD/B747/384—Number 3 Main Entry Doors [F2008L03683]*.

AD/BEECH 90/62 Amdt 1—Horizontal Stabiliser Forward Spar Web Rivets – Inspection [F2008L03976]*.
AD/BEECH 200/38 Amdt 5—Wing Front Spurs [F2008L03978]*.
AD/CASA/26 Amdt 2—Steering System Hydraulic Installation [F2008L04009]*.
AD/CRESSNA 206/19—Rudder Trim Chain [F2008L03740]*.
AD/CRESSNA 207/11—Rudder Trim Chain [F2008L03739]*.
AD/DAUPHIN/98—Vertical Gyro Unit Data Output – Operational Limitation/Procedure [F2008L04174]*.
AD/DH 104/20—Landing Gear Actuator Pistons – Inspections and Replacement [F2008L04013]*.
AD/DHA-3/3—Wing Engine Mount Cross Brace Tube – Modification [F2008L04014]*.
AD/DHA-3/4—Fuel Tank Vent – Modification [F2008L04015]*.
AD/DHA-3/5—Windscreen Wiper – Modification [F2008L04016]*.
AD/DHA-3/6—Fuel Filter – Modification [F2008L04017]*.
AD/DHA-3/7—Horizontal Tail Plane Attachments – Modification [F2008L04018]*.
AD/DHA-3/8—Electrical Cable Insulation – Modification [F2008L04019]*.
AD/DHA-3/9—Battery Master Switch Insulation – Modification [F2008L04020]*.
AD/DHA-3/10—Hand Brake Installation – Modification [F2008L04021]*.
AD/DHA-3/13—Horizontal Tailplane Attachments – Inspection [F2008L04022]*.
AD/DHA-3/15—Rear Fuselage – Elevator Quadrant Installation – Modification [F2008L04024]*.
AD/DHA-3/16 Amdt 1—Underrigge Bolts P/N U-319 – Inspection [F2008L04025]*.
AD/DHA-3/17—Fuselage at Wing Rear Pickups – Modification [F2008L04026]*.
AD/DHA-3/18—Fuselage – Cross Beam and Attachment Brackets at Firewall – Modification [F2008L04027]*.
AD/DHA-3/20—Wing Rib No. 5 – Inspection [F2008L04029]*.
AD/DHA-3/22—Flap Link Attachment Bracket (Outer) – Inspection [F2008L04030]*.
AD/DHA-3/23—Flap Inner Link Attachment Brackets – Inspection [F2008L04031]*.
AD/DHA-3/24 Amdt 1—Tailplane Spar and Elevator Hinge Stiffener Bracket – Inspection [F2008L04032]*.
AD/DHC-1/6—Engine Mount Pick-Up Bolt – Inspection [F2008L03742]*.
AD/DHC-1/9—Rudder Torque Tube Flange – Inspection [F2008L03743]*.
AD/DHC-1/22 Amdt 3—Tailplane Structure [F2008L03744]*.
AD/DHC-3/17—Engine Cooling [F2008L04035]*.
AD/DHC-3/19—Fuel Line Chafing [F2008L04036]*.
AD/DHC-3/20—Mixture Control Lever Quadrant [F2008L04038]*.
AD/DHC-3/21—Rudder Pedal Support [F2008L04039]*.
AD/DHC-3/26—Tailplane Hinge Bolts [F2008L04040]*.
AD/DHC-3/28—Front Fuselage – Windshield Post [F2008L04041]*.
AD/DHC-6/1—Upper Rudder Fairing – Modification [F2008L04043]*.
AD/DHC-6/6—Tailplane Attachment Bolts – Modification [F2008L04051]*.
AD/DHC-6/11—Flap Elevator Trim Cables – Modification [F2008L04052]*.
AD/DHC-6/13—Flap Control Push Rod Assembly – Modification [F2008L04053]*.
AD/DHC-6/14—Fuselage to Wing Front Spar Attachments – Inspection [F2008L04055]*.
AD/DHC-6/21 Amdt 1—Elevator Connecting Rod – Inspection [F2008L04065]*.
AD/DHC-6/22—Propeller Auto Feather System – Modification [F2008L04066]*.
AD/DHC-6/25 Amdt 1—Main Undercarriage Platen Attach Link Fittings – Inspection [F2008L04067]*.
AD/DHC-6/26—Nose Landing Gear Fork Lock Pin – Inspection [F2008L04068]*.
AD/EC 135/21—Rear Structure/Tail Boom [F2008L03792]*.
AD/EC 225/6—Main Rotor Hub Coning Stop Supports [F2008L03705]*.
AD/EC 225/7—Fuselage – Frame 5295 and Outer Skin Panelling [F2008L03706]*.
AD/EC 225/8—Main Gearbox (MGB) Suspension Bar Fittings [F2008L03707]*.
AD/EC 225/9—Fuselage – Intermediate Gearbox Fairing Gutter [F2008L03712]*.
AD/EC 225/10—Rotor Flight Controls – Tail Servo-control [F2008L03745]*.
AD/ECUREUIL/132—Emergency Floatation Gear [F2008L03864]*.
AD/HS 125/182—MLG Upper Casing [F2008L03794]*.
AD/HU 369/121 Amdt 2—Vertical Stabilizer Control System Adapter Tubes [F2008L04173]*.
AD/PA-24/14 Amdt 2—Exhaust System – Inspection [F2008L04113]*.
AD/PA-24/22—Baggage Door Latch – Inspection [F2008L03714]*.
AD/PA-24/25—Seat Frame – Modification [F2008L03715]*.
AD/PA-24/30 Amdt 1—Uncoordinated Manoeuvres – Warning Placard [F2008L03717]*.
AD/PA-24/32 Amdt 2—Stabilator Attachment Bolts – Inspection [F2008L03719]*.
AD/PA-24/36 Amdt 1—Fin Forward Spar Attachment – Inspection [F2008L03720]*.
AD/PA-25/10—Jury Struts – Inspection and Modification [F2008L04084]*.
AD/PA-34/4—Stabilator – Inspection and Drilling of Drain Holes [F2008L03721]*.
AD/PA-34/8—Wing Walk – Inspection and Modification [F2008L03722]*.
AD/PA-34/10—Rudder Bar Assembly – Inspection and Modification [F2008L03723]*.
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AD/PA-34/12—Nose Gear Drag Link Assembly – Inspection [F2008L03724]*.
AD/PA-34/13—Propeller Damper Screws – Replacement [F2008L03697]*.
AD/PA-34/15—Outer Wing Spars – Inspection [F2008L03727]*.
AD/PA-34/16 Amdt 1—Wing Spar Lower Tension Strap – Inspection [F2008L03726]*.
AD/PA-34/20—Pneumatic De-Icer Tubing – Inspection [F2008L03698]*.
AD/PA-34/21—Rudder Cable Installation Rear Fuselage – Inspection [F2008L03729]*.
AD/PA-34/22—Fuselage Structure Rivets – Inspection [F2008L03728]*.
AD/PA-34/23—Induction, Air Box, Filter Locator Clips – Replacement [F2008L03699]*.
AD/PA-34/24—Engine Control Rod End Bearings – Inspection and Replacement [F2008L03700]*.
AD/PA-34/28—Glove Compartment – Modification [F2008L03730]*.
AD/PA-34/29 Amdt 2—Main Wing Spar Attaching Nuts [F2008L03731]*.
AD/PA-34/31—Stabilator Skin – Inspection [F2008L03732]*.
AD/PA-34/33—Window Curtain Rod Support Area – Inspection [F2008L03733]*.
AD/PA-34/35—Fuselage Structure, LH Side Sta.108 – Inspection and Modification [F2008L03734]*.
AD/PA-34/40—Stabilator Attach Fitting Corrosion [F2008L03735]*.
AD/PA-34/42 Amdt 1—Aileron Hinge Fitting Assembly [F2008L03736]*.
AD/PA-34/47—Nose Gear Hydraulic Actuator Mount Assembly [F2008L03737]*.
AD/PREMIER/6—Hydraulic Pump Pressure Output Hose [F2008L04265]*.
106—AD/RB211/27 Amdt 3—LP Compressor Fan Blades [F2008L04129]*.
107—AD/AIRCON/14 Amdt 2—Zonal Drying System Regeneration Air Duct Overheat [F2008L03972]*.

Commissioner of Taxation—Public Rulings—

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219—Criminal Code Amendment Regulations 2008 (No. 5) [F2008L03612]*. 0813301 [F2008L03806]*.
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0810322 [F2008L03830]*. 0815349 [F2008L04002]*.
0810687 [F2008L03805]*. 0815874 [F2008L04001]*.
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2008/52—Removals and housing on deployment – amendment.
2008/54—Air Force – Air Traffic Control retention bonus scheme.
2008/55—Short-term duty travel costs – amendment.
2008/56—Special benefit payment for management-initiated early retirement.

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101 of 2008—Amendment – price determinations and special patient contributions [F2008L03760]*.
102 of 2008—Amendment Special Arrangements – Chemotherapy Pharmaceuticals Access Program [F2008L03761]*.
106 of 2008—Amendment Special Arrangements – IVF/GIFT Program [F2008L04288]*.
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Amendments of Statements of Principles concerning—
Cervical Spondylosis No. 76 of 2008 [F2008L04153]*.
Cervical Spondylosis No. 77 of 2008 [F2008L04156]*.
Intervertebral Disc Prolapse No. 80 of 2008 [F2008L04162]*.
Intervertebral Disc Prolapse No. 81 of 2008 [F2008L04163]*.
Lumbar Spondylosis No. 78 of 2008 [F2008L04158]*.
Lumbar Spondylosis No. 79 of 2008 [F2008L04160]*.

Determination of Non-warlike Service—Operation HEDGEROW, dated 13 October 2008 [F2008L04179]*.

Statement of Principles concerning—
Deep Vein Thrombosis No. 74 of 2008 [F2008L04150]*.
Deep Vein Thrombosis No. 75 of 2008 [F2008L04152]*.
Immune Thrombocytopenic Purpura No. 72 of 2008 [F2008L04143]*.
Immune Thrombocytopenic Purpura No. 73 of 2008 [F2008L04145]*.
Personality Disorder No. 70 of 2008 [F2008L04137]*.

Personality Disorder No. 71 of 2008 [F2008L04140]*.
Rheumatoid Arthritis No. 68 of 2008 [F2008L04133]*.
Rheumatoid Arthritis No. 69 of 2008 [F2008L04134]*.

Governor-General’s Proclamation—Commencement of provisions of an Act
Health Insurance Amendment (90 Day Pay Doctor Cheque Scheme) Act 2008—Schedule 1—1 November 2008 [F2008L03447]*.

* Explanatory statement tabled with legislative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

**Treasury: Media Staff**
(Question Nos 17, 37 and 45)

*Senator Minchin* asked the Minister representing the Treasurer, upon notice, 12 February 2008:

(1) How many employees are engaged in positions responsible for public affairs, media management, liaison with the media and media monitoring.

(2) What are the responsibilities of these staff.

(3) What are the Australian Public Service classifications of these positions.

(4) For each of the financial years 2007-08, 2008-09, 2009-10 and 2010-11, what is the current operating budget for these media-related sections within the department or agency.

**Senator Conroy**—The Treasurer has provided the following answer to the honourable senator’s question:

The information provided below relates to the minister’s portfolio after the machinery of government changes which took place on 3 December 2007.

**Australian Accounting Standards Board**

(1) One person (part of their time).

(2) The media-related responsibilities are preparing media releases and liaison with media representatives.

(3) Not applicable – existing AASB staff are not employed under the Public Service Act.

(4)

- 2007-08 - $20,000
- 2008-09 - $21,000
- 2009-10 - $21,000
- 2010-11 - $22,000

**Australian Bureau of Statistics**

(1) Four employees are engaged in positions responsible for public affairs, media management, liaison with the media and media monitoring.

(2) The responsibilities for these staff are media liaison, media monitoring, public affairs and staff communications.

(3) The APS classification of these positions are EL2, EL1, APS6 and APS5.

(4) Media-related activity occurs within the Corporate Communications Section of the Australian Bureau of Statistics. Excluding the marketing activities also undertaken by this section, the components of the operating budget which are directly related to the activities of public affairs, media management, liaison with the media and media monitoring are estimated below. The increased budget in 2007-08 is associated with the release of the 2006 census results in 2007, and the 2010-11 increase is associated with promotional work for the 2011 census.

- 2007-08 - $0.5m
- 2008-09 - $0.3m
- 2009-10 - $0.3m
- 2010-11 - $1.0m

**Australian Competition and Consumer Commission**

(1) Two

(2) Staff are responsible for the development, clearance and dissemination of Australian Competition and Consumer Commission (ACCC) and Australian Energy Regulator (AER) news releases and speeches, including posting to the relevant websites. It responds to and assists the media and others with inquiries and research about the ACCC and AER. It provides advice to the ACCC and AER Executive on media strategy and the promotion of ACCC and AER. It monitors news developments, including Parliament, and disseminates pertinent information in a timely manner. It coordinated media interviews and news conferences. It assists in the education and development of staff in respect of media activities. The Media Unit also liaises with other agencies’ and organisations’ media units in areas of common interest. It provides editorial assistance in the development of a wide range of ACCC written content.

(3) Executive Level 2 and Australian Public Service Level 5.

(4) The ACCC’S media functions are incorporated with the Executive Branch’s operating budget. There is no separate budget for a media related section of the agency.
Australian Office of Financial Management
(1) Nil.
(2) Not applicable
(3) Not applicable
(4) Not applicable

Australian Prudential Regulatory Authority
(1) 2
(2) Public affairs, media management, liaison with the media, media monitoring, internal communications, marketing communications, strategic advice and staff management.
(3) APRA’s staff are not employed under the Public Service Act.
(4) 
   (i) 2007-08 - $203,000
   (ii) 2008-09 - $203,000
   (iii) 2009-11 - Budgets are not yet allocated

Australian Securities and Investment Commission
(1) 4 in total – 1 x National Media Manager and 3 x Media Advisers
(2) The responsibilities of these staff are –
   • Drafting and distribution of media releases in regards to enforcement and compliance activities, consumer education and policy announcements
   • Respond to media enquiries from media representatives
   • Development of broader communications plans to support regulatory functions
   • Provide advice to internal stakeholders and facilitate access to media as appropriate
   • Media monitoring for the agency
   • Media Manager has responsibility for overseeing management of staff and operations
(3) The Australian Public Service classifications of these positions are –
   • National Media Manager – Executive Level 2
   • Media Advisers – Executive Level 1
(4) The operating budgets for the media-related section are—
   • 2007-08 - $546,021
   • 2008-09 - $556,561
   • 2009-10 - $567,305
   • 2010-11 - $578,257

Australian Taxation Office
(1) 11
(2) They work with various business lines and senior executive to manage our relationship with the media and help maintain community confidence. Their business-as-usual work involves handling enquiries from journalists, managing interviews, writing and distributing media products, reviewing key documents for issues and developing handling strategies for annual and external scrutineer reports. We also deliver targeted information on two issues to media to support broader communication strategies.
(3) Their classifications are:
   • 1 x Executive Level 2.2
   • 1 x Executive Level 2.1
   • 6 x Executive Level 1
   • 1 x APS level 6
   • 2 x APS level 5
(4) In 2007-08 the operating budget is $1.2m. The Tax Office does not have forward year budgets for the financial years 2008-09, 2009-10 and 2010-11.

Corporations and Market Advisory Committee
(1) Nil
(2) Not applicable
(3) Not applicable
(4) Not applicable

**Inspector-General of Taxation**

(1) Nil
(2) Not applicable
(3) Not applicable
(4) Not applicable

**National Competition Council**

(1) The National Competition Council does not have any employees engaged in positions responsible for public affairs, media management, liaison with the media and media monitoring.
(2) Not applicable
(3) Not applicable
(4) Not applicable

**Productivity Commission**

(1) One.
(2) The responsibilities of this staff member is:
    - Coordinate contact with the media, including answering enquiries, arranging interviews, and issuing media releases.
    - Prepare communications and release strategies.
    - Produce and distribute information material on the Commission and its work program including quarterly newsletter.
    - Produce and distribute reports.
    - Manage mailing lists.
    - Advise on copyright issues within the Commission.
    - Manage tabling of reports in Parliament.
    - Liaise with website team.
(3) The Australian Public Service classification of this position is EL2.
(4) For each of the financial years 2007-08, 2008-09, 2009-10, 2010-11, the current operating budget is:
    - 2007-08 - $240,000
    - 2008-09 - $250,000
    - 2009-10 - $261,000
    - 2010-11 - $272,000

**Royal Australian Mint**

(1) two.
(2) public relations, media management, media liaison and media monitoring.
(3) APS 6 and APS 4.
(4)
    - 2007-08 - $189,950
    - 2008-09 - $193,300
    - 2009-10 - $201,000
    - 2010-11 - $209,000

**Treasury**

(1) Three.
(2) Responsibilities are as follows:
    2.1 The media contact officer is responsible for all media liaison and is the principal contact point for media enquiries and responses on behalf of the department—the primary responsibility of this staff member is to manage a team responsible for Cabinet and parliamentary liaison (including the handling and distribution of Cabinet and parliamentary documents) and ministerial correspondence.
    2.2 Staff involved in media monitoring prepare media reports for the department which summarise issues in elect print and electronic media—the primary responsibilities of these staff are to contribute to organisational and policy strategy and assist with coordination.
(3) Staff and media-related duties
    - Media monitoring: APS 5 (part-time); EL1 (as part of other duties)
    - Media contact officer: EL2 (as part of other duties)
(4) EPD media-related sections – budget for Issues Management and Liaison Units.

Neither Issues Management or Liaison Unit are dedicated to public affairs, media management, liaison with the media and media monitoring.

Based on the portion of staff time allocated to these activities, in 2007-08 the operating expenses were approximately $106,300 (calculated using staff salaries). The Treasury does not have forward year budgets for the financial years 2008-09, 2009-10 and 2010-11.

**Treasury: Government Appointments and Grants**

(Question Nos 121, 141 and 149)

Senator Minchin asked the Minister representing the Treasurer, upon notice, on 12 February 2008:

With reference to Senator Minchin’s letter to the Minister representing the Prime Minister, dated 1 February 2008, can the following information be provided prior to each round of Estimates and for Additional Estimates by 13 February 2008:

1. (a) What appointments have been made by the Government (through Executive Council, Cabinet and ministers) to statutory authorities, executive agencies and advisory boards within the Minister’s portfolio; and (b) for each appointment, what are the respective appointee’s credentials.

2. How many vacancies remain to be filled by ministerial (including Cabinet and Executive Council) appointments.

3. What grants have been approved by the Minister from within the Minister’s portfolio.

4. What requests have been submitted to the Department of Finance and Deregulation to move funds within the Minister’s portfolio.

Senator Conroy—The Treasurer has provided the following answer to the honourable senator’s question:

**Australian Accounting Standards Board**

1. Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

2. Nil.

3. Nil.

4. Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Australian Bureau of Statistics**

1. Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

2. As at 7 April 2008, the Australian Statistics Advisory Council has three vacant positions.

3. Nil.

4. Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Australian Competition and Consumer Commission**

1. Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

2. The Australian Competition and Consumer Commission (ACCC) currently has five full time members and three associate members. The Trade Practices Act 1974 does not require a specific number of members.

3. Nil.

4. Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Australian Office of Financial Management**

1. Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

2. Nil.

3. No grants have been approved.

4. Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Australian Prudential Regulatory Authority**

1. Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

2. Nil, this is a question for Government.

3. APRA has no grants that have been approved by the Minister.

4. Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Australian Securities and Investment Commission**

1. Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.
(2) The Australian Securities and Investments Commission has two Commissioner positions which remain to be filled by Ministerial appointment.

(3) Nil.

(4) Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Australian Taxation Office**

(1) Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

(2) Nil.

(3) Nil.

(4) Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Corporations and Market Advisory Committee**

(1) Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

(2) The Committee does not have a set number of members.

(3) Nil.

(4) Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Inspector-General of Taxation**

(1) Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

(2) Nil.

(3) Nil.

(4) Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**National Competition Council**

(1) Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

(2) There is one vacancy on the National Competition Council, but there is no present intention to fill that position.

(3) Nil.

(4) Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Productivity Commission**

(1) Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

(2) Section 23 of the Productivity Commission Act 1998 provides for the Commission to consist of a Chair and not fewer than 4 nor more than 11 other Commissioners. As at 1 October 2008, the Commission comprised of a Chairman and 8 other Commissioners (5 on a part-time basis).

(3) Nil.

(4) Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**Royal Australian Mint**

(1) Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

(2) Nil.

(3) Nil.

(4) Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

**The Treasury**

(1) Senator the Hon Chris Evans as Minister representing the Prime Minister in the Senate will respond on my behalf.

(2) In accordance with Senate Order 94, details of vacancies within the Treasury portfolio for the period 24 June 2008 to 29 September 2008 were tabled out of session in the Senate on 10 October 2008.

(3) In accordance with Senate Order 95, details of grants approved within the Treasury for the period 24 June 2008 to 29 September 2008 were tabled out of session in the Senate on 10 October 2008.

(4) Senator the Hon Nick Sherry as Minister representing the Minister for Finance and Deregulation in the Senate will respond on my behalf.

The honourable Senator is welcome to attend Estimates hearings in future and request the information sought in this Question on Notice.
TREASURY: WESTERN AUSTRALIA
(Question Nos 229, 249 and 257)

Senator Cormann asked the Minister representing the Treasurer, upon notice, on 13 February 2008:

(1) (a) Since 24 November 2007, what federal funding, programs and/or services to Western Australia have been cut and/or discontinued in any of the Minister’s portfolio agencies; and (b) what savings have been made from these cuts.

(2) (a) What plans does the Government have to cut and/or discontinue federal funding, programs and/or services to Western Australia in any of the Minister’s portfolio agencies in the coming period; and (b) what estimated savings would be made from these cuts.

Senator Conroy—The Treasurer has provided the following answer to the honourable senator’s question:

Australian Accounting Standards Board
(1) Not applicable.

(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

Australian Bureau of Statistics
(1) (a) Since 24 November 2007, the ABS has reduced its 2008-09 work program to ensure that is operated within appropriation. Reductions have been made across the full range of ABS activities, and primarily to national statistical programs. In Western Australia, as in other states and territories, there will be a reduction in state specific statistical activities.

(b) The work program was reduced to ensure that the ABS operates within appropriation.

(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

Australian Competition and Consumer Commission
(1) Nil.

(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

Australian Office of Financial Management
(1) Nil.

(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

Australian Prudential Regulatory Authority
(1) Nil.

(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

Australian Securities and Investment Commission
(1) Nil.

(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

Australian Taxation Office
(1) Not applicable.

(2) The Government will undertake a comprehensive review of expenditure. There are currently no plans to cut funding to programs in WA.

Corporations and Market Advisory Committee
(1) Not applicable.

(2) The Government will undertake a comprehensive review of expenditure. There are currently no plans to cut funding to programs in WA.

Inspector-General of Taxation
(1) Nil.

(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

National Competition Council
(1) Nil.
(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

**Productivity Commission**

(1) Nil.
(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

**Royal Australian Mint**

(1) Nil.
(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

**Treasury**

(1) Nil.
(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

**Foreign Heads of Mission**

(1) Nil.
(2) The Government will undertake a comprehensive review of expenditure. The Government will release the review’s findings in the 2008-09 Mid-Year Economic and Fiscal Outlook.

Senator Minchin asked the Minister representing the Minister for Foreign Affairs, upon notice, on 25 August 2008:

(1) Since the Minister was sworn in, which Heads of Mission have met with the Minister.
(2) How many times have each Head of Mission met with the Minister.
(3) In each calendar year since 2005, how many meetings occurred between the Minister (both current and former) and each Head of Mission in Australia.

Senator Faulkner—The following answer has been provided by the Minister for Foreign Affairs to the honourable senator’s question:

(1) The Minister has met with most Heads of Mission. To provide more detailed information would entail a significant diversion of resources which I do not consider justified.
(2) No comprehensive records are kept of all the times each Head of Mission has met with the Minister.
(3) The Department of Foreign Affairs and Trade has no comprehensive record of the number of times individual Heads of Mission have met with the current and the former Minister for Foreign Affairs.

**Immigration and Citizenship: Carbon Offsets for Air Travel**

(1) The department does not have guidelines pertaining to the purchase of carbon offsets for air travel. The General Distribution System (reservation system) used by the department’s travel management company does not offer a facility for the purchase of carbon offsets.
(2) No carbon offsets were purchased in 2008.
(3) No carbon offsets were purchased in the 2007-08 financial year.

**Finance and Deregulation: Carbon Offsets for Air Travel**

(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel.
(2) In 2008, how many flights undertaken by departmental officials were carbon offsets purchased, and of these, how many were purchased for: (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel.

Senator Minchin asked the Special Minister of State, upon notice, on 27 August 2008:

(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel.
(2) In 2008, how many flights undertaken by departmental officials were carbon offsets purchased, and of these, how many were purchased for: (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel.

Senator Faulkner—The answer to the honourable senator’s question is as follows:

(1)-(3) Please refer to the answers provided in response to question No. 591 to the Minister representing the Minister for Finance and Deregulation.
Health and Ageing: Carbon Offsets for Air Travel
(Question Nos 589, 612 and 614)

Senator Minchin asked the Minister representing the Minister for Health and Ageing, upon notice, on 27 August 2008:

(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel.
(2) In 2008, how many flights undertaken by departmental officials were carbon offsets purchased, and of these, how many were purchased for: (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel.

Senator Ludwig—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

(1) The Department does not currently have guidelines on the purchasing of carbon offsets for air travel.
(2) Data on air travel by Departmental officials is not disaggregated to this level and accordingly the specific information is not available.
(3) Data on air travel by Departmental officials is not disaggregated to this level and accordingly the specific information is not available.

Families, Housing, Community Services and Indigenous Affairs: Carbon Offsets for Air Travel
(Question No. 590)

Senator Minchin asked the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, upon notice, on 25 August 2008:

(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel
(2) In 2008, how many flights undertaken by departmental officials were carbon offsets purchased, and of these, how many were purchased for: (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel

Senator Chris Evans—The Minister for Families, Housing, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

(1) The Department of Families, Housing, Community Services and Indigenous Affairs does not currently have guidelines or provisions in its travel contracts for the purchase of carbon offsets for air travel by Departmental officials.
(2) There were no flights undertaken by departmental officials where carbon offsets were purchased.
(3) There was no additional cost to the Department for purchasing carbon offsets for travel.

Finance and Deregulation: Carbon Offsets for Air Travel
(Question No. 591)

Senator Minchin asked the Minister representing the Minister for Finance and Deregulation, upon notice, on 25 August 2008:

(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel
(2) In 2008, how many flights undertaken by departmental officials were carbon offsets purchased, and of these, how many were purchased for: (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel

Senator Sherry—The Minister for Finance and Deregulation has provided the following answer to the honourable senator’s question:

(1) The Department does not have a guideline on purchasing of carbon offsets for air travel.
(2) In 2008, carbon offsets were not purchased for any of the flights undertaken by departmental officials.
(3) In the 2007-08 financial year, there were no additional costs to the Department for purchasing carbon offsets.

Broadband, Communications and the Digital Economy: Carbon Offsets for Air Travel
(Question No. 593)

Senator Minchin asked the Minister for Broadband, Communications and the Digital Economy, upon notice, on 25 August 2008:

(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel.
(2) In 2008, how many flights undertaken by departmental officials were carbon offsets purchased, and of these, how many were purchased for: (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel.
Senator Conroy—The answer to the honourable senator’s question is as follows:
(1) The Department does not have guidelines on the purchase of carbon offsets.
(2) Nil.
(3) Nil.

Innovation, Industry, Science and Research: Carbon Offsets for Air Travel
(Question No. 594)

Senator Minchin asked the Minister for Innovation, Industry, Science and Research, upon notice, on 25 August 2008:
(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel.
(2) In 2008, how many flights undertaken by departmental officials were carbon offset purchased, and of these, how many were purchased for (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel.

Senator Carr—The answer to the honourable senator’s question is as follows:
(1) The Department does not have any guidelines in place for the purchasing of carbon offsets for air travel.
(2) Nil.
(3) Nil.

Human Services: Carbon Offsets for Air Travel
(Question No. 598)

Senator Minchin asked the Minister for Human Services, upon notice, on 25 August 2008:
(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel.
(2) In 2008, how many flights undertaken by departmental officials were carbon offsets purchased, and of these, how many were purchased for: (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel.

Senator Ludwig—The answer to the honourable senator’s question is as follows:
(1) The Human Services Portfolio agencies do not have guidelines in place for the purchasing of carbon offsets for air travel.
(2) Nil.
(3) Nil.

Families, Housing, Community Services and Indigenous Affairs: Carbon Offsets for Air Travel
(Question Nos 606 and 607)

Senator Minchin asked the Minister representing the Minister for Housing and the Minister representing the Minister for the Status of Women, upon notice, on 25 August 2008:
(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel.
(2) In 2008, how many flights undertaken by departmental officials were carbon offsets purchased, and of these, how many were purchased for: (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel.

Senator Wong—The Minister for Housing and the Minister for the Status of Women has provided the following answer to the honourable senator’s question:
(1) The Department of Families, Housing, Community Services and Indigenous Affairs does not currently have guidelines or provisions in its travel contracts for the purchase of carbon offsets for air travel by Departmental officials.
(2) There were no flights undertaken by departmental officials where carbon offsets were purchased.
(3) There was no additional cost to the Department for purchasing carbon offsets for travel.

Innovation, Industry, Science and Research: Carbon Offsets for Air Travel
(Question No. 610)

Senator Minchin asked the Minister representing the Minister for Small Business, Independent Contractors and the Service Economy, upon notice, on 25 August 2008:
(1) What are the department’s guidelines on the purchasing of carbon offsets for air travel.
(2) In 2008, how many flights undertaken by departmental officials were carbon offset purchased, and of these, how many were purchased for (a) business class fares; and (b) economy class fares.
(3) In the 2007-08 financial year, what was the additional cost to the department of purchasing carbon offsets for travel.
Senator Carr—The Minister for Small Business, Independent Contractors and the Service Economy has provided the following answer to the honourable senator’s question:
(1) The Department does not have any guidelines in place for the purchasing of carbon offsets for air travel.
(2) Nil.
(3) Nil.

Treasurer: Departmental Staff
(Question No. 619)

Senator Minchin asked the Minister representing the Treasurer, upon notice, on 25 August 2008:
(1) How many departmental officers are working in the office of the Minister/Parliamentary Secretary.
(2) How many of these staff are Departmental Liaison Officers.
(3) How many departmental officers, on secondment from the department, are in the office of the Minister/Parliamentary Secretary in personal staff positions.

Senator Conroy—The Treasurer has provided the following answer to the honourable senator’s question:
(1) As at 21 October 2008 there were seven (7) departmental employees working in the Treasurer’s Office.
(2) Three (3) as Departmental Liaison Officers.
(3) Four (4) on secondment (Leave without pay while employed under MOPS).

Minister for Families, Housing, Community Services and Indigenous Affairs: Departmental Staff
(Question No. 626)

Senator Minchin asked the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, upon notice on 25 August 2008;
(1) How many departmental staff are working in the office of the Minister/Parliamentary Secretary
(2) How many of these staff are Departmental Liaison Officers.
(3) How many are departmental officers, on secondment from the department, are in the office of the Minister/Parliamentary Secretary in personal staff positions.

Senator Chris Evans—The Minister for Families, Housing, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:
A breakdown of departmental staff in Minister Macklin’s office as at 25 August 2008, is outlined in table below:

<table>
<thead>
<tr>
<th>Office</th>
<th>Role</th>
<th>No of Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minister Macklin</td>
<td>Departmental Liaison Officer</td>
<td>3</td>
</tr>
</tbody>
</table>

Minister for Innovation, Industry, Science and Research: Departmental Staff
(Question No. 630)

Senator Minchin asked the Minister for Innovation, Industry, Science and Research, upon notice, on 25 August 2008:
(1) How many departmental officers are working in the office of the Minister/Parliamentary Secretary.
(2) How many of these staff are Departmental Liaison Officers.
(3) How many departmental officers, on secondment from the department, are in the office of the Minister/Parliamentary Secretary in personal staff positions.

Senator Carr—The answer to the honourable senator’s question is as follows:
(1) Two.
(2) Both of these officers are Departmental Liaison Officers.
(3) None.

Minister for the Environment, Heritage and the Arts: Departmental Staff
(Question No. 632)

Senator Minchin asked the Minister representing the Minister for the Environment, Heritage and the Arts, upon notice, on 25 August 2008:
(1) How many departmental officers are working in the office of the Minister/Parliamentary Secretary.
(2) How many of these staff are Departmental Liaison Officers.
(3) How many departmental officers, on secondment from the department, are in the office of the Minister/Parliamentary Secretary in personal staff positions.
Senator Wong—The Minister for the Environment, Heritage and the Arts has provided the following answer to the honourable senator’s question:

(1) Two departmental officers are working in the Parliament House office of the Minister for the Environment, Heritage and the Arts.
(2) Both are Departmental Liaison Officers.
(3) None.

Minister for Resources and Energy and Minister for Tourism: Departmental Staff

(Question Nos 636 and 637)

Senator Minchin asked the Minister representing the Minister for Resources and Energy and the Minister representing the Minister for Tourism, upon notice, on 25 August 2008:

(1) How many Departmental officers are working in the office of the Minister/Parliamentary Secretary.
(2) How many of these staff are Departmental Liaison Officers.
(3) How many departmental officers, on secondment from the Department, are in the office of the Minister/Parliamentary Secretary in personal staff positions.

Senator Carr—The Minister for Resources and Energy and the Minister for Tourism has provided the following response to the honourable senator’s question:

(1) Two.
(2) Two.
(3) Nil.

Minister for Housing and Minister for the Status of Women: Departmental Staff

(Question Nos 642 and 643)

Senator Minchin asked the Minister representing the Minister for Housing and the Minister representing the Minister for the Status of Women, upon notice, on 25 August 2008:

(1) How many departmental staff are working in the office of the Minister/Parliamentary Secretary.
(2) How many of these staff are Departmental Liaison Officers.
(3) How many are departmental officers, on secondment from the department, are in the office of the Minister/Parliamentary Secretary in personal staff positions.

Senator Wong—The Minister for Housing, and the Minister for the Status of Women has provided the following answer to the honourable senator’s question:

A breakdown of departmental staff in Minister Plibersek’s office as at 25 August 2008, is outlined in table below:

<table>
<thead>
<tr>
<th>Office</th>
<th>Role</th>
<th>No of Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minister Plibersek</td>
<td>Departmental Liaison Officer (DLO)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Compass Graduate (Placement)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Assisting DLO</td>
<td></td>
</tr>
</tbody>
</table>

Minister for Small Business, Independent Contractors and the Service Economy: Departmental Staff

(Question No. 646)

Senator Minchin asked the Minister representing the Minister for Small Business, Independent Contractors and the Service Economy, upon notice, on 25 August 2008:

(1) How many departmental officers are working in the office of the Minister/Parliamentary Secretary.
(2) How many of these staff are Departmental Liaison Officers.
(3) How many departmental officers, on secondment from the department, are in the office of the Minister/Parliamentary Secretary in personal staff positions.

Senator Carr—The Minister for Small Business, Independent Contractors and the Service Economy has provided the following answer to the honourable senator’s question:

(1) One.
(2) The officer is a Departmental Liaison Officer.
(3) Nil.

Minister for Superannuation and Corporate Law: Departmental Staff

(Question No. 647)

Senator Minchin asked the Minister for Superannuation and Corporate Law, upon notice, on 25 August 2008:

(1) How many departmental officers are working in the office of the Minister/Parliamentary Secretary.
(2) How many of these staff are Departmental Liaison Officers.

(3) How many departmental officers, on secondment from the department, are in the office of the Minister/Parliamentary Secretary in personal staff positions.

**Senator Sherry**—The answer to the honourable senator’s question is as follows:

(1) As at 25 August 2008 there was one (1) departmental employee working in the Office of the Minister for Superannuation and Corporate Law.

(2) One (1) as Departmental Liaison Officer.

(3) Nil on secondment.

**Skilled Migration**  
*(Question No. 728)*

**Senator Ellison** asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 1 September 2008:

With reference to the following statement which appeared on the Trades Recognition Australia’s website in July 2008, ‘From 1 September 2008, it is Trades Recognition Australia’s intention that the new Migration Assessment Policy (MAP) will replace the current Uniform Assessment Criteria (UAC). The MAP outlines the new standards and procedures used to process applications for skills assessment for the purposes of General Skilled Migration.’: Can a detailed explanation be provided of: (a) what is being proposed; (b) what it will cost; (c) what it will achieve; and (d) how does it differ from the current system.

**Senator Ludwig**—The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator’s question:

(a) A revised set of standards and procedures that can be used by Trades Recognition Australia (TRA) to process applications for skills assessment for the purposes of General Skilled Migration (GSM) is being proposed. The standards set out in the MAP describe technical skill, theoretical knowledge and employment readiness for the purpose of identifying persons with suitable skills for GSM.

(b) Skills assessments are conducted by TRA on a cost recovery basis. The cost of assessments to applicants will not change.

(c) The revised set of standards and procedures will enable TRA to recognise the skills of highly skilled migrants more effectively, increase the confidence of TRA’s major stakeholders and provide a new opportunity for potential migrants that rely predominantly on evidence of work experience (employment) to apply for skill recognition.

(d) The revised set of standards and procedures does not substantially change most elements of the existing standards and procedures, differing where it is:

- Replacing the withdrawn work experience only pathway
- Clarifying the employment requirement
- Streamlining TRA’s review process and introducing an appeal mechanism.

**Open Pool Australian Lightwater Research Reactor**  
*(Question No. 733)*

**Senator Ludlam** asked the Minister for Innovation, Industry, Science and Research, upon notice, on 4 September 2008:

With reference to the Australian Nuclear Science and Technology Organisation (ANSTO) Open Pool Australian Lightwater (OPAL) research reactor, located 31 kilometres from Sydney at Lucas Heights:

(1) Since its opening in April 2007, what is the total number of days the reactor functioned compared to when it has been inoperative.

(2) (a) How much has it cost Australia through the closure, the required attempted repairs and the limited function of the reactor since it was restarted; (b) can a breakdown be provided of this total costing; (c) how much of this cost may be expected to be recovered from the Argentinean company, INVAP; and (d) what measures is the Government pursuing in order to recover these costs.

(3) Given the ongoing problems with the reactor, does the Minister agree with the description on ANSTO’s website describing the OPAL reactor as ‘world-class’.

(4) What was the total cost for the construction of the reactor.

(5) What are the ongoing annual maintenance and running costs of the reactor.

(6) Can a breakdown be provided of the annual revenues which were: (a) projected to be derived from the operations of the reactor; and (b) actually derived from the operations of the reactor.

(7) Given that the reactor has been unable to deliver its promised four times the amount of radioisotopes for nuclear medicine than its predecessor and related expansion in the nation’s capacity for nuclear medicine, from which countries and companies did Australia source its isotopes during the reactor’s inactivity.
What contingency measures is the Government putting in place to provide for long-term alternatives to the production of radioisotopes from the reactor.

Senator Carr—The answer to the honourable senator’s question is as follows:

1. The reactor operated on 132 days between 20 April 2007 and 4 September 2008. There were also 30 days of planned shutdown for reasons such as fuel changes and maintenance. There were 341 days of unplanned shutdown, primarily attributable to the now resolved problem with the fuel assemblies.

2. (a) ANSTO’s current estimate is that the total cost of the rectification of the fuel assemblies and the extended shutdown in 2007-08 will amount to around $14.4 million; (b) That cost is broken up as follows: import of radio isotopes - approximately $4 million; reduced external income (predominantly from irradiation of silicon and lost export opportunities for molybdenum-99) - approximately $6.1 million; fuel costs - approximately $4.3 million; (c) and (d) ANSTO is discussing the recovery of costs with INVAP and with its insurers.

3. It is not unusual to encounter issues during the commissioning of complex facilities such as research reactors. The OPAL reactor is no exception. As it is a multi-purpose research reactor there are many complex systems to test to ensure the scientific, medical and commercial benefits of the facility can be fully realised. There is no doubt that as those systems progressively become fully operational, the reactor will be world-class. Testing of neutron beam instruments has already shown that their performance is world class.

4. As noted in the response to Senate Estimates question BI-100, the total costs for the reactor project and the neutron beam instruments project in actual dollars was $432 million. That cost was consistent with initial estimates.

5. As indicated in response to a question from Senator Milne at Senate Estimates on 3 June 2008 (Hansard page E 28), the expected annual operating costs for the OPAL reactor amount to around $10 million.

6. The difference between projected and actual revenues from reactor operation in 2007-08 amounts to approximately $8.4 million. Of that amount, ANSTO estimated that revenues from silicon irradiation would amount to approximately $4 million. In the event, no revenue was received in that regard. Revenue from research users was estimated at $400,000, and that again did not eventuate. ANSTO also projected revenue of approximately $20 million from sales of reactor-produced radiopharmaceuticals - $16 million from sales of final product (primarily domestically) and $4 million from export sales of bulk molybdenum. The $16 million for final product was received – although the radiopharmaceuticals were imported in bulk and processed at ANSTO’s radiopharmaceutical production facilities, rather than being produced in bulk in OPAL. The $4 million from export sales of bulk molybdenum was not received.

7. As indicated in response to a question from Senator Eggleston at Senate Estimates on 21 February 2008 (Hansard page E 93), the major source of radiopharmaceuticals has been South Africa (NTP), with some also being imported from Canada (Nordion). There have been occasional failures in supply and consequent short delays (a maximum of 3 days) in treatment for some patients.

8. Radioisotopes are currently being produced in the reactor, and we expect production of molybdenum-99 (which decays into technetium-99m, the major radioisotope used in nuclear medicine) to commence in the fourth quarter of this year. Until that production is fully in place, ANSTO will continue to import radioisotopes from overseas suppliers. The demand for radiopharmaceuticals continues to grow.

Pacific Seasonal Worker Pilot Scheme
(Question No. 735)

Senator Ellison asked the the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 12 September 2008:

In regard to the Government’s horticulture industry Pacific Seasonal Worker Pilot Scheme which was announced by the Minister for Agriculture, Fisheries and Forestry on 17 August 2008:

1. When will details of the scheme be released, including information for prospective employers and the requirements that employers will need to meet.

2. Have the labour market surveys of the Griffith and Swan Hill regions been completed; if so, when were they completed and what were the results; if not, when is it expected that they will be completed and will they be made public.

3. How many employers are anticipated to be approved to sponsor workers under this scheme.

4. What requirements will participating employers need to meet to demonstrate that they have made reasonable efforts to employ Australians.

5. What will be the total cost in administration fees or costs payable to the Government or it’s departments for participating employers to apply and/or be approved to participate in the scheme.

6. Does the Government have an estimate of the pastoral care costs that participating employers will be expected to pay.

7. Has the Government developed any guidelines on the pastoral care costs that participating employers will be expected to pay; if so, what are they; if not, when will these be developed.

8. What guidelines will apply for participating employers to commit to participate in programs for the training and career development of Australians.
Senator Ludwig—The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator’s question:

(1) The Government expects to issue further details on the scheme after completing consultations with stakeholders.

(2) Field work for the Swan Hill survey has been completed. The field work for the Griffith labour market survey will be completed in the week ending 3 October. Summary results will be released publicly before the end of the year.

(3) The number of employers expected to be approved under the scheme has not been determined at this stage.

(4) Approval to employ seasonal workers under the pilot will only occur where employers demonstrate to the Australian Government they have taken reasonable steps to first recruit Australians and are willing to commit to participate in labour market programs for the training and career development of Australians, particularly income support recipients, Indigenous Australians and Humanitarian job seekers.

(5) No costs will be payable by Australian employers to the Australian Government or its departments.

(6) The Government does not have an estimate of the pastoral care costs that participating employers will be expected to pay.

(7) Pastoral care requirements are currently being developed in consultation with stakeholders. The particular arrangements for meeting these costs have not yet been settled.

(8) The Government is consulting with stakeholders on the final requirements for approved growers to participate in the scheme.

(9) No Australian worker will be displaced as a result of the pilot.

(10) The Government has a range of employment and training programs that can support employers to train and employ Indigenous Australians. The Government provides a range of practical assistance through its Government funded employment services to assist job seekers, including Indigenous Job Seekers with training, relocation assistance to take up employment opportunities.

(11) The Government will not exempt income of Australian pensioners or other income support recipients from the income test for work undertaken that will otherwise be done by employees brought to Australia under the scheme.

(12) The pilot scheme has been designed to provide incentives for compliance with visa conditions. For example: workers who comply with visa conditions will have the opportunity to return to Australia in future seasons (over the life of the pilot); workers will be able to reclaim their superannuation contributions on departure from Australia; a no further stay condition will be imposed on all visas issued under the scheme; and workers will not be permitted to bring dependents to Australia. The Department of Immigration and Citizenship will monitor seasonal workers’ compliance with their visa conditions, and provide them and their employers with information and support to understand those conditions.
(13) Standard health checks as currently required by the Department of Immigration and Citizenship (DIAC) will be conducted, including a chest X-ray with a DIAC approved radiologist to check for active TB. Additional health checks may be required, subject to consultation with Pacific Island governments. All workers will be required to be covered by comprehensive health insurance while in Australia.

(14)(a) All participating countries (Tonga, Kiribati, Vanuatu and Papua New Guinea) have DIAC-approved ‘panel doctors’, who will conduct the required health assessments. Where DIAC-approved panel radiologists are not available (Kiribati and Vanuatu), state hospitals will conduct the chest X-ray, which will then be reviewed by a DIAC-approved panel doctor. Tonga has three appointed DIAC panel doctors, two of whom are also radiologists, Vanuatu has two panel doctors. Kiribati has one panel doctor and Papua New Guinea (PNG) has ten panel doctors and two radiologists. With the exception of some X-ray reports (which can be locally cleared in PNG when conducted by a specified radiologist), all medical reports will be assessed by a Medical Officer of the Commonwealth in Australia and the overseas post will be advised of the results. An audit of the panel doctors to ensure integrity was conducted in February/March 2008 for Kiribati; Tonga and Vanuatu and in June 2008 for PNG (Port Moresby only).

(b) It is not anticipated that the Pacific Seasonal Worker Pilot Scheme will have a significant impact on the availability of health screening facilities for locals in participating countries. As noted above, there are panel doctors already in place who should be able to cater for the increased service requirements from proposed participating countries. Given that the pilot only has 2,500 visas over three years from four countries, this is expected to equate to less than one medical assessment per working day in each country.

(c) While some Pacific Island jurisdictions have more reliable record-keeping arrangements than others, formal penal clearances are complemented by the selection procedure itself, which relies on local recommendation. Local villages and source countries are unlikely to risk the potential benefit gained through remittances and up-skilling of seasonal workers by recommending participants who may compromise their participation in the Pilot. The Department of Immigration and Citizenship’s character checking does not depend solely on the provision of local clearance, but on a network of information which collectively provides the decision-maker with the capacity to make a sound judgment.

(15) A Memorandum of Understanding between the Australian Government and the Governments of each of the participating countries will promote the merit-based selection of candidates.

(16) Approval to employ seasonal workers under the pilot will only occur where employers demonstrate to the Australian Government they have taken reasonable steps to first recruit Australians and are willing to commit to participate in labour market programs for the training and career development of Australians, particularly income support recipients, Indigenous Australians and Humanitarian job seekers. Regardless of the size of the enterprise, seasonal workers will not be a cheap labour option. The pilot will involve greater costs to employers than hiring Australian job seekers, as in addition to Australian work standards, employers will need to pay part of the travel and pastoral care costs involved in bringing workers to Australia.

(17) Consultations with employers interested in participating in the pilot are occurring. Participating employers seeking access to the pilot will be subject to character checks.

(18) The Memoranda of Understanding with Pacific island governments will include provisions which will prohibit recruitment agents and migration agents charging fees to seasonal workers other than that prescribed in the memorandum. Only costs such as medical and police certificates and other reasonable costs relating to the work visa application can be charged to the worker.

(19) Seasonal workers will receive training while in the workplace. They will be briefed prior to departure and on arrival in Australia, including presentations by unions on industrial rights and details on how to access the Workplace Ombudsman and State workplace relations authorities. The employment conditions will be monitored by DEEWR, DIAC, the Workplace Ombudsman and the Australian Tax Office. State workplace relations and occupational health and safety laws may also apply.

(20)(a) Seasonal workers who overstay or abscond, forfeit the right to return to Australia as a participant in the Scheme in future seasons (over the life of the pilot). Additionally, like other visa holders, Pacific Seasonal Workers who breach their visa conditions by overstaying or absconding will be subject to a visa cancellation process which may include visa cancellation and removal from Australia.

(b) Australian employers will need to be approved by DEEWR to participate in the pilot, and will enter into Agreements with DIAC to cover visa arrangements for workers. Under this agreement, employers will be obligated to report employees who breach visa conditions by absconding or overstaying. An employer’s continued participation in the Scheme would be reviewed if they failed to comply with their obligations under the Scheme or if there was evidence they were complicit in employees breaching their visa conditions.

(c) The Australian Government, in consultation with the Government of the relevant country, would reconsider the continued involvement in the Scheme of a particular local village or country which had a high rate of non-compliance. This becomes an added incentive for local communities and source countries to select sound participants for the scheme and encourage their compliance.
(21) Trade Unions, along with grower groups, churches and representatives of the Department of Education, Employment and Workplace Relations will be members of Approved Regional bodies who will be established in each region where the pilot operates. Among other roles, the Approved Regional body will approve growers who can participate in the Pilot in that region.

(22) Through AusAID, materials on Australian culture as well as working conditions in Australia’s horticulture industry and material specific to the locations where these workers will be located will be provided to applicants before they apply to join the Pilot and on selection to join the Pilot.

**Exclusive Brethren**

(Question No. 741)

Senator Bob Brown asked the Special Minister of State, upon notice, on 24 September 2008:

Given that the Australian Federal Police have been investigating the legality of the disclosure and other matters relating to electoral donations made by the Exclusive Brethren during the 2004 federal election: Can the Minister advise whether this investigation has been completed; if so, what was the outcome.

Senator Faulkner—The answer to the honourable senator’s question is as follows:

In Senate Question Time on 12 September 2005 (*Hansard* p26), Senator Brown asked the Special Minister of State at that time, Senator the Hon. Eric Abetz, whether the expenditure on 2004 electoral campaign advertisements authorised by members of the Exclusive Brethren had been disclosed as required under the *Commonwealth Electoral Act 1918* (the Electoral Act). The Australian Electoral Commission (AEC) has advised me that the AEC wrote to Senator Brown on 22 December 2006 informing him that the expenditure on the items he raised had been disclosed in January 2005 in a *Third Party Return of Electoral Expenditure* by Willmac Enterprises Pty Ltd (Willmac). The AEC also advised Senator Brown that it had not found any evidence requiring further disclosure regarding this expenditure. The AEC published the results of its inquiry into the disclosure of this expenditure on its website, as is its normal practice.

The AEC was concerned at the possibility that further disclosure of the sources of the funds used by Willmac might have been required under the Electoral Act and, on 22 May 2007, referred that question to the Australian Federal Police (AFP) for skilled investigation. On 3 January 2008, the AFP informed the AEC that its investigation had identified the sources of the funds received by Willmac as being from legitimate business transactions and that no disclosure of those sources was required under the Electoral Act.

**Gun Control**

(Question No. 742)

Senator Bob Brown asked the Minister representing the Minister for Home Affairs, upon notice, on 24 September 2008:

With reference to the shooting of 10 people at the school in Kauhajoki in south western Finland:

(1) How many handguns similar to the one used in this shooting: (a) are registered in Australia; and (b) have been stolen in Australia.

(2) When will the Government ban handguns in Australia.

Senator Wong—The Minister for Home Affairs has provided the following answer to the honourable senator’s question:

The firearm used in the shooting in Finland on 23 September 2008 was reported to be a Walther .22 semi-automatic handgun. This type of handgun has a barrel length of 87mm. In accordance with the 2002 COAG agreement, semi-automatic handguns with a barrel length of less than 120mm are prohibited. Therefore, under State and Territory law, the Walther .22 semi-automatic handgun would be prohibited to the general shooting community due to its short barrel length.

(1) (a) The States and Territories are responsible for firearms registration. State and Territory police firearms registries have provided the following figures on handgun registration, which include handguns registered to sporting shooters, police and security providers.

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Semi-Automatic</th>
<th>Total (Manual &amp; Semi-Auto)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>32,269</td>
<td>56,008</td>
</tr>
<tr>
<td>Victoria</td>
<td>28,567</td>
<td>36,186</td>
</tr>
<tr>
<td>Queensland</td>
<td>19,053</td>
<td>40,824</td>
</tr>
<tr>
<td>South Australia</td>
<td>12,197</td>
<td>19,085</td>
</tr>
<tr>
<td>Western Australia</td>
<td>8,789</td>
<td>20,722</td>
</tr>
<tr>
<td>Tasmania</td>
<td>1,976</td>
<td>4,453</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>2,504</td>
<td>4,104</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>645</td>
<td>2,577</td>
</tr>
<tr>
<td>TOTAL</td>
<td>106,000</td>
<td>183,959</td>
</tr>
</tbody>
</table>
(b) The following available figures on handgun theft have been sourced from the Australian Institute of Criminology (AIC). I am advised that the 2006-07 figures are due to be published by the AIC in 2008.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of handguns reported stolen</th>
<th>% of all reported stolen firearms</th>
<th>Number of semi-automatic pistols reported stolen</th>
<th>% of all reported stolen handguns</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004–05</td>
<td>96</td>
<td>7</td>
<td>39</td>
<td>41</td>
</tr>
<tr>
<td>2005–06</td>
<td>66</td>
<td>5</td>
<td>27</td>
<td>41</td>
</tr>
<tr>
<td>2006–07</td>
<td>104</td>
<td>7</td>
<td>29</td>
<td>28</td>
</tr>
</tbody>
</table>

(2) The Australian Government considers the existing controls in place on firearms, including handguns, are appropriate to strike a balance between the interests of those with a genuine need to have access to these firearms, such as sporting shooters and primary producers, and the interests of the broader community to live safely and securely.

Caucus Committee Support and Training Unit

(Question No. 752)

Senator Ronaldson asked the Special Minister of State, upon notice, on 25 September 2008:

With reference to the Caucus Committee Support and Training Unit (CCSTU):

(1) How many staff members comprise the CCSTU.

(2) To whom do the staff report to.

(3) What is the CCSTU annual budget, including staff salaries.

(4) What was the total cost of the government franking stamps used to send invitations to the farewell dinner for Mr Robert Ray hosted by the Australian Labor Party on 2 August 2008.

(5) How many hours did CCSTU staff dedicate to the organisation of the dinner.

(6) Were the paper and envelopes used for the dinner invitations the resources of the CCSTU as allocated by the Federal Government.

(7) Were the invitations and envelopes printed in the office of the CCSTU, using the resources of the CCSTU as allocated by the Federal Government.

(8) What was the cost of hosting the dinner.

(9) (a) How much revenue was collected as a result of the dinner; and (b) to whom was the revenue paid.

(10) Did any of the CCSTU staff travel to Melbourne for the dinner.

Senator Faulkner—The answer to the honourable senator’s question is as follows:

(1) As at 25 September 2008 there were 10 staff members of the CCSTU.

(2) Staff are employed by the Special Minister of State, Senator the Hon John Faulkner.

(3) The administrative support budget for the CCSTU for 2008-09 is $155,000. The annualised salary costs (made up of salary, parliamentary allowance and superannuation entitlements) are expected to total $1,139,628.97 in 2008-09.

(4) The dinner was organised by the Federal Parliamentary Labor Party, and was not hosted by the Australian Labor Party. The total cost of the franking stamps was between $20.00 and $25.00.

(5) A small amount of time over a ten week period was spent by CCSTU staff in organising this testimonial dinner. This work, including sending invitations, organising tables and answering enquiries, was undertaken intermittently, and in addition to CCSTU staff’s day-to-day responsibilities. CCSTU staff do not keep time records of their daily activities.

(6) Yes. There were between 40 and 50 paper invitations produced.

(7) Yes.

(8) Nil.

(9) (a) $42,436.20 (total ticket sales).

(b) Moonee Valley Racing Club (food and beverages); Amazon.com (gift); David Jones (card, wrapping and Guest Book).

A surplus of $2,947.34 remained after all expenses were paid. That surplus has been paid into the Federal Parliamentary Labor Party’s caucus bank account.

(10) Yes. All CCSTU staff who attended the dinner paid for their own travel and accommodation.

Indonesia: Mining

(Question No. 753)

Senator Bob Brown asked the Minister representing the Minister for Foreign Affairs, upon notice, on 30 September 2008:

(1) On which occasions, involving representatives of BHP Billiton, have Australian Government officials in Indonesia: (a) visited Gag Island, Indonesia; (b) discussed Gag Island at the Australian Embassy in Jakarta; and (c) on each occasion, what was considered.
(2) (a) What representations have been made by Australia to Indonesia in regard to Gag Island mining proposals; and (b) when and where were those proposals made.

Senator Faulkner—The following answer has been provided by the Minister for Foreign Affairs to the honourable senator’s question:

(1) (a) never; (b) & (c) Australian Embassy officials see BHP Billiton Indonesia staff regularly. On two occasions since July 2008, BHP Billiton representatives gave information presentations to Embassy officials on proposed nickel developments in Eastern Indonesia, including Gag Island.

(2) (a) & (b) Australia has made a number of general representations to Indonesia in Jakarta on the investment environment in the mining sector.

Mr David Hicks
(Question No. 754)

Senator Bob Brown asked the Minister representing the Attorney-General, upon notice, on 1 October 2008:

With reference to the control order imposed on Mr David Hicks on 21 December 2007:

(1) Has the control order been effective.

(2) Have there been any difficulties in regard to the control order.

(3) Will the Government be seeking an extension for the control order when it expires in December 2008; if so: (a) what are the reasons for the extension; and (b) for how long.

Senator Wong—The Attorney-General has provided the following answer to the honourable senator’s question:

(1) It would not be appropriate for me to comment on the effectiveness of the control order as this concerns operational matters.

(2) See answer to (1).

(3) The control order made by a Federal Magistrate with respect to Mr Hicks was for the maximum period allowable under the relevant legislation. The current order cannot be extended.

It is a matter for the Australian Federal Police as to whether a fresh application for a control order should be made. Should the AFP consider this course of action to be warranted, the _Criminal Code Act 1995_ requires that the AFP obtain the consent of the Attorney-General to make an application.