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SITTING DAYS—2009

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FORTY-SECOND PARLIAMENT
FIRST SESSION—FOURTH 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
Temporary Chairs of Committees—Senators Guy Barnett, Thomas Mark Bishop,
Carol Louise Brown, Patricia Margaret Crossin, Michael George Forshaw,
Gary John Joseph Humphries, Annette Kay Hurley, Stephen Patrick Hutchins,
Gavin Mark Marshall, Claire Mary Moore, Stephen Shane Parry, Hon. Judith Mary Troeth
and Russell Brunell Trood
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 Fiona Nash
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
Chief Government Whip—Senator Kerry Williams Kelso O’Brien
Deputy Government Whips—Senators Donald Edward Farrell and Anne McEwen
Chief Opposition Whip—Senator Stephen Shane Parry
Deputy Opposition Whips—Senators Judith Anne Adams and David Christopher Bushby
The Nationals Whip—Senator John Reginald Williams
Australian Greens Whip—Senator Rachel Mary Siewert
Family First Party Whip—Senator Steve Fielding

Printed by authority of the Senate
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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
RUDD MINISTRY

Prime Minister
Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion
Treasurer
Minister for Immigration and Citizenship and Leader of the Government in the Senate
Special Minister of State, Cabinet Secretary and Vice President of the Executive Council
Minister for Finance and Deregulation
Minister for Trade
Minister for Foreign Affairs
Minister for Defence
Minister for Health and Ageing
Minister for Families, Housing, Community Services and Indigenous Affairs
Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate
Minister for Innovation, Industry, Science and Research
Minister for Climate Change and Water
Minister for the Environment, Heritage and the Arts
Attorney-General
Minister for Human Services and Manager of Government Business in the Senate
Minister for Agriculture, Fisheries and Forestry
Minister for Resources and Energy and Minister for Tourism

[The above ministers constitute the cabinet]
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<td>Minister for Home Affairs</td>
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<td>Assistant Treasurer and Minister for Competition Policy and Consumer Affairs</td>
<td>Hon. Chris Bowen MP</td>
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<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Hon. Alan Griffin MP</td>
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<tr>
<td>Minister for Housing and Minister for the Status of Women</td>
<td>Hon. Tanya Plibersek MP</td>
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<td>Minister for Employment Participation</td>
<td>Hon. Brendan O’Connor MP</td>
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<td>Minister for Defence Science and Personnel</td>
<td>Hon. Warren Snowdon MP</td>
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<td>Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation</td>
<td>Hon. Dr Craig Emerson MP</td>
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<td>Minister for Superannuation and Corporate Law</td>
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<td>Minister for Youth and Minister for Sport</td>
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<td>Hon. Maxine McKew MP</td>
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<td>Parliamentary Secretary for Defence Procurement</td>
<td>Hon. Greg Combet AM, MP</td>
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<td>Parliamentary Secretary for Defence Support</td>
<td>Hon. Dr Mike Kelly AM, MP</td>
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<tr>
<td>Parliamentary Secretary for Regional Development and Northern Australia</td>
<td>Hon. Gary Gray AO, MP</td>
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<td>Parliamentary Secretary for Disabilities and Children’s Services</td>
<td>Hon. Bill Shorten MP</td>
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<td>Parliamentary Secretary for International Development Assistance</td>
<td>Hon. Bob McMullan MP</td>
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<td>Parliamentary Secretary for Pacific Island Affairs</td>
<td>Hon. Duncan Kerr MP</td>
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<tr>
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<td>Hon. Anthony Byrne MP</td>
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<td>Senator Hon. Ursula Stephens</td>
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<td>Hon. John Murphy MP</td>
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<td>Parliamentary Secretary for Multicultural Affairs and Settlement Services</td>
<td>Hon. Laurie Ferguson MP</td>
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SHADOW MINISTRY

Leader of the Opposition
Shadow Treasurer and Deputy Leader of the Opposition
Shadow Minister for Trade, Transport, Regional Development and Local Government and Leader of The Nationals
Shadow Minister for Broadband, Communications and the Digital Economy and Leader of the Opposition in the Senate
Shadow Minister for Innovation, Industry, Science and Research and Deputy Leader of the Opposition in the Senate
Shadow Minister for Infrastructure and COAG and Shadow Minister Assisting the Leader on Emissions Trading Design
Shadow Minister for Foreign Affairs and Manager of Opposition Business in the Senate
Shadow Minister for Finance, Competition Policy and Deregulation and Manager of Opposition Business in the House
Shadow Minister for Energy and Resources
Shadow Minister for Families, Housing, Community Services and Indigenous Affairs
Shadow Special Minister of State and Shadow Cabinet Secretary
Shadow Minister for Human Services and Deputy Leader of The Nationals
Shadow Minister for Climate Change, Environment and Water
Shadow Minister for Health and Ageing
Shadow Minister for Defence
Shadow Minister for Education, Apprenticeships and Training
Shadow Attorney-General
Shadow Minister for Agriculture, Fisheries and Forestry
Shadow Minister for Employment and Workplace Relations
Shadow Minister for Immigration and Citizenship
Shadow Minister for Small Business, Independent Contractors, Tourism and the Arts

The Hon Malcolm Turnbull MP
The Hon Julie Bishop MP
The Hon Warren Truss MP
Senator the Hon Nick Minchin
Senator the Hon Eric Abetz
The Hon Andrew Robb AO, MP
Senator the Hon Helen Coonan
The Hon Joe Hockey MP
The Hon Ian Macfarlane MP
The Hon Tony Abbott MP
Senator the Hon Michael Ronaldson
Senator the Hon Nigel Scullion
The Hon Greg Hunt MP
The Hon Peter Dutton MP
Senator the Hon David Johnston
The Hon Christopher Pyne MP
Senator the Hon George Brandis SC
The Hon John Cobb MP
Mr Michael Keenan MP
The Hon Dr Sharman Stone
Mr Steven Ciobo

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

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<td>Shadow Minister for Financial Services, Superannuation and Corporate Law</td>
<td>The Hon Chris Pearce MP</td>
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<td>The Hon Tony Smith MP</td>
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<td>Shadow Minister for Sustainable Development and Cities</td>
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<td>Shadow Minister for Competition Policy and Consumer Affairs and Deputy Manager</td>
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<td>Mr Don Randall MP</td>
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Wednesday, 4 February 2009

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

LIBERAL AND NATIONAL PARTIES
Office Holders
Senator MINCHIN (South Australia—Leader of the Opposition in the Senate) (9.31 am)—by leave—I wish to inform the Senate that the coalition has decided to appoint a second deputy whip, and I am pleased to announce that Senator David Bushby has been elected unopposed to that position.

SOCIAL SECURITY LEGISLATION AMENDMENT (EMPLOYMENT SERVICES REFORM) BILL 2008
Second Reading
Senator LUDWIG (Queensland—Minister for Human Services) (9.31 am)—I move:

That this bill be now read a second time.

Senator BERNARDI (South Australia) (9.31 am)—I shall be brief because we have visited this legislation before. The coalition stands by its previous comments in that we have grave concerns about the watering down of the compliance measures and mutual obligation requirements for employment services. No doubt there will be some amendments moved during the committee stage and we will have a further contribution to make in that regard.

Question agreed to.

Bill read a second time.

In Committee
Bill—by leave—taken as a whole.

The TEMPORARY CHAIRMAN (Senator Troeth)—I understand that there are amendments from Senator Siewert. Are you going to propose amendments?

Senator SIEWERT (Western Australia) (9.33 am)—Yes, I am. Previous amendments have been circulated. I understand a further revision of the amendments has been circulated or is just about to be circulated in the chamber.

The TEMPORARY CHAIRMAN—I believe they have been. I do not yet have that running sheet in front of me. Do you wish to move your amendments, Senator Siewert?

Senator SIEWERT (Western Australia) (9.33 am)—There are a series of amendments. I am looking at sheet 5655 revised 2, to clarify which amendments we are referring to. As I said, I am hoping they have been circulated in the chamber and I propose moving them as a series of amendments. I understand Senator Xenophon has amendments also.

The TEMPORARY CHAIRMAN—We have not yet got sheet 5655 revised 2. Would you like to speak to your amendments in general while we will await the arrival of the running sheet?

Senator SIEWERT (Western Australia) (9.34 am)—I think I should remind the chamber as to where we were at during this debate, because quite rightly we have jumped to the Committee of the Whole rather than revisiting our second reading debate speeches last December. I appreciate that the chamber assistants thought we would do a little bit more second reading than we did. If I can recap where we are up to, the Greens in general are supportive of this bill. I articulated that during that second reading debate. This bill makes what we believe are very important amendments to the previous Welfare to Work arrangements. We think it puts in a place a much fairer approach to people on Newstart and looking for work. It improves the compliance regime, we believe, for people on Newstart. I think it puts in place a potentially much fairer system.
However, there are some issues that came up during the Senate Standing Committee on Education, Employment and Workplace Relations inquiry. For a start, the Greens are still very deeply opposed to the eight-week breaching process, but there are a number of issues that came up during the inquiry process which I think are very important suggestions. They relate, for example, to how we deal with homelessness and the timing of deductions when what is going to be put in place is a no show, no pay system. We now have a running sheet. There are implications of the no show, no pay system and issues about the discretion that Centrelink and Job Network providers can apply, hardship provisions and reconnection. When will the comprehensive compliance assessments kick in and how will they be carried out? If people will recall, we were also talking during that debate about the fact that there are now about four different compliance approaches or disconnection approaches, and we want some refinement there. So the Greens are proposing a series of amendments which we believe deal with some of what we see as flaws in the legislation.

At the time, I congratulated the government and I still congratulate the government for moving this bill in the first place and making what I and the Greens think are very important amendments. I also appreciate the interaction that we have had with the minister’s office on this. The minister’s office has been very open to discussions over concerns that the community have raised, both during the committee inquiry and also in correspondence to my office and other offices. I appreciate the fact that there has been meaningful engagement with the minister’s office. I understand that they will be agreeing to some of our amendments but that we are going to agree to disagree on a number of amendments. The No. 1 point here where the government and the coalition seem to agree is that it is acceptable in this country to have a breaching process where people have no income support for eight weeks. We do not think that is appropriate and we will continue to try and get changes there. Chair, my amendment is not first on the running sheet.

The TEMPORARY CHAIRMAN—That is correct, Senator Siewert. The first amendment I have on the running sheet is an opposition amendment. I will ask Senator Bernardi to move that and we will deal with that first.

Senator BERNARDI (South Australia) (9.38 am)—Chair, thank you for the call. I am waiting for some advice with regard to this amendment because my advice was that we were to expect an earlier amendment to come along. I request the chair’s indulgence. I am not sure where we should proceed from at this point.

The TEMPORARY CHAIRMAN—The difficulty is, Senator Bernardi, that your amendment is to oppose schedule 1, whereas the Greens amendments in the first instance are to amend schedule 1.

Senator XENOPHON (South Australia) (9.39 am)—If I could make some general comments, I was of the misunderstanding that there would be an opportunity to give, in effect, a speech on the second reading again. With your indulgence, Chair, I will give an outline of my position because a lot has happened since this matter was before the Senate last December.

Previously, I did not support the second reading, and I outlined the reasons for that. Since that time I have had opportunities to have extensive discussions with the government, the opposition and the Australian Greens in relation to this. My position is that changes to the current legislation are necessary. The legislation introduced by the Howard government was, some would say, anomalous in parts and relatively inflexible,
particularly in relation to the ‘three strikes and you’re out for eight weeks’ provision. There was concern about that. It has been acknowledged fairly broadly that it was anomalous that, if you were breached—as a consequence of failing to participate in a job-seeking program, for instance—and lost your benefits for eight weeks, there was no requirement to continue to participate during that eight-week period. Many saw that as an anomaly.

I also think it is important to note that the job market has changed—and that is something that no-one could have foreseen two years, a year or even six months ago—with forecasts of 300,000 Australians losing their jobs as a result of the global financial crisis. It is important that there is a greater degree of flexibility and a more nuanced approach to employment services. That is why I am grateful for the time that I have spent with the minister and his advisers. I have also had a number of good discussions with the opposition shadow and his office on this.

The principal concerns I have in relation to this legislation are as follows. Firstly, in relation to the requirement that there be six failures rather than three before there is a comprehensive compliance assessment, I believe that is simply too high a threshold. It is not reasonable for there to be six failures, six no-shows, in the course of six months before there is a comprehensive compliance assessment. I emphasise that, as I understand it, this is quite different from automatically losing your benefits for a period of eight weeks. There will be an assessment process during which a decision will be made as to whether or not you lose your benefits. I think that it is important to have that nuanced approach in the context of a worsening job market, but I also think it is unreasonable for there to have to be six failures—failures to attend job interviews or meetings with your employment provider—in a period of six months before the assessment is triggered. That simply seems quite extraordinary. To me, it does not seem to be an incentive for those that are deliberately trying to rort or play the system to stop.

There is support amongst welfare rights groups for having the threshold cutting in at three failures in a period of six months. It will also help those who have a genuine problem, who are not deliberately avoiding or shirking their responsibilities in the system but may have a mental health, substance abuse or gambling problem—those people who clearly need some help. I have been heartened to have had a major welfare rights group in this country advise my office that they believe that it would be a good thing for that comprehensive compliance assessment to be triggered at an earlier stage. I think it is important that that be considered.

As I understand it, there were discussions by the government in relation to this. I will await hearing what the minister says about this. As I understand it, the government has considered reducing the threshold from six to three. I think it will have a combined effect. Those who are deliberately avoiding their responsibilities—and there are always some, in any system, who try and rort the system—will be picked up earlier. But, to me, more importantly, those who have a mental health, substance abuse or other problem will be assessed and given a hand up earlier as a result of a comprehensive compliance assessment. Given the rising tide of employment, I think it is important that that approach be adopted.

There is also the issue of the legislative instruments. I understand the opposition has had some significant concerns with respect to giving this broad discretion, if you like, to the government, to the department, to deal with these legislative instruments. My concern has principally been one of scrutiny. As
I understand it—I will await the minister’s undertakings in this regard—in relation to the changes to the participation regime there will be at least two months notice required for those instruments to be presented so that the Senate has an opportunity to see them and to scrutinise them before they are due to come into effect—because they will be disallowable instruments.

The other aspect of that is that my preference would be that there be enshrined in legislation a legislative instrument that does not come into force until there has been an opportunity of at least, say, six sitting days, to ensure that it is appropriately scrutinised. As I understand it, that is not the government’s position—they say that would be relatively unprecedented, and we will hear from the minister on that shortly—but my view is that it is important that there be a degree of scrutiny. I look forward to the government’s undertakings in that regard.

The final matter that I have to deal with relates to the issue of reviews. There will be significant changes as a result of what the government is proposing with respect to the way that job seekers are treated in terms of sanctions and the like. I agree that there is certainly need for change, particularly given the inflexibility of some of the measures of the previous government, and also acknowledging that the job market has significantly worsened since the previous set of rules were put in place. That is why I will be moving an amendment, which hopefully will be circulated shortly, to the effect that there be a comprehensive review. I understand the Greens will be moving for a review. I think it is important that there be a review with respect to these changes, which also broadly looks at the interface between state and federal agencies. A concern has been put to me by welfare and other groups that there are people who fall through the cracks. They fall through the cracks because of, for instance, substance abuse or mental health problems, and there is still work to be done in relation to the interface between state and federal government agencies. I agree that there have to be changes, but it is appropriate that there be a thorough review of these changes, which are very significant changes, so that we can see how the system is working and how it can be improved. That is essentially the thrust of my amendment.

In summary, if people are wilfully and deliberately avoiding work then we need to be firm. I think that going from six to three failures in a six-month period is fairer. That does not mean that someone will lose their benefits; it simply means there will be a comprehensive compliance assessment. If, as I suspect, there will be many cases of people not complying because of their individual circumstances, then I think it is important that there be a process in place to assist those people. I would like to think that a review would be an integral part of ensuring that this legislation is appropriately scrutinised by an independent panel with expertise in these matters, which would report to the parliament in the latter part of next year. I think that would be a fair and robust way of dealing with these important changes. That is a summary of my position, and I look forward to the committee deliberating on this matter.

Senator BERNARDI (South Australia) (9.48 am)—Listening to Senator Xenophon and Senator Siewert reinforces the coalition’s concerns that this bill has a number of very deep flaws in it. Our original proposal was to excise the bill when we foreshadowed these amendments as circulated through the chamber. After consideration of Senator Xenophon’s and Senator Siewert’s foreshadowed amendments, the coalition will not be proceeding with amendment (1) on the basis that we are prepared to work to improve—some would say ‘salvage’—a bill that is deeply flawed. I think that has been acknowledged
by the crossbenchers and the opposition today. So the opposition withdraw amendment (1) standing in our name and we will consider the other amendments on their merits.

Senator LUDWIG (Queensland—Minister for Human Services) (9.50 am)—It is pleasing to see that the opposition are now constructively dealing with this legislation and that it appears they are moving towards supporting the legislation. In terms of responding to Senator Xenophon, it may be worth while putting down a range of issues now. If I could say it this way: the new compliance system recognises that job seekers are not always solely responsible for their circumstances. It does not seek to punish job seekers unnecessarily—rather, it will maximise job seekers’ participation in activities that will help them get a job. While these changes to the compliance regime were drafted well before the onset of the global economic recession, it is more important now than ever to keep job seekers actively engaged in activities that will help them find and keep sustainable employment.

The bill does introduce a more work-like no show, no pay penalty that will apply when a job seeker fails to comply with training or work experience without a reasonable excuse. It does retain as a deterrent eight-week non-payment penalties for persistent and wilful noncompliance. The current system has not improved compliance. It does not provide a timely and proportionate response; it makes it harder for people to find employment. And the lack of discretion in the current system means inevitably harsh outcomes.

If I can put it in this framework: the compliance system proposed by the bill allows us to distinguish between someone who does not want to meet their obligations and someone who cannot meet their obligations. Unlike the present automatic three-strike rule, a job seeker—and this I think goes to the heart of what Senator Xenophon was referring to—will trigger a comprehensive compliance assessment when they miss three appointments or three days of activities in a rolling six-month period. An eight-week non-payment penalty will apply only if the prior failures were intentional, reckless or negligent. This of course means that a serious failure will not apply based on a prior incident of noncompliance for which the job seeker had a reasonable excuse.

Centrelink and employment providers—and I think this also goes to what Senator Xenophon was seeking clarification on—will have discretion in how to respond to job seekers’ behaviour. A provider can report noncompliance but can also use alternative means of maintaining participation—ultimately it is about ensuring people get a job and stay in it—and of course that applies if they reasonably believe that there is a better way to ensure a particular job seeker is moving towards employment.

No failure will apply if the job seeker has a reasonable excuse for their noncompliance. The impact of the job seeker’s personal circumstances on their capacity to comply will be considered in determining whether the job seeker has a reasonable excuse. This would of course include homelessness, as defined by the Australian Bureau of Statistics, mental illness or caring responsibilities. In particular, in response to the Senate committee’s recommendations, the government will review the effectiveness of vulnerability indicators and associated guidelines to ensure they protect the most troubled job seekers. The government appreciates the work of the Senate committee and has examined the report in detail. The government thanks both the chair and the committee for the work they have done.
The Senate committee also emphasised the importance of job seekers understanding their obligations under the new compliance system. The government will ensure appropriate levels of training for Centrelink and employment service providers and adopt a strategy targeted at communicating changes to all job seekers. The government does believe strongly in an evidence based approach to policy and therefore will collect comprehensive data to monitor and report on the effectiveness of the new compliance system. The government also appreciates the broad community interest in the effects of the compliance policy. For those reasons we will conduct a review of the impact of the new compliance system after it has been in operation for 12 months. On that point, it would be helpful—and forgive me for putting it this way—if the Greens and Senator Xenophon could agree on a set of words. If that is possible it would then avoid the government, and also the opposition, being placed in the position of trying to choose. We have outlined that we do accept the 12-month review; it is the detail that may go into it. We do prefer the Greens proposal, but I did not really want to say that at this point because I do not want to disappoint Senator Xenophon in respect of that. It may be worth making it plain what the government’s view is so that there is no confusion.

In wrapping up, the new employment services will provide job seekers with the right mix of training, work experience and the other support they need to find and keep work. The new compliance arrangements and other measures proposed in this bill will of course form an important part of the new system. It is a key component of the government’s employment participation agenda. I know that we are going to deal with a range of amendments at this point and I hope that, as a way of at least opening the committee stage of the bill and providing direction, my comments will provide some outline of the government’s position in respect of the broader number of amendments that we will deal with in committee and our response to those.

Senator SIEWERT (Western Australia) (9.56 am)—I thank the minister. Prior to getting into the detail, I would like to ask a series of general questions that follow on from the minister’s response. Perhaps I could clarify the position on the review the minister just asked about. The Greens have been talking to Senator Xenophon, who has slightly modified his amendment and we are happy to support his review. Minister, you were seeking clarification; I do not think you like the clarification that much, but there you go!

I would now like to ask some questions. Perhaps I could ask some questions about a couple of the issues that were at the end of my list, because the minister touched on them just then. One is the education campaign, or the issue about information provision, which the minister touched on, that concerns ensuring that providers and Centrelink are well informed of the amendments to this legislation. But it is also very important that job seekers are well informed. I am wondering what level of resources the government is going to commit to that education, when it is going to start and how it is going to proceed. I will also indicate now—although I appreciate that the minister may not have all the details—that the Greens want to be assured that this is in fact going to happen. I am wondering what mechanism can be undertaken to ensure that we are informed about the education campaign that is going to be undertaken.

Senator LUDWIG (Queensland—Minister for Human Services) (9.58 am)—A clarification may be helpful, Senator Siewert. When you talk about the resources—and I guess you might say both—are you specifi-
cally trying to identify the resources that go into education and training or those resources that go into advising job seekers of the availability of the system and how it works?

Senator SIEWERT (Western Australia) (9.59 am)—I am after information on what particular resources have been committed to the provision of information about the specific changes, because it is still a complex piece of legislation. There are various non-compliance and failure mechanisms and we are after information on what has been done within Centrelink, within the Job Network providers and with job seekers across the board in relation particularly to their understanding of what the new requirements are on job seekers and the compliance requirement. As I said, it is quite a complex piece of legislation and there are various ways that people could in fact be noncompliant.

Senator LUDWIG (Queensland—Minister for Human Services) (9.59 am)—Thank you, Senator Siewert, for that clarification. I am advised that a comprehensive training strategy has been developed for delivery to departmental and Centrelink staff and employment service providers. It is across the chain. This training includes the objective and features of the new employment services model, along with operational policy and IT systems training. Training will be delivered through a variety of mediums, including through face-to-face information sessions, web conferencing and self-paced e-learning options. Internal and external stakeholders were also actively involved in the development of training materials. The training will be undertaken in partnership with a broad communications campaign that includes specific information for job seekers, employers and employment providers on the new employment services arrangements.

When the legislation passes and these changes occur as part of the implementation, Centrelink will support the package by providing its staff—and this is highlighted in what I just said—with internal face-to-face and web based training packages. It wants to ensure that the front staff—that is, the customer service officers—have a high level of understanding of what is required of them, how to implement the package and its interaction with, to use some more technical language now, the EA3000. We talked to the job providers as well. The job providers will need to have a high level of understanding of how the new system will work. Finally, it will include information for job seekers so that they have a high level of understanding of what the obligations are and what the new system will require of them. Of course, I am not saying that the system will always be perfect. We support the appeals process as well. We do provide that information as well when there are issues that arise about how it is interpreted.

Senator SIEWERT (Western Australia) (10.02 am)—I thank the minister for his answer. I put on record that he can be guaranteed that we will be pursuing this ongoing issue through estimates to make sure that the education information is being provided.

I would like to move on to data provision. This was a very, very significant issue under the Welfare to Work regime. Anybody outside of Centrelink could not get access to data. Senators may recall that I was in the chamber on a number of occasions raising this issue. We also had the fiasco where data was actually taken off the website. Not only could we—or anybody else, for that matter—not get access to data; when we raised the issue that we could not get access to up-to-date data, the previous data was actually taken off the website. So this is a very important issue. It is data that community organisations use very extensively. I am
looking at what the government’s commitments are for the provision of that data. It is also very important that data is available in a way that is usable. Because this is new legislation and the comprehensive compliance assessment is a new approach—I understand why this new approach is being taken; we do not have an issue with that specifically—it is important, particularly with the change that is being suggested by Senator Xenophon to go from six to three for the no-show provision that is being put in place to kick off the CCAs, that data is available that allows a comprehensive assessment of this new approach.

I wonder what approach the government is taking and what commitment the government is giving about the provision of data, the timely access to data—and I emphasise ‘timely’—and the way that data will be broken down, such as the number of penalties that have been applied; the type of payments; the type of breaches; the number of people being breached and their age, their gender, their Indigenous status; the number of no show, no pay failures; the number of reconnections et cetera. Is all of that data going to be made publicly available? I do not want to tie up a lot of the Senate’s time. I have a list of areas where we are seeking assessment of the data and the way the data is broken down. I wonder how the government is going to be providing that data and whether there will be an ongoing discussion about the provision of that data.

Senator LUDWIG (Queensland—Minister for Human Services) (10.05 am)—If I can start by turning the question around slightly: it is the intention of the government to ensure that we provide at least quarterly reports about the operation of the job seeker compliance arrangements. Included in that will be material such as the number of no show, no pay penalties, the number of reconconnection penalties, the number of eight-week non-payment penalties and the number of comprehensive compliance assessments. The reason I have turned it around in this way is that we should look at the way the system is working positively as well. That data should also be available. I said ‘at least quarterly’—obviously there will be an opportunity during estimates to extract data as well—because there is likely to be a lag as it will take some time in the compilation. We will work very hard to ensure that we can at least identify the lag and the dates the information is available for, but it will be provided on at least a quarterly basis. I am sure that Minister O’Connor will work very hard to ensure that the lag is not going to provide data which is unhelpful.

You also asked about the number of males, females and people who might be Indigenous. The only caveat I would put on that is that we will provide as much information as we possibly can except—and it is, of course, deidentified—where it provides information to such a level that it might identify who the groups are. My example—and do not hold me to this—is where there might be 20 people in a small town. Data might not be provided because it may identify the individuals. It would be our preference not to do that. Of course, you will have the opportunity at estimates to examine some of that and have that discussion.

The other point I would make is that some of this bill is contained in the legislative instrument, and it is critical that we get that right as well. The legislative instrument will come up in April. The first set of legislative instruments will be introduced before April, and that will give adequate time for the instrument to be disallowed before the legislation comes into effect—although I would not encourage you to do that, Senator Siewert. It is a matter of process more than anything else, but that will also provide a bit more
information in detail about how the bill will operate. That will be contained in there.

The data will be provided by employment services stream and by failure type as well, so that will provide additional information. These are all matters that we will discuss with you in due course—I suspect at estimates. If we can improve upon the type and nature of data after feedback from the Greens or the opposition, we are keen to take that on board. We want clarity and transparency around this. It is about getting people into jobs. It is about ensuring that jobs are the focus.

Senator SIEWERT (Western Australia) (10.09 am)—I thank the minister for his response. He can rest assured that we will be pursuing this issue through estimates. I take on board the point about measuring the positive changes out of this legislation. He raised a point that I was going to get to at some stage: the issue of the draft instruments. I have a question specifically about whether exposure drafts of the instrument will be available. The minister is keen to ensure that he has the support of this place. It would probably make life a lot simpler if they had exposure drafts, so I am asking whether the government plans to have such exposure drafts.

Senator LUDWIG (Queensland—Minister for Human Services) (10.10 am)—A job seeker may lose a day’s income support for each day that the job seeker: fails to participate in an activity such as Work for the Dole, Green Corps, other work experience activities or training without a reasonable excuse; engages in misconduct—we could say disruptive or uncooperative behaviour while in an activity; fails to attend a job interview without a reasonable excuse; or intentionally behaves in a manner during a job interview that results in an offer of employment not being made. Medical, psychiatric or psychological treatment is not an activity for the purposes of no show, no pay—it is worthwhile to add that.

Senator BERNARDI (South Australia) (10.12 am)—On that response from the minister: what constitutes a reasonable excuse?

Senator LUDWIG (Queensland—Minister for Human Services) (10.12 am)—We have not defined it. It is the usual: what constitutes a reasonable excuse is what the ordinary person would consider under the current determinations of what a reasonable excuse would be. It is not circuitous; the current legislation provides for determinations of what a reasonable excuse is. There will
obviously be circumstances that will apply at the time, depending on the nature of the issue. Some of those criteria, like failing to participate in an activity without a reasonable excuse, will hang off each individual type of occurrence.

Senator BERNARDI (South Australia) (10.13 am)—Further to that, will there be guidelines published and available to those who will be determining what a reasonable excuse is, or will this simply be at the discretion of whomever is making the final, arbitrary decision?

Senator LUDWIG (Queensland—Minister for Human Services) (10.13 am)—Maybe I can shorten it. The current legislation provides under the administrative instruments what a reasonable excuse is. It will not change. The draft legislative instruments that we will bring in will reflect the same as what is in the legislative instruments now, subject to consultation to which I have committed. That is the current position, but it will be subject to consultation.

Senator SIEWERT (Western Australia) (10.14 am)—I thank the minister for his previous clarification of no show, no pay failures, and I would like to pursue a few more details around that, please. Could a person who is subject to a no show, no pay failure be also subject to a reconnection failure on the same day?

Senator LUDWIG (Queensland—Minister for Human Services) (10.14 am)—So the question is: can a person be subject to both a no show, no pay failure and a reconnection failure on the same day? The short answer is no, for the purpose of calculating a penalty. The loss of one-tenth of a fortnightly payment would apply. Both, however, could be taken into account—let us not be obtuse about this—for the purpose of a comprehensive compliance assessment.

Senator SIEWERT (Western Australia) (10.15 am)—Will it be possible for a person to lose more than three days income in a payment period for no show, no pay failures?

Senator LUDWIG (Queensland—Minister for Human Services) (10.15 am)—For example, if a person missed three continuous days of work experience—something like that?

Senator Siewert—Yes.

Senator LUDWIG—No.

Senator SIEWERT (Western Australia) (10.15 am)—If you have three no show, no pay failures in a row, does that count as three for the purposes of calculating a possible CCA or one?

Senator LUDWIG (Queensland—Minister for Human Services) (10.16 am)—Three, I am advised.

Senator SIEWERT (Western Australia) (10.16 am)—I just want to clarify this. So a person could have three failures in a row and as long as they did not have a reasonable excuse a CCA would then be automatically triggered?

Senator LUDWIG (Queensland—Minister for Human Services) (10.16 am)—If a person misses three continuous days of work experience, that will count as three no show, no pay failures and trigger a comprehensive assessment and possibly an eight-week non-payment penalty. If you put it in perspective, the new compliance arrangements are designed to be more work-like and to encourage participation. Individual participation requirements and the consequences of not fully participating will be made clear to job seekers. If a person misses three continuous days of an activity, the provider will have the option to allow the job seeker to make up the time or to determine that compliance action is not the best means of securing engagement. Should the provider report
the noncompliance to Centrelink, they will then carry out their own investigation.

So it does not happen without us looking at it, because, of course, you do need to investigate the circumstances surrounding each day of nonattendance. This investigation would include speaking with the job seeker and considering any vulnerabilities the job seeker may have, to determine whether the job seeker had any reasonable excuse. It centres on whether there is a reasonable excuse for not attending the activity on each day. If Centrelink determines that the job seeker had no reasonable excuse and applied three no show, no pay penalties, then a CCA would automatically be triggered.

Senator SIEWERT (Western Australia) (10.18 am)—I thank the minister. With the new approach—I am talking about the change from six failures to three—is the government anticipating that this will require more CCAs and more eight-week non-payment penalties?

Senator LUDWIG (Queensland—Minister for Human Services) (10.18 am)—Can I say, Senator Siewert, you have sifted through this very carefully. I am advised that a shift from six to three no show, no pay failures is likely to result in more CCAs. I think that logically would follow. Whether—and this is the dependent point—this will represent more eight-week non-payment penalties is, quite frankly, an unknown factor because of the matters that I spoke of before because we will not know the basis of the noncompliance until the CCA has taken place. That is the importance of having the CCA there. It could result, for example, in earlier diagnosis of mental illness, which ultimately would result in fewer penalties, or a range of other circumstances which flow from that.

Senator SIEWERT (Western Australia) (10.19 am)—The minister has confirmed what we thought: the logical consequence is that there could be more CCAs through this process. By the very nature of the CCA process, that is going to be more resource intensive. Is the government therefore anticipating increasing resources to deal with this increase in compliance assessments?

Senator LUDWIG (Queensland—Minister for Human Services) (10.20 am)—You tempt me here, but I am advised—and this is in fact correct—that the department and Centrelink have discussed the resource implications of effectively delivering comprehensive compliance assessments. Centrelink, with my agency, have confirmed their ability to manage and deliver the new CCA arrangements. To put it succinctly—and I think I can say this on behalf of Centrelink, although I always err on the side of caution—Centrelink are looking to ensure this new system works. They are keen to work with job seekers, particularly those who may be vulnerable, to make sure that we do assist them in getting back into employment. That is the best outcome for them, and I am confident that Centrelink will be able to work through the CCAs, with their existing resources, to provide that outcome for job seekers.

Senator BERNARDI (South Australia) (10.21 am)—My apologies to the Senate. I wish to confirm and seek a commitment that the government is intending to reduce the number of failures before a CCA is implemented from six to three.

Senator LUDWIG (Queensland—Minister for Human Services) (10.21 am)—Yes, that is right.
gered, will the person be able to commit further failures, and thereby lose more income, while the CCA is being conducted?

Senator LUDWIG (Queensland—Minister for Human Services) (10.22 am)—As I understand the question and if I could paraphrase it: once the trigger is reached for the CCA, will a person be able to commit further failures and thereby lose income while the CCA is being conducted? Once the CCA—which is the way we will address it—has been triggered, no further incidence of noncompliance will be considered until the CCA has been conducted. That provides the ability for us to respond quickly as well. It requires Centrelink to do the work as quickly as possible. It will provide a more beneficial outcome.

With indulgence, could I say that there is a meeting I have to go to. I am sure Senator Carr will be able to confidently provide answers to the questions put. I will be back shortly. It is necessary for me to depart, given that I think I will be talking about chamber management for the next couple of weeks. Forgive me for that and excuse me. I will leave Senator Carr in my place but I will return as soon as I can. If there are matters that you want to put to me, I am happy to deal with them in a short while.

Senator SIEWERT (Western Australia) (10.24 am)—Once again I thank the minister. I think I am supposed to be at the same meeting but there are other people there. After a CCA has been conducted, is the job seeker’s count of failures wound back to zero; does it start again?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (10.24 am)—Yes.

Senator SIEWERT (Western Australia) (10.24 am)—Thank you. I beg the Senate’s indulgence. I have a series of questions, but, as I said, this is an extremely complicated piece of legislation that affects many Australians and in the current economic climate will unfortunately affect a lot more. I really want to make sure that we get an understanding of this legislation.

I now want to turn to the amount of the penalties for no show, no pay and reconnection failures. Can you explain the difference between the two and why they are different? I am just clarifying the no show, no pay penalty and reconnection failures and why those penalties are different. Explain the difference and why there is a difference.

Senator SIEWERT (Western Australia) (10.25 am)—The no show, no pay penalties mean the job seeker incurs a financial penalty for every reported day of nonparticipation in an activity without a reasonable excuse. No show, no pay penalties are intended to instil a work-like culture and, as such, the penalty represents a proportion of the job seeker’s payment. This effectively means 10 per cent of the job seeker’s fortnightly payment for each day of failure. This does not affect rent assistance, pharmaceutical allowances or youth disability supplements but it does apply to any supplement the job seeker is receiving for participation in Green Corps or Work for the Dole. As is currently the case, access to health cards and family tax benefits will not be affected. Resuming participation will result in a resumption of in-
come support and employment services. A no show, no pay failure means that noncompliance will have an immediate financial impact, but the extent of the penalty will be at the hands of job seekers.

Senator SIEWERT (Western Australia) (10.26 am)—Thank you. I am sorry, I missed one question. I go back to the specific thing about three triggers rather than six for no show, no pay triggering a CCA. The minister, in a previous answer, tried to explain the fact that a CCA would not necessarily result in an eight-week non-payment period. I recognise that, but there is a potential, by the very nature of CCAs, that that can result in an eight-week non-payment period. The trigger is now half of what was proposed. We have already said there is an expectation that there will be more CCAs and we have already discussed the fact that there will be an independent review in a year, but to me a year seems a long time to wait if the CCAs result in a large number of eight-week non-payment periods. Does the government intend to actually review that prior to the year’s review? And, if it is found that there is in fact an increase in the number of eight-week non-payment periods, does the government intend to look at any possible remedy to that situation?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (10.29 am)—The answer to your question is yes. We have already expressed an intent for the eight-week non-payment penalties not to increase.

Senator SIEWERT (Western Australia) (10.30 am)—I know that the government probably wants the eight-week non-payment period not to increase but, unfortunately, because the triggers have been halved to three, there is that potential. We will keep watching this issue very closely. Could the government also explain why preclusion periods are not able to be worked off when the rationale is supposed to be a focus on engagement? We would have thought being able to work them off would have been consistent with the whole philosophy of re-engaging people in employment.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (10.31 am)—I am advised that it has been a longstanding practice that there is a waiting period for people who leave employment of their own volition. It will no longer be viewed as a compliance breach. This is to encourage people to stay in employment un-
til they find another job. Employment that ceases because a person is a victim of bullying or harassment or any other such behaviour would not be subject to a waiting period.

Senator SIEWERT (Western Australia) (10.31 am)—Thank you for your answer. That is the end of my general questions. I now turn to our amendments. I have questions that specifically relate to them, and for the benefit of the government and its advisers, they are around ‘reasonableness’ and ‘misconduct’. I seek leave to move Greens amendments (2), (7), (8) and (11) together.

Leave granted.

Senator SIEWERT—I move Greens amendments (2), (7), (8) and (11):

(2) Schedule 1, item 1, page 4 (line 22), omit “must”, substitute “may”.

(7) Schedule 1, item 1, page 6 (line 18), omit “must”, substitute “may”.

(8) Schedule 1, item 1, page 8 (line 32), omit “must”, substitute “may”.

(11) Schedule 1, item 1, page 11 (after line 15), after subsection 42M(1), insert:

(1A) The Secretary may only determine that a person commits a serious failure under subsection (1) if the person has committed within a 6 month period at least:

(a) three connection failures; or

(b) six no show no pay failures.

These amendments relate to Centrelink’s discretion. This issue was discussed quite a bit during the Senate inquiry. These amendments provide for Centrelink to have discretion in applying all the penalties in the new compliance regime. The amendments achieve this by changing the word ‘must’ to ‘may’ so that Centrelink can do some of the things that the minister was just discussing in terms of the compliance assessment et cetera. We believe it is an important distinction to ensure that people’s individual circumstances can be appropriately considered before Centrelink applies a penalty.

One of the most harmful aspects of the current regime is Centrelink’s lack of discretion in breaching people for participation failures. This has been constantly identified as an issue. Centrelink has been applying penalties without the ability to take into account a person’s individual circumstances. We have always said, and I think the government also acknowledges this, that the previous system was harsh and rigid. These amendments will allow the system to be applied in a much fairer manner. I believe they are consistent with the intent of the government to get this system to work. I did discuss this issue, if people remember, some time ago in the second reading debate on the bill, and I indicated that we would be moving amendments along these lines.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (10.34 am)—The government is supporting these amendments. Centrelink is the decision maker and it is appropriate that it has discretion in dealing in this manner.

Senator BERNARDI (South Australia) (10.34 am)—The coalition believes that there is already plenty of discretion built into this legislation. After a CCA, a number of outcomes can occur, including a job capacity assessment, an eight-week non-payment period or, indeed, no action at all. We believe that there needs to be some certainty in this legislation and, accordingly, the coalition will not be supporting these amendments.

Question agreed to.

Senator SIEWERT (Western Australia) (10.35 am)—I move Greens amendment (3):

(3) Schedule 1, item 1, page 5 (lines 28 to 31), omit paragraph 42C(4)(a), substitute:

(a) the person satisfies the Secretary that the person has a reasonable excuse for the failure; or
This amendment deals with ‘reasonable excuse’. We did touch on this issue in the second reading debate, but I have some specific issues about reasonable excuse that I would like to raise here. This amendment allows the secretary to consider whether a person has a reasonable excuse for all elements of a no show, no pay failure. The bill, as written, excludes the secretary from considering a reasonable excuse where a person has committed misconduct. There is a concern that actions that are construed as misconduct may indeed be because, for example, a person is suffering from a mental illness—and I will go into that in a little more detail in a minute. Also, a person is possibly not acknowledging their illness or there are other reasons that would otherwise be considered a reasonable excuse. We see no reason why misconduct should be excluded in this way.

We believe that this amendment is also addressing the issue of consistency. We need a much more consistent approach across the different penalty provisions. We explained earlier that there are a variety of provisions and that they are complex. We believe that it will make it easier for job seekers, employment service providers and Centrelink if reasonableness applies to other judgments as well.

This was raised on a number of occasions in the submissions to the Senate inquiry. It was also raised by Ms Gill, who appeared before the inquiry. She very clearly highlighted the issues and expressed concern particularly around what is considered misconduct for people who are suffering from mental illness. She used the example of a person actually forgetting that they have a commitment or an appointment. She pointed out that the person may in fact not acknowledge that they have a mental illness. They may think they have forgotten the commitment but in fact they never took on board the fact that they had a commitment in the first place.

That could be construed as misconduct rather than a reasonable excuse.

We are seeking to expand the definition. Obviously, there will be times where there is quite clearly misconduct, but there is always grey in these issues. Sometimes what may appear to be blatant misconduct may in fact not be. When you look into it, there may be a quite reasonable explanation for what would otherwise seem to be misconduct. We believe that that approach would put another element of fairness into what has turned into a very punitive and harsh regime. This just puts a little bit more fairness into this legislation. It will ensure that in circumstances where somebody is suffering from mental illness—and I am only using that as an example; there could be other examples—that will be considered. The point is that we do not necessarily know and we do not necessarily have all the bases covered. This provides, in a case where what could be considered misconduct occurs, an ability to look a little bit below that and to see that in the circumstances what happened was in fact reasonable.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (10.39 am)—The government will not support this amendment. Misconduct is narrowly interpreted at common law. Reasonable conduct, by its nature, would not constitute misconduct. The Guide to Social Security Law will provide decision makers with further guidance as to what would constitute misconduct. This amendment is therefore superfluous.

Senator BERNARDI (South Australia) (10.40 am)—The coalition will not be supporting this amendment either. We believe that already there is a great deal of discretion applied to what constitutes misconduct and what constitutes an inadvertent breach. I believe that, notwithstanding the sincerity with which Senator Siewert approaches the issue
of those with mental illness, that will be con-
sidered in any response or any punitive ac-
tion taken against those who are in breach.

Senator SIEWERT (Western Australia) (10.40 am)—I am at least pleased to hear
that the minister and the opposition believe
that it could be taken as reasonableness. It
makes that a little bit clearer. We believe,
however, the more appropriate approach
would be to include it in the legislation. We
believe a specific reference to reasonableness
is necessary, particularly for vulnerable job
seekers because we are specifically worried
about them. As I said earlier, because of be-
haviour that may on the face of it be consid-
ered to be misconduct but behind which
there are underlying factors—such as undi-
gnosed mental illness or harassment at
work—we need to expand what could be
considered reasonableness and to clarify very
specifically in the legislation that it is ac-
cepted as reasonableness.

Question negatived.

Senator SIEWERT (Western Australia) (10.42 am)—by leave—I move Greens
amendments (4) and (10) on sheet 5655 re-
vised 2:

(4) Schedule 1, item 1, page 6 (line 5), at the
end of subsection 42C(5), add “, provided
that the penalty amount may not be deducted
until at least the instalment after the first in-
stalment made following notification to the
person of the no show no pay failure”.

(10) Schedule 1, item 1, page 9 (line 35), at the
end of subsection 42H(5), add “, provided
that the penalty amount may not be deducted
until at least the instalment after the first in-
stalment made following notification to the
person of the reconnection failure”.

These items are around the timing of deduc-
tion for the penalty amount. These amend-
ments provide that, when deducting the
payment for no show, no pay penalties or
reconnection penalties, the deductions can
occur only in the instalment period after the
first instalment period following the notifica-
tion to the person of the failure. So, rather
than the deduction happening immediately or
in the period directly after the failure, this
amendment gives people time to prepare for
their loss of income. We think this is reason-
able. They still incur the penalty but there is
time for them to prepare for it. As I said, the
penalty is still applied and it also gives time
for Centrelink to ensure that they are in fact
making the right decision. Under the legisla-
tion, the timing is pretty tight. This allows
both Centrelink to make that decision and the
person to prepare, and they still cop the pen-
alty.

Senator CARR (Victoria—Minister for
Innovation, Industry, Science and Research)
(10.43 am)—The government will support
both of these amendments.

Senator BERNARDI (South Australia)
(10.43 am)—The opposition do not support
these amendments. We believe that, in the
context of penalties, if someone has conduct
that is worthy of a penalty then they should
have an immediate penalty. They have had
plenty of time in which to plan and deter-
mine whether or not they want to participate
in this. Accordingly, they should have an
immediate penalty and it should not be de-
layed—which would cause further distress.
The coalition will be opposing these amend-
ments.

Question put:
that the amendments (Senator Siewert’s) be
agreed to.

The committee divided. [10.48 am]
(The Temporary Chairman—Senator PM
Crossin)

Ayes…………… 32
Noes…………… 30
Majority……… 2
AYES
Arbib, M.V.    Bilyk, C.L.
Bishop, T.M.   Brown, B.J.
Brown, C.L.    Cameron, D.N.
Carr, K.J.     Crossin, P.M.
Conroy, S.M.   Forney, D.
Farrell, D.E.  Forshaw, M.G.
Fielding, S.   Hanson-Young, S.C.
Furner, M.L.   Hurley, A.
Hogg, J.J.     Ludlam, S.
Hutchins, S.P. Ludwig, K.A.
Ludwig, G.     McLucas, J.E.
Milne, C.      Moore, C.
O’Brien, K.W.K. Siewert, R.
Stephens, U.   Sterle, G.
Wortley, D.    Xenophon, N.

NOES
Abetz, E.      Barnett, G.
Bernardi, C.   Birmingham, S.
Boswell, R.L.D. Boyce, S.
Bushby, D.C.   Cash, M.C.
Colbeck, R.    Coonan, H.L.
Cormann, M.H.P. Eggleston, A.
Fierravanti-Wells, C. Fifield, M.P.
Fisher, M.J.   Heffernan, W.
Humphries, G.  Kroger, H.
Macdonald, I.  Mason, B.J.
McGauran, J.J. Nash, F.
Parry, S.      Payne, M.A.
Ronaldson, M.  Ryan, S.M.
Scullion, N.G.  Troeth, J.M.
Trood, R.B.    Williams, J.R. *

PAIRS
Evans, C.V.    Brandis, G.H.
Faulkner, J.P. Ferguson, A.B.
McEwen, A.     Adams, J.
Pratt, L.C.    Johnston, D.
Sherry, N.J.   Joyce, B.
Wong, P.       Minchin, N.H.

* denotes teller

Senator Polley did not vote, to compensate for the vacancy caused by the resignation of Senator Ellison.

Question agreed to.

Senator SIEWERT (Western Australia) (10.53 am)—by leave—I move amendments (5), (6) and (9) on sheet 5655 revised 2 together:
(5) Schedule 1, item 1, page 6 (line 7), section 42D, omit “If”, substitute:
(1) Subject to subsection (2), if
(6) Schedule 1, item 1, page 6 (after line 15), at the end of section 42(D), add:

Reconnection and hardship provisions
(2) If the Secretary determines that a person commits more than 2 no show no pay failures within the same instalment period, the Secretary may determine that the person’s penalty amount is to be reduced or waived if:
(a) the person begins to comply with a no show no pay requirement imposed on the person; or
(b) the Secretary determines that:
(i) the person does not have the capacity to undertake any no show no pay requirement; and
(ii) the deduction of the penalty amount would cause the person to be in severe financial hardship.

Note: For in severe financial hardship see subsection 14A(7) of the 1991 Act.

(3) If the Secretary determines that a person commits a no show no pay failure, then the Secretary may require the person to comply with a requirement (the no show no pay failure requirement).
(9) Schedule 1, item 1, page 9 (after line 30), after subsection 42H(4), insert:

(4A) The Secretary may end a person’s reconnection failure period if the Secretary determines that:
(a) the person does not have the capacity to undertake the reconnection requirement; and
(b) the deduction of the penalty amount would cause the person to be in severe financial hardship.

These amendments relate to issues around hardship provisions and working off the pen-
alties. These amendments do two things: firstly, they include hardship provisions for no-show, no-pay and reconnection penalties. Secondly, they make provision for people to be able to work off no-show, no-pay penalties.

One of our concerns with the bill is that there is nothing in the bill to stop people from having continuous no-show, no-pay penalties or reconnection penalties. There may be circumstances where a person will miss a whole training course, for example, and potentially lose half their payment. In these circumstances, we believe there should be an ability for Centrelink to not impose a penalty if it would cause financial hardship.

We also believe that, given that the focus of the government’s policy is on re-engagement—and I very quickly touched on this in one of my questions before—there should be an option for people to be able to work off no-show-no-pay penalties. There are such provisions in the act in other areas—for example, relating to serious failures. This also touches on the issue of different compliance regimes and different penalties. We are seeking to make the bill fairer with these hardship provisions. I still think the intent of the legislation is retained but it does mean, in circumstances where people are caught up in those particular circumstances I articulated, that hardship provisions are able to be implemented.

Senator LUDWIG (Queensland—Minister for Human Services) (10.55 am)—In respect of the hardship provisions, I can indicate the government does not support the Greens amendments. These amendments are not supported, primarily, as the length of the penalty is really in the hands of the job seeker. A job seeker who meets their participation requirements will incur no further penalty. These matters, of course, are then also kicked into the CCA eventually, so the process is there. It is, quite frankly, a good process and certainly an improvement in the regime. It is clearly designed to encourage the jobseeker to engage in seeking employment and remaining in employment.

Senator BERNARDI (South Australia) (10.56 am)—The coalition does not support these Greens amendments. Basically, I believe we are seeing a watering down of the penalties in this bill, which are already rather slight. To do any more and to consider hardship provisions for people who know their obligations, commitments and the penalties when there is so much discretion already attached to the compliance regime, I believe, is a retrograde step. So the coalition will not be supporting these amendments.

Senator SIEWERT (Western Australia) (10.56 am)—I anticipated that these amendments would not get strong support from the government or the coalition but I would like people to bear in mind that—as I articulated earlier—unfortunately, due to the financial crisis there are going to be many more people in these unfortunate circumstances and affected by this legislation. There are going to be many more people that will potentially require hardship provisions.

In the past, the coalition’s approach seems to have been that there are a lot of people who are purposely unemployed and not willing to look for a job. As I understand this legislation, it is about re-engagement and encouraging people back into the workforce, not about blaming people. We believe that not only the hardship provisions but also being able to work off no-show, no-pay penalties are consistent with the government’s approach of re-engagement and would be an added benefit to this legislation to help people re-engage with the workforce. As I said, it is consistent with the government’s stated approach and the way they want this particular piece of legislation to operate. However, I
am disappointed that neither the government nor the coalition will accept these amendments.

Question negatived

Senator SIEWERT (Western Australia) (10.59 am)—I move Greens amendment (12) on sheet 5655 revised 2:

(12) Schedule 1, item 1, page 12 (after line 22), after section 42N, insert:

42NA Comprehensive compliance assessment

(1) Before the Secretary determines that a person has committed a serious failure under section 42M, the Secretary must conduct a comprehensive compliance assessment in relation to the person.

(2) The comprehensive compliance assessment must assess the following:

(a) the reasons why the person may have committed failures under this Division;

(b) the reasons why the person may have failed to meet other requirements under the social security law;

(c) whether the person has any barriers to employment;

(d) whether the person’s participation requirements are appropriate.

This amendment relates to comprehensive compliance assessments. It implements the government’s stated policy intention in respect of comprehensive compliance assessments, CCAs. We support the CCA process, as I have articulated. But, as I also said in the second reading debate, we believe the detail should be in the legislation. It provides more certainty for participants. Part of the problem with the previous system was that a lot of it was either in instruments or in contracts with Job Network providers. We believe that is an inappropriate way to implement this process and we believe that it is important that the provisions have a legislative base.

Senator LUDWIG (Queensland—Minister for Human Services) (11.00 am)—Amendment (12), which relates to the comprehensive compliance assessments, is one that the government is minded to support. This includes the CCA in legislation rather than in a legislative instrument. It does not, of course, affect the substance of the CCA. It is one of those areas where decisions always have to be made on balance between what is put in legislation and what is put in legislative instruments. The usual reason for using legislative instruments is that the legislation will provide the framework and the instruments will provide the meat, so to speak, but in this instance we can agree to your amendment, begrudgingly.

Senator BERNARDI (South Australia) (11.02 am)—The coalition will be opposing this amendment. We do not intend to divide on it, if that is of any benefit to those who are watching the broadcast. Ultimately, whilst we do support the principle of putting this in the legislation, we do not support the approach that is being taken on this occasion.

Question agreed to.

Senator SIEWERT (Western Australia) (11.03 am)—Chair, because of the running order on the sheet 5655 revised 2, can I just seek clarification that it is okay to move Greens amendments (13) and (20) together.

The TEMPORARY CHAIRMAN (Senator Crossin)—Yes, Senator Siewert, and you can speak to both of them at the same time, but I will put them as two separate questions.

Senator SIEWERT—Thank you, Chair. I move Greens amendment (13) on sheet 5655 revised 2:

(13) Schedule 1, item 1, page 12 (after line 22), after section 42N, insert:

42NB Serious failure for unemployment resulting from a voluntary act or misconduct
(1) The Secretary may determine that a person commits a serious failure if:
(a) the person is unemployed as a result (whether direct or indirect) of a voluntary act of the person; or
(b) the person is unemployed as a result of the person's misconduct as an employee.

Note: A participation payment is not payable for 8 weeks for a serious failure (see section 42P).

Limitations on determination
(2) Despite subsection (1), the Secretary must not determine that a person commits a serious failure under that subsection if the person satisfies the Secretary that the person has a reasonable excuse for the failure.

Note: The Secretary must take certain matters into account for the purposes of subsection (2) (see section 42U).

Note: The Secretary may continue the participation payment pending the outcome of an application for review (see sections 131 and 145 of the Administration Act).

And we oppose schedule 1 in the following terms:
(20) Schedule 1, item 1, page 14 (line 18) to page 15 (line 26), subdivision E to be opposed.

I touched on these issues previously. These amendments relate to the preclusion period for serious failure or unemployment resulting from a voluntary act or misconduct. We have some concerns, as I think I articulated in the second reading debate, about the preclusion period. These amendments deal with unemployment resulting from a voluntary act or misconduct, and the concern we have is that, again, the legislation does not adequately deal with the proposition that there may be a reason that the person has been made unemployed, whether it is directly or indirectly a result of a voluntary act. We believe that the particular circumstances need to be taken into account when applying the preclusion period, so these amendments provide for that.

Senator LUDWIG (Queensland—Minister for Human Services) (11.05 am)—We do not support the position that is being put by the Greens. The government believes it is important that people who voluntarily leave employment have to wait before they receive income support. However, I think it is reasonable to say we will ensure that the eight-week preclusion period applies only in genuine cases of voluntary unemployment, not in cases of unfair dismissal or similar circumstances. So, in truth, I think that takes into account what you are trying to put forward.

Senator SIEWERT (Western Australia) (11.06 am)—I thank the minister for that assurance. Could you possibly point out the mechanism that will look at and take into account the circumstances of someone's unemployment status and whether they voluntarily left a job or were made unemployed for alleged misconduct? What process will be used for ensuring you are satisfied that it does in fact count as misconduct or that there was no reasonable reason for them to leave employment?

Senator LUDWIG (Queensland—Minister for Human Services) (11.07 am)—I am subject to correction here, but my recollection is that there is a separation certificate. It is in the social security legislation guidelines. This action is taken to ensure that we do the right thing. When someone voluntarily leaves their employment, there is always that waiting period, and you have to ensure the legislation is applied correctly. That is why we have guidelines in the social security legislation—to ensure that we deal with those cases correctly.
Senator SIEWERT (Western Australia) (11.07 am)—I am trying not to delay the Senate too long. Minister, regarding the answer to my question about why the provisions for working off penalties do not apply across the board, could you articulate a little bit more clearly—and I accept that you touched on that just then; maybe I am not accepting your answer—why it is not possible for someone to work off that particular penalty, as it is with other penalties?

Senator LUDWIG (Queensland—Minister for Human Services) (11.08 am)—I think one of the difficulties that we are dealing with is that we are talking about two distinct sets of circumstances. Voluntarily leaving a job means making a conscious decision, all things being equal, with no other outside influence, to leave—to do something else, to put it broadly. I do not want to put all the circumstances that someone might envisage. That requires the waiting period because, although the circumstances will vary for each individual, they have made a conscious decision. The regime that we are talking about here, no show, no pay and those areas, is designed for people looking for employment. We are looking at two distinct sets of circumstances and I do not think it is fair to try and bring them together under one system. The best thing we can do for someone who is gainfully employed, is receiving a payment and has no reason to leave is to keep them in that employment. That is the best way to ensure their long-term benefit. We all know that a job provides self-esteem and positive outcomes. Circumstances where a person has made a conscious decision to leave employment and is voluntarily looking for employment should not be juxtaposed with circumstances where a person is in the job seeker market and is required to undertake a range of activities to find work. There is a system in place to deal with that. Those circumstances are distinct. I hope that provides some assistance.

Senator SIEWERT (Western Australia) (11.10 am)—I am not saying I agree with your distinction, but thank you for providing that. I want to go back to the reasoning behind what it means to voluntarily leave a job. One of the issues that was raised during the Senate inquiry and also informally with me is: what happens where someone leaves a job because they are uncomfortable, because they have not been able to make adequate childcare arrangements or because they feel harassed and do not want to take a case through the harassment process because they do not feel they would be able to prove a case, so it is easier for them to leave work? Is that able to be dealt with through the process that you outlined before in the guidelines so that people have, basically, a way of explaining why they left a job without copping the preclusion period?

Senator LUDWIG (Queensland—Minister for Human Services) (11.12 am)—Perhaps we can deal with that in the following way. Currently, unemployment due to misconduct is defined as a situation where a person has contributed to their own unemployment—that is, they have been dismissed or been given the option of resigning from suitable work because of their actions as a worker. The intention of this policy is not to penalise people for something over which they clearly had no control; the intention is primarily to provide a deterrent for those who might behave inappropriately at work in order to be dismissed and avoid a penalty for leaving employment voluntarily. I think we would all agree with that. A person who was dismissed for lack of ability to do the job or even incompetence cannot be considered to be unemployed due to misconduct. There are graduations of that. The government is happy to take you through the guidelines that Centrelink will use in dealing with these, Senator
Siewert. What you have outlined is one scenario—there are multiple scenarios in this environment. My advisers might correct me on this, but you do not want a decision maker examining a plethora of individual, minute circumstances and applying the policy inconsistently because it is too discretionary. There is discretion, but the discretion is always narrow. In voluntarily leaving your employment, the discretion is narrower. It is designed to ensure that there is a deterrent to leaving employment. It is there so that the decision maker does not have a wide variety of circumstances to look at to make an assessment, because invariably that leads to a range of inconsistent outcomes. There is a clear deterrent, and that deterrent will be applied.

In circumstances where someone has left employment because they felt uncomfortable, these are always difficult judgments because they relate to the individual. My strong advice to people is always—and I will draw on my earlier career as an industrial inspector, if my advisers don’t mind me talking for a second—that, if there is harassment in the employment market, you do not have to put up with it. There are a range of places you can go to seek redress. The employment market is such that among the Human Rights Commission, the state industrial inspectors and the federal industrial inspectors there is a range of support, including unions—which were also a part of my previous career—to assist those people to adequately deal with that. There are also complaints-handling procedures in many awards—in fact, I am sure in all awards—about how you deal with these things in a practical way. It is about that, rather than simply saying, ‘I’m not quite feeling well today, because of the circumstances,’ and leaving. It is designed to be a deterrent, so that people do not do that and that they consider their options, which are more practical. The practical options are in complaints handling. If there are redresses available then use those; otherwise, you have a circumstance where someone may leave a place of employment and the next day—using even your scenario—it blows over and circumstances change, outlooks change, and they should have been in their employment but they are not. That would be a disappointing outcome for all.

Senator BERNARDI (South Australia) (11.16 am)—The coalition does not support these amendments moved by the Greens. I think Senator Ludwig has outlined a number of reasonable arguments about why they should not be supported. I would like to make the following observations, Senator Siewert. What concerns me with these amendments is that it appears that you are seeking to find every excuse under the sun why people should not be penalised for failing to fulfil an obligation that is a very reasonable obligation—either to seek work or, in this case, to hang onto the job that they have. You mentioned the amount of harassment that arose in evidence to the Senate committee. There are a number of forums and avenues in which people can try to redress any difficulties in the workplace or if they are forced out of work. I agree with Senator Ludwig that there have to be very narrow parameters. Unfortunately, in your amendment the parameters are far too broad for me; they are far too broad for the coalition. It also does not reflect the coalition’s belief that there needs to be some personal responsibility and accountability. If someone is gainfully employed and they decide that they do not want to be gainfully employed anymore, and they participate in some misconduct, I find it hard to believe that many people would support that as a reason or a justification for them to be receiving some sort of benefit. I hope I am wrong, frankly, about the Greens amendments looking to make excuses for everyone to get out of this
but, as we have been going through this, that has been a common theme and it fills me with some concern.

Senator SIEWERT (Western Australia) (11.18 am)—Senator Bernardi, I think you, whether deliberately or by accident, are misrepresenting the approach the Greens are taking to this legislation. It is completely wrong. We are trying to put in place amendments that would make this legislation fair, that deal with real-life circumstances. While I fully know that there are provisions for dealing with harassment, in the real world sometimes it does not work that way. Sometimes people are just so over it, they do not want to deal with what is, until the new IR legislation comes into place—I realise we are not debating that now, but I have some problems with it—the current legislation. Work Choices has it made extremely hard to address these issues. So, in the real world, sometimes it does not happen that way. Sometimes people actually need to leave to regain their sanity even, because they are in a dire situation they just cannot deal with and it is easier to leave.

I find it incredible that the coalition is still trying to defend what was a harsh system that unfairly penalised people, that ended up breaching an inordinate number of people, in particular Aboriginal Australians. In my home state of Western Australia I think the number of Aboriginal people who were breached increased by 300 per cent. And those figures are probably wrong, because people just dropped out of the system. So don’t try and label the Greens as some sort of group that is now trying to get everybody out of having to take care of their responsibilities. We are trying to put in place a fair system that needs to be flexible enough to deal with the increasing number of people who unfortunately we are going to see on our unemployment lists.

Quite clearly, Australians did not appreciate either Work Choices or Welfare to Work, both of which were systems that punish people, in particular Aboriginal Australians. We have been reviewing this legislation with them particularly in mind. Having said that, I have said my piece in terms of our belief that these amendments make the legislation more consistent across the different penalties. In fact, I think it is a misconception to believe that the working-off provisions in the other sections of the bill are somehow light on those who are unemployed and have been subject to an eight-week penalty provision. I think you should try doing it yourself for a while and see if you think it is a particularly light way of trying to survive. It is not. The submissions that the Greens have received, both those that have gone through the Senate inquiry and those received from direct correspondence, show that people have gone through this legislation very carefully and have suggested very fair amendments, which we are trying to implement here.

So, please, I urge the coalition to take another look at our amendments and look at how they will be implemented in the real world, because that is what we are trying to do—we are trying to look at this through the eyes of the people who are going to be impacted by this legislation. We are not judging them from above but are looking at it from the perspective of people who are actually trying to survive. There are going to be more people in this situation. There are going to be more people who are going to fall through the system, perhaps not deliberately, and they may be subject to this.

We are also keen to make sure that this legislation addresses the fact that where people are breaching the system there are enough penalties in place. We believe that there should be enough checks and balances to ensure that those people are dealt with appropriately, but we also need to ensure that
vulnerable job seekers are not unfairly treated and that they get the help to re-engage and find the job they need. In some cases, these people need additional assistance and we need to ensure that that is built into this system. We are keen to ensure that it is fair for all Australians and that some people are not being blamed, penalised and demonised, which is what happened under the previous regime.

The TEMPORARY CHAIRMAN (Senator Crossin)—The question is that amendment (13) on sheet 5655 revised 2 be agreed to.

Question negatived.

The TEMPORARY CHAIRMAN—The question now is that subdivision E in item 1 of part 1 of schedule 1 stand as printed.

Question agreed to.

Senator SIEWERT (Western Australia) (11.24 am)—I move Greens amendment (21) on sheet 5655 revised 2:

(21) Schedule 1, item 1, page 14 (line 31 to 33), omit subsection 42S(2), substitute:

(2) Despite subsection (1), the Secretary must not make a determination under that subsection if the Secretary is satisfied that the voluntary act or misconduct was reasonable.

This amendment relates to a reasonable test for misconduct. I think I have previously articulated our concerns about what can reasonably be considered to be misconduct. This provision goes back to the issue about extending the ‘reasonable excuse’ to a person becoming unemployed through misconduct. For fairness and consistency we do not believe that there is justification for a reasonable excuse not to apply to misconduct. Through this amendment, we will have an alternative to that which is provided for in the legislation.

Senator LUDWIG (Queensland—Minister for Human Services) (11.25 am)—I indicate that the government does not support this item. Senator Carr dealt with the reasons earlier. Unless there is any need I will not deal with those again.

Senator BERNARDI (South Australia) (11.25 am)—We will be opposing this on the basis of the arguments outlined previously. And I would just say to Senator Siewert that although I seem to inflame her on occasions I do not intend to. We are talking about voluntary misconduct here. They are the key words. If people are misbehaving due to their own actions or by their own choice I think that making excuses for them is a very tough thing to do. I say that not to badger you or to get you up to attack me again—I accept your flame from the last time; that is just our position.

Senator SIEWERT (Western Australia) (11.26 am)—I will respond briefly and I will try not to flame. I accept that some people will engage in voluntary misconduct. I can appreciate that. We come from the position that we need to not assume that everybody is acting in that manner. We come from the perspective that we need to look at whether there is a reason for their misconduct. It may be assumed that it is misconduct but in fact it is not and there may be a reasonable reason for it. We are not pretending that everything in the world is perfect. We do acknowledge that there will be some people who engage in misconduct. We think that there are adequate provisions in this legislation to deal with that. But, as I said, we come from the perspective that we do not necessarily assume that it is always misconduct and that there is no reason for it.

Quite often, when you look beneath the surface, there may be circumstances where what is considered to be misconduct is in fact not. Even if somebody thinks it is misconduct there may in fact be a reasonable
reason for it. That is where we come from. We do not assume that everybody is bad.

Question negatived.

**Senator SIEWERT** (Western Australia) (11.28 am)—by leave—I move Greens amendments (14) to (19) on sheet 5655 revised 2:

(14) Schedule 1, item 1, page 12 (after line 22), after section 42N, insert:

42NC Determination about serious failure requirements and severe financial hardship

If the Secretary determines that a person commits a serious failure, the Secretary must also determine that this section applies unless the Secretary is satisfied that:

(a) the person does not have the capacity to undertake any serious failure requirement; and

(b) serving the serious failure period would cause the person to be in severe financial hardship.

(15) Schedule 1, item 1, page 12 (line 25), after “serious failure” insert “and has determined that section 42NC applies”.

(16) Schedule 1, item 1, page 13 (line 28), after the note, insert:

1A The Secretary may make a determination under paragraph (1)(b) on request or on his or her own initiative.

(17) Schedule 1, item 1, page 13 (lines 32 to 33), omit paragraph 42Q(2)(b), substitute:

(b) if the Secretary makes a determination under paragraph (1)(b) on request—the day before the request was made; or

(c) if the Secretary makes a determination under paragraph (1)(b) on his or her own initiative—the day before the Secretary makes the determination.

(18) Schedule 1, item 1, page 13 (line 34), after the note, insert:

(3) Section 42NC does not affect the operation of this section.

(19) Schedule 1, item 1, page 17 (line 24), omit “42Q(2)(b)”, substitute “42Q(2)(c)”.

Also, I withdraw Greens amendment (24) on sheet 5655 revised 2 as it is in fact the same as amendment (19). Amendments (14) to (19) provide for the circumstance where the secretary makes a determination that a person is unable to comply with a serious failure requirement and the person would suffer financial hardship—the serious failure period ends the day before the secretary makes the determination or the day before the request is made by the job seeker to consider hardship.

As the bill is written at the moment, the serious failure period would end the day the secretary makes the determination, but it would take the secretary some time to make that determination. The person then suffers a loss of income despite the finding that they would be put into serious financial hardship. We believe it is much more appropriate that the person suffers no loss in these circumstances, so this series of amendments is to deal with that provision. The issues around financial hardship are acknowledged in the bill, and we believe this makes it a little bit clearer and fairer for job seekers.

**Senator LUDWIG** (Queensland—Minister for Human Services) (11.30 am)—I will be brief; we support the amendments.

**Senator BERNARDI** (South Australia) (11.30 am)—The coalition do not support these amendments, on the basis that we believe they further water down the already watered down regime that is going to be implemented under this legislation.

Question put:

That the amendments (Senator Siewert’s) be agreed to.
The committee divided. [11.35 am]
(The Chairman—Senator the Hon. AB Ferguson)

Ayes…………… 34
Noes…………… 33
Majority……… 1

**AYES**

Arbib, M.V.  Bilyk, C.L.
Bishop, T.M.  Brown, B.J.
Brown, C.L.  Cameron, D.N.
Carr, K.J.  Collins, J.
Conroy, S.M.  Crossin, P.M.
Evans, C.V.  Farrell, D.E. *
Feeney, D.  Forsyth, M.G.
Furner, M.L.  Hanson-Young, S.C.
Hogg, J.J.  Hurley, A.
Hutchins, S.P.  Ludlam, S.
Ludwig, J.W.  Lundy, K.A.
Marshall, G.  McLucas, J.E.
Milne, C.  Moore, C.
Pratt, L.C.  Sherry, N.J.
Siewert, R.  Stephens, U.
Sterle, G.  Wong, P.
Wortley, D.

**NOES**

Abetz, E.  Barnett, G.
Bernardi, C.  Birmingham, S.
Boswell, R.L.D.  Boyce, S.
Brandis, G.H.  Bushby, D.C. *
Cash, M.C.  Colbeck, R.
Coonan, H.L.  Cormann, M.H.P.
Eggleston, A.  Ferguson, A.B.
Fierravanti-Wells, C.  Fifield, M.P.
Fisher, M.J.  Humphries, G.
Johnston, D.  Joyce, B.
Kroger, H.  Macdonald, I.
Mason, B.J.  McGauran, J.J.
Nash, F.  Parry, S.
Payne, M.A.  Ronaldson, M.
Ryan, S.M.  Scullion, N.G.
Troeth, J.M.  Trood, R.B.
Williams, J.R.

**PAIRS**

Faulkner, J.P.  Heffernan, W.
McEwen, A.  Adams, J.
O’Brien, K.W.K.  Minchin, N.H.

* denotes teller

*Senator Polley did not vote, to compensate for the vacancy caused by the resignation of Senator Ellison.

Question agreed to.

Senator SIEWERT (Western Australia) (11.39 am)—I move Greens amendment (22) on sheet 5655 revised 2:

(22) Schedule 1, item 1, page 15 (after line 27), before section 42T, insert:

42SA Discretion not to report non-compliance

(1) An employment service provider may exercise a discretion not to report to the Secretary that a person has failed to comply with an obligation in relation to a participation payment if the employment service provider considers, on reasonable grounds, that compliance action under this Division is not the best means of securing re-engagement and is counter-productive to the person obtaining employment.

(2) For the purposes of this section, an employment service provider is a provider of employment services contracted by the Commonwealth.

This amendment provides discretion for employment service providers. This amendment, we believe, is one that is consistent with the government’s stated policy. It was discussed during the Senate inquiry. The government made it clear that employment service providers will have discretion in providing participation reports to Centrelink. That was clear during the discussion.

At the moment, however, that discretion is included in the contracts process with employment service providers. We do not believe that is an appropriate place for that discretion to be. We believe it should be in the actual bill, the same way as the Senate has now acknowledged and included provisions for discretion of Centrelink. We believe that should be in the bill. That discretion for employment service providers should be part of
legislation. The government, as I understand it, are very clear that they do have that—if my understanding is wrong, I would really like them to clarify that! We believe that this is a very important provision and that it is not appropriate that that mechanism be delivered through a contract process. It should be in the legislation.

Senator LUDWIG (Queensland—Minister for Human Services) (11.41 am)—We have been reasonable; in this instance we will not be unreasonable and will explain why we will not support it. The government believes that the appropriate instrument for regulating an employment service provider is in the government’s contract with the employment service provider. The discretion, as articulated in the amendment, is contained in the contract: the appropriate place for it to be. It exists, but it exists in the contract. We will not be supporting your amendment.

Senator SIEWERT (Western Australia) (11.41 am)—The difficulty I have with that is if, for example, you change your mind or do not want a particular employment service provider to have discretion. There is then no guarantee that that discretion will be given to service providers. My concern is that, where discretion is purely provided in a contract, there is no legislative base for it. There is no requirement for that discretion. We have now given Centrelink discretion, which we are really pleased about, but discretion does not have to be given to others. It is not in the legislation; it is not even in the legislative instrument. It is in a contract to that service provider. This is very important for all the reasons that we were talking about before. I am a bit perplexed as to why the government supports the discretion for Centrelink—support which I am pleased about—but does not ensure that the discretion for the employment service providers has a legislative base as well.

Senator LUDWIG (Queensland—Minister for Human Services) (11.43 am)—Think of it this way: a contract is how you manage the providers and the outcomes. If there is to be an identified change, there is a variation to the contract that the parties agree to, so there is full knowledge of these types of things. It is a way of ensuring that the contract is the central part of it. The legislation does not provide the framework. The contract is the system that provides what the service provider has to meet. It provides what the government expects the service provider to do. If contract negotiations are required, they will take place. If there are eventualities or circumstances that arise, they are dealt with by the parties through contract negotiations. If there is a requirement for a variation, contract negotiations will again be the outcome. You have to think of it as being based around the contract. That is the ‘instrument’. We call it that, but it is a contract. The detail is in the contract. The parties will manage the contract.

Senator SIEWERT (Western Australia) (11.44 am)—I understand what the government is saying, though I disagree with it. I do think it needs to be given a legislative base, but I seek a commitment from the government that it absolutely fully intends that in all contracts—both current contracts and future contracts—with service providers discretion will be provided.

Senator LUDWIG (Queensland—Minister for Human Services) (11.44 am)—It is our intent, if I can put it that way. I am not in a position to guarantee it, but I can say that it is our intention. Centrelink will, of course, always retain the discretion about these things, but let me say that the contract is a central part of the instrument that the parties will adhere to, be bound by and voluntarily commit themselves to. That will then regulate the arrangements between the parties—that is what the contract is there for.
But, in terms of Centrelink’s discretion, it is still there for the types of arrangements that will occur.

Question negatived.

Senator SIEWERT (Western Australia) (11.46 am)—by leave—I move Greens amendments (23), (26), (27) and (1) on sheet 5655 revised 2.

(23) Schedule 1, item 1, page 17 (after line 4), at the end of section 42U, add:

*Homelessness*

(3) A determination under subsection (1) must provide that, in deciding whether a person has a reasonable excuse for the matters listed in that subsection, the Secretary must take into account whether the person is homeless or is at risk of becoming homeless and, if so, whether that circumstances has affected the person’s capacity to meet the person’s obligations under this Division.

Note: *homeless* has a meaning affected by section 19DA.

(26) Schedule 4, page 61 (after line 4), before item 1, insert:

1A After section 19D

Insert:

19DA Homelessness

(1) For the purposes of the social security law, *homelessness* and *homeless* have meanings affected by this section.

(2) The following are objectives of the social security law:

(a) the need to give people a sustainable pathway out of homelessness; and

(b) the need to minimise the risk of people becoming homeless.

(3) When assessing the social security entitlements and social security benefits of any person, in circumstances in which the Secretary is required to consider the residential status of the person, hardship provisions which may relate to the person’s circumstances or the ability of the person to meet obligations imposed by the social security law, the Secretary must have regard to the objectives set out in subsection (2).

(4) In applying a definition of homelessness, the Secretary must have regard to the following categories of homelessness, drawn from the Australian Bureau of Statistics’ Australian Census Analytic Program document, *Counting the Homeless*:

(a) primary homelessness, which accords with the common sense assumption that homelessness is the same as ‘rooflessness’ and includes all people without conventional accommodation, such as people living on the streets, sleeping in parks, squatting in derelict buildings, or using cars or railway carriages for temporary shelter;

(b) secondary homelessness, which includes people who move frequently from one form of temporary shelter to another and includes people staying in emergency or transitional accommodation, including hostels for the homeless, night shelters and refuges, and also including people residing temporarily with other households because they have no accommodation of their own;

(c) tertiary homelessness, which refers to people who live in boarding houses on a medium- to long-term basis, operationally defined as 13 weeks or longer, whose accommodation situation is below the minimum community standard.

(27) Page 67 (after line 33), at the end of the bill, add:

Social Security (Reasonable Excuse) (DEWR) Determination 2006

15 Paragraph 4(2)(a)

Omit the paragraph, substitute:

(a) the fact that the person is homeless or is at risk of becoming homeless at
(1) Clause 3, page 2 (lines 7 to 11), omit the clause, substitute:

3 Schedule(s)

(1) Each Act, and each determination, that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

(2) The amendment of any determination under subsection (1) does not prevent the determination, as so amended, being amended or repealed by the Secretary.

These amendments relate to inserting a definition of homelessness into the Social Security Act that is based on the ABS census definition of cultural homelessness. They also provide for the determination made with respect to a reasonable excuse in reference to this definition of homelessness and amend the current determination to that effect.

We believe the current definition of homelessness in the determination is completely inadequate. This series of amendments ensures that homelessness has a recognised place in social security law. The issue came up during the Senate inquiry a number of times. There was a slipperiness around the definition of homelessness and the way it was applied previously. We heard an example where someone was homeless but had a regular homeless address—in other words, it was known where the person was sleeping out of doors. They were classed as not coming under the definition of homelessness because they could be contacted. That is an absolutely ridiculous interpretation of homelessness. This interpretation was not brought about by the current government—I definitely acknowledge that—it was put in place by the previous government, but this example highlighted very clearly why we need a clear, consistent definition of homelessness. So the Greens are seeking to include it in this legislation and then make a series of amendments that would reflect that definition.

Senator LUDWIG (Queensland—Minister for Human Services) (11.48 am)—I indicate that we are not supporting the Greens’ position; however, we are ensuring—and I think this is the appropriate point—that the relevant legislative instrument and policy guidelines are broadened to capture those who would be classified as homeless according to the ABS definition. More importantly, that will be available for consultation as well.

Senator SIEWERT (Western Australia) (11.48 am)—I thank the minister for that. I do not thank him for not supporting the amendment, but I do thank him for the clarification. Minister, could you be clear about what instrument you are using to determine the definition. Is it going to be—and I am sorry if I missed this—consistent with the ABS definition?

Senator LUDWIG (Queensland—Minister for Human Services) (11.49 am)—The legislative instrument is the one I have been referring to today that we are currently working on. The instrument and policy guidelines will be available and we would like to see their passage through the parliament by April—I will put in a plug for that. I expect that they will go through the consultative process; I am advised that is right. In terms of the issue around the ABS definition, the guidelines within the legislative instrument will be broadened to capture those who would be classified as homeless according to the ABS definition.

Senator SIEWERT (Western Australia) (11.50 am)—I appreciate the minister’s clarification. I was not sure if the mechanism he
was referring to was the legislative instrument, so I appreciate the clarification. Thank you.

Senator BERNARDI (South Australia) (11.50 am)—Madam Temporary Chairman, I would like to put on record that the coalition does not support these amendments.

Question negatived.

Senator SIEWERT (Western Australia) (11.50 am)—Madam Temporary Chairman, I signal my intention to withdraw amendment (25) on sheet 5655 revised 2. Senator Xenophon will be moving an amendment very similar, so the Greens will withdraw theirs in favour of Senator Xenophon’s amendment.

Senator XENOPHON (South Australia) (11.51 am)—I move amendment (1) as amended on sheet 5710:

(1) Page 17 (after line 31), at the end of Part 1 of Schedule 1, add:

Subdivision G—Review

42ZA  Review of impact of compliance regime

(1) The Minister must cause an independent review of the impact of the amendments made by this Division to be undertaken as soon as possible after 30 June 2010.

(2) The review must report on:

(a) the effectiveness of the compliance regime in:

(i) meeting job seeking requirements;
(ii) reducing financial hardship;
(iii) reducing compliance costs for job seekers, employment services providers and the Government;

and

(iv) using the ‘no show, no pay’ provision to increase compliance with job seeking requirements;
(b) the impact on vulnerable job seekers including Indigenous job people;

(c) the impact of the compliance regime on employment participation and long-term unemployment;

(d) the number of complaints made with the departmental hotline, Social Security Appeals Tribunal or Ombudsman’s office in relation to the new arrangements;

(e) the gaps between federal policy and state service provision for persons with non-vocational special needs or barriers;

(f) the adequacy of non-vocational support services in regional areas;

(g) the effectiveness of training for and consistency of understanding of Centrelink staff, employment providers and departmental contract managers in the new arrangements;

(h) the adequacy of information and education provided to new and existing clients about the new system;

(i) the adequacy of resourcing for Centrelink to implement the new arrangements and deal with related complaints;

(j) the effectiveness and use of criteria such as hardship, vulnerability and reasonable exclusion within Comprehensive Compliance Assessments; and

(k) any other related matter.

(3) The review must be conducted by an independent panel, chaired by a person with expertise in social security and employment services matters.

(4) The Minister must provide the panel with adequate resources to undertake the review.

(5) The panel must give the Minister a written report of the review, and the Minister must cause a copy of the report to be made public and tabled in each House of the Parliament by 30 September 2010.
This relates to a review of the impact of the compliance regime. It is self-explanatory. I think it would be fair to say that I have communicated openly with the government, the Greens and the opposition in relation to this. It will ensure that, after a period of 12 months, there will be scope for a review to be conducted within three months by an independent panel chaired by a person with expertise in social security and employment services matters. I think this covers the concerns that have been raised in the course of this debate both by the coalition and particularly by the Greens in relation to the issue of vulnerable job seekers, including Indigenous people. The government is putting through significant reforms. Let’s see how they work and let’s have the independent review. If the independent review says that they are working fine, there is no need to consider this further, but I think it would be a valuable exercise to have such an independent review to cover the areas of concern that various non-government senators have had in relation to how this legislation will work.

Senator Ludwig (Queensland—Minister for Human Services) (11.53 am)—The government wholeheartedly supports the idea of a review. It is one of the areas that in opposition we have argued for. Reviews are necessary and they provide a worthwhile check to see how matters are going. We have concerns. It is not unusual to express that. Looking at the breadth of 2(e), it is a review regarding the impact of the compliance regime. Clause 2(e) says:

the gaps between federal policy and state service provision for persons with non-vocational special needs or barriers;

And 2(f) says:

the adequacy of non-vocational support services in regional areas;

As I have said, insofar as they seem to only have tenuous links to the compliance system, we also have concerns about how some of these matters will actually be able to be measured. Nonetheless, a review is a matter that the government will support, notwithstanding the concerns that I have raised.

Senator Bernardi (South Australia) (11.55 am)—The coalition also supports a review, for slightly different reasons than those of the government and perhaps some of the other parties, but I look for what we have in common. First amongst this is that we all agree that this is truly significant legislation. Some of us believe it goes too far and others believe it does not go far enough, but a review would provide evidence about the success and efficacy or otherwise of some of the measures that are going forward. To have a review after 12 months, particularly in the current economic climate, would be particularly timely given that there appears to be a deteriorating economic outlook, as forecast by the government through Treasury. To have an independent panel assess the effectiveness of the changes to this legislation would be a very positive step. It is something that the coalition supports. We hope that the review will support the coalition’s position on the amendments and the problems that we have identified with this legislation. Of course, if it shows that there are other issues that need to be addressed, we will consider those on their merits at the time.

The Temporary Chairman (Senator Troeth)—The question is that Senator Xenophon’s amendment, as amended, be agreed to.

Question agreed to.

The Temporary Chairman—We move on to the question that items (2) to (5) and (8) and (9) of schedule 4 stand as printed.

Senator Bernardi (South Australia) (11.56 am)—I neglected to inform the Senate that when I withdrew amendment (1) stand-
ing in my name I also wanted to withdraw this amendment on behalf of the opposition.

The TEMPORARY CHAIRMAN—
That is fine.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

Senator LUDWIG (Queensland—
Minister for Human Services) (11.58 am)—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

CORPORATIONS AMENDMENT (No. 1)
BILL 2008 [2009]

In Committee

Consideration resumed from 3 February.

The TEMPORARY CHAIRMAN (Senator Troeth)—The committee is considering Corporations Amendment (No. 1) Bill 2008 [2009] and amendment (1) on sheet 5705, moved by Senator Milne. The question is that the amendment be agreed to.

Senator BERNARDI (South Australia) (11.59 am)—Before this debate concluded last night, I had not had an opportunity to put on the record the coalition’s position with regard to this amendment. I agree with the comments Senator Milne made last night that the Prime Minister has talked a lot but he has not actually done very much. I do not agree with her comments that we should be modelling our legislation on American legislation. I am paraphrasing Senator Milne here. She referred to President Obama and his position on similar amendments. Simply because it is happening in America does not mean it should happen in Australia.

There has been a bit of comment from the coalition over a period of time and more recently by the Leader of the Opposition, Mr Turnbull, about the payments of excessive benefits. However, Mr Turnbull’s comments were constrained, I believe, to CEOs. The amendment proposes much broader ranging reforms, and the coalition will not be supporting them because we believe that they would not be to the long-term benefit of the Australian corporate sector.

Senator MARSHALL (Victoria) (12.00 pm)—It is unfortunate that Senator Bernardi makes those very brief comments in which he starts to suggest that this government is simply talking and not acting. I do not know where he has been since we won government. I do not know how he can possibly misunderstand the very many actions that this government has taken to stimulate the economy. It is simply not talk. The government has acted decisively and early in the best interests of this country. It is stimulating the economy at times when it needs to. It is putting Australia in a position where we can continue to face the challenges presented by the global economic crisis in an effective way that benefits Australian businesses, Australian workers and this economy in general.

On behalf of the government, I absolutely reject those very flippant and, I think, ill-considered comments by the spokesperson for the opposition. Senator Bernardi really should take a deep breath and actually look at what this government is doing. To suggest in any way that what the government is doing could simply be described as talk and not action I think simply defies belief.

Senator BERNARDI (South Australia) (12.02 pm)—I do not want to get into an extended debate with Senator Marshall, but his comments are completely irrelevant to this debate. I was merely reflecting my agreement with Senator Milne saying last night that the Prime Minister talks a lot but has not done very much. Senator Marshall may disagree with that—and we will have a political
debate about these things for many years to come, I am sure—but, please, let us look at our constructive contribution to this debate rather than at the partisan politics that Senator Marshall is intending to play.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (12.02 pm)—I want to address a couple of remarks to the amendment moved by the Greens. I had only just commenced my contribution last night when we had to adjourn, and I was making the point then that the circumstances in Australia are quite different from those in the United States. I think it is important to point that out. There is no doubt in the United States—and I am not going to go through the details of the US subprime crisis—that among the central elements of the collapse of the US financial system were the perverse incentives and the failure of many senior executives to identify the risk of the very creative financial instruments that they were employing and spreading through not just the US system but the entire world’s financial system and for which they were paid, frankly, obscene sums of money.

I agree with President Obama’s comments last week. I know that his comments were a response to the revelation that many people in the financial sector in the United States who, having had a catastrophic year—banks were falling over and a major insurance company would have collapsed if the government had not bailed it out—were paid, at the end of the financial year, approximately $22 billion or $23 billion in incentives and so-called rewards. I know that President Obama was rightly outraged, as were the vast majority of people in the US, that failure was rewarded. These perverse incentives and bonuses were being paid to varying degrees to individuals who had been involved in what is going to go down as the largest financial collapse in the US since the Great Depression. That is a fundamental difference from what has occurred in Australia.

Fortunately, we have not had the collapse of mainstream financial institutions in Australia. We have had at the edges—Babcock and Brown and Allco Finance Group are examples, and Senator Milne referred to a couple—a very small number of entities to whom, on reflection, given what happened, we can certainly question whether payments were appropriate. But I think we should distinguish between the collapse of large sections of the US financial system and the situation that has prevailed in Australia. Participants in this debate need to reflect on that background.

Nevertheless, the Prime Minister and indeed the Leader of the Opposition, Mr Turnbull, have identified a range of issues and argued that there does need to be improvement with respect to executive remuneration in Australia. This global financial crisis has revealed that there are many financial institutions that pay their employees in a way that encourages them to take large and inappropriate risks, particularly short-term risks. Taking short-term risks fuels a boom and a culture of greed and short-termism. As I have mentioned, we have seen these opaque investment instruments in a search for short-term and what have turned out to be paper results. Financial institutions need to have clear incentives to promote responsible behaviour.

The Rudd government is committed to responsible economic management and this includes acceptable remuneration practices for Australian companies, particularly in the financial sector. The Prime Minister and the Treasurer—and, indeed, I—on a number of occasions have advocated reform of financial sector executive salaries. It needs to be done not just in Australia but internationally. In financial services in particular we are dealing
with an international market. Financial institutions need to have clear incentives to promote responsible behaviour rather than some of the unrestrained greed that we have seen. The government believes the Basel rules on capital adequacy should pick this up. Specifically, it thinks regulators should set higher capital requirements for financial firms with executive remuneration packages that reward short-term returns or excessive risk taking—that is, for institutions encouraging excessive risk by employees it should be prudent to keep a bigger buffer of capital to reflect the increased risk. That in turn will be reflected in executive remuneration.

This will be implemented domestically, in conjunction with discussions with our regulators—APRA and ASIC. In Washington on 15 November the G20 leaders agreed that their finance ministers will formulate recommendations on executive compensation. APRA is developing the template and the global financial crisis gives us all cause to reflect on the matters under debate.

Senator Milne has criticised the government for lack of action. I know public concern about executive salaries has been there for many years but it has certainly crystallised over the last calendar year. These issues need to be examined thoroughly and dealt with effectively. The point I would make about the Greens amendment is that there will be reform in this area. However, the Greens amendment—which is the same amendment they moved in October and November last year—is an extremely blunt approach. We do want thorough reform in this area. We want it to be considered. I am very confident that we will see reform in this area during this calendar year. But the proposed Greens amendment is an extremely blunt approach. It does not address anywhere near all the types of issues that need to be considered in an effective response to this issue of executive remuneration. Therefore, we will not be supporting the amendment.

I will give this commitment to the Greens. When we are reaching a point where it may require some regulatory parliamentary amendment, I will be very happy—and as Minister for Superannuation and Corporate Law I do have some responsibilities in this area—to involve you in the discussions that occur about how we respond in a legislative and/or regulatory way to these issues.

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

The committee divided. [12.15 pm]

(The Chairman—Senator the Hon. AB Ferguson)

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Milne, C. 
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NOES
Bernardi, C. 
Boswell, R.L.D. 
Brown, C.L. 
Cameron, D.N. 
Collins, J. 
Crossin, P.M. 
Ferguson, A.B. 
Furner, M.L. 
Joyce, B. 
Lundy, K.A. 
Mason, B.J. 
Moore, C. 
Parry, S. 
Pratt, L.C. 
Sherry, N.J. 
Sterle, G. 
Trood, R.B. 
Wortley, D. 

* denotes teller
Question negatived.
Bill agreed to.
Bill reported without amendment; report adopted.

Third Reading
Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (12.18 pm)—I move:
That this bill be now read a third time.
Question agreed to.
(Quorum formed)

MIGRATION LEGISLATION AMENDMENT BILL (No. 2) 2008 [2009]

Second Reading
Debate resumed from 3 December 2008, on motion by Senator Ludwig:
That this bill be now read a second time.

Senator FIERRAVANTI-WELLS (New South Wales) (12.21 pm)—I rise to speak on the Migration Legislation Amendment Bill (No. 2) 2008 [2009] which amends the Migration Act to clarify and enhance provisions in the act that relate to merits and judicial review of migration decisions.

These amendments aim to rectify the shortcomings of the Migration Legislation Amendment Bill (No. 1) 2008 by creating conditions conducive to the expeditious and efficient administration of justice for those seeking review. These principles were first introduced as part of the previous bill before they were withdrawn in August 2008 amid some concerns over their unintended consequences. The coalition supported the principle behind these changes when they were first introduced. Consequently, we are in support of these amendments in their revised and improved form.

As the then shadow minister for immigration and citizenship, Senator Ellison, indicated in his speech on the second reading on 27 August 2008, it is fair to say that the coalition, while in government, was looking at amendments of a similar nature to the ones we see currently in this bill. These amendments provide for a number of much-needed improvements in process—in particular, allowing oral communication of requests for further or initial information, the setting of time limits for appeals, and the commencement dates of the times within which appeals can be made. Most notably, this bill seeks to amend the current 28-day period for lodging an application to the High Court for judicial review of a migration decision, which will be changed to 35 days. In order to remove concerns, a new 35-day period will commence to run from the date of the migration decision rather than from the time of the actual notification of the decision.

The case of Minister for Immigration and Citizenship v SZKKC highlighted concerns associated with the concept of notification for the purposes of lodging an application for judicial review in the Federal Magistrates Court. Section 477 of the Migration Act as it currently stands provides that the time period for initiating proceedings in the Federal Magistrates Court commences from the date an applicant is actually notified of a decision. This provision creates a large degree of uncertainty as it is often difficult for a court to ascertain when an applicant is actually notified of a decision. The Senate recently moved to rectify many of the problems associated with notification of migration decisions when it passed the Migration Amendment (Notification Review) Bill 2008 last year. I spoke on behalf of the coalition in support of that bill as I saw it as a practical measure to prevent unnecessary legal recourse based on minor technical deficiencies in the process of notification by the department.

The amendments prescribed in the notification review bill have removed opportunities for unnecessary legal challenges which
intended to delay and overturn migration decisions. In a similar fashion, this bill calls for a range of measures aimed to prevent such action before the courts while also improving effective administration of justice. Indeed, as a former lawyer with the Australian Government Solicitor, I have seen in my own experience how, regrettably, unscrupulous immigration lawyers and migration agents can exploit such technicalities in a futile attempt to delay their clients’ cases.

Together with the notification review bill, these amendments solidify changes which improve the notification process between migration applicants, the department and the relevant tribunals. These pieces of legislation will, at the same time, ensure that the notification system remains fair and reasonable for all of the parties involved. The objective of the Migration Legislation Amendment Bill (No. 2) is to amend the Migration Act to clarify and enhance communication provisions in the act that relate to merit and judicial review of migration decisions. In particular, this bill clarifies that the Migration Review Tribunal, the MRT, and the Refugee Review Tribunal, the RRT, may invite either orally or in writing review applicants or third parties to give them information. It establishes uniform time limits for applying for a judicial review of a migration decision in the Federal Magistrates Court, the Federal Court and the High Court and it limits appeals against judgments by the Federal Magistrates Court and the Federal Court when they make an order or refuse to make an order in relation to extending time to apply for judicial review of migration decisions.

Currently, the tribunals and the full Federal Court can only request or require information from a person in writing. Enabling the tribunals to obtain information from review applicants and third parties orally, including over the telephone, will help ensure that reviews of migration decisions can be conducted more efficiently and quickly. In many instances the only available method for contacting an applicant is by oral means. While acknowledging the issues surrounding procedural fairness which arise from the acquisition of information orally, it is often the case that the tribunal registry only has access to telephone numbers. These amendments, allowing the tribunal greater power in obtaining information orally, will ease delays in the judicial process without necessarily compromising procedural fairness.

The amendments relating to time limits address the problem where there is currently an incentive for unsuccessful visa applicants to take advantage of the delays litigation can cause by waiting until their removal from Australia is imminent before lodging an application for review. These amendments provide the courts with broad discretion to vary the time period for applying for a review of a migration decision where the courts consider such a time frame is necessary in the interests of the administration of justice. The limitation on appeals against extension of time decisions will help ensure the effectiveness of the new time limits for applying for judicial review of migration decisions as inserted by the bill.

The current wording in the act is, in places, ambiguous and has allowed appeals to migration decisions based on lack of clarity concerning dates of decisions and communication processes. These amendments seek to clarify the intention of the act and to streamline the appeal processes. Under these amendments, various changes will occur. Section 359(2) inserts the words ‘either orally including by telephone or in writing’ after ‘may invite’ in section 359(2) of the act. Section 359(1) of the act provides the Migration Review Tribunal with the power to get any information it considers relevant. Importantly, it provides that once the MRT has such information it may have regard to this
information in making its decision on the review.

The amendments to section 359(2) outline that the MRT has the power to seek information orally by whichever method it chooses, including, but not limited to, by telephone. The MRT will still be able to invite, in writing, a person to provide information. These powers are a subset of the MRT’s broad powers under section 359(1). The power to seek information orally or in writing applies at any stage in the review. As previously mentioned, these amendments will also ensure that the MRT is able to obtain relevant information where the only way of contacting a person is by oral means—for example, where only the telephone number has been provided.

In all circumstances, including over the telephone, where information is collected that is adverse to the applicant and which the MRT considers would be the reason or part of the reason for affirming the decision under review, clear particulars of that information will be put to the applicant in writing. The applicant will then have an opportunity to comment on such adverse information within a prescribed period before a decision on the review is made. The removal of the word ‘additional’ from the heading in section 359 makes it clear that the MRT’s power to seek information orally, including over the telephone, or by written invitation applies to all information and seeks to deal with the uncertainty surrounding what information is covered by section 359.

Vesting the High Court with the broad discretion to extend time where it is necessary in the interests of the administration of justice aims to protect applicants from possible injustice while also ensuring extensions. A prime reason for an extension of time being necessary is evidenced in the 2007-08 annual report of the High Court of Australia, which illustrates that 93 per cent of the immigration applications filed in 2007 were filed by self-represented litigants. The Human Rights and Equal Opportunity Commission’s submission to the Senate Legal and Constitutional Legislation Committee in 2004 stated:

It must be remembered that persons making claims under the Migration Act may have little familiarity with Australian legal processes, and may face linguistic and cultural barriers to effectively managing their application and advocating on their own behalf.

Furthermore, where the services of a migration agent are employed not all problems are overcome, as it is often the case that the actions or rather inaction of an agent can adversely affect the prospects of an individual wishing to appeal their decision.

New section 486A(3) provides a definition of ‘date of the migration decision’, which will serve the purpose of setting the time limits for applying to the High Court for review of a migration decision. Section 486A(1) as amended by section 5 of the schedule provides that the 35-day period for applying for a review of a migration decision starts to run from the date of the migration decision. One of the effects of this section will be to ensure that where a written statement for the decision does not comply with all of the requirements set out in section 368(1) for the MRT and section 430(1) for the RRT the time limits starting to run will not be affected. These sections seek to ensure that the High Court is not required to examine whether there is a jurisdictional error in the migration decision before determining whether the application for review is within time.

In short, these amendments will ensure improvements to the Migration Act in order to build upon the shortcomings of the Migration Legislation Amendment Bill (No. 1) 2008. These provisions aim to do so by cre-
ating conditions conducive to the expeditious
and efficient administration of justice for
those seeking review. The coalition supports
such positive changes. In the past applicants
have been afforded opportunities to abuse the
tribunal and appeals process based on short-
comings of the process, particularly those
originating from the notification process.
These amendments, together with those out-
lined in previous amendments supported by
the coalition such as the Migration Amend-
ment (Notification Review) Bill, will help
ensure more efficient and effective judicial
review of migration cases in Australia.

Senator HANSON-YOUNG (South Aus-
tralia) (12.35 pm)—The Migration Legisla-
tion Amendment Bill (No. 2) 2008 [2009] is
a welcome move to clarify and enhance judi-
cial provisions relating to the merits and ju-
dicial review of migration decisions. Judicial
review has been an issue of great concern for
the Greens. We are particularly pleased to
see the government move to ensure effective
time limits for judicial review of migration
decisions reinstated, effectively allowing for
the courts to extend the time frame where
they consider it necessary in the interests of
justice and of course administration. Despite
our overall support for this bill, we have
some ongoing concerns about the proposed
increase in the length of time unsuccessful
applicants have to lodge an application for
judicial review and, more concerningly, the
proposal to remove the right of unsuccessful
applicants to appeal decisions regarding ex-
tension of time to a superior court.

Firstly, I will address the issue of the time
frames. Currently, an application for judicial
review must be lodged within 28 days of the
actual notification of that decision. The rele-
vant court may extend the initial 28-day pe-
riod by up to 56 days if an application for
such an extension is made within the 84 days
of the actual notification of the decision and
the court is satisfied that it is in the interests
of the administration of justice to grant that
extension. While in theory this amendment
seems logical, on closer inspection there
seems to be a danger that the new provisions
may not sufficiently safeguard against un-
fairness to applicants who experience delays
or mistakes in being notified of the migration
decision. Under this proposed new provision,
time would be running as soon as the deci-
sion was made and any error or delay in pro-
viding notification could diminish or com-
pletely use up the amount of time available
to make an application.

Although these circumstances would most
probably be sufficient grounds to apply for
an extension of time, we are concerned that
the onus of doing so would be on the appli-
cant alone, requiring an application in writ-
ing setting out why the extension was in the
interests of the administration of justice. This
appears to impose an unreasonable burden
upon applicants who may already suffer con-
siderable disadvantage—including language
barriers and limited financial means—in ac-
cessing the legal system and may diminish
their practical ability to obtain a fair hearing.
Accordingly, I would like the minister to
outline how the proposed amendments to
sections 477, 477A and 486A will safeguard
against any potential disadvantages that
could arise if these amendments were to pro-
ceed.

The second issue I would like to raise
deals with schedule 3 of the bill. Essentially,
schedule 3 removes the right to appeal in a
superior court in respect of a decision of a
lower court relating to the extension of time
given to lodge an application for judicial
review. The explanatory memorandum notes
that the amendments are being made to ‘dis-
courage unsuccessful visa applicants from
taking advantage of the delays caused by
litigation to prolong their stay in Australia’.
Although I understand the contention of the
Minister for Immigration and Citizenship
that appeals of such decisions may, in some circumstances, be used as a delaying tactic or as a burden on court resources, these factors should not justify unreasonable restrictions upon fundamental rights. The rights of applicants to obtain a fair trial and access to the legal system must be protected. While I see the minister’s point, it is a concern that we are suggesting taking away people’s rights just because some people do not play fairly.

Although the proposed amendments were not contained in the Migration Legislation Amendment Bill (No. 1) 2008, the government has not indicated what has changed between the drafting of the two bills to necessitate the imposition of the limitation nor has it provided detailed reasons as to why this measure is needed other than that it will strengthen and enhance the new time limits, it may help to prevent applicants from making weak or vexatious appeals to deliberately delay their removal and it may seek to encourage applicants to seek timely resolution of their cases.

Schedule 3 as it stands is unacceptable to the Greens and we will not be supporting it. Judicial discretion should instead be exercised to allow review of orders in respect of an extension of time in appropriate cases. I ask the minister to outline how this amendment will not diminish a person’s fundamental right to access the legal system. Putting aside the small handful of cases as shown in the statistics of people who do currently take advantage of the processes, we need to ensure that we are not undermining the rights of those who are more vulnerable and disadvantaged.

The Greens support the overall intent of this bill, and I stress that. There are some good parts in this bill and overall we do support the intent, but we believe that the Migration Act as a whole needs to be amended to immediately implement the many principles announced by the Minister for Immigration and Citizenship on 29 July 2008, as well as to immediately implement judicial review for detention decisions. We want to give the courts the ability to review decisions and to make judgements in relation to immigration. We need a judicial process for looking at decisions made around detention.

While I understand that the bill before us today deals specifically with judicial review of migration decisions, it is important to note the findings in the Australian Human Rights Commission annual report into immigration detention which highlighted that asylum seekers, including children, continue to be held indefinitely, despite assurances by the government that detention is only being used as a last resort and for the shortest time possible.

Considering the bill aims to extend the judicial review time frames for applicants who have already received a tribunal decision on their visa applications—some of whom would still be in detention—stipulating reasonable time frames for people to contest their detention should also be an obvious inclusion in this overall package. As I outlined in my speech on the Joint Standing Committee on Migration report into immigration detention last year, we need to urgently ensure that the merit of detention decisions is subject to independent oversight without indicating a view as to whether that should be available as a right or should occur as a matter of course. Their intention did not suggest that they would have considered it reasonable to preclude merits and judicial review for 12 months—something I would like the minister to respond to today.

The Greens will therefore move a second reading amendment calling on the government to immediately put forward amendments to the Migration Act to implement the principles announced by the minister last
year and to ensure that a person cannot be kept in immigration detention for more than 30 days unless a court makes an order deeming it necessary to detain a person on a specified ground and there are no effective alternatives to detain that person. I now move:

At the end of the motion, add:

"but the Senate calls on the government to immediately put forward amendments to the Migration Act:

(a) to implement in legislation the principles relating to immigration detention announced by the Minister for Immigration and Citizenship on 29 July 2008, in particular the following:

(i) detention that is indefinite or otherwise arbitrary is not acceptable and the length and conditions of detention, including the appropriateness of both the accommodation and the services provided, would be subject to regular review,

(ii) detention in immigration detention centres is only to be used as a last resort and for the shortest practicable time,

(iii) people in detention will be treated fairly and reasonably within the law,

(iv) conditions of detention will ensure the inherent dignity of the human person; and

(b) to ensure that a person placed in immigration detention can apply to a court for an order that he or she be released because there are no reasonable grounds to justify detention; and

(c) to ensure that a person cannot be kept in immigration detention for more than 30 days unless on the application of the Department of Immigration and Citizenship a court makes an order that it is necessary to detain a person on a specified ground and there are no effective alternatives to detention".

Senator McLUCAS (Queensland—Parliamentary Secretary to the Minister for Health and Ageing) (12.43 pm)—I thank senators for their contributions to the second reading debate on the Migration Legislation Amendment Bill (No. 2) 2008 [2009]. I note that Senator Hanson-Young has asked a number of specific questions. Given that we will not conclude the debate before 1.45 pm, I assure Senator Hanson-Young that we will endeavour to get good answers to those legitimate questions.

The Migration Legislation Amendment Bill (No. 2) 2008 [2009] amends the Migration Act 1958 to clarify and enhance provisions relating to merits and judicial review of migration decisions. The bill contains three sets of amendments. The first set of amendments clarifies that when the Migration Review Tribunal or the Refugee Review Tribunal seek information from review applicants or third parties they may do so either orally or by written invitation. The amendments seek to address a series of recent judicial decisions which held that the tribunals may seek additional information only by written invitation. By allowing the tribunals to also seek information orally, the amendments seek to overcome problems where the only available means to communicate with a person is orally—for example, where only a telephone number is provided to the tribunals—or where it is appropriate to seek information orally rather than in writing.

Debate interrupted.

MATTERS OF PUBLIC INTEREST

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—Order! It being 12.45 pm, I call on matters of public interest.

Workplace Relations

Senator CAMERON (New South Wales) (12.45 pm)—I rise on a matter of public in-
terest concerning the coalition’s agenda to retain those parts of Work Choices that depress the wages of low-paid workers and make their jobs less secure. This agenda would increase economic inequality and damage the economy by strangling demand at a time when there is a consensus amongst business and economists that the government must stimulate demand.

Consider the public record. In evidence to the Senate’s inquiry into the Fair Work Bill, the Treasurer and Minister for Commerce in the Western Australian government, Mr Troy Buswell, outlined the Liberal Party’s plan to retain as much as that government can of Work Choices under the state law in Western Australia. The Liberal Western Australian government opposes the extension of rights to workers that will protect them from being unfairly dismissed. The Liberal Western Australian government opposes a minimum employment standard that limits weekly ordinary hours of work to 38. The Liberal Western Australian government will reintroduce take-it-or-leave-it employment contracts as a condition of getting a job. The Liberal Western Australian government will make it easier for jobs to be contracted out and outsourced with no protection for employees’ wages and working conditions.

And it is not just the Western Australian Liberal Party. In a speech to the Young Liberals the other weekend, Senator Fifield made some quite curious remarks about Work Choices. He said:

... there is a reassessment by many in the Coalition as to the wisdom of having been so quick to abandon our core principles on workplace relations after the election.

Then he said—he must have thought about it:

Don’t get me wrong. Of course, the brand and policy iteration known as “Work Choices” is dead.

So, one minute Work Choices is a core principle of the Liberal Party; the next it is simply a policy iteration—a brand to be discarded like an empty can of Coke. Which is it?

Senator Bernardi interjecting—

The ACTING DEPUTY PRESIDENT—Order! Senator Bernardi!

Senator CAMERON—I know what it is: it is a core Liberal Party principle. Ripping conditions from ordinary working Australians is a core Liberal Party principle.

Who are the many in the coalition who Senator Fifield says are questioning Malcolm Turnbull’s position on the necessity for the Liberal Party to declare Work Choices dead? There are many in the coalition who will not let go of the policies that were doing so much harm to Australian workers: take-it-or-leave-it individual agreements, no protection from unfair dismissal, the barest-of-bare set of minimum employment standards, stripping away the no-disadvantage test for workplace agreements. All of these attacks on workers’ rights contribute to downward pressure on the income of working families and, if they were to persist, would stifle growth and demand in the economy.

According to a report in today’s Australian newspaper, Senator Fifield’s ‘many’ at least includes Senator Abetz, Senator McGauran, Senator Joyce, Mr Tuckey, Mr Abbott, Mrs Bronwyn Bishop and Mr Schultz. There are many more on the list, and no doubt all will be revealed before too much longer. The difference between Senator Fifield and Senator Abetz is that Senator Abetz wants to continue the debate behind closed doors. This is what happened when Work Choices was introduced. There was no consultation with the Australian public, no warning to the Australian public and no mandate from the Australian public.
As further evidence of the coalition’s continuing affection for political and economic extremes, take Senator Abetz’s outrage against suggestions from Mr Pyne that the Liberal Party should move to the political centre. From his remarks it is clear that Senator Abetz thinks that any move to the centre is a move too far to the left. Senator Abetz is going to tough it out on the right-wing fringe, and many of his colleagues want to be there with him. Senator Abetz and the coalition have no idea what the political centre is. Work Choices was the policy iteration of the coalition’s lack of a political compass.

So we have an accumulation of evidence that amongst all the other things the coalition are in denial about, including climate change, they are also in denial about the severity of the global recession. They are preparing to frustrate the decisive and economically responsible action that is needed to support economic activity, jobs and investment. They persist with their neoliberal economic policy based on the law of the jungle. It is the let-the-market-rip approach—the Gordon Gecko approach—to governance. That is where the Liberal Party are.

There is an overwhelming case for a comprehensive government package to deal with the economic downturn. In terms of the labour market, the last thing we need now is a debate about the discredited policies of the coalition. Mr Turnbull argues that he is now standing up for fiscal discipline. Well, let me tell you what the government are standing up for. We are standing for leadership and decisive action to protect jobs and support Australian households. For us the international meltdown is not simply about a failed economic theory; it is about looking after working families. And we are demonstrating leadership and we are acting decisively by delivering $14.7 billion to schools for major and minor infrastructure construction.

I will be happy to see all the Liberals scurrying back to their electorates and telling their local school communities that they are not supporting the government’s biggest approach ever in the history of this country to refurbish schools—something that they failed to do for 13 years in government. We are funding the installation of the country’s housing stock because we understand there is global warming; we are not deniers on this. We are increasing the solar hot water rebate. We are injecting $12.7 billion into households to support household demand and support economic growth. We are providing $6.4 billion for the construction of new social housing and a further $400 million for repairs and maintenance of existing public housing. We are providing $252 million for the construction of 800 houses for Defence Force personnel and an additional $150 million for repairing regional roads. We are providing $500 million to help local councils fund community infrastructure.

While we are at the cutting edge of the changes that are required to protect jobs in this country, the coalition remains stuck in a time warp. It just wants to return to Work Choices. That is its policy for this country. While the government does the right thing demanded by the very tough economic conditions facing the country by providing an urgent fiscal stimulus, the coalition clings to its deficit fetish. We have false fiscal discipline from Malcolm Turnbull and time warp politics from the coalition.

Nothing typifies the return to the past more than the return of Peter Costello to Lateline last night. After making little or no contribution to the political and economic debate since the election, he now detects an opportunity to fill the vacuum created by the flip-flopping, incompetent and ineffective Liberal leadership. Unfortunately for the Liberal Party, his contribution was a negative, carping and angry exhibition that
clearly demonstrated why he could never gain the support of his peers for the Liberal Party leadership. Working families deserve better from this ragtag opposition. Working families deserve an opposition that acts in the national interest and not in the interests of an individual’s political aspirations. Working families need better from an opposition that wants to defend discredited economic theory that has brought the international economic system to its knees.

The Labor Party will not be distracted by the internal machinations of the opposition. We will continue to develop global responses to the economic crisis that are in the interests of working families, our communities and the nation. We have to make up for the failures of the opposition when in government—a failure to provide fairness, balance and equity in industrial relations, a failure to invest in our schools and in the youth of this country, a failure to develop our industries, a failure to recognise the reality of global warming, a failure of leadership and a failure to build the nation. That is what this package is about. It is a nation-building package. It is about ensuring that we protect jobs, we protect our communities and we protect the families of Australians. You are failing to show any leadership or consensus in any national approach to the international crisis.

Economy

Senator BUSHBY (Tasmania) (12.56 pm)—I rise to speak on a matter of public interest, that being the concerning ideological direction of the government in its economic management. As we head into 2009, it is becoming increasingly apparent that the fallout from the global financial crisis will pose great challenges to our nation with a vast array of worrying consequences for all Australians. The process will greatly test the government’s economic capacity. With unemployment set to rise, the hard-won Costello and Howard surplus exhausted and the global economy in downturn, left-leaning journalists, academics and politicians have lost no time in placing blame for this situation squarely at the feet of capitalism and globalisation. Indeed, they have been so successful that this message has pervaded the mainstream of Australian discourse. In the midst of the severity of the crisis becoming apparent, our own Prime Minister was seen urging world leaders to reject what he labelled ‘extreme capitalism’ and calling for a new world order of global financial regulation. Our self-professed economic conservative Prime Minister, together with the assistance of other fellow ideologues, has now engaged in composing fruitless reams of ideological diatribe—

Senator Cameron—Neoliberal claptrap.

Senator BUSHBY—I would not have gone so far as to call his essay claptrap, but if you would like to label it that then I will accept that. The Prime Minister is railing against the economic paradigm which he only last year so warmly identified himself with. Sixteen months ago, he went to the Australian people saying words to the effect: ‘I am an economic conservative. I won’t take the budget into deficit. You can safely vote Labor because, when it comes to the economy, we won’t do anything different from what the coalition has been doing.’ Yet here we have this self-professed economic conservative, in an essay for the Monthly, laying into the balanced, commonsense approach to government management of the economy so successfully practised by the coalition government and, to a limited extent, by the Hawke and the Keating governments—an approach that has placed us in what is almost
certainly the best position of any nation in the world to tackle this crisis.

I find this backflip, this flip-flop, this complete turnaround, to be completely breathtaking in its enormity. I also say that I do not find it at all surprising. This is because I never believed our Prime Minister when he stood with his hand on his heart and told the Australian people that he was an economic conservative and that Labor promised more of the same. My suspicion, shared by millions of Australians, is that, in politics, the less scrupulous will sometimes say what they need to say to be elected. I am reminded of the overheard and widely reported comments by the now Minister for the Environment, Heritage and the Arts during the campaign, ‘We will say what we need to to get elected, but we will change it all when in government.’

There is no clearer evidence of that than the words of our Prime Minister in his essay in the *Monthly*. Here we have our ‘economically conservative’ Prime Minister declaring that he is a social democrat. I understand that he has since also declared that he is both an economic conservative and a social democrat.

Senator Bernardi—And a Christian socialist.

Senator BUSHBY—And a Christian socialist—it is like claiming that you are a constitutional monarch who wants an Australian head of state.

Senator Cameron—Can you explain that?

Senator BUSHBY—Exactly! It is total inconsistency. The Prime Minister, in his essay, used the term ‘the emperor has no clothes’ in attempting to denounce the obvious success of the approach to economic management that seeks to encourage private enterprise and investment and to reward individual effort and freedoms. But the reality is that, in doing so, the Prime Minister has exposed himself as the emperor with no economically conservative clothes. The fact is that, in signalling a return to old-fashioned, big-spending, high-taxing, high-debt Keynesian expansionism, this government has sounded the death knell for the prosperity of Australians for generations to come.

The Prime Minister is correct when he says in his essay that this crisis may mark a turning point between one epoch and the next. But I for one will be extremely concerned if the next epoch marks a return to the failed socialist policy implemented as part of the social democratic experiments of the past. It will be our children who pay the price if the social democrats, the Keynesians and the socialists win the ideological argument now surfacing and such irresponsible economic policy rules in Australia. One need only glance briefly at the course of 20th century history to observe the failures of Keynesian overreaction. This is not to say that a review of global financial structures is not necessary, but such a review needs to be well considered and informed rather than reactionary. Two hundred years ago Adam Smith described the brilliance of capitalism. He said:

Let a man seek his own advantage; sometimes he will flourish. Sometimes he will flounder. But always, the process of innovation and failure will reward the ‘common good’.

In Smith’s words:

It is not from the benevolence of the butcher, the brewer, or the baker, that we can expect our dinner, but from their regard to their own interest. The employment of self-interest to generate outcomes that advantage others is more or less the simplified central assumption of capitalism. It is beautiful in its simplicity and, despite the scapegoat role it seems to play in the event of any sort of financial crisis, humanity has not yet devised a better system.
In 1944, a meeting of like-minded individuals was called by a great man by the name of Robert Menzies. These individuals were brought together by a common belief that freedom was paramount. They sought to provide the Australian people with an alternative to the postwar socialist agenda of the then Labor government. This was a great moment in Australia’s history. This was the birth of the greatest political force for freedom that our great nation has known: the Liberal Party of Australia.

Government senators interjecting—

Senator BUSHBY—Freedom is what that was all about. In a policy speech at the 1949 election, at which the party was first elected to government, Robert Menzies said:
You cannot have a controlled economy without controlling human beings, who are still the greatest of all economic factors. You cannot socialise the means of production without socialising men and women.

As the founding father of the Liberal Party, Menzies very clearly articulated the link between economic freedom and political freedom that goes to the very core of the political philosophy of classical liberalism. Indeed the advent of the Liberal Party signalled a re-emergence of classical liberalism in Australia, following the long period of lagging economic growth and high levels of taxation and debt across the globe which followed the failure of Keynesian expansionism to adequately address the latter years of the post-Depression recovery. I must say that I feel we are heading towards very similar circumstances in the way that this government is going.

By the late 1970s and early 1980s this revival was in full swing, with the likes of Margaret Thatcher and Ronald Reagan at the helm. In his work Capitalism and Freedom, Milton Friedman very succinctly summed up what it is about the free market that has brought about the unprecedented prosperity and freedom of the past few decades:
Economic arrangements play a dual role in the promotion of a free society. On the one hand, freedom in economic arrangements is itself a component of freedom broadly understood, so economic freedom is an end in itself. In the second place, economic freedom is also an indispensable means toward the achievement of political freedom.

The spread of capitalism on a global scale has brought about spectacular improvements in the quality of life of billions of people the world over. In 1820, 85 per cent of the world’s population lived on today’s equivalent of less than a dollar a day. By 1950 this had fallen from 85 per cent to 50 per cent, and today it has diminished to less than 20 per cent.

It is a simple fact that global poverty has plummeted over the last 50 years, more so than in the 500 years preceding. The spread of capitalism has also brought with it increased life expectancy and a greater scope for the pursuit of leisure and freedom from the burden of back-breaking physical labour, which, ironically, has allowed for the emergence of an educated class who may make a career out of criticising capitalism if they wish.

Intellectuals’ distaste for capitalism was best described by Friedrich Hayek in The Fatal Conceit. It was his belief that capitalism offends intellectual self-importance in its distrust of evolved systems which seem to function effectively without intelligent direction. Simply put, capitalism did not require any planning from anyone and it does not need anyone to run it, rendering those poor socialist intellectuals redundant.

Contemporarily, this criticism has engendered a broad range of adherents, with many who claim the moral high ground on such things as ‘greed’ and ‘materialism’. Of more economic relevance is the current blame
game being played around the causes of the global financial crisis. As has often been
said, capitalism was doing just fine until politicians and bureaucrats decided that they
could do a better job. The now-infamous taxpayer funded Fannie Mae and Freddie
Mac were created by the United States gov-
ernment to do what the free market would
never have done: provide subprime mortgage
finance, or finance to those who would not
otherwise have qualified for a loan.

Fannie Mae’s status as a government
business enterprise gave a false impression
to the market that it was somehow guaran-
teed, leading to risk-taking behaviour on a
massive scale. To cut a long story short,
when the bubble finally burst the result was
global financial chaos—what our Prime Min-
ister in his glib bureaucratic fashion likes to
call the ‘GFC’. Yes, there was risk-taking;
yes, there was excessive greed; and, yes,
there was regulatory failure, but in no way
can it be said that capitalism is to blame. It is
the socialist adherence to the notion that
somehow politicians and bureaucrats can
improve upon the interactions of individuals
in a free market that is largely responsible for
this debacle.

And what of our fortunes in all of this?
The International Monetary Fund says that
Australia is in a comparatively strong finan-
cial position. But this strong position we find
ourselves in did not just happen. No, our cur-
rent good fortune relative to comparable na-
tions comes as a direct result of 11½ years of
responsible and prudent economic manage-
ment under John Howard and Peter Costello.
Under a coalition government we saw a dra-
matic increase in the number of Australians
in work; consistently lower interest rates; an
increase in the average wage of 20 per cent
greater than the increase in the cost of living;
and, very importantly, the repayment of the
$96 billion debt so very generously endowed
upon us by the last Labor government, re-
sulting in a massive annual interest bill sav-
ing of $8.8 billion a year and every year. The
situation that Australia would be in under the
current economic circumstances had this
debt remained does not bear thinking about.

Worryingly, given this government’s clear
willingness to head us back into deep debt,
we are staring down massive deficits for
many years to come. What benefits will my
children and their children receive for the
taxes they will be paying for many years to
cover this massive exercise in political pork-
barrelling that we see today? I contend there
will be none. There is very little, if anything,
in this new package—or in the last one late
last year, for that matter—that builds future
productive capacity. It is all one-off spending
that, sure, will temporarily boost economic
activity and will show up in the figures but
will not jump-start any ongoing or lasting
future economic activity.

There is a generally accepted rule that a
government should only go into deficit to
fund activities that will benefit those who
will have to repay that deficit—for example,
to fund major infrastructure that will have a
life of 20, 30, 40 or 50 years and will deliver
ongoing benefits to taxpayers throughout that
period. But to place the burden of interest
and principal payments on our children and
grandchildren to fund one-off cash splashes
that will only increase economic activity in
the periods in which they are spent is both
irresponsible and inequitable. To make things
worse, the bills tabled in the House today
include one seeking authorisation to increase
borrowings by an amazing $125 billion—
from their current authorisation of up to $75
billion to an astounding $200 billion.

Senator Mason—No!

Senator BUSHBY—Let me restate that:
Mr Rudd is asking if he can extend the limit
on his credit card from $75 billion to $200
billion.
Senator Boswell—What is his collateral?

Senator BUSHBY—He has no collateral. He has no plan setting out how he intends to pay it back, either, and he has not told the Australian people what services he will have to cut in the future to afford to pay the interest he is going to have on a $200 billion credit card debt. That, if he takes it to its limit, could be up to around $20 billion per annum—and that is $20 billion you will not be able to spend on services or on schools. Worse, even if Mr Rudd remains Prime Minister for a number of terms, there is almost no chance that it will be him who has to make the hard decisions required to actually pay the credit card off. It will be future governments.

Senator Mason—Coalition governments.

Senator BUSHBY—Inevitably it will be a future coalition government that will have to come in and clean up the mess. It took us the best part of 10 years to pay off the $96 billion debt the last Labor government left us after a series of ‘temporary deficits’. In a little over 10 months in office the new Labor government has wiped out our surplus. Here, a few months later, we have this Labor government taking us back deep into debt—and for what outcome? As with the last economic stimulus package, we will see nothing more than a short-term upward blip in economic activity and no long-term solutions providing ongoing economic benefits.

Neoclassical economic theory has long decried the effectiveness of lump-sum payments in promoting economic growth, suggesting that individuals are more likely to adjust their spending habits when faced with permanent income changes such as tax cuts than with once-off windfall payments like the Prime Minister’s flagrantly populist pre-Christmas spending spree and this newest massive cash splash. In short, Labor have panicked, and their responses to this crisis have been ill thought out and quite frankly threaten to undermine the economic and political freedoms that the previous coalition government fought so hard to uphold.

In addition to this heavy-handed, potentially ineffectual policy initiative, which will do little other than burden future generations with debt, the government’s bungled bank guarantee has left many Australians in dire straits, with savings frozen in investment and mortgage accounts. According to the Financial Review, the amount of bank debt guaranteed by the Rudd government—(Time expired)

Whaling

Fitzgerald River National Park

Senator SIEWERT (Western Australia) (1.11 pm)—There are two issues I wish to cover today in talking about matters of public interest. One of these issues came to the fore during the summer break, and that was whaling. The other, which is also very close to my heart, was the Western Australian government proposal last week to put a road through the heart of the Fitzgerald River National Park. The road would go from Bremer Bay through to Hopetoun. The Premier proposed this in response to BHP closing its laterite nickel mine in Ravensthorpe. The closure resulted in 1,800 workers being put off, which will have a dire impact on both Ravensthorpe and Hopetoun—Hopetoun in particular, where 200 new houses were built to accommodate those workers. The Premier’s response is: ‘Let’s build a road from Hopetoun to Bremer Bay’. That will not only cost a fortune but, more importantly, is complete environmental vandalism that will destroy the wilderness and biodiversity values of what is acknowledged as one of the most important national parks in Australia—in fact, in the world—because it also happens to be at the heart of one of the world’s 25 biodiversity hot spots.
How does the Premier propose to so-called 'help' these workers and these areas? By building a road that will damage the very thing that is encouraging people to come to that region—that is, the biodiversity of the Fitzgerald River National Park. This park is a biosphere reserve under the UNESCO Man and the Biosphere Program convention and forms part of a global network of these biosphere reserves. Australia is a signatory to this international convention and we believe it has obligations to uphold the protection of this area. Although the Man and the Biosphere Program convention does not have the same legislative backing as the World Heritage convention, the migratory species in Australia convention or the Ramsar convention, we believe that it does confer obligations on the Australian government to look after the values of this area. This area was declared as a biosphere reserve in 1978. There was a local committee formed in 1986 to look after the area.

I will put on the record that I am deeply attached to this park. I used to live very close to it and I know the park very well. As I said, the biosphere reserve, or the Fitzgerald River National Park, is one of 25 biodiversity hot spots around the world. These are called biodiversity hot spots because they have some of the richest and most threatened areas in the world. They are the richest in terms of plant diversity and biodiversity. The park contains 250 plant and animal species identified as rare or geographically restricted. It is extremely rich in flowering plants as well as lichens, mosses and fungi. It is a relatively small park—it is 330,000 hectares—but it contains 1,900 species of plant, nearly 20 per cent of the total number of plants in Western Australia. So nearly 20 per cent of the plants in Western Australia are found in this small park. It has some of the greatest biodiversity not only in Australia but on the planet. We have lost so much in Australia and so much globally, yet we are still proposing archaic responses such as, 'Let's bulldoze a road through and destroy more of the world's biodiversity.'

Sixty-two of the plant species are found only in the Fitzgerald River National Park, with a further 48 species more or less confined to the park. These include the royal hakia—and if you have ever seen a royal hakia you will never forget what it looks like; it is one of the most gorgeous, most flamboyant plants you could come across—as well as the scarlet and showy banksias, feather flowers, bell-fruit mallees and many other eucalypts, bottlebrushes and pea flowers that are found nowhere else on the planet. This diversity of plants is a haven for native animals and birds. It is home to 19 species of native mammals, making it an extremely important reserve for that reason as well because increasingly those mammals are found nowhere else.

Many of these species are dieback prone. I realise that dieback is a problem in the east but not such a problem in Western Australia, so those in the west may not appreciate that when people who care about nature hear about a species being dieback prone it sends shivers up their spine because once it is in an area it is almost impossible to get rid of. A lot of plant species in Western Australia have already been devastated by the various forms of dieback. Phytophthora is the most commonly known species, but it is not just phytophthora. The very fact alone that these species are prone to dieback should take this road off the agenda, because putting a road through will open that area up to dieback. This diversity of plants, as I said, is a haven to native animals and birds. Several species of mammals thought to be extinct have recently been rediscovered in the park. These include the dibbler, which is a small and secretive carnivore with distinctive white rings around its eyes, and the heath rat, which was
thought for many years to be extinct until it was found in the park in the 1980s. There is the Shortridges native mouse as well as the woylie and the tammar wallaby.

Very importantly, there is the ground parrot, which is the best known of the three endangered birds that are in the park. The ground parrot was once found across the whole of the south-west coast but is now restricted to very small areas in the Fitzgerald River and the Cape Arid national parks. Of course, they are restricted in these areas because we have cleared so much of our native vegetation throughout Western Australia and in that south coast area. The ground parrots are ground-nesting birds. They are threatened by predation from foxes and cats as well as by altered fire regimes. Again, fire regimes in this national park are extremely important because there are so many fire sensitive species. Unfortunately, we have had a number of wildfires through that area, but the management try to manage the park in order to reduce the spread of wildfires. The proposed road threatens critical habitat for the ground parrot within this park.

There is also the western bristlebird, which is another well-known threatened species in Western Australia. As I touched on previously, this area is prone to dieback. I understand it was unfortunately introduced into the park when a track called the Bell Track was pushed through this area to facilitate mining exploration quite some significant period of time ago. DEC, the Department of Environment and Conservation, in Western Australia has spent over $1.3 million just recently trying to eradicate the dieback from the park that was caused by the Bell Track.

If this project goes ahead, there is absolutely no doubt in my mind that dieback will be introduced, and it will be introduced into areas of the park that it would never otherwise be introduced to. Of course, the Premier uses the excuse that the park is not being properly managed, that there are illegal tracks through there at the moment and therefore if we build a road we will manage it better. How about putting more money into managing the park so that you do not have illegal access to these areas? Allow the park to be properly managed. Over a significant period of time, the management resources for this park have been reduced to the point where there are not enough rangers there anymore and there are certainly not enough resources going to the management of the area. You do not try and destroy an area and then say, ‘Okay, we’ll fix it up by destroying it further.’ That is absolutely ridiculous. To try and imply that a road going from Bremer Bay to Hopetoun is going to solve all the economic problems of the south coast is absolutely ridiculous. It gives false hope to the local community. Also, if you draw an increased number of tourists to the park by putting that road through, you will certainly be drawing the tourists away from the towns of Jerramungup and Ravensthorpe. If there is any gain, what you gain on the one hand those towns are going to significantly lose.

The other important aspect of this park is its wilderness values, because it is on the south coast and management plans have been put in place. The management plan takes a zoned approach and has in it a wilderness zone. The wilderness zone is particularly important not only for its wilderness value but because it protects so many of the rare and endangered species and the biodiversity of the park. Putting a road through will destroy the wilderness value and is completely contrary to the various management plans for the area that have been in place for a significant period of time. We believe the Premier’s response was a knee-jerk response to the very unfortunate situation in Ravensthorpe and Hopetoun.
There is absolutely no doubt that there need to be money and resources injected into the area; the Greens have no problem with that. We do not have any problem with the approach of sustainable tourism. In fact, we strongly support ecotourism and we believe that a focus on tourism in the park would be a good idea, but invest in the facilities that are there: put in new facilities where the access is already available and where the management plan says those facilities should be put in.

In fact, develop a sustainable tourism plan for the whole of the South Coast. The conservation groups are already one step ahead of the Premier and have suggested a sustainable tourism blueprint for that region. You could not only sustainably improve the infrastructure in the Fitzgerald River National Park but you could then link that infrastructure to other natural areas on the south coast, of which we are blessed with a number. Look at developing the Great Western Woodlands proposal, a proposal to ensure the protection of the western woodlands, another very important ecosystem. A little bit of forethought in this could have very positive outcomes in increasing visitation to the area based on its natural values, which are unique. They are found nowhere else on the planet.

The Premier says it is going to cost $50 million. That figure was developed a significant period of time ago. I fail to see how you can build a sealed road through that very rugged, 80-kilometre area for $50 million when it necessitates putting bridges over at least three or four estuaries, which would be engineering feats in themselves. I doubt very much that the Premier has actually looked at the figures in any meaningful way. Of course, they are calling on the federal government, which is another reason I am bringing this issue here—besides the fact that I think the federal government needs to be looking after the biodiversity of that region. They want to apply for federal government funding for this road under infrastructure development. It is completely inappropriate to invest in a road that will destroy an utterly unique biodiverse area that the federal government has the obligation to ensure is protected.

The Greens urge the federal government to send this proposal back to the Premier saying it is completely inappropriate and unacceptable and the government will only invest in sustainable development in that area. It is a completely inappropriate knee-jerk reaction for the Premier to propose a road around an area to encourage tourists to come and see the area when the road itself will destroy the very things that the Premier wants tourists to come and see. The message is: go home and redo your plan, Premier, and come up with a truly sustainable tourism management strategy for the south coast.

In the last minute I have available I will refer very quickly to the IWC announcement that was made yesterday of a possible compromise with Japan on whaling to the Fitzgerald River. I have stood on many occasions at Point Ann looking at the glorious whales directly off the coast of the Fitzgerald River National Park in Western Australia. The IWC yesterday revealed its open secret that it was proposing a compromise with Japan that would facilitate them getting out of the south coast but entrench coastal whaling. My question to the government here is, very strongly: at what level were you involved in those discussions? The government has to distance itself completely from any compromise on whaling that would see Japan simply moving its whaling from the Southern Ocean to the northern Pacific. A whale is important whether it is in the Southern Ocean or in Japan. Japan gets what it wants. All along it has wanted to be able to undertake commercial whaling. This so-
called compromise—‘sell-out’ is more the case—by the IWC simply entrenches commercial whaling for Japan. It is unacceptable.

Australia has to completely distance itself from any such compromise. Australians are very clear: no whaling. It is not ‘no whaling just in the Southern Ocean’; it is ‘no whaling’. Australia should have nothing further to do with these negotiations, should distance itself from these negotiations, and should be very clear that it is an unacceptable compromise. I am aware that conservation groups around the world are writing— (Time expired)

**Western Australia: Workplace Relations**

Senator PRATT (Western Australia) (1.26 pm)—I rise today to talk about a matter of public interest out of concern for Western Australian workers—workers who the West Australian government would see fit to leave out of the critical work of nation building and leave out of our nation’s new Fair Work legislation. In this time of global economic uncertainty, in which people are losing their jobs, people want, need and deserve security and certainty in their employment system. Now more than ever they want to see fair industrial relationships.

The Rudd Labor government is giving the nation tools to shore up economically and industrially against this global economic tidal wave. But the West Australian government seems to be attempting to distract West Australia’s attention from its failure to handle the consequences of the current international economic crisis in Western Australia. It seems to be bent on harking back to the failures of Work Choices and the divisive relationships it put in place. The WA government seems to want to use workers as the scapegoat for it being asleep at the wheel.

There is one thing I agree with the West Australian government about. In its submission to the Senate Education, Employment and Workplace Relations Committee inquiry into the Rudd government’s Fair Work Bill, the government said:

It is critical in the current economic climate that workplace laws encourage flexibility, productivity and business confidence.

I could not agree more. But in the same paragraph the government also said:

The WA Government is concerned that the bargaining, transfer of business, unfair dismissal and right of entry provisions of the Bill will negatively affect Western Australian workplaces.

I say this is patently untrue. Similarly, the federal opposition are incorrectly implying that the Fair Work Bill will cost jobs. This is scaremongering and scapegoating at its best. They are trying to bring us back to the old Work Choices debate that was held before, and lost at, the last election—a debate that was played and lost on the vote of the Australian people. They are trying to manipulate feelings of insecurity about the consequences of the global economic downturn and attach them to the government’s Fair Work legislation.

As UnionsWA Secretary Dave Robinson said at the Perth hearings of the Fair Work Bill inquiry:

… if there ever was a time for improved workplace laws, it is certainly now as the global economic crisis is felt across all nations, with working people suffering considerably from the fall-out.

The industrial landscape must change in a way that affords those millions of Australian workers the rights and protections that are necessary in such a global downturn.

Yet the WA government continues to scaremonger about the right-of-entry provisions in the proposed legislation. There have been no complaints about right of entry and inspection of records in WA, where we currently have such provisions. WA Liberals do not want to sign up to a unified national system of IR laws. They want to keep certain WA
workers in unfair industrial relationships. They do not want to be part of our nation-building exercise. I say this is tragic, given the scale of job losses in my home state. I will give you just a few examples. From Argyile Diamonds we have lost some 300 to 500 workers. From Newcrest Mining at Telfer, some 400 workers are projected to lose their jobs; from Norilsk Nickel at Waterlo, some 400 workers; and from Rio Tinto’s head office, some 600 workers. Those are just a few examples from the list I have of the current job losses that Western Australia is facing in the mining industry.

But I say that workers and their unions are already part of the bigger plan for our country. In WA we have already seen workers with Alcoa forfeit pay rises to help ensure that production remains competitive in this tough economic climate. Unions are working hand in hand with people who are losing jobs in the mining sector, providing practical support, counselling and finding new employment opportunities. These very same unions have approached the WA state government to say, ‘Let’s work together,’ like they are doing in Queensland, with tripartite arrangements between government, business and unions. But there has been a deafening silence in response from the Western Australian state government. It is a crying shame because now more than ever we need partnership and cooperation.

The Rudd government is working hard to reduce the impact of the current global economic crisis on the economy, families and jobs. We have a massive nation-building plan before us, a plan that will provide jobs during this period of economic downturn, both through new infrastructure projects and by encouraging consumer spending; a plan that will provide financial assistance to those ordinary Australians who are most likely to be adversely affected by the downturn, to minimise the harm that it will inevitably inflict on workers and families; and a plan that will, at the same time, set Australia up to get maximum benefit from the economic recovery when it comes, by enhancing Australia’s productive capacity. The infrastructure projects the government is supporting will improve our productive capacity by ensuring that essential productive capacity such as roads, ports, railways and our broadband network are of a first-class standard. But, even more importantly, as we have seen this week, there is all of our new spending on education and training. This will enhance Australia’s productive capacity by ensuring that our greatest resource, our people, are ready to take advantage of the benefits a global recovery will bring when it comes.

We need to be ready for the jobs of the future, as part of a flexible workforce under a fair industrial relations system, including new jobs in a greener economy. We should make no mistake—a responsible Carbon Pollution Reduction Scheme and a single national industrial relations system for private sector workers are essential steps to modernise Australia. And it is this capacity to take full advantage of the global recovery, to seize new job opportunities and new business opportunities as soon as they arise, that we must ensure if we are to minimise the negative impact of this downturn on the fiscal position of Australian governments and on the welfare of the Australian people. It is this task that needs to be the focus of all Australian governments and all sides of politics right now, not some worn out, irrelevant debate about industrial relations. Labor knows this; the union movement knows this—the question is: does the federal opposition? In particular, does the Western Australian state government?

The WA government needs to work with the federal Labor government to facilitate the rollout of funds to support communities, to provide them with the facilities they require
for the future and the jobs they desperately need right now and the improvements to primary and secondary schools, local government projects and public housing. For the sake of all Australians I hope the Western Australian government has its priorities right. My home state rode the biggest boom in years, under a state Labor government. And by rights, by virtue of its natural resources and the resourcefulness of its people, I believe WA will also play a crucial part in leading the way to recovery—if the WA government plays its part. If Troy Buswell can resist the temptation to try and score cheap political points by attempting to revive a debate over industrial relations that the last federal election settled once and for all, and if the coalition can stay focused on the real task at hand, WA will benefit and so, in the process, will the rest of the country.

Emissions Trading Scheme

Senator BOSWELL (Queensland) (1.36 pm)—The matter of public interest I wish to raise is the heavily compromised Treasury modelling of the government’s proposed emissions trading scheme. I refer senators, the media and the public to the review of the Treasury modelling by the former head of ABARE, Dr Brian Fisher, which was commissioned by the Senate Select Committee on Fuel and Energy and was released this week. He found that many of the really important conclusions reached by the Treasury modelling were basically out of the ballpark because the underlying assumptions were totally unrealistic. The modelling is only as good as the inputs that go into it and Dr Fisher has raised serious questions about the validity of those assumptions, not least because the government will not tell us how those key assumptions were arrived at and by whom. A cynical exercise in political manipulation has gone on here.

Dr Fisher’s review shows how the assumptions used by Treasury, at government orders, were so wrong that they materially affected the outcome of the modelling. As Dr Fisher states on page 6:

... the interaction of these assumptions is likely to result in the Treasury modelling seriously underestimating the economy-wide and sectoral challenges associated with particular emissions reduction targets, particularly in the short to medium term. The implications are especially important for Australia’s emission-intensive, trade-exposed (EITE) industries and for the electricity generation sector.

On page 21 Dr Fisher reveals:
Treasury officials have advised the Committee that ‘the scenarios that were modelled by Treasury were done at the direction of the government’.

As one example, on page 9, Dr Fisher found:
In the case of agriculture, it is unclear how the large emission reductions would be achieved in the face of substantial increases in output relative to the level in 2008 as suggested by the sectoral results of the Treasury modelling. In a country where competitiveness will continue to depend on extensive rangeland agricultural production of sheep and cattle it is difficult to imagine that technology will become available in the near future to enable major reductions in methane output from rangeland agriculture.

As the former head of ABARE, Dr Fisher knows what he is talking about. On page 30 he states:
Just because agriculture is excluded from the scheme in the first five years does not mean that farm costs will not rise. Suppliers of inputs such as electricity and diesel will have to purchase permits and a large share of those costs will be passed on. In the cropping sector, almost 40 per cent of input costs come from emission-intensive inputs, while in livestock the share is about 17 per cent. Competitors in key developing countries will not be subject to such cost increases.

Dr Fisher also notes, on page 31:
… the competitive impact on EITE industries of an ETS is likely to be felt most keenly in regional and remote Australia, often in locations with limited alternative sources of economic activity of such high value.

So rural Australia is being asked to pay for the green guilt of those in the leafy suburbs. The rural voters are of far less weight to Rudd than the Green voters. That is what this is all about.

Dr Fisher’s review highlights the utter absurdity of the Treasury modelling relying on the assumption that the world will implement emissions reduction arrangements through a global emissions trading scheme with strong coordinated global action. On page 18 he notes:

This is fundamental to results that yield relatively modest emission prices and aggregate economic costs of mitigation policies in Australia. It also helps to determine core conclusions about Australia’s ‘early mover’ benefits, posited improvements in the competitiveness of many EITE sectors and the ease with which Australia’s economy (including the electricity sector) transforms to a low-emissions future.

From this premise, Treasury’s analytical framework yields a self-reinforcing, virtuous circle of domestic and international benefits.

The international action assumptions of the two Garnaut scenarios in the Treasury modelling are particularly optimistic based as they are on a global emissions trading scheme covering all economies and sources of emissions from 2013. How realistic is it that the US, China and India will move together with us to commit to binding carbon reduction commitments? Just last week Mr Obama, the new US President, stated:

To protect our climate and our collective security, we must call together a truly global coalition. I’ve made it clear that we will act, but so too must the world.

Secretary of State Hillary Clinton weighed in on Monday to argue:

No solution is feasible without all major emitting nations …

It does not sound to me like Obama is going anywhere without China or India. I wish Senator Cameron were here because I would like to ask him personally about this. So why is Australia putting jobs at risk by going ahead with a flawed scheme well before the rest of the world? Why are we selling out Australian jobs to our competitors at a time of global financial crisis?

On page 35 Dr Fisher concludes:

There is little in the recent experience of international climate change negotiations that points the way to the Treasury scenario of ‘strong coordinated global action’ involving all major emitters. If anything, the position of rapidly growing developing countries in global climate change forums has hardened …

In reality, there is almost no prospect of non-Annex B countries taking on binding emission restraints …

The best that could be hoped for in coming years is for developing countries to engage gradually in an international framework via policy-based commitments.

Yet Treasury was told to assume that if Australia reduced emissions by five per cent the world would agree to a 19 per cent reduction while allowing China to increase its emissions by 172 per cent and India to increase its emissions by 99 per cent. I cannot see the US congress agreeing to that and I do not think it would go down too well with them.

Dr Fisher observes on pages 36 and 37:

There is little doubt that the Chinese government has adopted an ambitious climate change related domestic policy program but this should not be taken as an indication that China is prepared to adopt binding targets in an international regime.
In other words, China’s position in global climate change negotiations revolves around: 1) demands that industrialised countries first commit to massive reductions in emissions; 2) demands for large-scale technology transfers and financial support; and 3) using the legal framework of the UNFCCC to avoid any attempt to see it take on commitments sooner than other developing economies.

The Treasury modelling assumptions appears to regard China’s position in international climate change negotiations as a giant bluff.

India is the world’s fifth largest global emitter, accounting for about five per cent of global emissions. Dr Fisher makes the point on page 37:

In general, India’s stance in international climate change negotiations is viewed as less accommodating than that of China. India has maintained a firm position that developed nations must first commit to very large emissions reductions (in the order of 80 per cent by 2050) before developing countries take on commitments to constrain emissions. At this stage, India has pledged only that its per person GHG emissions ‘will at no point exceed that of developed countries’ …

When you consider that India’s emissions are 70 per cent below the world average on a per capita basis, India has a long, long way to go before it commits to any real reductions. Meanwhile, back at the US ranch, Dr Fisher reports on page 38:

… President Obama’s envoy, Senator John Kerry, made it clear that large developing countries such as China and India would have to take on some kind of target before US ratification of an international agreement … It is not consistent with the Treasury modelling assumptions.

On page 39, Dr Fisher concludes:

In short, there is little prospect of the United States agreeing in the near term to anything approaching the national emissions allocation framework modelled by the Treasury. The modelling relies on especially heroic assumptions in terms of the timing and nature of future US commitments to emissions reduction targets within an international agreement.

Because the government told Treasury to assume there was strong, coordinated, global action, the problem of carbon leakage simply disappears. Green commentators and government ministers can get up and say that Treasury modelling found that carbon leakage is not a problem, but that is patently false. In the real world, where there is no strong, global action, it will be a huge problem. As Dr Fisher says on page 27:

With its international action assumptions, the Treasury modelling largely assumes away what Garnaut described as the ‘truly dreadful problem’ of Australia’s EITE industries facing a carbon price while their international competitors take no action …

Following my estimates questions, everyone now knows that the Treasury modelling did not factor in the global crisis. The world has now fractured timewise into before the global crisis and after the global crisis. This Treasury modelling that the government is pinning all its arguments on is pre global crisis. It belongs to another world—not the one we are in now, where no-one knows what tomorrow will bring, not even Treasury. The folly of using pre global crisis modelling must be recognised. As Dr Fisher states on page 42:

… the Treasury modelling exercise and much of the decision-making on scheme design has assumed, often explicitly, a continuation of strong global and domestic growth, both in the implementation phase of the ETS and in the longer term.

It seems so obvious, yet the government has not recast its modelling or its assumptions; it continues to run with a pre-GC scenario of events. Events are moving fast. As we all know, budget forecasts are obsolete practically from the day they are released, and yet Senators Carr, Wong and Conroy all want us to sign up to an ETS justified by ancient his-
tory. Not only that—their modelling is not even based on their white paper policy. The government policy in the white paper is that, even if the rest of the world does nothing, Australia will go for a five per cent reduction on 2000 emissions levels by 2020. But the Treasury five per cent scenario assumes equivalent climate change policies in overseas countries. Moreover, as pointed out by Dr Fisher on page 63, Treasury’s modelling, published prior to the release of the white paper, does not analyse the revised shielding scheme for emissions intensive trade exposed industries, nor does it analyse the effect of a permit price cap in the first five years. In summary, says Dr Fisher:

... the Treasury modelling does not actually model the government’s preferred policy approach. A complete analysis and assessment of the economic costs and benefits of the government’s preferred policy approach has yet to be published by Treasury.

The sleight of hand used in the Treasury modelling has served to conceal the hard facts about the very real burdens if Australia pursues carbon reduction alone and ahead of the rest of the world. On page 34, Dr Fisher concludes that more realistic assumptions on global action mean higher emission prices, a higher cost of emission reductions, less or no gains from early action, greater competitive disadvantage for our trade exposed industries and the risk of serious disruption of our energy sector. Dr Fisher worked out how much the ETS will cost in today’s dollars using the discount rate of 1.4 per cent. In present value terms, the cost of mitigation for the lowest, five per cent scenario is $1.264 trillion, which is greater than the entire value of our GDP. And the Rudd government wants to put us through all of this at a time of global financial crisis.

Sitting suspended from 1.51 pm to 2.00 pm

QUESTIONS WITHOUT NOTICE
Economy

Senator COONAN (2.00 pm)—My question is to the Minister representing the Treasurer, Senator Conroy. Will the minister outline for the Senate exactly how many years the budget will remain in deficit?

Senator CONROY—Dear, oh dear! The global recession has led to deficits around the world. The IMF predicts that the deficits of advanced economies will rise to an average of seven per cent of GDP in 2009. The fact that those opposite still do not understand the severity of the global conditions and do not understand how that impacts on deficits in Australia is an indictment of those opposite, because it is very relevant to talk about world conditions when you are talking about how long Australia will be in deficit. That is why it is relevant to this answer. The fact that those opposite do not like that does not make it irrelevant to the question, because the state of the international economy bears directly on the length and the severity of the impact on the Australian economy. It goes to the heart of the question that those opposite are asking.

As I noted yesterday, government tax revenue has collapsed by $75 billion over the forward estimates since MYEFO and $115 billion since the budget. In the midst of this global recession, it would be irresponsible not to act swiftly and decisively to support jobs and invest in nation building. The reduction—

Opposition senators interjecting—

Senator CONROY—You just go on believing that.

Senator Coonan—Mr President, I raise a point of order and it relates to the standing order requirement that the minister be directly relevant to the question in his answer. He was asked very specifically a timing
question—how many years the Australian budget will remain in deficit. So far he has not addressed that at all.

Senator Ludwig—Mr President, on the point of order, this is exactly the difficulty that these questions pose. The good senator, Senator Conroy, is providing a directly relevant answer to the question. The difficulty, as always, is that the framing of the question suggests an answer—in this instance what it does is try to pin it down by asking how many years. But, if you listen to Senator Conroy’s answer, the answer provides the answer. In other words, Senator Conroy is directly answering the question by explaining about the global financial crisis, how countries around the world are in—

Honourable senators interjecting—

The PRESIDENT—Senator Ludwig, resume your seat. When there is quiet we will proceed.

Senator Ludwig—The global financial crisis around the world leads to a recessionary outcome. What Senator Conroy is explaining for those opposite, which Senator Coonan does not seem to grasp, is the way the process will go forward—but I do not want to debate the matter. The simple fact is that the question presupposes an answer. Senator Conroy is on point and is directly relevant to it.

The PRESIDENT—Senator Conroy, you have 10 seconds remaining in your answer in which to address the question that has been raised by Senator Coonan.

Senator CONROY—Thank you, Mr President. Treasury and Finance have been working around the clock to ensure the government could release robust forecasts as quickly as possible. (Time expired)

Senator COONAN—Mr President, I note that Senator Conroy is struggling with how many years the budget will remain in deficit. Could he try this as a supplementary question: will the minister outline exactly how many years our children will be paying off Labor’s new debt?

Senator Chris Evans—Yesterday Turnbull supported a deficit.

Senator CONROY—Absolutely.

Senator Abetz—Not as big as this.

Senator CONROY—Oh, so Liberal debt is okay and ours is not?

Senator Abetz—No, it’s the size.

Senator CONROY—Oh, okay.

The PRESIDENT—Order! It is not debating time; it is question time. Senator Conroy is required to answer the question.

Senator CONROY—Thank you, Mr President. The government will return the budget to surplus after the global recession is through. Specifically, as the economy recovers and grows above trend, the government will take action to return the budget to surplus by banking any increases in tax receipts associated with the economic recovery, while maintaining our commitment to keep taxation as a share of GDP on average below the level that we inherited from those opposite and holding real growth in spending to two per cent a year until the budget returns to surplus. As the Prime Minister noted yesterday— (Time expired)

Senator COONAN—Mr President, I ask a further supplementary question. Given that we are probably in for many years of deficit, what is the government’s official projection of the annual interest repayments on Labor’s new debt?

Senator CONROY—Once again, those opposite are demonstrating their complete lack of understanding of how this economy is working—how a modern economy works. We have made it perfectly clear through the commitments that I have just outlined that we will be returning the budget to surplus.
Senator Abetz—That’s irrelevant to the question.

Senator CONROY—The supp is actually irrelevant to the question as well, just for the record—yes, it is.

Opposition senators interjecting—

The PRESIDENT—Order! Senator Coonan, I will not give you the call until there is silence, and it is your side that is stopping me calling you.

Senator Coonan—Mr President, I rise on a point of order that relates to the requirement to be directly relevant. The question that was asked directly was: what is the figure on the annual interest repayments on Labor’s new debt?

Senator Chris Evans—Mr President, on the point of order raised by Senator Coonan, firstly Senator Conroy was attempting to answer that question in the time available and was responding to the question. In speaking to this point of order, Mr President, I draw your attention to the fact that, since the new system of question time was introduced, members of the opposition make commentary before asking each question and supplementary. If they are going to argue for relevance, I think we also ought to make sure that there are questions and that it does not turn into a taking note debate, because at the rate we are going there will be about three questions at question time.

Senator Abetz—Mr President, in your examination and ruling, I would invite you to consider what commentary there was in the supplementary question that Senator Coonan asked, which was, very simply: what is the official government projection of the annual interest repayments on Labor’s new debt? It was very straightforward with no commentary—a direct question that, under the new standing orders, now deserves and indeed requires a directly relevant answer.

Senator Faulkner—Mr President, on the point of order, I listened carefully to Senator Abetz’s additional point of order and respectfully suggest to you that there are of course new arrangements for question time and there are rules in relation to relevance. Originally, these new question time arrangements were designed on an understanding that ministers would be provided with some indication of the broad nature of questions—

Senator Abetz—Nonsense.

Senator Faulkner—that is true, Senator—that were to be asked by the opposition. My additional point of order is to make this point: this is a very specific question and, given the nature of the changes, the opposition has taken the relevance point but failed of course to deliver on what Senator Ferguson first proposed, which is an indication to ministers of the broad nature of questions that would be asked. Do not argue relevance when you have not delivered on the other element of what you designed as a new question time arrangement.

Senator Ian Macdonald—Mr President, on the point of order: if Senator Faulkner is correct, then either Senator Conroy’s answer should be a figure or he does not know and he will take it on notice and get back to us. He does not need to give us the spiel and spin that we have become used to from Senator Conroy. So I agree with Senator Faulkner, and Senator Conroy should just say he has not got a clue and that he will take it on notice and get back to us.

The PRESIDENT—Senator Conroy, I draw to your attention to the fact that there is 23 seconds left to answer the question and you are required to answer the question that has been asked.

Senator CONROY—As I was saying, those opposite have no understanding of how the economy works. They have lost all cor-
porate memory. Increased borrowing to fund the temporary deficit will impose a short-term cost on the budget. On current projections—

Opposition senators interjecting—

Senator CONROY—I was just about to give you the answer. (Time expired)

The PRESIDENT—Order! If those on my left want to hear the answer, you will need to be quiet.

Nation Building and Jobs Plan

Senator FARRELL (2.11 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. Can the minister please explain to the Senate what the impact of the failure to pass the government’s Nation Building and Jobs Plan package would be?

Senator CHRI$$ EVANS—I thank the senator—

Senator Ian Macdonald—Mr President, I rise on a point of order. Would you consider that question to be hypothetical and rule accordingly?

The PRESIDENT—I will review the question at the end of question time.

Senator CHRI$$ EVANS—I understand that Senator Macdonald may be nervous about the extraordinary decision taken today by the opposition to oppose the government’s Nation Building and Jobs Plan. I think it is an extraordinary day in Australian politics. In the middle of a global financial crisis, when all economies are under enormous pressure, where the IMF has revised downward its projections for the economies on at least three occasions in recent months, where it is predicting that we will have negative growth if we do not act decisively now, the government have taken strong and decisive action to try and protect jobs, boost the economy and assist families. In taking that action, we followed the advice of all the international economic organisations and have mirrored action taken in all the Western economies around the world to try and protect their economies from the worst impacts of the global financial crisis. When the government take important, decisive action, what do the opposition do? They say: ‘We’re going to vote against it and we’re going to attempt to block your attempts to bolster the economy and protect Australian jobs.’ They want to stop us protecting Australian jobs. That is the extraordinary position we are in today.

Honourable senators interjecting—

The PRESIDENT—Order! I will not give you the call, Senator Macdonald, until there is quiet. It is as simple as that.

Senator Ian Macdonald—Mr President, I again raise the point of order under standing order 73, that this question is hypothetical. The question asked was about: ‘if this package were voted down’. Surely the opposition’s view is known, but the Senate comprises other people besides the opposition. The question is hypothetical—

Government senators interjecting—

The PRESIDENT—Order on my right!

Senator Ian Macdonald—Mr President, you can tell from the interjections from the other side that they know that what I am saying is 100 per cent true. This question is hypothetical and should be ruled out of order.

The PRESIDENT—As I undertook, I will review the question at the end of question time and get back if necessary.

Senator Ludwig—Mr President, on the point of order, clearly the senator is looking at standing order 73, which goes through a range of matters about which questions shall not be asked, such as ‘for an expression of opinion’ and ‘for a statement of the government’s policy’ and so on and so forth. It also includes in (g) ‘hypothetical matter’. In this
respect, a question has been asked of the Leader of the Government in the Senate about these issues, and it is quite within the remit of this government to ask the leader and for the leader to deal with it. Within that, we are talking about a real issue that is confronting us; it is not a hypothetical matter. But, of course, even within the framework of standing order 73 on rules for questions, there has always been—although it is not conceded in this instance—broad latitude to provide for the answer to the question.

The PRESIDENT—Senator Ludwig, I have already indicated to the chamber that the question will stand. I will review the comments that have been made, and the points of order by Senator Macdonald, at the end of question time and get back to the chamber if necessary.

Senator CHRIS EVANS—I can understand the extraordinary sensitivity that Senator Macdonald and the Liberal Party have about this issue, because it is incredible to think that their position now is that they do not support us trying to protect Australian jobs. They do not support us providing assistance to families. They do not support us providing assistance to small business. They do not support us trying to ensure that this economy grows and that people continue to have jobs. We have already seen large numbers of redundancies. This is a real economic crisis. What we want to do is support families. We are trying to give 8.7 million individuals a tax bonus of $950. But the opposition say, ‘No, don’t do that.’ We are trying to find a way to give 2.8 million children $950 as a back-to-school bonus. It is $950 to help families meet the costs of getting the kids back to school. But the opposition say, ‘Don’t do that.’ We want to help 1.5 million single-income families with a bonus, but the opposition say, ‘Don’t support Australian families; we’re going to stop you giving them the economic support you propose and protecting Australian jobs.’ Wake up to yourselves. You are so out of touch. (Time expired)

Senator Sterle interjecting—

Senator Carr interjecting—

The PRESIDENT—Order! Senator Sterle and Senator Carr, I am waiting for a question from Senator Farrell.

Senator FARRELL—Mr President, I ask another supplementary question. What will the impact on delivering essential community infrastructure be if the government’s package is not passed?

Senator CHRIS EVANS—As Australian families know, the government is attempting to provide them with financial support, both to support them and to boost economic activity to protect jobs. People know jobs are threatened. We have already seen large numbers of redundancies. This is a real economic crisis. What we want to do is support families. We are trying to give 8.7 million individuals a tax bonus of $950. But the opposition say, ‘No, don’t do that.’ We are trying to find a way to give 2.8 million children $950 as a back-to-school bonus. It is $950 to help families meet the costs of getting the kids back to school. But the opposition say, ‘Don’t do that.’ We want to help 1.5 million single-income families with a bonus, but the opposition say, ‘Don’t support Australian families; we’re going to stop you giving them the economic support you propose and protecting Australian jobs.’ Wake up to yourselves. You are so out of touch. (Time expired)

Senator Sterle interjecting—

Senator Carr interjecting—

The PRESIDENT—I remind senators that there is a time for debating answers at the end of question time. That is why we take note of answers at the end of question time. That is the appropriate time.

Senator FARRELL—Mr President, I ask a supplementary question. Could the minister please detail to the Senate the impact on low-and middle-income earners and families if the package is not passed?

Senator CHRIS EVANS—The government’s plans include a $28 billion investment in infrastructure—investment in schools, housing, local roads. This investment will benefit communities for the long term but will also provide jobs now. It will employ Australians who are under threat from the global financial crisis. So we are investing in
the future—investing in infrastructure, investing in our schools and our roads—and we are providing jobs. But the opposition say: ‘Don’t do that. Don’t invest in Australia. Don’t invest in jobs. We’re going to do everything we can to stop you providing that support to the Australian economy.’ Every P&C in Australia should tune in to the opposition saying: ‘Don’t build them a new hall. Don’t replace classrooms that are in need of reconstruction. Don’t help Australian communities. Don’t help Australian families.’ The opposition is so out of touch with Australians. I urge them to change their minds.

Senator Cormann interjecting—

The PRESIDENT—Order! Senator Cormann, you will withdraw that comment.

Senator Cormann—I withdraw.

The PRESIDENT—Stand up and withdraw. That is the normal procedure.

Senator Cormann—I withdraw.

The PRESIDENT—Thank you. I can only proceed with order in the chamber.

Nation Building and Jobs Plan

Senator TROETH (2.21 am)—My question is to the Minister representing the Treasurer, Senator Conroy. Can the minister confirm that the cumulative budget deficit will be $118 billion over the next four years?

Senator CONROY—I thank Senator Troeth for that question. The government is working responsibly on the budget deficit. Let me be clear. When it comes to this issue, there are a number of private sector endorsements of the budget and the budget stimulus package—which goes to the heart of the question of what the appropriate size of the deficit is. Dr David de Garis, the senior economist at nabCapital, stated that it is ‘a sizeable fiscal stimulus and, I think, appropriate in the circumstances both in terms of the size of the stimulus and also its construction’. ANZ Economics said, ‘The moves have been decisive and pre-emptive, thus giving policy the best chance of minimising the damage to employment.’ Let us be clear about this. There is endorsement across the country of this package. The deficit for 2008-09 will be $22.5 billion—that is, 1.9 per cent of GDP. The government’s fiscal strategy aims to ensure fiscal sustainability. When you look at what is happening around the world, most major industrial countries will have deficits in 2009.

Those opposite, who are seeking to pin their hopes on avoiding a deficit or reducing a deficit, should understand exactly the state of the world economy. The US deficit will surge to 9.5 per cent of GDP in 2009. That is a $1.2 trillion deficit, and that is inclusive of President Obama’s fiscal stimulus. The European Commission projects the UK’s deficit will rise four percentage points, to 8.8 per cent of GDP. In Japan the deficit is forecast—(Time expired)

Senator TROETH—Mr President, I ask a supplementary question. Minister, you did not answer the question, so I will ask you: is it the case that the budget would in fact have remained in surplus at least for this financial year but for the government’s reckless cash splash?

Senator Chris Evans—Is that the one you voted for?

Senator Sherry—Do you mean the one you voted for?

Senator CONROY—I do recollect, as I think some of my colleagues are interjecting, that those opposite actually voted for it. But let us be clear about this. Let us be absolutely clear. As was revealed on Monday, the size of the collapse in revenue has driven us into deficit. On top of that, we have now put in place a stimulus package. What you have to decide is whether or not you are actually going to stand behind your leader or be like all of those, like Mr Costello, who went out
last night and tried to pre-empt him on it and force him into this position. You have to get right behind Mr Turnbull on this—you have to stick by him on this—because this is going to cost Australians jobs. Let us be clear. Australians will lose their jobs because of what you are planning to do. *(Time expired)*

**Senator TROETH**—Mr President, I ask a supplementary question. To make my point further, I refer to the Prime Minister’s press conference of 2 February, where he claimed in relation to the $115 billion fall in tax receipts:

That means an impact directly on our budget, that means, therefore, of course, a temporary budget deficit.

Why did the Prime Minister mislead the Australian people at least in relation to this financial year about the reasons for the deficit, when the deficit is actually a result of the cash splash?

**Senator CONROY**—That is a question based on a false premise. It is entirely incorrect in the assumptions that underpin it. Let me be very clear. We are being driven into the budget deficit position that Senator Troeth asked about—of minus $22 billion, minus $35 billion, minus $35 billion and minus $25 billion—by international circumstances, and we have responded in both the economic security package before Christmas and the new stimulus package announced in the last few days. Let us be clear. You have a very simple choice: are you going to stick with Mr Turnbull and his position and cost jobs and put Australian families on the unemployment queue? That is what you are faced with. You are going to have a very long weekend to think about this. Australians will lose their jobs because of the irresponsible, short-term politicking that those opposite are engaged in. *(Time expired)*

**Climate Change**

**Senator MILNE** (2.27 pm)—My question is to the Minister for Climate Change and Water, Senator Wong. On 15 December last year, the Prime Minister justified the inexcusably weak target of five per cent and the design of the proposed Carbon Pollution Reduction Scheme on the basis that a more rigorous target would cost jobs and that he had the balance right. Yesterday, however, the government included investment in insulation and solar energy in the latest jobs stimulus package. Does the government now acknowledge that well-designed climate action is a jobs creator, builds manufacturing capacity and generally stimulates the economy?

**Senator WONG**—Thank you to Senator Milne for the question. I am pleased that the Greens recognise the importance of yesterday’s announcement and the massive investment in energy efficiency the government made as part of the Nation Building and Jobs Plan announced by the Prime Minister. It is an almost $4 billion investment—and, in fact, it is in excess of $4 billion if you count existing expenditure over the forward estimates. It is an enormous investment in energy efficiency measures. The government has always recognised that there are enormous economic opportunities in adjusting to a low-carbon future and in building an economy that is capable of competing in a world where there is global carbon constraint. Where we differ from the Greens, however, is that we recognise the enormous challenge—the hard economic challenge—of making that transition in an economy which is one of the most carbon intensive in the world and in circumstances where there is not a policy magic wand that immediately transforms the Australian economy from a highly carbon intensive economy to the low-pollution economy we do want to build.
So I am grateful that Senator Milne recognises the historic investment in energy efficiency that was announced yesterday, not only an investment that will support jobs for those who are participating in the installation of insulation or solar hot water panels but also a historic investment in energy efficiency to reduce Australia’s emissions. However, the government also recognises that this is a hard economic challenge. This is a transition that needs to be made over a number of decades. That is why we need a scheme to drive that type of economic change in the years and decades to come so we can secure today’s jobs by building tomorrow’s. (Time expired)

Senator MILNE—Mr President, I ask a supplementary question. I thank the minister for her response and her recognition that there are huge economic opportunities in adjusting to a low-carbon economy. Will she now revisit the design of the Carbon Pollution Reduction Scheme to ensure that the allocation of free permits is conditional on the implementation of the greatest possible energy efficiency opportunities, fuel switching and other emissions-reducing and job-creating options, because the design of the current scheme actively prevents the creation of new jobs in these sectors?

Senator WONG—We simply do not accept the premise of the good senator’s question. The impetus to drive investment in cleaner energy options, the incentive for Australian business to improve their energy efficiency, the incentive for Australian business to build those low-polluting industries and jobs of the future, is driven by the fact that you put in place a carbon price for the first time. You ensure that the market finally has the information it should have had, which is that climate change costs money and that is reflected in a carbon price. That is the way you drive incentive.

The senator seems to believe that the only way you can drive that sort of change is by making permits conditional. Let us remember that, notwithstanding the fact that the government has put in place unashamedly substantial measures of assistance to assist Australian industries in this transition through the design of the Carbon Pollution Reduction Scheme, the incentive comes from the carbon price. (Time expired)

Senator MILNE—Mr President, I ask a further supplementary question. In announcing the $2.7 billion insulation program, the government claimed that it would reduce greenhouse gas emissions by almost 50 million tonnes by 2020. Since that 50 million tonnes is not additional to the emissions cap in the Carbon Pollution Reduction Scheme as proposed, has the government misled the Australian people when it said that this measure would reduce Australia’s actual emissions?

Senator WONG—Implicit in that question seems to be a misunderstanding of the nature of a cap and trade system, which I understand your party supports. The reality is that if we reduce our energy use and become more energy efficient that does a number of things. First, in the context of higher energy prices, it enables Australian families to reduce their energy costs, and I would hope that would be something that all senators would support. Second, it would enable governments to go for more ambitious targets— that is the reality. The difference between the Greens and the government is that we consider the target range of five to 15 to be an ambitious target. Fifteen per cent is a 41 per cent reduction in the carbon footprint of every man, woman and child in this country between 1990 and 2020. (Time expired)

Economy

Senator FIERRAVANTI-WELLS (2.33 pm)—My question is to the Minister repre-
senting the Treasurer, Senator Conroy. Given that the government has admitted that it would need to borrow $118 billion over four years to finance its latest cash splash, why is the government seeking authority from the parliament to borrow some $200 billion, $82 billion more than is required?

Senator CONROY—The temporary deficit has been imposed on us by the rest of the world. The global recession and an unwinding commodities boom has collapsed revenues and pushed the budget into deficit. Borrowings are also needed to fund the Nation Building and Jobs Plan to support the economy and jobs. Let us be clear: the figure that those opposite are identifying is needed for these reasons that I am outlining.

The government has introduced legislation to increase Commonwealth government securities broadly equivalent to the deficits over the forward estimates. The overwhelming majority of the increased borrowing requirement is due to the collapse in revenues and higher payments associated with the global recession. These account for around two-thirds of the increase in the borrowing requirement. The government’s balance sheet remains sound and net debt remains low by international standards. Average net debt across the OECD is currently nine times the level of Australia’s. If the choice is between borrowing to finance the temporary deficit and higher unemployment, we make no apologies at all for choosing Australian jobs and supporting Australian families. If those opposite want to play these short-term political games, the Australian public will judge them on that. This government stands ready to do whatever is necessary to protect Australian jobs and Australian families. (Time expired)

Senator FIERRAVANTI-WELLS—Mr President, I ask a supplementary question—perhaps I might ask the question in another way. Why is the government supplementing its borrowing limit by a staggering 70 per cent, from $75 billion to $200 billion, and requiring an $82 billion blank cheque from Australian taxpayers?

Opposition senators interjecting—

Senator CONROY—They keep asking the question why and I am happy to keep explaining it to them. As I have been saying, increased borrowing to fund the temporary deficit will impose a short-term cost on the budget. On current projections net interest payments are forecast to rise to $2.6 billion. That is 0.2 per cent of GDP in 2011-12. As the IMF has said, the consequences of inaction will be devastating. While the fiscal cost to some countries will be large in the short run, the alternative of providing no fiscal stimulus or financial sector support would be extremely costly in terms of lost output. The human cost of the opposition’s plan—their inaction—is too bad to contemplate. (Time expired)

Senator FIERRAVANTI-WELLS—Mr President, I ask a further supplementary question. Having admitted that the government will borrow $118 billion and $82 billion extra by way of a blank cheque, will the minister guarantee that the government will seek explicit approval from the parliament for any new spending measures over and above the $200 billion?

Senator CONROY—The government will legislate to increase Commonwealth government securities broadly equivalent to the deficits over the forward estimates. The Australian government has a AAA credit rating and our treasury bonds are of high quality and attractive to investors. The advice we have from Treasury is that we will be able to raise sufficient funds to finance the deficits as conditions stand. The government will need to borrow around $125 billion over the forward estimates. This comprises bor-
rowings to finance deficits of around $118 billion and with the remaining amount required to meet the remaining financial requirements such as the commercial property and SPV. Let me be clear. Those opposite who want to keep playing this game can look Australians in the face and explain why they put those— *(Time expired)*

**Nation Building and Jobs Plan**

**Senator MOORE** (2.39 pm)—*My question is to Senator Conroy, the Minister representing the Treasurer. Can the minister outline to the Senate the importance of the $42 billion National Building and Jobs Plan announced yesterday to our ability to withstand the global recession?*

**Senator CONROY**—I thank Senator Moore for that question. The Rudd government has taken decisive action with its $42 billion investment to support the economy and jobs. In the current economic climate there is an overwhelming case for the Nation Building and Jobs Plan. As I outlined yesterday, these are almost unprecedented economic times. There is a global recession and the outlook has deteriorated sharply in the last few months. We know that the IMF has cut its forecast for global growth three times in the last four months and is now forecasting a deep global recession. We know that, in all, six of Australia’s top 10 trading partners are now in recession. We know that the global recession has wiped $115 billion off government revenue and has imposed a deficit on the budget.

I am continually amazed that those opposite just do not quite yet understand how serious the economic emergency is, which must explain—it is the only rational and logical explanation—why they continue to play short-term political games rather than facing up to these challenges. Australia is better placed than most countries, but we cannot completely resist the pull of these international forces. That is why the Nation Building and Jobs Plan is so important. *(Time expired)*

**Senator MOORE**—Mr President, I ask a supplementary question. Can the minister outline the risk to the Australian economy if these measures are not passed or if they are delayed?

**Senator CONROY**—Given the conditions that we face, the government is taking the only responsible action to support growth and jobs in the face of the global recession. We had a choice of further spending from the temporary deficit or higher unemployment. We make no apologies for choosing to save Australian jobs and fight for Australian jobs. Those opposite will stand condemned. If only they had had the opportunity to wait another few hours before their shadow cabinet met, because one of their great criticisms is that it will not be spent. The retail figures for December that came out this morning blew a large hole in the argument of those opposite because what it showed was a major increase— *(Time expired)*

**Senator MOORE**—Mr President, I ask a further supplementary question. Can the minister outline to the Senate how the opposition’s decision to vote against this package contrasts with the approach being advocated in other parts of the world in the face of the global recession?

**Senator CONROY**—Every government, economic authority and expert around the world is urging decisive action to stimulate economic growth. The IMF supports payments to increase spending and stimulate the economy—no less than authority than the IMF. This demonstrates yet again how out of touch Mr Turnbull and those opposite are with the lives of Australian families, workers and the experts. Mr Turnbull should go to the schools around the country and explain to them why they do not need decent libraries,
halls and refurbishments. Mr Turnbull should travel the country, because once again Mr Turnbull is putting his own self-interest ahead of the national interest. *(Time expired)*

*Senator Abetz interjecting—*

**The PRESIDENT**—Constant interjection is disorderly, Senator Abetz, and it is very hard when one of your own is seeking the call and you are interjecting.

**Nation Building and Jobs Plan**

*Senator EGGLESTON* (2.44 pm)—My question is to the Minister representing the Treasurer, Senator Conroy. The question is: given the government’s claim that it will support 90,000 jobs, how many jobs will the stimulus package actually create?

*Senator CONROY*—Can I thank Senator Eggleston for the question. The Rudd government has made it consistently clear that in these unprecedented economic times we will do whatever is necessary—

**The PRESIDENT**—Just resume your seat, Senator Conroy. There is debate going on across the chamber, which is disorderly. I need to hear the answer.

*Senator CONROY*—In the face of a worsening global financial environment, and indeed the onset of a global recession, we have taken decisive action to support the Australian economy. We outlined the economic security plan before Christmas. We outlined a COAG package. We outlined a $6.1 billion long-term plan to assist the Australian automobile industry and associated component industries. The world economy is going into recession. This is driving Australians onto the unemployment queues. What this stimulus package is designed to do is to support and protect jobs and to try to ameliorate that. So let’s be clear about this: the economic illiteracy of those opposite—

*Opposition senators interjecting—*

*Senator CONROY*—This is about protecting Australian jobs, supporting them and fighting for them. You are going to have to go home over the weekend—

*Opposition senators interjecting—*

**The PRESIDENT**—Order!

*Senator CONROY*—Those opposite well know the cumulative impact of the measures taken by the government last year and this year will be delivered over time. The government has been absolutely upfront about the fact that the global recession will impact on growth and jobs here—absolutely upfront. That is why the government has taken decisive action: to limit the impact of the global recession on Australian jobs. The Nation Building and Jobs Plan will help support up to 90,000 jobs over the next two years. *(Time expired)*

*Senator EGGLESTON*—Mr President, I have a supplementary question. Will the government release the Treasury modelling, as referred to by the Treasurer in a television interview this morning, which underpins this claim that the package will support 90,000 jobs?

*Senator CONROY*—As those opposite well know—and practised themselves—Senator Minchin many, many times and Senator Coonan before him consistently refused to release Treasury modelling. They consistently refused to release it. We on this side know there is no quick fix or silver bullet when you are facing a global recession. To come in here with simple short-term politics and display complete amnesia from just over 12 months ago, when you were on this side of the chamber, simply shows that these questions are designed to not face up to the challenges that we are currently embroiled in. *(Time expired)*

*Senator EGGLESTON*—Mr President, I have a second supplementary question. If it is the case that this package will support
90,000 jobs, will the minister confirm that each of these jobs will in fact cost taxpayers $230,000 per year?

Senator CONROY—That is an absolutely absurd question. It has no sensible place, because those opposite know that there is no sensible calculation involved in deriving those numbers—none whatsoever. We will stand by the Treasury’s modelling on this ahead of Senator Abetz’s and Senator Minchin’s mickey mouse, back of the envelope projections. But what we will be watching for over the weekend, when you go back to your constituents, is for you to start telling them they cannot have the $600 or the $950, when you stand there and start saying to Australians, ‘Look, we’re sorry—short-term politics says we have to say no to this, but don’t you worry if you lose your job. We’ll be in there playing short-term politics,’ because that is what is going to be at stake here. When you vote on this, that is what is going to be at stake here. You are going to be putting Australians on the unemployment queue.

The PRESIDENT—Senator Conroy. I remind you that in addressing the chamber you should address the President and not the other side.

Alcopops

Senator FIELDING (2.51 pm)—My question is to the Minister representing the Minister for Health and Ageing, Senator Ludwig. The government said it introduced the alcopops tax to combat binge drinking. Would the minister please advise the Senate how the government is measuring the success of the alcopops tax?

Senator LUDWIG—I thank Senator Fielding for the question. Of course, he is right when he says that the alcopops consumption in any given week is such that approximately one in 10 of 12- to 17-year-olds are binge drinking or drinking at risky levels. Those are the facts about it. Binge drinking is a problem in the community and the fact is that alcopops are a problem. The alcopops industry received a tax break from the Liberals. The distillers’ own figures show that sales have increased by over 250 per cent since the Liberals created the loophole. Then look at what Mr Turnbull says about it:

This is a money-raising exercise, it is not going to stop young people drinking …

What Mr Turnbull has not considered—he has not thought about it—is what he is going to do about it.

Looking at the third parties supporting the alcopops measure, an independent report—commissioned by the Howard government—by David Collins and Helen Lapsley, The avoidable costs of alcohol abuse in Australia and the potential benefits of effective policies to reduce the social costs of alcohol, found:

There would appear to be strong justification for the April 2008 increase in the Australian tax on pre-mixed drinks …

Senator Fielding—Mr President, I raise a point of order on complete irrelevance. The question was: please advise the Senate how the government is measuring the success of the alcopops tax. He has 30 seconds left and he has not even got there. Could you please get him back to answering the question?

The PRESIDENT—Senator Ludwig, I draw your attention to the fact that you have 31 seconds left to answer the question that has been raised by Senator Fielding.

Senator LUDWIG—As I was saying, when you look at the independent research, it supports what we have been saying about dealing with alcopops: it is a serious issue, we need to address it and the support of the independent report provides the basis for saying this is an appropriate measure to undertake. The Alcohol and Other Drugs Council of Australia said:
… the responsibility for getting sensible— *(Time expired)*

Senator FIELDING—Mr President, I ask a supplementary question, even though the primary question was not answered. Last month the New South Wales Labor health minister said alcohol related admissions to hospital emergency departments in New South Wales have soared by 130 per cent for 18- to 24-year-olds in recent years. Is the minister saying that the New South Wales health minister is wrong, and what is the level of alcohol related hospital admissions for other states? Is it going up or down?

Senator LUDWIG—On what the measure has achieved so far, the excise figures show that, from May to September 2008, total spirits clearances decreased by 9.2 per cent, relative to the same five-month period in 2007. This includes a 40 per cent decrease in alcopops sales and a 19 per cent increase in full-strength spirits sales. What we are doing is taking decisive action in respect of alcopop sales, and the figures underpin that we are achieving some measure of success in this area. Young people are the people who are in the frame for binge drinking or being affected by it. If there are further figures that I can garner out of New South Wales or other state hospital systems to support this, I will. What is clear in the advice from the NHMRC guidelines is that they are— *(Time expired)*

Senator FIELDING—Mr President, I ask a further supplementary question. Family First has always been concerned that this tax is nothing more than a revenue raiser. Would the government agree to an independent assessment of the success of this tax in combating binge drinking across Australian communities?

Senator LUDWIG—The evidence is clear on this. It is clear that increasing prices reduces alcohol consumption, and that is particularly so for young people. International experience backs this up. Higher excise taxes have been shown to significantly reduce the frequency of youth drinking and the probability of risky drinking levels. The effects of price on alcohol consumption and alcohol related problems are clear. That is the position that is being demonstrated. The research already underpins that. Local and international studies on the effectiveness of price related levers on levels of alcohol consumption reliably show that higher prices lead to a reduction in consumption, especially among price-sensitive groups such as young people. That was shown as early as 2004 in *The prevention of substance use, risk and harm in Australia: a review of the evidence* by Loxley et al. *(Time expired)*

Health

Senator PAYNE (2.57 pm)—My question is also to the Minister representing the Minister for Health and Ageing, Senator Ludwig. Will the minister outline for the Senate exactly how much money in the second stimulus package is allocated to Australia’s ailing health system?

Senator LUDWIG—The COAG health package has provided significant money to provide health and hospitals support. That is perhaps the difficulty that Senator Payne has in asking this question about a package that is designed as a stimulus to the economy and what we are doing as a package in the health area, which is unrelated. Providing that support is what we are going to do and we are doing. As a result of last November’s historic COAG meeting, the Commonwealth government, in implementing lasting reform to improve the Australian healthcare system, agreed to provide $64.4 billion over five years. That is the appropriate place for the provision of funding, through the COAG process, to assist hospitals right across Australia. That package includes several national
partnerships to strengthen our hospitals and health—(Time expired)

Senator Abetz—Mr President, I raise a point of order in relation to relevance—indeed, direct relevance. The question was specifically about the stimulus package and how that assists the ailing health sector in this country. Senator Ludwig at another time might tell us about COAG and other measures, but this was a specific question specifically about the health sector being funded, if at all, under this stimulus package. I would invite you, Mr President, to ask the minister to answer the question and, if he cannot, to take it on notice.

Senator Chris Evans—Mr President, I rise on the point of order. It is obvious that this point of order has to be ruled out of order, but the persistence of Senator Abetz in this matter, given his performance as minister, is breathtaking. What Senator Ludwig was making clear was the government’s initiatives in the health area providing funding through a different vehicle. It was a perfectly appropriate and honest response. So I do not know that there is any point of order. It just seems that Senator Abetz insists on wasting the time of the parliament by taking these points of order to pursue some cause he holds dear about relevance—one that he showed no interest in when he was a minister.

The PRESIDENT—Order! There are 42 seconds left. Senator Ludwig, I draw your attention to the question.

Senator Ludwig—What we are doing in this package is providing four other household measures: the single-income family bonus, the back-to-school bonus—

Senator Mason—How’s the back-to-school bonus going to help the aged?

Opposition senators interjecting—

The PRESIDENT—Order! Senator Abetz is on his feet waiting to take a point of order. He is entitled to be heard in silence.

Senator Abetz—Unless we are to believe that school children are somehow in the aged cohort within the community, I would have thought that that answer was completely and utterly irrelevant to the question that was asked.

Senator Conroy—Mr President, I rise on a point of order. I think it is fair to say that there are still 46 seconds out of 60 to go and that to take a point of order this early is not allowing the minister to get close to answering the question. If those opposite keep taking points of order, all they are doing is wasting their own time. There are still 46 seconds to go, and Senator Ludwig is entitled to complete his answer.

Senator Ludwig—As I have been saying, both the COAG process and the current

$950 for eligible taxpayers. The Commissioner of Taxation—(Time expired)

Senator PAYNE—Mr President, I ask a supplementary question. I thank the minister for acknowledging that there is no money allocated in this package to the health system. Will the minister then outline exactly how much money in this package is being earmarked for the Ageing part of the Health and Ageing portfolio?

Senator Ludwig—What we are doing in this package is providing four other household measures: the single-income family bonus, the back-to-school bonus—

The PRESIDENT—Order! Senator Ludwig had been addressing the supplementary question for 14 seconds. He has 46 seconds left to go. I draw your attention to the question, Senator Ludwig.
Nation Building and Jobs Plan provide a range of benefits to Australians right across the board, including a tax bonus of $950 for eligible taxpayers. All of that supports jobs in the community and supports those people such as nurses, people who support and work in aged-care facilities—right across the board—to keep their jobs, to ensure that their jobs are supported. It also provides infrastructure and longer term benefits as well. All of this is about ensuring that the economy remains strong—(Time expired)

Senator Brandis—Senator Abetz’s point of order was prophetic!

Senator Wong—‘Pathetic’ did you say?

Senator Brandis—Prophetic!

Senator Chris Evans—I agree with Senator Brandis about the ‘pathetic’, but I ask that further questions be placed on the Notice Paper, Mr President.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Nation Building and Jobs Plan

Senator COONAN (New South Wales) (3.04 pm)—I move:

That the Senate take note of the answers given by the Minister for Broadband, Communications and the Digital Economy (Senator Conroy) to questions without notice asked today relating to the proposed economic stimulus package.

In particular, I want to mention Senator Conroy’s abject failure to come to grips with how long the budget will remain in deficit as a result of this enormous package of $42 billion, and, critically, how many years Australia’s children, our children and grandchildren—

Senator Conroy interjecting—

Senator COONAN—and Senator Conroy’s children will be saddled with this new Labor debt, which will see every Australian slugged $9,500 as we have to live with the consequences of this reckless and poorly thought out package.

The coalition, of course, as disciplined and responsible economic managers, are not unmindful of the economic circumstances that do call for a careful, thoughtful and well-targeted stimulus. And we do accept that there is a good case for a stimulatory package. Our concern about the $42 billion spend is at least threefold. Firstly, it is simply too big, and the government has failed to establish why $42 billion is the appropriate figure. Why is it $42 billion as opposed to $41 billion, $30 billion or $24 billion for that matter? There is a whiff of panic, a whiff of the knee-jerk about the size of this package, with absolutely no guarantee that it will work. In fact, the Prime Minister very carefully said that he did not know whether it would work. He said that there was no silver bullet. It appears that the only silver bullet is pointed at the coalition’s head unless we suddenly agree to this hysterical need advocated by Labor to pass this enormous package within 24 hours.

We know that the downturn may be very long lasting and Australia simply cannot afford to spend larger and larger sums like this every quarter. Let me illustrate: one per cent of GDP was already spent in an ineffectual cash splash of $10.4 billion in the December quarter and there will be another one per cent of GDP in just cash handouts alone from this package in the March quarter. The Prime Minister has already admitted that he does not know if this will work. Committing to $42 billion when you simply do not know what the future holds is shooting in the dark.

The second concern is the very poor quality of this spend. This will obviously take us some time to work through, but we believe that our main focus should of course be jobs, jobs and jobs. We have been saying that since last year and we have been consistently
saying it, and Labor has now caught up and started talking about the impact on jobs. Disappointingly, even with reckless cash handouts and massive debt fuelled spending, the Prime Minister’s package predicts unemployment will top seven per cent in just over one year. That is another 300,000 out of work when we are looking down the barrel of another $42 billion stimulatory spend. And where are the 70,000 jobs promised by the government as a result of the $10.4 billion cash splash? They did not eventuate. And we know that the most that they will now say is that this package will support jobs. We have heard the weasel words that have now morphed from one package with which we were supposed to be looking at the creation of jobs to another with which we are simply ‘supporting’ jobs with a vastly increased spend. It adds to the fear and to the perception that this is a government that does not know what it is doing.

Thirdly, we believe that there are far more targeted responses that will do more for jobs, for employment creation, for small business, for the economy and for Australian families than those that have been contemplated in this package. What we have seen from Labor over the past couple of days is nothing short of manufactured hysteria over the timing of this package. We believe very clearly that it is our duty to carefully scrutinise the package and to discuss more effective ways to achieve a stimulus.

We know that our decision to oppose the package will not be a popular decision; it is a hard decision. We know that the Prime Minister has never taken a tough decision, but we have and we know all about standing up for the rights of Australians and being careful fiscal managers. We understand what debt means, we understand that debt needs to be repaid and we understand the burden on Australian families.

**Senator MOORE** (Queensland) (3.09 pm)—As many people have been saying, including Senator Conroy in his contributions, we are in truly exceptional times. The evidence is out there. There is nothing that can be hidden because of media coverage putting out information on all parts of the issue of the economy across the world. This is not just an issue that Australia is facing. We are looking at a global financial crisis. The really important thing is that this is not just something that we are just discussing around the table in this place. People in the community have now got information that clarifies just how deeply in debt and how deeply in crisis the world economy is. Amongst the people across this country there is deep concern.

So when we hear people from the opposition talking in terms of ‘manufactured hysteria’, that actually devalues the knowledge and the concerns that the people of Australia have, and it is real concern. What this government is planning to do—and it is a tough decision—is to put forward a package to respond to the needs of our community and to protect jobs. Indeed, I take Senator Coonan’s point about jobs, jobs, jobs and the need to protect those jobs and to boost the economy, because what we are talking about is our economy within the midst of the global economy. And, most importantly, there is a need to support Australian families and Australian citizens who are working through their own concerns about what is happening to their lives and to their economy. That is the fear and that is the challenge. Those are the issues that the government is putting forward a package to respond to.

It is not a matter of hiding the issues or pretending that any single way is going to provide the full answer, and nor is it a matter of finding some mystical silver bullet. It is actually a matter of carefully and with full intent putting forward a package that looks
particularly at individual needs. We see in this process a number of packages that are looking at tax relief for individual taxpayers. It is a matter of looking at some immediate relief for those people, some of whom will be facing the loss of their jobs. We have seen over the last few months the beginning of job losses in our country as a result of international companies pulling back, our trading situation being affected by the international crisis and our resources markets not being able to be boosted because our trading partners are not taking what they used to. These are real situations.

So we are looking at immediate support to families. We are looking at support for families who are working now at getting their kids back to school. We are giving people an immediate payment for that. More importantly, the input of funding into infrastructure in our schools is something that is necessary. We will respond immediately to the jobs, jobs issue with effective construction planning and administrative work to do the large range of infrastructure projects in schools presented in this package. I know that schools right across my state— independent and government schools—are all looking at these packages and saying how they can best be used for them and their communities. For families with school-age children there is something real in this package that can be held on to and, most importantly, it will give people hope.

Time is much too short to look at the whole package because as we all know this is a large response to a large issue, but I want to make a note of my particular favour of the infrastructure program that deals with homelessness. We are bringing forward the kinds of plans that we talked about in this place quite recently concerning the real need for immediate infrastructure to address the homelessness issue across the country. The package looks at that and how we can once again use construction and our infrastructure needs and use a real stimulus to respond to a real issue. Again, this is not manufactured hysteria. These are real problems in our community and the package put before this place by the government needs support. It needs people to look at how we can work together rather than put up barriers and try to play games.

Senator FIFIELD (Victoria) (3.14 pm)— We are in difficult economic times. That Australia would face an economic challenge in the wake of the US subprime crisis was inevitable. It was also inevitable that Australia would be better placed than any other nation to handle this economic challenge. Why? Because in November 2007, thanks to the coalition, we had a budget in surplus. We had no government debt. We had world-class financial institutions and world-class prudent regulation. We had a booming economy, and strong business and consumer confidence. But what was not inevitable was the undermining of these very strengths by this government.

There is no doubt that the economic downturn will be deeper and longer than it needed to be as a direct result of decisions by this government. Consumer and business confidence were slammed into the wall by a government talking up inflationary expectations. Interest rates rose in response to government jawboning. These two points were part of a deliberate political strategy which was motivated by an attempt to undermine the record of the previous government. The resulting slowing of growth? Well, for this government, that was just collateral damage. Non-bank institutions were undermined by the bank deposit guarantee, which was bungled, and we have a situation where a budget has been completely undermined.

It is here, in the Commonwealth budget position, where we see the con in the stimu-
lus sham. I think we all remember Mr Swan’s budget speech, where he gleefully declared, ‘We are budgeting for a surplus of $21.7 billion in 2008-09, 1.8 per cent of GDP, the largest budget surplus as a share of GDP in nearly a decade.’ Fast-forward to last Sunday when Mr Swan declared to Mr Oakes that ‘one consequence of the global recession, the unwinding of the mining boom, will be a temporary budget deficit’. That is just not true. The Commonwealth budget is not going into deficit this year as a result of falling revenues; the budget is going into deficit because of policy decisions by this government.

I put this to Senator Arbib on Sky on Monday, before the UEFO came out, and Senator Arbib scoffed—but just look at the second paragraph on page 42 of the UEFO. It is there in black and white. For 2008-09, there will be a decrease of revenue of $9.3 billion. Now, my maths might not be that good, but that does not equate to a $22 billion surplus. This government is fibbing about the genesis of the budget hole. This fiscal stimulus is predicated on inverting the political and fiscal debate. The measure of economic virtue is now the size of your deficit—bigger is now better. Labor has the view that there is such a thing as cost-free borrowing, but every dollar that is borrowed must be repaid, and it must be repaid with interest and it must be repaid by the taxpayer. Every dollar that is paid in interest becomes a dollar that cannot be spent on schools, hospitals or pensioners. I found it quite amusing when Senator Conroy said before that they were going to return the budget to surplus. You cannot return a budget to a place you have never had it. This government has never delivered a surplus and is unlikely to.

On this side, we are really careful because we know this is taxpayer money we are talking about. There is, of course, a need for some measure of government action in the current environment. Indeed, there is more of a need because of this government’s handling of the economy in 2007 and 2008. But there is no justification other than the political for a spend of such poor quality. A lot of this package is, it must be said, junk spending. As an opposition, how can we be complicit in taking the budget further into deficit for spending of such dubious economic benefit? On this side of the chamber, we quibble with the motive, the magnitude and the make-up of this package. The easy path, the opportunistic path, for the opposition would have been for us to wave through the $42 billion package. But, on this side of the chamber, we choose to do what is right. We know it will not necessarily be popular, but we know it is the right thing for Australian taxpayers and it is the right thing for the Australian economy. We will propose our own alternative.

Senator ARBIB (New South Wales) (3.20 pm)—I am pleased to rise to speak in this debate to take note of answers. For a number of weeks now, the Prime Minister has been asking the Leader of the Opposition to stand up and tell us what he believes in, to stand up and tell us his policies for the country. It has taken a while, but I am happy to say that today the member for Wentworth stood up. Now we know where he stands. Now we know whose side he is really on. His decision today to block the $42 billion stimulus package shows he is completely out of touch with the state of Australia’s economy, with the state of the global economy and, most importantly, with the suffering that Australian families, workers and small businesses are experiencing because of the global recession. They will continue to suffer in the future because of his decision.

The only plan that the Leader of the Opposition has for the global recession is to leave it to the market. The solution for Malcolm Turnbull and merchant bankers is:
'Don’t intervene; let the market decide. Let’s wait and see how far the stock market will crash, what bargains will be available for the scavenger funds and what portfolios merchant bankers might pick up on the cheap.’ This is what Malcolm Turnbull, the Leader of the Opposition, stands for. He has never stood for working families. He has never stood for small businesses. He stands for greed and his own ego.

It has been very interesting to hear today senators on the opposite side of the chamber talk about the October stimulus package. The Leader of the Opposition today mentioned the first stimulus package and called it a ‘cash splash’. It is now a cash splash. I thought I remembered the Leader of the Opposition and senators on the other side of the chamber supporting the stimulus package. I took a bit of time and went to the Liberal Party website. I do not spend too much time there, but I enjoyed it today. I found that on Tuesday, 14 October, at a Turnbull press conference, he talked about the so-called ‘cash splash’. He said:

… we welcome the Government’s announcement today, especially for Australia’s age pensioners.

… … … …

But nonetheless we are not going to argue about the composition of the package or quibble about it. It has our support. It will provide a stimulus to the economy, that’s for certain.

That is not the Prime Minister saying that; it is the Leader of the Opposition. And today it is a cash splash. That just proves who and what Malcolm Turnbull really is. I am very happy that when he got up today the real Malcolm Turnbull stood up. Finally, Australians will see what kind of a leader he is.

The DEPUTY PRESIDENT—Senator Arbib, you must refer to the Leader of the Opposition by his proper title.

Senator ARBIB—Thank you, Mr Deputy President. The government has taken action to protect families and workers during this unprecedented global recession. This $42 billion package will provide a direct stimulus to employment and activity. The challenge for the Leader of the Opposition and for the Liberal senators on the other side of the chamber is that, if they are going to oppose the stimulus, they have to go out and explain to workers why they may lose their jobs. They have to go out and explain to small businesses why they may have to close their doors—because the economy continues to slow. The proof is there that the first so-called cash splash worked. Look at the sales figures today—a huge jump. (Time expired)

The DEPUTY PRESIDENT—During your speech, Senator Arbib, you made reference to the Leader of the Opposition standing for greed. That is an allegation of improper motives, and I must ask you to withdraw that statement.

Senator Arbib—I withdraw.

Senator BUSHBY (Tasmania) (3.25 pm)—Who would have thought before the election just 16 months ago that we would be standing in this place today taking note of answers to questions about a proposal to deficit finance a package of $42 billion to jumpstart an ailing economy? Back then, the future looked rosy: 11.5 years of hard work by the coalition government had eliminated the $96 billion of debt accumulated through a series of ‘temporary deficits’ under the Hawke and Keating governments. We were consistently running surpluses, with an economy and tax revenues growing to such an extent that we were able both to put away billions of dollars for future needs and to provide billions of dollars in tax cuts to Australians. Employment was at a record low, and the only economic issues that we faced were those occasioned by growing pains as
demand for goods, services and skilled labour outstripped supply.

But here we are in February 2009 facing a vastly different scenario. Sure, the international economic crisis has put an end to the good times, with many consequences for Australians. Even government revenues have been affected. According to the most recent Treasury outlook, a drop of $9 billion is predicted, and here we are looking at going back into debt—and not just in a small way but massively going into debt. We have a request to permit the government to expand the limit on its credit card from $75 billion to an enormous $200 billion. As any Australian knows, once you get into the debt interest trap of a large credit card limit, it is very hard to pay it off.

I do not have time to look at the causes of the crisis, but what we must look at is the government’s approach to this issue as set out by ministers in this place today. Where is the money to decrease the cost of employing people? Where in this package do you go to small business and say, ‘We want you to employ more people, so we’re going to make it easier and cheaper for you’? There is nothing. Where is the money for new hospitals or for improving the health system? What have we heard around this country for the last three or four years? The biggest government funding problem facing Australians is the lack of finance in the health industry. There is nothing in this package—not a cent. There are no new hospitals, nothing to improve the health system, no new doctors and no new nurses. Where is the money to help those who have been most affected by the crisis. Self-funded retirees, people who have been carefully putting aside money in superannuation and share portfolios for the whole of their working lives and never asked anything of government, are finding that all their careful planning and the sacrifices they have made throughout their working lives have been completely undermined by this crisis through no fault of their own. Where is the assistance for them, the people who really need it?

I have heard a lot of government senators in this place today talk about how this package will help Australians deal with the impact of the global financial crisis. If Australians are suffering negative impacts, it is a good thing to look after them. There is no doubt that all Australians who receive some money from this package, if it goes through, will appreciate it. Who would not appreciate getting a cheque for $950 in the mail? They are all going to take it, and they will enjoy it.

Senator Cormann—Except it’s going to cost you 10,000 down the road.

Senator Bushby—Thank you, Senator Cormann; I am getting to that. Not all Australians have been negatively impacted by the crisis at this point. If you have a stable income and your job and income are not threatened, in recent months you have enjoyed lower interest rates and lower petrol prices. You probably have more disposable cash in your pocket than you had before. Giving you an extra $950, as welcome as it is—and I do not begrudge people getting it—is not really necessary to offset the negative impacts of the global financial crisis.

There is a well-accepted economic proposition that deficit finance should only be used to fund long-term infrastructure that will provide direct benefits to those who will be paying for it, through taxes to cover interest and principal repayments. Despite the rhetoric and spin of the government, there is nothing in this package that provides such long-term benefits. What benefits will my children and their children receive for the taxes that they will be paying for many, many years to come to cover this massive exercise in political pork-barrelling? I contend that they will receive absolutely no benefits but they will
be paying taxes for years if not decades to come to cover the costs. It is simply inequitable to place the burden of interest and principal payments on people who will not receive the direct benefits. This package will only increase economic activity in the period in which it is spent. (Time expired)

Question agreed to.

Climate Change

Senator MILNE (Tasmania) (3.30 pm)—I move:

That the Senate take note of the answer given by the Minister for Climate Change and Water (Senator Wong) to a question without notice asked by Senator Milne today relating to the Carbon Pollution Reduction Scheme.

Firstly, I note that the government last year consistently said that taking strong action on climate change would cost jobs and that was why they were not going to introduce more rigorous targets. Now in the stimulus package they have acknowledged that if you spend money on reducing emissions and addressing climate change it stimulates jobs and will help to begin the process of rebuilding the manufacturing sector, which has been hollowed out after a decade of the Howard government. So I am very pleased there is now an acknowledgement that addressing climate change and moving to a low-carbon economy creates jobs.

However, the Minister for Climate Change and Water refused to say that she would revise the Carbon Pollution Reduction Scheme to make sure that instead of giving out permits for nothing she actually makes them conditional upon those industries implementing energy efficiency strategies, fuel switching and other job-creating ideas. It is very clear that in all those industries that are getting free permits there is enormous opportunity to make change and drive greater efficiency. The Greens believe you would have been much better off to have gone for 100 per cent auctioning of permits and then provided some of that permit income to give accelerated depreciation, for example, to companies installing energy efficient machinery, technology and so on. I am disappointed that the government did not recognise that.

But the issue I really want to focus on today is that yesterday the government claimed that the $2.7 billion insulation program would reduce greenhouse gas emissions by 50 million tonnes by 2020. I believe they have misled the Australian community, because one of the fundamental flaws of the Carbon Pollution Reduction Scheme is the weak cap. Because the 50 million tonnes that is going to be reduced through insulation will not result in a 50 million tonne reduction in the cap, all that is going to happen is that the government is going to pay the community to reduce emissions by 50 million tonnes and that 50 million tonnes will go straight across as a direct subsidy to the big polluters. So anytime people take action to reduce emissions in their homes and communities it will not reduce Australia’s overall cap—the cap stays the same—and it will create a bigger space for those companies to pollute. We are not only giving them free permits; we are going to be using community action, reducing emissions through efficiency and so on, to give them the opportunity to pollute more. That 50 million tonne reduction in efficiency in homes is going to go straight across to an additional 50 million tonnes worth of carbon dioxide pollution from the big emitters.

The minister said today that the great thing about energy efficiency is that it gives you flexibility to reduce your emissions. What we need to hear from the minister and from the Prime Minister is that they are going to reduce the cap in the Carbon Pollution Reduction Scheme by 50 million tonnes to account for the 50 million tonnes that they are paying to have reduced through the effi-
ciency measures. Otherwise it will be a case of the government using taxpayers’ money—taking money from where it is needed in health, education and so on—to reduce emissions in one sector in order to allow the polluters to pollute more. It is paying them government money to pollute.

This is a key issue, because if you do not reduce the cap you will create a complete disincentive for community engagement. Why should someone in the community pay to put solar panels on their roof if the reduction in emissions automatically goes across to allow the polluters to create that exact amount of additional pollution? That is why there was a photograph in the newspaper this week of someone taking their solar panels off their roof, saying, ‘I’ll give them to any other mug who wants them because all they are doing is allowing the coal industry to pollute more.’ This is a key issue and I believe the government misled the community by saying that the efficiency gains of 50 million tonnes would reduce Australia’s actual emissions target, because it is not reducing the cap. We have to make sure that the government immediately reduces the cap under the CPRS according to the amount that has been saved elsewhere. Otherwise there will be complete disempowerment. It is because of this that the community groups that came here to Canberra—it was fantastic: 150 community groups from across the country—said that the CPRS is a disincentive to them to take action. That is one of the reasons they will be campaigning against it.

Question agreed to.

CONDOLENCES

Hon. Peter Howson CMG

The DEPUTY PRESIDENT (3.36 pm)—It is with deep regret that I inform the Senate of the death on 1 February 2009 of the Hon. Peter Howson CMG, a former minister and member of the House of Represen-
rigines and the Arts. During his parliamentary career, he served on a number of committees, including the Privileges Committee and the Joint Parliamentary Committee on Foreign Affairs. In particular, he was elected to the House of Representatives Select Committee on Voting Rights of Aborigines in 1960. The committee travelled around Australia over the following year, gathering much of the evidence that informed the 1967 referendum on the constitutional status of Indigenous people. Peter was also an active participant in the work of the Commonwealth Parliamentary Association, both internationally and nationally at the Commonwealth of Australia branch level. He was instrumental in the creation of the executive committee of the General Council of the CPA and became the first chairman of the executive committee. Serving in that role from 1968 to 1971, Peter led a number of delegations to CPA conferences, including to Jamaica in 1964, Canada in 1966 and Trinidad in 1969.

After he left parliament in 1972, Peter retained a strong interest in CPA matters. He continued as an associate CPA member and was made a life member of the branch in 1983. Through his ministerial and committee work with Indigenous people, Peter developed a lifelong passion for Indigenous affairs and remained active in the area long after retiring from politics. He regularly wrote newspaper and journal articles on Indigenous issues and was a founding member of the Bennelong Society, a think tank that focuses on Indigenous policy. Until his death, Peter was an office holder with the society. The society president, Dr Gary Johns, is quoted as saying that Peter was tireless in trying to help Australian Indigenous people. He said, ‘I think his greatest achievement was to persist in the knowledge that Aboriginal people were to become part of Australian society.’

On behalf of the government, I offer my condolences to his family, particularly his son George, daughter-in-law Marie and grandchildren Natasha, Theresa, Rebeckah and Hannah. I thank the Senate.

Senator MINCHIN (South Australia) (3.41 pm)—I rise on behalf of the coalition to support the motion moved by Senator Ludwig and to extend our very sincere sympathies to the family of Peter Howson upon his sad passing on 1 February. Peter was indeed a wonderful servant of the Liberal Party and indeed of Australia. He had a very distinguished record of service to this parliament. He was, as Senator Ludwig noted, born in the United Kingdom—indeed only six days before my own father, who I am pleased to report is still in very robust health. He then of course served in the Royal Navy in wartime from 1940 to 1946, so he was one of the Liberals in the Menzies era who directly served for his country.

He came to Australia in 1946 after the war, like many others. Remarkably—and this is a great credit to him and to the Liberal Party—he became a member of this parliament just nine years after coming to this country. Senator Ludwig has highlighted Peter Howson’s significant achievements as both a minister and a member of the House of Representatives for two seats in the 1950s and the 1960s. Regrettfully, he was defeated, like some other Liberals, in the 1972 campaign, when the ‘it’s time’ momentum defeated that very long-serving government. Peter was in five successive Liberal governments—the Menzies, Holt, McEwen, Gorton and McMahon governments. He was, as Senator Ludwig said, Minister for Air, Minister Assisting the Treasurer and our first Minister for Environment, Aborigines and the Arts until the time of his defeat. Prior to that ministerial service, he was an active committee participant. He was a member of the Select Committee on Voting Rights for
Aborigines in 1961, so his lifelong interest in Aboriginal affairs was evident early.

He was a leader of Australian delegations to a number of Commonwealth Parliamentary Association conferences throughout the sixties. He became notorious, of course, as a participant in the infamous VIP plane affair as the then air minister and subsequently recorded his view that his role, as inadvertent as it might have been, was the reason for John Gorton not including him in his ministry in 1968. A long-standing enmity existed thereafter between Peter Howson and John Gorton, most regrettably because both were colourful characters and great additions to our party.

After Peter left politics he published his own diary, which I think provides an interesting level of detail about both his time in the ministry and the internecine Liberal Party machinations over the leadership in the late sixties, which were of course fascinating to us all. In 1984, the redoubtable Alan Ramsey described Peter Howson’s diary as ‘a small but significant window on the day-to-day detail of a turbulent period of our political history and its principal figures. In this it excels for its insights, its information and its political uniqueness, at least in this country.’ I am not sure that it is good idea for us all to publish our diaries but certainly Alan Ramsey thought it was a worthwhile addition to public knowledge.

Peter to his great credit, unlike some others, did remain very loyal and active in his chosen party, and particularly in the Victorian division. Peter Costello, I think in a great tribute yesterday in the House of Representatives, referred to that and anecdotally to the way Peter would always turn up at Liberal Party state council meetings in Victoria and sit right in the front row, and do so on a regular basis.

As I mentioned, Peter was our first Australian minister for the environment. It was the Liberal Party that created the first environment portfolio. It is a great tribute to Peter that he was our first servant in that role. He was the first Australian minister with a portfolio specifically responsible for Indigenous Australians. As I mentioned, this was an enormous passion for Peter both in parliament and afterwards, and it was a passion that he retained right to his death. He had a very strong view about the importance of the nation recognising the plight of Aboriginal people. He did maintain and articulate a very strong and active opposition to the separatist policies, which I think we now all agree were so naively and, regrettably, destructively pursued in an earlier period. I think much of what Peter has written would echo and mirror what people like Noel Pearson now say about the more productive approach to Indigenous welfare.

Peter was a founder and Vice-President of the Bennelong Society, which I am pleased to note has bipartisan participation—Garry Johns, a former Labor minister, is very active in that, I think, very good society. It was in the period from 1996 to 1998 that I came to know Peter quite well, which was when I had ministerial responsibility for native title in the Howard government. Peter was a regular visitor to my office. He was a very valuable source of advice with his common sense and very wise approach to managing not only Aboriginal affairs generally but specifically the complexity of native title. I found his real passion for Indigenous welfare quite compelling. He remained an active participant in public debate, producing articles and commentary, particularly about Indigenous policy, right up until most recently. He frequently wrote opinion pieces and was, I think, greatly respected by many for that continued involvement in policy discussions.
He has made an enormous contribution to public life in Australia.

We are deeply saddened that he has passed away but he had a wonderful life, nearly 90 years of life, and he made an extraordinary contribution. As I said, he was someone who came to this country from his home in England and managed to contribute to this country very successfully. To his son George, daughter-in-law Marie and grandchildren Natasha, Theresa, Rebeckah and Hannah, the coalition places on record our great appreciation of Peter’s tremendous public service, and we tender our profound sympathy to the family in their bereavement.

Question agreed to, honourable senators standing in their places.

PETITIONS

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

Palm Oil Products
Palm Oil Action Group (POAG)
Petition for Compulsory Labelling of Palm Oil Ingredients
To The Honourable President and members of the Senate in Parliament assembled:
The petition of the undersigned shows:
We wish to express our concern for the use of palm oil in Australia and the current policy on labelling of palm oil in products. The use of palm oil is associated with serious environmental consequences in Indonesia and Malaysia. Primary rainforest is being cleared to make way for palm oil plantations, destroying the habitat of highly endangered species like the orangutan. Of additional concern are the health issues related to the consumption of palm oil, which is high in saturated fat. Palm oil is often labelled on ingredient lists as a generic ‘vegetable oil’, limiting the ability of consumers to make informed purchases. We feel that this breaches the Regulatory Objectives of the Food Standards Australia and New Zealand (FSANZ). FSANZ must provide for the protection of public health and safety by providing adequate information relating to food, thereby enabling consumers to make informed choices.
Your petitioners request that the Senate:
• Implement policies to ensure the labelling of products containing palm oil.
• Work for a certification system for sustainable palm oil, and regulate to prevent the import of non-certified palm oil.
• Support the Indonesian Government in stopping the clearance of primary forest.
by Senator McLucas (from 193 citizens)
Petition received.

NOTICES

Presentation

Senator Polley to move on the next day of sitting:
That the Finance and Public Administration Committee be authorised to hold public meetings during the sittings of the Senate, as follows:
(a) on Thursday, 5 February 2009, from 3.45 pm, to take evidence for the committee’s inquiry into the Freedom of Information (Removal of Conclusive Certificates and Other Measures) Bill 2008; and
(b) on Thursday, 26 February 2009, from 3.30 pm, to take evidence for the committee’s inquiry into residential and community aged care in Australia.

Senator Crossin to move on the next day of sitting:
That the Legal and Constitutional Affairs Committee be authorised to hold a public meeting during the sitting of the Senate on Thursday, 5 February 2009, from 4.30 pm to 6 pm, to take evidence for the committee’s inquiry into the provisions of the Federal Court of Australia Amendment (Criminal Jurisdiction) Bill 2008.

Senator Ludwig to move on the next day of sitting:
That, on Thursday, 5 February 2009:
(a) the hours of meeting shall be 9.30 am to 6.30 pm and 7 pm to adjournment;
(b) consideration of general business and consideration of committee reports, government responses and Auditor-General’s re-
ports under standing order 62(1) and (2) shall not be proceeded with;

(c) the routine of business from 12.45 pm till not later than 2 pm, and from not later than 4.30 pm shall be government business only;

(d) divisions may take place after 4.30 pm;

(e) the question for the adjournment of the Senate shall be proposed after the Senate has finally considered the bills listed below, including any messages from the House of Representatives:

- Tax Bonus for Working Australians Bill 2009
- Tax Bonus for Working Australians (Consequential Amendments) Bill 2009
- Household Stimulus Package Bill 2009;

(f) if the Senate is sitting at midnight, the sitting of the Senate be suspended till 9 am on Friday, 6 February 2009.

Senator Ludwig to move on the next day of sitting:

That the orders of the Senate agreed to on 12 November 2008 relating to days of meeting of the Senate for 2009, and estimates hearings dates, be varied as follows:

(a) meeting of Senate for 2009 (as part of the Autumn sittings), omit “Monday, 23 February to Thursday, 26 February”, substitute “Monday, 9 February to Thursday, 12 February”; and

(b) 2008-09 additional estimates

omit:

“Monday, 9 February and Tuesday, 10 February 2009, and, if required, Friday, 13 February 2009 (Group A)

Wednesday, 11 February and Thursday, 12 February 2009, and, if required, Friday, 13 February 2009 (Group B)”;

substitute:

“Monday, 23 February and Tuesday, 24 February 2009, and, if required, Friday, 27 February 2009 (Group A)

Senator Hurley to move on the next day of sitting:

That the Senate—

(a) congratulates organisers of the Tour Down Under cycling event on staging the most successful cycling event since its inception in 1999;

(b) expresses thanks to all the support staff and others who have contributed to the success of the event;

(c) congratulates Mr Allan Davis (Quickstep) on winning an outstanding 2009 Tour Down Under cycling event;

(d) conveys, on behalf of all Australians, the nation’s pride and congratulations for the performances of participants over the course of the competition;

(e) thanks the South Australian people and the thousands from interstate who cheered cyclists in the 2009 Tour Down Under and participated in the event;

(f) commends the contribution made by the South Australian State Government in announcing a massive roll-out of bike paths and honouring some of South Australia’s cycling greats;

(g) notes the generous pledge by the South Australian Premier, Mr Mike Rann, to triple any funds raised by Cancer Council of South Australia during 2009 Tour Down Under;

(h) also thanks Mr Lance Armstrong for his cancer awareness campaign and the high profile media coverage he brought to South Australia and Australia;

(i) acknowledges the contribution of the International Cycling Union to the success of the Tour Down Under; and

(j) congratulates the Minister for Sport, Ms Kate Ellis, and the Australian Sports Anti-Doping Authority for ensuring the conduct of a free and fair race.
Senators Minchin and Fielding to move on the next day of sitting:

That—

(1) The additional estimates hearings of standing committees scheduled for the week beginning 9 February 2009 not take place.

(2) The Senate meet from Monday, 9 February to Thursday, 12 February 2009.

(3) The Senate not meet from Monday, 23 February to Thursday, 26 February 2009.

(4) That the 2008-09 additional estimates hearings by standing committees be scheduled as follows:

   - Monday, 23 February and Tuesday, 24 February 2009, and, if required, Friday, 27 February 2009 (Group A)
   - Wednesday, 25 February and Thursday, 26 February 2009, and, if required, Friday, 27 February 2009 (Group B).

(5) The provisions of the following bills (the bills) be referred to the Finance and Public Administration Committee for inquiry and report by 10 February 2009:

   - Appropriation (Nation Building and Jobs) Bill (No. 1) 2008-2009
   - Appropriation (Nation Building and Jobs) Bill (No. 2) 2008-2009
   - Commonwealth Inscribed Stock Amendment Bill 2009
   - Householder Stimulus Package Bill 2009
   - Tax Bonus for Working Australians Bill 2009

(6) Notwithstanding the reference of the provisions of the bills, the Senate may consider the bills to the conclusion of the second reading stage, but shall not further consider the bills until the report of the Finance and Public Administration Committee on the bills has been tabled.

(7) On Thursday, 5 February 2009:

   a) the hours of meeting shall be 9.30 am to 7 pm;

   b) consideration of general business, and consideration of committee reports, government responses and Auditor-General’s reports under standing order 62(1) and (2) shall not be proceeded with;

   c) the routine of business from not later than 4.30 pm till 7 pm shall be consideration of the bills (second reading speeches);

   d) divisions may take place after 4.30 pm; and

   e) at 7 pm the Senate shall adjourn without any question being put.

(8) The Finance and Public Administration Committee shall meet from 7 pm to 9 pm on Thursday, 5 February 2009, and from 9 am on Friday, 6 February 2009 to take evidence from government departments and agencies, including (but not limited to):

   a) Treasury;

   b) Centrelink;

   c) Education, Employment and Workplace Relations;

   d) Environment, Heritage and the Arts; and

   e) Families, Housing, Community Services and Indigenous Affairs.

(9) The Finance and Public Administration Committee shall meet on Monday, 9 February 2009 to take further evidence in relation to the bills from non-government organisations, community groups and other interested parties as determined by the committee, and may meet during the sitting of the Senate for that purpose.

(10) The presentation of the report of the Finance and Public Administration Committee on the bills be an order of the day for 12.31 pm on Tuesday, 10 February 2009.

(11) On Thursday, 12 February 2009, the hours of meeting shall be 9.30 am to adjournment, and the question for the adjournment of the Senate shall not be proposed until the Senate has finally considered the bills listed in paragraph (5).
Senator Siewert to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) on 25 November 2008, the Senate urged the Australian Government to set a timeline for legal proceedings in an international court to stop illegal Japanese whaling if Japan does not commit to stop whaling by 8 December 2008,

(ii) Japanese whaling operations continued past this deadline, and

(iii) no such legal action has been undertaken by the Government;

(b) urges the Government to:

(i) strongly oppose the proposal in the document, ‘The Future of the IWC’, currently before the International Whaling Commission, which seeks to legitimise Japanese whaling operations, and

(ii) immediately commence international legal action to stop illegal Japanese whaling; and

(c) condemns the violent actions of the Japanese whaling fleet, who have reportedly thrown metal balls at environmental activists, and used acoustic weapons to send out painful high frequency sound waves.

Senator Bob Brown to move on the next day of sitting:

That there be laid on the table, by 1 March 2009, an analysis of greenhouse gas emissions from the logging of native forests in Tasmania in public and private forests, including an assessment for 2008 of:

(a) the total amount;

(b) the component due to regeneration burning;

(c) the component due to export woodchips; and

(d) the component due to waste from other losses accrued in transport and manufacturing.

Senator Ludwig (Queensland—Minister for Human Services) (3.49 pm)—I give notice that, on the next day of sitting, I shall move:

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

Appropriation (Nation Building and Jobs) Bill (No. 1) 2008-2009,

Appropriation (Nation Building and Jobs) Bill (No. 2) 2008-2009,

Household Stimulus Package Bill 2009,

Tax Bonus for Working Australians Bill 2009,

Tax Bonus for Working Australians (Consequential Amendments) Bill 2009, and the

Commonwealth Inscribed Stock Amendment Bill 2009.

I also table a statement of reasons justifying the need for these bills to be considered during these sittings and seek leave to have the statement incorporated in Hansard.

Leave granted.

The statement read as follows—

**Purpose of the bills**

The two Appropriation Bills are supplementary additional estimate appropriation Bills which request legislative authority for further expenses to be incurred in 2008-2009 in relation to the Government’s Nation Building and Jobs Plan. Passage of the bills by 5 February 2009 will allow funds to be made available to departments, thereby ensuring implementation of the programs relating to the package.

Further annual appropriation bills are required to fund a number of measures announced on 3 February 2009. They include funds for the Building the Education Revolution, Energy Efficient Homes, regional and local community infrastructure, the Black Spot Program, repairing regional links on the national highway network and social housing. The additional funding required exceeds what is currently available to the departments and from the Advance to the Finance Minister. The 2008-2009 Additional Estimates Bills are not
expected to be agreed to by Parliament until the end of the 2009 Autumn Sittings. Consequently, a set of supplementary bills is required to ensure implementation of the Plan.

The Household Stimulus Package Bill 2009 provides for necessary amendments to deliver on the announcement to provide $950 one-off cash payments to eligible families, those in education and training, and drought affected farmers as part of the Plan.

The Tax Bonus for Working Australians Bill 2009 provides for a tax bonus payment that is to be paid to eligible Australian resident individual taxpayers from April 2009. The Commissioner of Taxation will administer the bonus payments. The bonus will be paid to eligible individual taxpayers based on whether they paid net income tax in the 2007-08 financial year and had a taxable income of $100,000 or less.

The (Consequential Bill) also makes amendments consequential on the enactment of the Tax Bonus for Working Australians Act 2009 to ensure that the bonus payments will not be taken into account for taxation purposes and also for the purposes of income testing for social security and family assistance payments.

The Commonwealth Inscribed Stock Amendment Bill 2009 provides for an increase in the cap on borrowings where special circumstances exist.

**Reasons for Urgency**

These measures give effect to the announcement by the Prime Minister and the Treasurer in a joint statement on 3 February 2009 outlining the Government’s Nation Building and Jobs Plan. This Plan has the objective of providing immediate stimulus to the Australian economy in the face of the global downturn.

A range of important nation building and jobs measures are contained in the Appropriation Bills. Prompt passage of the legislation is needed so the approval and administrative processes, which involve other levels of government, can be established and the measures begin as soon as possible in 2008-09.

Introduction and passage of the Household Stimulus Bill is needed urgently to enable Centrelink system changes to be made which would provide for payments to begin in the fortnight from 11 March 2009.

Introduction and passage of the Tax Bills are needed quickly to ensure the Australian Taxation Office can have systems in place and settle system design to ensure tax bonus payments can be made to eligible taxpayers from April 2009.

As a result of the deteriorating global economy and the consequent falling tax revenues, the budget is now expected to move into deficit.

The Commonwealth Inscribed Stock Act 1911 provides for a cap on the total face value of Commonwealth Government Securities on issue at any point in time, currently $75 billion.

This amendment inserts a new power for the Treasurer to declare that special circumstances exist, justifying an increase in the cap. Once the declaration that special circumstances exist has been published in the Gazette, the cap on Commonwealth Government Securities on issue will be increased by $125 billion.

The amendment must be passed as quickly as possible in the Autumn Sittings to allow for the most efficient and effective management of the Commonwealth Government Securities issuance program.

(Circulated by authority of the Treasurer, the Minister for Families, Housing, Community Services and Indigenous Affairs and the Minister for Finance and Deregulation)

**Postponement**

The following items of business were postponed:

Business of the Senate notice of motion no. 1 standing in the name of Senator Milne for today, proposing a reference to the Environment, Communications and the Arts Committee, postponed till 5 February 2009.

General business notice of motion no. 341 standing in the name of Senator Hanson-Young for today, relating to immigration detention policies, postponed till 5 February 2009.
Withdrawal

Senator PARRY (Tasmania) (3.50 pm)—at the request of Senator Abetz I withdraw notice of motion No. 332 standing in the name of Senator Abetz.

COMMITTEES

Economics Committee

Extension of time

Senator O’BRIEN (Tasmania) (3.50 pm)—On behalf of Senator Hurley, I move:

That the time for the presentation of the following reports of the Economics Committee be extended to 26 February 2009:

(a) provisions of the Tax Laws Amendment (Taxation of Financial Arrangements) Bill 2008; and

(b) provisions of the Trade Practices Amendment (Cartel Conduct and Other Measures) Bill 2008.

Question agreed to.

EMISSIONS TRADING SCHEME

Order

Senator CORMANN (Western Australia) (3.51 pm)—I seek leave to amend general business notice of motion No. 334 standing in my name for today relating to an order for the production of documents, information and Treasury modelling contained in Australia’s Low Pollution Future: The economics of climate change mitigation. I also seek leave to make a brief statement before asking that it be taken as a formal motion.

Leave granted.

Senator CORMANN—Since this motion was lodged yesterday, the Senate Select Committee on Fuel and Energy received a response from the Treasurer to its request for access to this information. In his response, the Treasurer refused the committee’s request, stating contractual obligations to external consultants used by the government in conducting its Treasury modelling. The fuel and energy committee met earlier today to consider the Treasurer’s refusal to provide access to the requested information. The committee takes the view that access to this information is in the public interest. It requires it to ensure proper scrutiny of the government’s carbon pollution reduction scheme as proposed in its white paper and, in particular, as it relates to the likely impact of the government’s proposed scheme on the economy and jobs, especially in these difficult economic times. Our advice from the Clerk of the Senate is that, if the Senate insists on the production of these documents, parliamentary privilege will override any relevant contractual obligations of the government. As such, it remains the strong recommendation of the fuel and energy committee to proceed with this motion. I move the motion as amended:

That the Senate—

(a) notes that:

(i) the Select Committee on Fuel and Energy contracted Dr Brian Fisher from Concept Economics to conduct an independent peer review of the Department of the Treasury modelling of the impact of the Government’s proposed Carbon Pollution Reduction Scheme,

(ii) the committee wrote to the Treasurer (Mr Swan) on 9 December 2008 requesting that Dr Fisher, be given ‘full access to the government’s complete documentation of the government’s models together with the model codes and databases and any other model simulations undertaken relevant to the policy scenarios, but not publicly released’ by 17 December 2008,

(iii) the Treasurer has refused the committee’s request, and

(iv) Dr Fisher has reported that he was impeded in carrying out the work requested by the committee because the information requested from the Treasurer was not made available to him; and
(b) orders that there be laid on the table by the Minister representing the Treasurer, no later than noon on 5 February 2009, the following information relating to the Department of the Treasury modelling, Australia’s low pollution future: The economics of climate change mitigation:

(i) the model documentation and codes together with all databases for both the global trade and environment model and the Monash multi-regional forecasting model that were employed in the department’s modelling of the Carbon Pollution Reduction Scheme scenarios in a form that would allow the reproduction of the department’s results, and

(ii) any other model simulations undertaken relevant to the abovementioned policy scenarios but not publicly released.

Question agreed to.

Senator MILNE (Tasmania) (3.53 pm)—by leave—The Australian Greens support the release of the Treasury modelling pertaining to Australia’s Low Pollution Future: The economics of climate change mitigation. We have sought the release of that modelling because we too would like to scrutinise it. However, I want it also on the record that we have no confidence whatsoever in Dr Brian Fisher from Concept Economics to conduct any kind of fair analysis of the Treasury modelling. Dr Fisher is a climate change sceptic, has been a climate change sceptic, remains a climate change sceptic and was a climate change sceptic as head of ABARE. In my view, he is one significant reason no progress was made on addressing climate change in the years that the Howard government was in power. Whilst we support the laying on the table of the Treasury modelling, we wish to indicate that that decision to support this does not imply any support for any analysis that Dr Fisher may conduct.

ECONOMICS COMMITTEE: ESTIMATES QUESTIONS ON NOTICE

Senator CORMANN (Western Australia) (3.55 pm)—I move:

That the Senate—

(a) notes:

(i) the response from the Department of the Treasury to straightforward questions regarding the amount of revenue collected as a result of the increase in the excise on ‘alcopops’ effective 27 April 2008 and other excise measures [question no. sbt 3, parts (1), (18), (19) and (20)] placed on notice at hearings of the Economics Committee in October 2008, that ‘This information is not publicly available’, and

(ii) that there has never been any suggestion, nor would it be accepted by the Senate, that answers to questions asked by senators at estimates hearings should be limited to publicly available material;

(b) considers that this response amounts to a refusal to answer the questions;

(c) orders that there be laid on the table by 5 February 2009 meaningful answers to parts (1), (18), (19) and (20) of question no. sbt 3, previously placed on notice at hearings of the Economics Committee in October 2008; and

(d) orders that there be laid on the table by 23 February 2009, meaningful answers to the following additional questions:

(i) what tax revenue has been collected in each of the following categories of alcohol since 27 April 2008:

(A) beer,

(b) cask wine,

(c) bottled wine,

(d) cider,

(e) spirits, and

(f) other excisable beverages, i.e. ready-to-drink (RTD) beverages (alcopops),
(ii) for each of the categories in question (d)(i), what volumes of alcohol (measured in litres of alcohol) were either:
   (A) cleared for home consumption, or
   (B) subject to tax under the A New Tax System (Wine Equalisation Tax) Act 1999,
(iii) what is the measured price elasticity of RTD beverages, given the data collected since 27 April 2008,
(iv) is the measured elasticity since 27 April 2008 consistent with the Department of the Treasury modelling underlying the revenue impacts of the tax increase measure published in the 2008-09 Budget,
(v) what were the Department of the Treasury’s estimates of RTD own-price and cross-price elasticity with other alcohol beverages used to calculate the revenue estimates from different alcohol products included in the Mid-year economic and fiscal outlook 2008-09,
(vi) what volume growth rates have been assumed by the Department of the Treasury for different alcohol beverages for the financial years included in the Mid-year economic and fiscal outlook 2008-09,
(vii) what advice was produced by the Department of the Treasury or the Department of Health and Ageing regarding likely substitution effects prior to or following the introduction of the alcopops tax,
(viii) what evidence has the Government collected regarding reduction in risky or high risk drinking and/or at risk behaviour among:
   (A) all drinkers,
   (B) the following age groups – under 18, 18 to 24, 25 to 40 and over 40,
   (C) men, and
   (D) women, and
(ix) what evidence has the Government, including the Australian Institute of Health and Welfare, collected regarding those alcohol products most likely to be associated with low risk, risky and high risk drinking among different age and gender categories.

Question agreed to.

BROADBAND

Senator PARRY (Tasmania) (3.56 pm)—

At the request of Senator Minchin, I move:

That there be laid on the table by the Minister for Broadband, Communications and the Digital Economy, no later than 10 am on Thursday, 5 February 2009:

(a) the Australian Competition and Consumer Commission’s formal report on the National Broadband Network (NBN) proposals to the NBN Panel of Experts; and
(b) the final report provided to the Government from the NBN Panel of Experts on submissions to the NBN process.

Senator FIELDING (Victoria—Leader of the Family First Party) (3.56 pm)—by leave—I move:

Omit “Thursday, 5 February 2009”, substitute “the day after the day the winning bid is announced”.

It has been circulated in the chamber.

Question agreed to.

Original question agreed to.

SAFE WORK AUSTRALIA LEGISLATION

Senator PARRY (Tasmania) (3.57 pm)—

At the request of Senator Abetz, I move:

That the Senate—

(a) notes the comments made by the Deputy Prime Minister (Ms Gillard) and reported in the Australian Financial Review on 20 January 2009, regarding the Senate’s 2008 amendments to the Safe Work legislation; and
(b) condemns the Deputy Prime Minister for seeking to circumvent the Senate on the issue of uniform occupational health and safety laws, rather than meet with
non-government senators to discuss their concerns about the Safe Work legislation.

Question agreed to.

CONDOLENCES
Mrs Nancy Bird-Walton

Senator PARRY (Tasmania) (3.58 pm)—At the request of Senator Nash, I move:
That the Senate—
(a) notes the sad passing of Mrs Nancy Bird-Walton who died at the age of 93 on 13 January 2009;
(b) notes and commends her significant and inspirational achievements as an aviation pioneer in Australia;
(c) pays tribute to her service to Australian aviation including through the foundation of the Australian Women Pilots’ Association and her longstanding support for the Royal Flying Doctor Service; and
(d) expresses its sincere condolences and profound sympathy to her family and loved ones.

Question agreed to.

RAMSAR CONVENTION AND WETLANDS MANAGEMENT

Senator SIEWERT (Western Australia) (3.58 pm)—I, and also on behalf of Senator Hanson-Young, move:
That the Senate—
(a) notes that 2 February was World Wetlands Day, a date that marks the anniversary of the signing of the Convention of Wetlands of International Importance (Ramsar Convention) in Ramsar, Iran, on 2 February 1971;
(b) welcomes the release on World Wetlands Day of the 2007 Ramsar Snapshot Study noting the significant delay since its completion in December 2007;
(c) calls on the Government to implement its recommendations, and in particular to establish regular systematic reporting on wetland health and management;
(d) notes that the National report on the implementation of the Ramsar Convention on Wetlands to the 10th meeting of the Conference of the Contracting Parties in Korea, during October 2008, identified that the greatest challenges Australia faces in delivering on our international wetlands commitments are:
(i) providing adequate volumes of water to Ramsar sites, and
(ii) securing sufficient human and financial resources to implement the convention consistently and effectively;
(e) calls on the Government to act immediately to address these challenges, by providing sufficient resources for planning, management, monitoring and enforcement and by ensuring sufficient volumes of water are set aside to maintain wetland health and ecosystem resilience;
(f) expresses concern at the dire state of wetlands in the Murray-Darling Basin, noting that with up to 90 per cent of the systems original wetlands are already lost and the majority of those remaining are highly stressed, their ability to maintain the health of the river, protect water quality and deliver ecosystem services is severely threatened (Inland Rivers Network, Wetlands for Our Future 2008 report); and
(g) calls on the Government to act to secure sufficient water within the Murray-Darling system to maintain its health and resilience, to prioritise ecological flows to threatened and degraded wetlands in the basin, and to ensure in particular that the ecological character of the Coorong and Lower Lakes is not changed irretrievably by their flooding with salt water.

Senator LUDWIG (Queensland—Minister for Human Services) (3.59 pm)—by leave—The Australian government takes its Ramsar obligations very seriously. It is concerned about the condition of our wetlands. However the government does not support this motion, because it suggests that the
Commonwealth is solely responsible for managing Ramsar wetlands. Most Ramsar wetlands are managed by state and territory governments while the Commonwealth’s principal role is in coordination, management, funding and liaison with the Ramsar secretariat. I thank the Senate.

Question agreed to.

MIDDLE EAST

Senator HANSON-YOUNG (South Australia) (4.00 pm)—I seek leave to amend my general business notice of motion No. 342 standing in my name.

Leave granted.

Senator HANSON-YOUNG—I move the motion as amended:

That the Senate

(a) notes with regret the number of people who have been killed in the recent hostilities in Gaza and southern Israel;

(b) expresses deep concern regarding the 437 Palestinian children killed, as indicated by the Palestinian Health Authority; and

(c) calls on the Government to:

(i) provide urgent additional funding for recovery and reconstruction efforts to the United Nations Relief and Works Agency for Palestinian Refugees in the Near East, including the $10 million already committed in 2009 to Gaza, and

(ii) support medical treatment to assist Palestinian children and their families, including consideration of medical evacuation.

Senator COONAN (New South Wales—Manager of Opposition Business in the Senate) (4.01 pm)—by leave—The coalition will not be supporting this motion, but I want to put our motivation in context. The coalition is deeply saddened by civilian casualties on both sides of the Israeli-Gaza border. The coalition supports the government in providing aid for the United Nations to be used for humanitarian purposes in Gaza. The Israeli ceasefire declaration was important in attempting to bring an end to the violence, but Hamas must reciprocate. Hamas should respect the ceasefire conditions as outlined by the United Nations Security Council’s Resolution 1860, notably containing specific guarantees to Israel’s security including an explicit condemnation of terrorist attacks on civilians and the demand that member states act to stop the smuggling of arms into Gaza. And finally, the coalition has pointed out that it was the conduct of Hamas that violated the ceasefire with its unprovoked rocket attacks on Israeli towns, villages and civilians. There can only be lasting peace if Hamas accepts the state of Israel’s right to exist within secure borders.

Senator FAULKNER (New South Wales—Special Minister of State and Cabinet Secretary) (4.02 pm)—I also seek leave to make a statement on this motion.

The DEPUTY PRESIDENT—Leave is granted for two minutes.

Senator FAULKNER—I did not ask leave to make a short statement.

The DEPUTY PRESIDENT—No, but they granted it for two minutes.

Senator FAULKNER—that is unfortunate, because with these foreign affairs motions I might seek leave again to complete my remarks. The government’s position on the conflict in Gaza is well known. We are strongly supportive of the United Nations Security Council Resolution 1860 and its call for an immediate, durable and fully-respected ceasefire. For this ceasefire to be effective it will require an end to arms-smuggling in the Gaza Strip, an end to rocket attacks on Israel by Hamas, and the opening of border crossings. Australia condemns recent rocket attacks from Gaza into Israel and understands that Israel has responded through air strikes. This recent outbreak un-
derlines the importance of a durable and fully-respected ceasefire.

Australia regrets the number of people that have been killed and injured in this conflict. The original motion tabled by Senator Hanson-Young referred only to conflict in Gaza. We welcome the preparedness of the senator to amend the motion to refer to the conflict in Southern Israel. In addition to referring to those Palestinians who have lost their lives it is important that the motion refers to the conflict in Southern Israel following rocket attacks from Hamas, a terrorist organisation, over several months.

In response to this crisis Australia recognised the need for urgent humanitarian assistance including medical assistance. I inform the Senate that the government has provided $10 million since 1 January this year for emergency humanitarian aid. This is in addition to the doubling of Australia’s assistance to the Palestinian people in 2008 of $45 million. We are committed to assisting further where we can. This conflict has demonstrated once again the vital need for a two-state solution to the Israel-Palestine conflict. Australia remains strongly committed to that objective.

Senator HANSON-YOUNG (South Australia) (4.04 pm)—by leave—I just want to respond to Senator Coonan’s remarks. I find it disappointing that the opposition is not willing to support a motion that looks clearly at the deaths of 437 Palestinian children during the last few weeks. I think that it is outrageous that the coalition cannot simply see that we are talking about the killing of innocent children and that Australia has a role to play in supporting extra funding to medical support.

Question agreed to.

GLOBAL GAG RULE FOR FAMILY PLANNING GUIDELINES

Senator HANSON-YOUNG (South Australia) (4.05 pm)—I ask that general business notice of motion No. 340 standing in my name for today relating to the ‘global gag rule’ for family planning guidelines be taken as a formal motion.

The DEPUTY PRESIDENT—Is there any objection to this motion being taken as formal?

Senator O’Brien—Yes.

The DEPUTY PRESIDENT—There is an objection to the motion being taken as formal.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.06 pm)—The government has objected to formality for that motion. The Greens will not insist that we go through the process of a half-hour debate now as to why the matter is urgent and should have a proper debate, but we can assure the government that the Greens will revisit this matter by the placing of a further motion, in particular in light of the Obama government’s move on this matter, to get the Rudd government to follow suit.

COMMITTEES

Scrutiny of Bills Committee Report


Ordered that the report be printed.

Senator COONAN—I seek leave to have the tabling statement incorporated in Hansard.

Leave granted.
The statement read as follows—

In tabling the committee’s Alert Digest No. 1 of 2009, I would like to draw the Senate’s attention to provisions in both the Therapeutic Goods Amendment (Medical Devices and Other Measures) Bill 2008 and the Trade Practices Amendment (Cartel Conduct and Other Measures) Bill 2008.

The committee is particularly disappointed with several provisions in the Therapeutic Goods Bill, along with parts of the bill’s explanatory memorandum, which it considers have been poorly drafted and will be drawing these to the attention of the Minister.

Two of the provisions causing concern for the committee relate to exemptions from the Legislative Instruments Act 2003. First, proposed new subsection 41GS(6) of the Therapeutic Goods Act, to be inserted by item 2 of Schedule 1, provides that a Ministerial exemption of specified kinds of medical devices under subsection (1) of that section ‘is not a legislative instrument’.

As outlined in Drafting Direction No. 3.8, where a provision specifies that an instrument is not a legislative instrument, the committee would expect the explanatory memorandum to explain whether the provision is merely declaratory (and included for the avoidance of doubt) or expresses a policy intention to exempt an instrument (which is legislative in character) from the usual tabling and disallowance regime set out in the Legislative Instruments Act 2003. Where the provision is a substantive exemption, the committee would expect to see a full explanation justifying the need for the provision.

In this case, the explanatory memorandum states that the exemption referred to ‘is not a legislative instrument within the meaning of the Legislative Instruments Act 2003’ and that subsection (6) ‘explains rather than creates the exemption’ from registration on the Federal Register of Legislative Instruments or from parliamentary scrutiny.

The committee considers that this statement is inaccurate, because, for one thing, a Ministerial exemption under new subsection 41GS(1) appears to change the law with respect to the types of medical devices to which it refers; and, in addition, existing Ministerial emergency exemptions for therapeutic goods, which may be made under section 18A, are stated in current subsection 18A(9A) of the Therapeutic Goods Act to be ‘disallowable instruments for the purposes of section 46A of the Acts Interpretation Act 1901’ (and therefore subject to parliamentary scrutiny and possible disallowance).

Confusingly, the explanatory memorandum also notes that the amendments in the bill relating to exemptions for specified kinds of medical devices ‘largely mirror the exemption provisions that currently apply to therapeutic goods, other than medical devices’. The committee has therefore sought the Minister’s advice about whether this apparent inconsistency can be resolved.

Similarly, proposed new subsection 18A(9A), to be inserted by item 1 of Schedule 2, provides that an emergency Ministerial exemption of specified kinds of therapeutic goods under subsection (1) of that section ‘is not a legislative instrument’. The explanatory memorandum states that the purpose of new subsection 18A(9A) is ‘to explain, for the benefit of readers, that an exemption made under subsection (1) is not a legislative instrument. As the exemption is not a legislative instrument within the meaning of the Legislative Instruments Act 2003, it is not subject to requirements of that Act such as registration or parliamentary scrutiny. This subsection explains rather than creates the exemption’.

The committee considers that this statement is open to question, because subsection 18A(9A), as currently in force, provides that an exemption under subsection (1), and a revocation or variation of such an exemption under subsection (8), ‘are disallowable instruments for the purposes of section 46A of the Acts Interpretation Act 1901’. Since the bill seeks to amend only subsection 18A(9A) of the Therapeutic Goods Act, it is difficult to understand how an exemption under subsection 18A(1) can change from being a legislative instrument to a non-legislative instrument. Again, the committee has sought the Minister’s advice about whether this apparent inconsistency can be resolved.

The committee also considers proposed new subsection 13(6) of the Therapeutic Goods Act, inserted by item 15 of Schedule 4, to be problematic. This subsection provides that a Ministerial
order determining that a particular standard is not applicable to certain goods under proposed new subsection 13(5) ‘is not a legislative instrument’. The explanatory memorandum states that ‘(a) the exemption is not a legislative instrument within the meaning of the Legislative Instruments Act 2003, it is not subject to requirements of that Act such as registration or Parliamentary scrutiny. This subsection explains rather than creates the exemption’.

Since the Ministerial order is not legislative in character, it may be assumed that the Minister’s decision to make the order is an administrative decision. If that is correct, it is not clear to the committee why that decision is not then subject to merits review under the Administrative Appeals Tribunal Act 1975, when so many other decisions of the Secretary to the Department, and of the Minister, are reviewable under section 60 of the Therapeutic Goods Act. The committee has also sought the Minister’s advice about this issue.

In relation to the Trade Practices Cartel Conduct Bill, the committee has commented on a number of provisions which abrogate the privilege against exposure to a penalty in certain circumstances. For example, new section 86F of the Trade Practices Act, to be inserted by item 5 of Schedule 2, abrogates the privilege against being exposed to the penalty of being disqualified from managing a corporation for a person required to answer a question, produce a document or do any other act in civil or criminal proceedings under, or arising out of, the Trade Practices Act. The explanatory memorandum does not offer any explanation of this particular amendment so the committee has sought the Treasurer’s advice as to the reasons for the abrogation of the privilege against exposure to a penalty in these circumstances.

Similarly, subsection 155(7) of the Trade Practices Act is to be amended by items 43 to 47 of Schedule 2, with the effect that the abrogation of the privilege against self-incrimination is extended to also abrogate the privilege against being exposed to a penalty. The subsection is further amended so as to no longer provide any immunity for any document produced in pursuance of section 155, although it continues to provide ‘use immunity’ to the information so provided.

The committee notes that the explanatory memorandum explains the effect of the relevant items in Schedule 2, however it does not provide a reason for either the abrogation of the privilege against being exposed to a penalty, nor for the removal of the immunity which currently attaches to the production of a document under section 155. Accordingly, the committee has considered it necessary to seek the Treasurer’s advice as to these reasons.

I commend the committee’s Alert Digest No. 1 of 2009 and First Report of 2009 to the Senate.

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

AUDITOR-GENERAL’S REPORTS
Report No. 19 of 2008-09

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Audit report No. 19 of 2008-09: Performance audit—CMAX Communications contract for the 2020 summit: Department of the Prime Minister and Cabinet.

COMMITTEES
Membership

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—The President has received letters from a party leader requesting changes in the membership of committees.

Senator FAULKNER (New South Wales—Special Minister of State and Cabinet Secretary) (4.09 pm)—by leave—I move:
That senators be discharged from and appointed to committees as follows:

Migration—Joint Standing Committee—
Discharged—Senator Eggleston
Appointed—Senator Fierravanti-Wells
Selection of Bills Committee—
Discharged—Senator Adams from 4 February 2009, Senator Bushby from 12 May 2009
Appointed—Senator Bushby from 4 February 2009, Senator Adams from 12 May 2009

Senators’ Interests—Standing Committee—
Discharged—Senator Adams from 4 February 2009, Senator Parry from 12 May 2009

Question agreed to.

MIGRATION LEGISLATION AMENDMENT BILL (No. 2) 2008 [2009]
Second Reading

Debate resumed.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (4.10 pm)—Firstly, I table a correction to the explanatory memorandum to the Migration Legislation Amendment Bill (No. 2) 2008 [2009]. It is a minor amendment. I seek leave to continue the remarks that Senator McLucas started to make in summing up the debate.

Leave granted.

Senator CHRIS EVANS—I am sure Senator McLucas was doing a better job, but first of all I would like to acknowledge the contributions of Senator Fierravanti-Wells and Senator Hanson Young for their continuing interest in these issues. Senator McLucas had responded to the first tranche of amendments. The second set seeks to reinstate effective and uniform time limits applying to judicial review of migration decisions in the Federal Magistrates Court, Federal Court and the High Court. The new time limit is 35 days from the date of the migration decision. Importantly, though, the courts will have broad discretion to extend the time for applying for judicial review for a migration decision when it is necessary and in the interests of the administration of justice to do so. That seeks to balance the interests of the applicant with the interests of proper process.

The final set of amendments limits appeals from judgments to make an order or refuse to make an order to extend time to apply for judicial review of migration decisions. This set of amendments will assist in strengthening the time limit for applying for judicial review, which I mentioned earlier, by encouraging applicants to resolve their cases in a timely fashion and by helping to deter applicants from making strategic appeals simply to delay their removal from Australia. The amendments do not limit appeals to the High Court in its original jurisdiction because such a limitation would be unconstitutional. That is a very important step forward. We all support the right of people to seek appropriate decision making and pursue full and fair appeal rights, but there has to be an end to it and there has to be the capacity for a decision that is not in their favour to be enacted. The integrity of our immigration system relies not only on people receiving fair treatment but also on the capacity of the state to remove those who failed to meet our laws. I think that is an important step forward in making sure that we maintain that integrity.

Turning now to the points raised during the debate on the bill, I thank Senator Fierravanti-Wells for her contribution. After years of dealing with this stuff, she is way in front of me on the intricacies of it not only because of her legal background but also from having to wade through it in a professional capacity. I must admit some of this stuff is mind-numbingly difficult, but there are a number of people who live off it as its complexity encourages a profusion of lawyers.
I turn now to Senator Hanson-Young’s concerns regarding a number of issues. I note her concern that the new provision based on time running from the day of the decision rather than from the day of notification may adversely impact on clients. She also raised the concern that the onus that has been placed on applicants to seek an extension of time may be an unreasonable burden, particularly where there are language and financial difficulties. I acknowledge that they are legitimate concerns to raise, but the package put forward in the bill is actually more beneficial than the existing position. The bill introduces a new broad discretion, which is unlimited, to extend time. This means that, if someone wants to apply for an extension of time, they can do so outside the 35-day period—for example, two years later—provided the court decides that it is in the interests of the administration of justice.

Currently, an application for judicial review is required to be lodged within 28 days. Currently, if a person were to seek judicial review in the FMC or in the Federal Court after the extendable period of 84 days, the courts would not have jurisdiction to consider the application or any request to extend time even if there were compelling reasons. So I think the overall package is more beneficial. Those people who are out of time under the current provisions and therefore cannot access the courts will now have an opportunity to put their request for an extension of time to be considered by the courts—not by the department—and the courts’ ability to extend time will be unlimited under the bill.

Senator Hanson-Young also sought clarification of how the amendments to sections 477, 477A and 486A will safeguard applicants against being disadvantaged. The requirement that applicants give reasons is not a legal onus on the applicant. There is no concept of the applicant having to prove that on the balance of probabilities their reasons for an extension are in the interests of the administration of justice; it is merely a requirement that the applicant state reasons for the request for an extension of time. This will assist the court in early identification of meritorious cases so they can be resolved quickly. This is something I have been very keen to pursue since I have been in this portfolio.

Linking the commencement of time to date of decision rather than to date of notification will provide greater certainty for applicants and the courts. It will be clear on the face of the decision when time starts to run. The existing notification laws for notifying an applicant of the decision will continue to apply, but the time limits for applying for judicial review will no longer be linked to actual notification.

Senator Hanson-Young also asked why the time limits start to run even if there is a failure to comply with the requirements of certain provisions. This is to ensure that the time limits operate effectively to minimise the risk of an applicant claiming there was no date of decision for the purpose of time limits because the decision did not comply with legislative requirements, otherwise the effectiveness of the proposed time limits would be undermined. The court can address possible injustice caused by this provision by using its new broad discretion to extend time.

Senator Hanson-Young also asked if there were an unreasonable burden on applicants with financial, language or knowledge of the legal system issues. The amendments are intended to allow the courts to conduct extension of time applications as informally and flexibly as possible with minimal burden. Providing access to an extendable appeal period allows applicants with financial, language or knowledge issues to seek assistance from available resources.
Senator Hanson-Young also asked what had changed since the first iteration of these amendments in the omnibus bill last year and why we are adding schedule 3 at this time. That is a good question. Since drafting Migration Legislation Amendment Bill (No. 1) 2008 it became apparent that in order for the time limits to operate effectively those amendments should be accompanied by a limitation on appeals. The limitation on appeals amendments have been included in a separate schedule in the bill for ease of reference but they should not be viewed in isolation from the rest of the bill. They are an integral part of the time limit amendments. Introducing the new broad discretion to extend time without having schedule 3 would open up an additional avenue for judicial review, with consequential implications for cost, time and extra workload for the courts. It may also exacerbate the strategic litigation that we have seen some applicants use to prolong their stay in Australia.

Senator Hanson-Young’s second reading amendment is not supported. As the Senate is aware, last year I announced the government’s New Directions in Detention policy. That included the announcement of our key immigration values, which I think are widely understood. They are values designed to drive the development of a very different detention model. Acknowledging Senator Hanson-Young’s call to immediately put forward amendments to the Migration Act to implement these principles in legislation, I just note that the government is well aware of the desire of stakeholders and others that those policies have legislative backing. That action was strongly advocated by stakeholders in the extensive consultation process we undertook and was also part of recommendation 12 in the first report into immigration detention of the Joint Standing Committee on Migration. That part of the report was across party lines—I think it was unanimous, but I will double-check that. It was certainly supported on all sides of the parliament.

I am working to implement these changes as quickly as possible to get them working in practice as quickly as possible on the ground. We will legislate to support those new practices once we have got that experience. I thought that was a better way of going than having a sort of theoretical debate in the parliament and then looking to implement that. I think we will benefit from the experience—knowing what works and what does not work—and then we will have legislation that reflects that. I am keen to progress amendments to the Migration Act. I hope to bring forward more legislation this year. There are obviously drafting and policy issues to be considered, but this certainly should not be seen as the end of it. I am keen to make significant changes to the Migration Act.

I also note the reference again to the introduction of judicial review of the decision to detain. I know this is very important to advocates and that a lot of people are arguing this case out in the community. It was also a recommendation in the first report of the Joint Standing Committee on Migration. It is our intention—and this is reflected in the values statement—that detention will be for the shortest period possible and subject to increased transparency and accountability. Clearly, detention that is indefinite or otherwise arbitrary is not acceptable. We need regular review of the decision to detain. We have introduced a system that will provide more regular and earlier review. There are three-monthly reviews by a senior departmental officer, and an Ombudsman review at the six-month mark will provide an outside check. The whole philosophy of the department is turned around to justify why you detain—not to detain as your first response. The department is well advanced in implementing those changes, and we should have
some evidence of how that is working very shortly.

The main point to make is that I do not have a closed mind on the introduction of judicial review of the decision to detain, but I am mindful that the effectiveness of new three- and six-month detention review arrangements are yet to be determined. There has been no policy decision taken by government regarding judicial review, but it is very much on the table and I am having conversations and interaction with interested parties about those aspects. The joint migration committee’s work is informing that debate and I thank them for that work. I think it is proving useful for the parliament. It is good to see the House of Reps members following the lead of the Senate and learning to conduct inquiries that actually assist the development of public policy and lead the debate. We have good cooperation on that committee and it has done some good work.

Thirdly, Senator Hanson-Young reflects some of her dissenting report into the joint standing committee’s current inquiry into immigration detention, calling for a person to be detained beyond 30 days only if there is a court order that it is necessary to detain that person on a specified ground. I reiterate our policy position that the government’s intention is that detention will be the shortest period possible and that there will be transparency and accountability around those decisions.

I think that responds to the points made in Senator Hanson-Young’s second reading amendment. I understand the motives behind it. The government is not inclined to support it but it has been useful for taking forward the debate. As I say, I think we will have more debate around immigration throughout the year. There is a lot of interest in a range of measures that the government is considering. I think we can as a parliament do some good work in improving the migration legislation and making it more reflective of a modern, tolerant, democratic society.

I thank senators for their contributions and particularly the opposition for their support and I look forward to working with the parliament on further amendments to the migration legislation over the coming year.

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—The question is that the amendment moved by Senator Hanson-Young be agreed to.

Question negatived.

Original question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (4.26 pm)—I know there was an amendment to be moved by the Greens reflecting their opposition to schedule 3, which I think Senator Hanson-Young covered in the debate. I have indicated on behalf of the government we are obviously looking to maintain schedule 3. I think the opposition indicated their support for that, but obviously they might want to indicate their position. It is not a substantive amendment; it is only an opposition to the schedule and, as I say, Senator Hanson-Young articulated her concerns during the debate. I am happy to take your direction, Chair, as to whether or not we proceed. I think the general view was that we were keen to finish the bill.

Senator FIERRAVANTI-WELLS (New South Wales) (4.26 pm)—Following on from what the minister said, yes, we do support the inclusion of that schedule and oppose the amendment.

Bill agreed to.
Bill reported without amendment; report adopted.

Third Reading

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (4.28 pm)—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

HORSE DISEASE RESPONSE LEVY BILL 2008
HORSE DISEASE RESPONSE LEVY COLLECTION BILL 2008
HORSE DISEASE RESPONSE LEVY (CONSEQUENTIAL AMENDMENTS) BILL 2008

Second Reading

Debate resumed from 3 September 2008, on motion by Senator Ludwig:

That these bills be now read a second time.

Senator COLBECK (Tasmania) (4.28 pm)—I rise to speak on the Horse Disease Response Levy Bill 2008, the Horse Disease Response Levy Collection Bill 2008 and the Horse Disease Response Levy (Consequential Amendments) Bill 2008. Broadly, the intention of these bills is to create a mechanism for the imposition of a levy on Australia’s horse industry. The funds collected would ensure the industry is able to reimburse the Commonwealth for any expense associated with future outbreaks of horse diseases.

The horse industry will become a signatory to the Emergency Animal Disease Response Agreement, EADRA, which began in 2002 and has since gone on to devise other levy arrangements with other sectors of primary industries. The progression of the EADRA to include the horse industry is certainly welcomed by the coalition, but we are very much aware of some differences between the method of operation of the other primary industries, such as cattle, sheep or pigs, and that of the horse industry, which could also very easily be described as a community as well as an industry.

Through the bills before us today, the proposed levy would be imposed at the first registration of a horse with a horse registration body only. It would not be imposed on any subsequent registrations during a horse’s lifespan. It would not be imposed retrospectively on horses that had been registered prior to the commencement of the act.

I would like to speak briefly on our recent experience with equine influenza, the event which was the precursor to these bills. There is no doubt that the outbreak of equine influenza in Australia in August 2007 was a devastating, costly and crippling event for horse businesses, horse clubs and horse owners. More than 8,000 properties in Queensland and New South Wales were infected and the rest of the country was forced to take fast and extreme action in order to halt the geographic spread. According to the report of the Hon. Ian Callinan, ABARE estimated that the costs of the EI outbreak during the initial containment and eradication response reached $560,000 a day for disease control and $3.35 million a day in forgone income in equine business, including racing, farming and recreational enterprises. The Callinan report noted also the Commonwealth’s allocation of $227.9 million through various assistance packages for those whose primary source of income was affected by the EI outbreak and the subsequent horse movement restrictions.

As I have said, the coalition is no stranger to the nightmare that became reality when EI hit our shores. We fully appreciate the costs involved and the need to set up a mechanism for cost recovery in the event of future outbreaks. But, in their current form, these bills
will not ensure that equal contributions are made from all sectors of Australia’s horse industry. While the experience and expense of responding to and mopping up after an exotic horse disease is still very much fresh in the coalition’s mind, it will be no surprise for you to hear today that the coalition will not be supporting these bills. We did not support the legislation when it was debated in the other place in September 2008. We did not support the recommendation of the Senate Standing Committee on Rural and Regional Affairs and Transport, following a Senate inquiry, that the legislation pass without amendment. And, as I have just said, we will not vote in favour of this legislation in its current form now.

The reason for this is that these three bills represent some of the poorest legislation I have ever been required to assess. This legislation, if passed, will do the exact opposite of what it says it intends to do. Quite simply, the legislation professes to levy equally when in reality it most unfairly levies a small minority of Australia’s horse industry, being those who complete the initial registration of a horse. If this legislation were to become law, in some instances horse owners who are exposing Australia to the greatest risk of exotic horse disease will make no levy payment at all. That, quite frankly, is simply outrageous. I am referring, of course, to the owners of the highly valuable commodities, thoroughbred shuttle stallions. These are the horses who move back and forth between Australia and the United States, Europe, Asia and the United Kingdom to take the financial advantage of dual-hemisphere breeding programs. The shuttled stallions currently engaged in this practice are the very horses that brought EI to our shores, yet the owners of these horses will never pay an EI levy despite the high disease risk these practices create.

Should this legislation be passed, future shuttle stallions will make a contribution to the levy when they are first registered, which is usually completed by the breeders. If ownership changes—a very common occurrence in the thoroughbred racing industry—the new owners will not make a levy contribution, even if they decide later to shuttle their horse in and out of Australia. How is it fair that one person is paying while another is creating the potential for infection?

Despite being the sector which felt most severely in 2007 the effects of EI, a significant majority of the thoroughbred racing industry will make no contribution to the levy. It should also be noted that this sector also received the greater share of income assistance, due to the number of associated businesses and individuals dependent on income from horse racing. It is obvious to many who oppose this bill that this sector would again require a great deal of assistance in the event of a future outbreak, yet the legislation before us facilitates a very minimal input from this sector. The burden of this levy will be borne by the horse breeders—professional and amateur alike. In the case of the amateur, the narrow collection base will be a strong disincentive to continue registering foals. Why should they pay when the great majority of the horse industry will not?

Under this legislation, the backyard hobby breeder will be chipping in more than their fair share while the great proportion of people who own horses, either for pleasure or business, will make no contribution at all. Under this legislation, those engaged in the horse industry through business or employment would not pay the levy, even though these groups would no doubt be calling for assistance in the event of a disease outbreak, as we saw with EI in 2007. It is little wonder that the majority of submissions to the Senate inquiry into these bills came from the hobby and pleasure horse community. It is
these groups who are the obvious losers here, to the gain of the commercial sector, and as a result they are vehemently opposed to the levy’s introduction.

The government claims that all of the three peak national horse representative bodies support these bills. This is not totally correct. The President of the Thoroughbred Breeders Association, in a letter to the Minister for Agriculture, Fisheries and Forestry, Minister Burke, on 13 August 2008, said:

The TBA supports passage of the Bills through the Parliament in the spring session on the understanding that the Government will consult with industry to establish a fair and equitable registration scheme to ensure the burden of the levy does not fall on too few horse sectors.

This is a conditional support and relies on the government to review the collection method for fairness and equity. The Australian Horse Industry Council has written in support of these bills, even though many of their member organisations strongly oppose the bills. An AHIC survey of their member organisations reported in July 2008 that, while the majority of respondents support the industry becoming a signatory to the EADRA, the proposed collection method based on horse registrations was not supported.

Individual Australian Horse Industry Council member groups have also expressed staunch opposition to these bills. At its general meeting on 15 July 2008, the Queensland Horse Council passed the following motion:

That the members of the Qld Horse Council Inc are not in favour of signing the Emergency Animal Disease Response Agreement or committing to any associated levy at this time.

The National Campdraft Council of Australia also opposed the signing of the EADRA due to the financial impost that would be placed upon its members.

In her submission to the inquiry, Ms Kelly Gannon—a representative of CBG Consultants and author of an online petition that gathered the opinions of 6,743 people opposed to the implementation of the bills before us—very adequately and very succinctly summed up the predominant concerns of recreational horse owners when she wrote:

The current legislation continues to place the majority of the financial burden of any future disease response on the non commercial and recreational sectors of the equine community when they are likely to not be the recipients of any financial assistance in the light of past outbreaks.

Ms Gannon and the 6,743 people she spoke for see the weakness of what is before us, but the government does not. The coalition cannot support these bills.

Senator FARRELL (South Australia) (4.39 pm)—I rise to speak in favour of the Horse Disease Response Levy Bill 2008 and the cognate bills. This legislation is intended to protect the horse industry from future disease outbreaks by bringing the industry into the Emergency Animal Disease Response Agreement, which is otherwise known as the EADRA. It is intended to ensure that the horse industry funds its obligations under the agreement.

From the outset I have to say that I am disappointed that the opposition has decided to oppose this legislation on the grounds that it fails to completely satisfy every single stakeholder in the horse industry. This legislation is long overdue. The coalition has known for years that the horse industry should be covered by the Emergency Animal Disease Response Agreement, but it has procrastinated on this issue for far too long.

The catalyst for the changes in this legislation was of course the equine influenza epidemic that devastated the horse industry in 2007. The equine influenza outbreak exposed serious deficiencies with Australia’s
quarantine system and a lack of preparation and foresight as to how the Australian government would fund its disease response in the event that it would one day have to deal with an emergency animal response.

This highly contagious horse virus was first detected in August 2007 and it spread rapidly throughout New South Wales and Queensland. Fortunately, it did not affect my home state of South Australia. Nevertheless, South Australia did feel the ramifications from the disease. I consider South Australia to have been very fortunate to have escaped being directly affected by the outbreak. We were lucky that the quarantine procedures that were introduced once the virus was detected did in fact work very well. However, South Australian horse owners still had to abide by the quarantine restrictions that were introduced in the eastern states, which meant that many horses were stranded at whatever location they happened to be in when the restrictions came into effect.

Many horse owners were extremely inconvenienced by having to care for their horses that were stranded great distances away from their home stables. Racing horses especially have very particular routines and special requirements, which were disrupted by these restrictions. South Australia has, of course, a great reputation in the horse racing industry, with many great champions having been trained in the state.

The inconvenience caused by the quarantine placed incredible stress on horse owners. I believe that the final estimate of the cost to the horse industry will not adequately describe the enormous indirect costs of the outbreak. We do know, however, that the cost to the Australian government—to the taxpayers—was more than $350 million. This is a very significant expenditure and a costly reminder of the importance of quarantine in Australia. The independent report into the causes of the equine influenza outbreak, authored by the Hon. Ian Callinan AC, was presented in June of last year. It found:

Fundamental biosecurity measures were not being implemented in the largest government-operated animal quarantine station in Australia. This constituted a serious failure by those within the Department of Agriculture, Fisheries and Forestry and AQIS who were and had been responsible for the management of quarantine risks and, in particular, the management of post-entry quarantine arrangements. Among the people who ultimately must take responsibility for that failure were the Secretary of the department as the Director of Animal and Plant Quarantine and the person who, under the Minister, is charged with execution of the Quarantine Act 1908, the Executive Director of AQIS and the Executive Manager of Quarantine within AQIS. Various people have held those positions in recent years.

However, the disaster that was the equine influenza outbreak was further compounded by the absence of any cost-sharing structure to deal with such a crisis. The Australian taxpayer was ultimately left with the clean-up bill, whereas for many other livestock industries the costs are shared between government and industry. In the event of a future emergency disease outbreak, the legislation seeks to establish a mechanism to put a one-off levy on new horse registrations to recover upfront costs after agreement has been reached on appropriate cost-sharing arrangements.

In the event of any future emergency animal diseases within the horse industry, the government will initially underwrite the cost of the response. This is essentially because the horse industry may not have the cash reserves to deal with the crisis when it strikes. Initially, as there is presently no emergency outbreak, the levy will be set at zero. It is important to note that the legislation is not retrospective. There will be no recovery of past moneys spent by the government to eradicate equine influenza or any
Surely the opposition would agree that, after spending millions of dollars to deal with eradicating equine influenza, the government does have a responsibility to ensure that a proper system is put in place to deal with the crisis should it happen again—but apparently not. The opposition is prepared to oppose these bills because they are not 100 per cent to their liking. I think that is a very poor reason to oppose the legislation, as this legislation is so essential.

As I mentioned earlier, this legislation is effective because it will finally bring the horse industry into the Emergency Animal Disease Response Agreement. Livestock industries that are already party to the EADRA include the cattle, sheep, pig, dairy, poultry, goat and honeybee industries.

Senator Birmingham—Honey bees?

Senator FARRELL—Honey bees, yes, and pigs—you would know something about them. In his closing remarks to the House of Representatives, the Minister for Agriculture, Fisheries and Forestry made the excellent observation that, if the horse industry were allowed to avoid paying their share in an emergency quarantine response, then other livestock industries would have little incentive to remain in the EADRA. There is the risk that other livestock industries would conclude that there is no need to pay a levy, because the government will bail them out in the event of a crisis. The alternative would be for the Australian government to let the entire industry collapse—obviously a completely unacceptable alternative.

I remind senators opposite that the government consulted extensively before drafting this policy. It has the support of the three peak horse industry bodies, including the Australian Horse Industry Council, the Australian Harness Racing Council and the Australian Racing Board. It also has the support of many other smaller horse industry bodies such as Riding for the Disabled, Australian Horse Riding Centres and the Equestrian Federation of Australia. After much consultation it was agreed that the fairest way to impose a levy was at the point of registration of a new horse. The coalition has expressed a view that the sporting and hobby clubs will bear too much of the cost of the levy while the racing industry will get off lightly. Any future levy established is going to be negotiated between the government and the horse industry. I am confident that any future increase in the levy will be fairly negotiated. The current government has already acted fairly and reasonably by not pursuing the costs of the equine influenza outbreak and has wisely chosen to set the current rate at zero.

If the coalition votes down this legislation, it is in effect condemning the horse industry to future uncertainty and the whim of future governments who may not be inclined or in a position to act so reasonably. These bills at the very least put down a framework which will move the horse industry forward and provide certainty to the industry, in the event of a future emergency disease outbreak, that their horses will be protected. In the absence of any real alternatives being offered by the alternative government, the most sensible and responsible course of action is to support this legislation. As I have said before, all the other major livestock industries are party to the EADRA agreement. If this legislation fails to pass the Senate, I fear that the horse industry will be left in a state of limbo for a significant period of time, so the time to pass this legislation is now. There is consensus among the peak horse industry bodies that this needs to happen. They are willing to sign up to the EADRA and to be a party to this agreement. They were asking to be party to the EADRA even before the horse flu outbreak because they understood that they
were in a vulnerable position, being, as they are, outside of this agreement. This was a request that the previous government failed to action.

I seek to summarise the current situation. I think it is important that we cover all of the circumstances. The first point that is worth noting is that both sides of politics have known for some time that the horse industry should be a party to the EADRA. The second point to note is that the horse industry as a whole wants to be a party to the EADRA. The third point to note is that in 2007 the quarantine system broke down and emergency control measures were rapidly implemented, but at a huge cost and distress to the racing community. In the aftermath, the Australian government was left with the clean-up bill—as I indicated earlier, at a very significant cost of $350 million to the Australian taxpayers. After the disaster of the equine influenza outbreak, we have the opportunity to pass legislation that will fix this problem. The legislation will provide certainty for the future, yet the opposition has decided to oppose the legislation because it is not entirely to its liking. I believe this to be an irresponsible position for it to take, and I sincerely hope the legislation passes the Senate. (Time expired)

Senator FIELDING (Victoria—Leader of the Family First Party) (4.59 pm)—Many Australian families own a horse which brings great joy and fulfilment to their lives. Family First believes that those who own a horse for their private enjoyment, leisure or sporting activities should not be financially burdened in the event of any outbreak of equine influenza as they will be under the proposed Horse Disease Response Levy Bill 2008 and cognate bills.

Equine influenza, or EI as it is known, is an exotic disease imported by those who own horses for commercial or business reasons. Those mums, dads and kids who belong to the local pony club and who privately own a horse as a valued and loved family pet are not responsible for the importation and subsequent outbreak of EI. Therefore they should not have to pay the levy proposed by the Horse Disease Response Levy Bill 2008 to fund the recovery effort in the event of a future outbreak. Also, those who own a horse as a pet are not making any profit as a result of that ownership and are less financially able to pay a levy, unlike those with commercial interests in the horse industry. The bill as proposed seeks to introduce a levy paid by the horse owner when registering a horse for the first time. Those already signed up to the Emergency Animal Disease Response Agreement, the EADRA, such as the poultry, beef and dairy industries, have agreed to help pay for any emergency response to an outbreak of animal diseases. Currently, the horse industry has not signed the agreement.

The aim of the bills before us is to bring the horse industry into the agreement and to impose the levy on all horses registered with a horse industry body. This raises the issue of what exactly is meant by the term ‘horse industry body’. Does this include the local pony club? Pony Club Australia, in its submission to the recent Senate inquiry on this bill and the cognate bills, was greatly concerned about the effect the levy will have on private horse owners, horse associations and clubs. The pony club, a not-for-profit amateur youth organisation established in Australia in 1934 and consisting of over 55,000 members nationwide, depends upon the goodwill of those thousands of volunteers to run the club’s events each weekend. The club’s submission states:

The associations are not equipped and do not have the capacity financially, administratively or in human resources to manage the collection of levies.
Their submission also points out the differences between the horse industry and the produce industries such as those for beef, dairy and poultry. It states:

In the Performance, Recreation and Hobby sector there is no end product other than the companionship and pleasure, or performance, enjoyed by the rider.

As the submission points out about participants in the sector:

Some are single parents, some are minors, others from some of the rural industries which are suffering adverse conditions and all are struggling to meet the increased cost of fuel, feed and general living expenses. For many it involves substantial personal sacrifice so their children can continue their involvement.

In her submission to the committee, Ms Kelly Gannon from Victoria wrote extensively about the inequality of a flat fee levy imposed across the horse industry affecting individual horse owners who are not involved in the commercial or business aspects of the industry. Ms Gannon stated:

It is my belief that the majority of intended ‘potential levy payers’ do not create the need for these regulations, do not create the risk of disease and do not run commercial profitable businesses, and are, in actual fact, the unfortunate recipients of other peoples commercial risk taking behavior. So it begs the question: why should these horse lovers, who have not created this risk, be required to pay for it? Ms Gannon created an online petition against the proposed levy and over 6,000 people have signed up in opposition to it. Angela Yeend, the Executive Officer of the Equestrian Federation of Australia, in her submission to the committee argues that applying the same levy fee to all horse owners across the industry is grossly unfair as most horse owners are:

… not responsible and have no control over, or accountability from, those who import horses.

She also expressed concern that the levy would prevent many people from being able to ‘start at grassroots level’ in equestrian sports. Family First believes that, while it is important to have strategies in place to deal effectively with a future outbreak of EI, it should be recognised that there are significant differences between other livestock industries and the horse industry. Not all horses can be defined as ‘cattle’ as they are often privately owned and loved family pets and are used for leisure and sporting activities.

Private horse owners are usually not involved in commercial activities which are associated with the risk of importing an exotic disease. For many families owning a horse is already an expensive hobby, giving great enjoyment, physical exercise and learning experiences to children and adults alike. Adding a levy to the costs of looking after a horse may cause some families to give up their pets. It may also stop many from registering their horses, thus preventing them from participating in sporting competitions. Individuals or families who own a horse for their own pleasure or for sporting activities are not making a profit from their horse and therefore are less able financially to fund the emergency response to an outbreak of EI.

Those who are involved in importing horses and those responsible for implementing secure quarantine practices to protect Australia from exotic diseases are the ones primarily responsible for any future outbreak of EI, not families and kids participating in equestrian or pony club activities each weekend. Families should not have to foot the bill when those who import horses fail to prevent the disease from coming into Australia. Family First will be looking to the committee stage to see whether this issue is addressed adequately and we will reserve our vote on the third reading.

The ACTING DEPUTY PRESIDENT
(Senator Marshall)—Senator Fielding, are
you indicating to me that you would like to have a committee stage, which, as I understand it, is not intended at the moment?

Senator FIELDING—That is correct.

Senator BIRMINGHAM (South Australia) (5.06 pm)—I too rise to speak on the Horse Disease Response Levy Bill 2008 and associated bills before the chamber today. It is a pleasure to speak following the contribution of Senator Fielding, who has accurately canvassed many of the issues and concerns that I also have with this legislation. These bills, as previous speakers have outlined, relate to the government’s response to the equine influenza outbreak that crippled Australia’s horse industry and horse sector over a long period of time. It is of grave concern to us that the government’s response, as they are attempting to implement it through this legislation, has so clearly been botched. Responding to the risk of disease in the equine sector is quite important. Getting it right is quite important. It is a big industry. There are big dollars at stake. There are many jobs at stake. There are many factors at stake in this sector.

The horse industry is more than just an industry. I try to avoid calling it ‘just the horse industry’ because, for so many people, it is not just an industry. It is a hobby; it is a lifestyle; it is a part of the family. That is what owning a horse is about for so many Australians. This is a very different sector to some of those that Senator Farrell mentioned in his contribution and that others have focused on. It is not like all of the other commercial animal sectors, because so much of it is in the hobbyist area. This is a fundamentally different area. It is not like cattle, sheep, goats or honey bees, as we heard before from Senator Farrell. This is a sector which is in fact overwhelmingly dominated by people who have horses as pets, who have them for their children and who have them as part of their day-to-day lifestyle. It is these people who will be most affected and most impacted by this legislation proposed by the government.

I have received, as have other senators, strong community opposition to this proposal. I have been in touch with many of the equine associations in my home state. I have been in touch with many of the grassroots organisations, like the Pony Club, scattered throughout South Australia, with many of the other bodies representing various breed groups and with others involved in the not-for-profit horse sector. They have continuously expressed to me concerns that this is unfair on their members, on the people who own the horses and, indeed, on those associations and bodies who will potentially be caught up in the whole levy collection process.

At the end of last year, I had the pleasure of attending the National Mounted Games held in Adelaide’s parklands and hosted by the Pony Club Association of Australia. It is an annual gathering of Pony Club riders from around the country, where, it is noteworthy, they ride borrowed horses. We are not talking about the transportation of horses across the country. These are people who cannot necessarily afford to transport their horses across the country, because it is such a small volunteer sector. These are people who turn up to compete on their own time at their own expense in a not-for-profit environment. Of course, they are also young people. They are young people and families who are involved in a healthy outdoor pastime, one that is so integral to Australia’s history and culture. We can all reflect with pride on the opening of the Sydney Olympics when we saw the horses storm into the Olympic stadium. It shows just how integral the horse industry has been to Australia’s culture and should continue to be, not just as an industry but also as a sector that all Australians can and should be able to afford to embrace.
As I indicated, there is strong opposition to this piece of legislation and to the proposed introduction of these levies on the equine sector. I have met with and spoken to the Pony Club Association on numerous occasions. They provided to the inquiry that was undertaken by the Senate Standing Committee on Rural and Regional Affairs a very detailed submission, which I have referred to and which I am sure other senators will also refer to in their contributions to this debate. There is opposition not just from the Pony Club Association but also from other organisations, including HorseSA, the peak horse industry body in South Australia, which made it quite clear that they believed that the bill could not be supported. I have also heard opposition from the Equestrian Federation of South Australia, which also made a submission to the Senate inquiry into these bills. Their submission made it equally clear that they believe that the levy as currently proposed would be unfair to the majority of horse owners who are not responsible for, have no control over and have no accountability for those who import horses. In doing so, it is these people who pose in many ways the greatest risk to the security and safety of the equine sector in Australia.

There are an estimated 1.2 million horses around Australia. Many of these are retired in paddocks, not actually used by anybody but still loved and cared for by their owners. There are many more that are used on a recreational basis. There are some that are still used on a pastoral basis. A very small number out of that 1.2 million are actually used as part of the horse industry, particularly the racing sector and the profitable horse sector, where we see the money and the jobs generated in the main. The government’s proposal, it is understood, will capture some 50-odd thousand registered horses. It captures just a very small proportion of the total number of horses in Australia. But, still, that small number of registered horses in Australia that is captured will overwhelmingly be dominated by those of the not-for-profit sector. In its submission, Pony Club Australia says that it represents in excess of 55,000 horse owners. It states that this legislation is ‘fundamentally flawed and grossly unfair to horse owners in the Performance, Recreation and Hobby sector’ and goes on to say that, if passed into law, it would:

... inflict great hardship on our Association and our members resulting in a huge reduction of the numbers of young people participating and have an equally dramatic impact on the number of clubs, facilities available and opportunities to take part in horse sport and recreation.

That is a very clear statement of belief from Pony Club Australia—that, if passed, this legislation would mean fewer families, fewer young people and fewer children would be able to afford to participate in a great recreational activity which is so iconic in Australia’s pastime. Why the government would want to proceed with something that would hurt so many families who are simply trying to do the right thing by their kids is beyond me. That is what the outcome will be. It will hurt everyday, hardworking Australians, the so-called ‘working families’ that the government liked to talk about so much before the election, about whom we do not hear terribly much now. I have not heard the phrase ‘working families’ for some time from the other side of the chamber.

Senator Johnston—Because they are probably not working.

Senator BIRMINGHAM—As Senator Johnston rightly points out, that is probably because they are not working as we see greater and greater unemployment forecast by this government. But I stray from the importance of this issue to everyday Australians and families right around Australia, important because to them this is about social activities and pastimes, healthy, outdoor activi-
ties which government should be encouraging more of, not putting greater burdens in the way of. That is the fundamental issue that really needs to be looked at here: why a government would want to make it harder for young people to engage in a healthy, outdoor recreation activity that is so iconic to Australia’s history.

As well as the inequalities in the spread and collection of the levy, Pony Club Australia and others making submissions to the Senate inquiry, and representations to me and to other senators, have indicated concerns about their capacity to collect these levies and the capacity of organisations to be the filtering point to collect the levies for registered horses. Why? Because most of them are volunteer organisations. Most of the pony clubs around Australia are so small that, indeed, they would not be registered for GST purposes. All of their office bearers would be volunteers. Their state organisations might employ a part-time staff member. These are not organisations that are funded or equipped to collect government taxes or levies—far from it. These are organisations run by either mums and dads who are giving up their time to make sure that they can help run the organisation for the benefit of their children or indeed people like my mother, who works as an instructor on a voluntary basis on weekends.

There are so many examples and instances of Australians volunteering in these organisations. In effect, we are going to ask volunteers working in pony clubs to become tax collectors if this legislation is passed. That is utter madness and shows the selfishness of the government in wanting to pursue this type of proposal. Pony clubs are not in a position to be able to collect it.

With such a high proportion of horses in this recreation sector to be captured by the levy, the government needs to reconsider this. It is unfair, as Senator Colbeck made clear in his earlier comments, to burden the not-for-profit sector with the same type of levy system as will be applied to the for-profit sector, to the horse industry where breeders, racing owners and others seek to derive an income and make money out of the industry. That is where a comparison can be made with other types of animals that are covered by similar levies. That is where you can make a valuable example and comparison—not with the overwhelming majority of people who are in the recreation sector.

On behalf of all of those who have made such an effort to lobby me and my fellow Liberal and National senators, who have acknowledged from the very introduction of this proposal that it would hurt too many Australians and would cause pain and angst, I urge the Senate to defeat these bills, not to take the government at trust that somehow or other the regulations will tighten things up and make it fairer, because that is not the way we should deal with legislation here. We should know the outcome of legislation passed in this place before we allow it to be passed. We should not pass it based on the trust that the government will get the regulations right because, given the lack of consideration for those in the recreational horse sector shown in these bills to date, I struggle to trust that the government would get the regulations right.

These bills should be defeated today. I note that the Australian Greens issued a minority report opposing the passage of these bills. I welcome that and trust that they will stick to their guns. I welcome the comments that Senator Fielding, who preceded me, made outlining his concerns in this area. I encourage Senator Xenophon, on behalf of the fellow South Australian constituents we share, to think long and hard before he gives a vote in favour of these bills, because these bills will hurt ordinary South Australians,
whom I know regard Senator Xenophon very highly. They would hope that he would regard their concerns about a new levy and a new fee as something he should be listening to and I am sure and hope that he will be.

As I read through the submissions made by the various contributors to the Senate inquiry, I was taken, in the Pony Club Australia submission, by an extract of a poem by Banjo Paterson called *In the Droving Days*. It is a poem that I think highlights the iconic nature of the Australian equine sector. I think it highlights just why we need to recognise that this is a sector that holds a special place in Australians’ hearts. It holds a special place in the hearts of thousands upon thousands of Australians who voluntarily give their time to love their animals, to help their children love their animals and to participate in these healthy recreations in so many different equine sectors. The poem finishes with the words:

And now he’s wandering, fat and sleek,
On the lucerne flats by the Homestead Creek;
I dare not ride him for fear he’d fall,
But he does a journey to beat them all,
For though he scarcely a trot can raise,
He can take me back to the droving days.

Let us not forget the history of those droving days in this country. Let us not forget the mums, dads and children who get so much pleasure out of the equine sector and let us toss these unreasonable bills out.

**Senator STERLE** (Western Australia) (5.23 pm)—I rise to speak on the Horse Disease Response Levy Bill 2008 and associated bills. The purpose of the bills is to impose a levy on the initial registration of horses and to allow for its collection by persons or bodies that, in their administration, register horses, so that the horse industry can repay any amount paid by the Commonwealth on behalf of the horse industry in the event of a disease outbreak. To allow the repayment arrangements via a levy to come into law, it is also necessary to provide for legislation to collect and administer the levy. This is provided for through the Horse Disease Response Levy Collection Bill 2008 and through the Horse Disease Response Levy (Consequential Amendments) Bill 2008. The Rudd Labor government is protecting Australia’s horse industry and looking ahead to the future.

The Australian Horse Industry Council, the Australian Harness Racing Council and the Australian Racing Board support the imposition of a horse disease response levy, and the levy rate will be set by regulations under the new Horse Disease Response Levy Bill 2008. The arrangements provide for Animal Health Australia, known as AHA, to manage the levy received on behalf of the industry, where the main priority is to repay any amount paid by the Commonwealth on behalf of the horse industry in the event of an outbreak of an emergency horse disease. There are no direct financial implications for the Commonwealth as the intention of the new bill is to facilitate the imposition of a horse disease response levy on the registration of horses, payable by owners.

I would like now to spend some time discussing the Emergency Animal Disease Response Agreement, commonly known as the EADRA, which is at the core of this issue. The EADRA was launched in March 2002, following a number of concerns about the scope and effectiveness of the then Commonwealth-state cost-sharing agreement in place since 1955, which covered only 12 diseases. As you know, Mr Acting Deputy President, when there is an outbreak of an exotic disease in any of the animal industries there needs to be an emergency response to minimise damage to the affected animals and the industry involved. The preferable outcome is the eradication of the disease and the
return of the affected industry to its state prior to the outbreak.

The EADRA is a contractual agreement between animal industries and governments and is the only way that industries at risk of disease outbreaks can be certain of a timely and appropriate response from government to their needs. As with all contractual arrangements, there are financial implications and obligations for all parties. The EADRA provides a mechanism for an affected animal industry to call for assistance from governments to provide vital skills and resources to identify, contain, control and eradicate an exotic disease incursion. Under the EADRA governments are obliged to provide and maintain sufficient resources to assist animal industries in their times of need. Without the EADRA no legally-binding obligation exists.

The outbreak of equine influenza, EI, in August 2007 was absolutely devastating and, despite the coordinated efforts of government and industry bodies and horse and animal health specialists, the Australian horse industry was completely tipped on its ear. The epidemic made its way to Australia via Japan and lasted some 130 days from August 2007 until the last case was reported in December 2008.

We all remember that. What a catastrophe that could have been! It was bad enough. If we cast our minds back, we would remember that for the first time in our history we were faced with the possibility of not having a Melbourne Cup campaign—not to mention, more importantly, the fiscal damage that was done to those employed in the industry. When we talk about the effects of EI, everyone seems to think, for some strange reason, that horse racing is the sport of kings and that it is therefore only the rich and the privileged that suffered through the EI period. I do not pretend to know a great heap of people employed in the horse industry but I am sure there are strappers, trainers, owners, suppliers of veterinary products, and the like—those who are employed on Saturdays or mid-week, whether they be from your great state of Victoria, Mr Acting Deputy President, or my even greater state of Western Australia—who are certainly not in the league of kings. So it was absolutely disgraceful that we ever got to that stage, and I just cannot believe that someone has not been chucked in jail and had the key thrown away, over that episode.

I will get back to the bills. The passage of these bills will enable the horse industry to become a party to the Emergency Animal Disease Response Agreement, something the industry has wanted for many years. By establishing a levy arrangement through these bills, the horse industry would become a signatory to the EADRA and would have certainty of resources in responding to emergency horse disease outbreaks. As mentioned earlier, the bills establish a mechanism to apply a levy on the initial registration of horses and provide arrangements for the collection and administration of that levy so that the horse industry could repay the Commonwealth of Australia for underwriting the horse industry’s share of costs. Such a levy would be payable once on the initial registration of a horse with a recognised breed society or performance organisation. For horses already registered prior to any emergency response people would not be liable to pay a levy. I want to reiterate that: they would not have to pay the levy. It will only apply to new horse registrations.

As the horse industry does not need to repay its share of the costs of the 2007 equine influenza emergency response, these bills establish a zero rate levy. No rate can be set unless the industry is consulted; however, regulations would prescribe a future levy rate. Regulations will be developed in consultation with industry to help ensure that
they are fair and equitable. Regulations cannot go beyond the scope of the bills and will be disallowable in parliament. I think it is very important that we get that message out, that they will be disallowable. Nevertheless, drafting instructions and principles underlying the intended operation of the proposed regulations have been provided to the Senate Standing Committee on Rural and Regional Affairs and Transport.

As you know, the bills were sent off to the committee and the committee did have a number of hearings here in Canberra. There were quite a few groups that presented to the committee. While I am on that, there were difficulties that we experienced through the committee stage. When we were first talking about this, and this goes back to the previous government, the Howard government started the conversation with the horse industry through those three major groups—thoroughbreds and racing and harness racing—and at all stages I believe that the previous government had only the best interests of Australia and the horse industry foremost in its mind. I acknowledge that. But it was absolutely frustrating to have conversations going on between the representative body—I think this went on for eight to 12 months, but I will stand corrected if I have those figures wrong—and the government, which believed the body was speaking for the majority of the industry, only to discover in the committee hearings that there were a number of other associations, such as camp drafting and pony clubs, that came out diametrically opposed to what was being said and saying the horseracing industry did not represent them. The frustration I had as the chair of the committee was: why did it take that long for someone to come out and say that they were not being represented? In all fairness to the previous government—I take my hat off to them—I honestly believe they thought, as did we, that they were dealing with the industry. It was very frustrating when a couple of groups turned up to tip a bucket of bile on the representatives of that industry and to tell us at the committee stage that their voice was not being heard and that the horseracing industry did not speak for them.

As I was saying, at present we are at the stage where the peak bodies involved in the horse industry have a levy system that is at least acceptable and agreeable to all involved to help protect against any of the potentially devastating effects of a future exotic disease incursion. We must create these protections now so that the sector is protected into the future. The worst option for Australia and for the horse industry would be for there to be no levy put in place. It would be devastating and neglectful if this parliament were to end up leaving the horse industry in the same position it was in at the beginning of EI. I want to stress that to senators opposite: it would be devastating and neglectful.

This package of bills will give the horse sector the certainty that other livestock sectors have when responding, with government, to emergency animal disease incursions. The levy is currently set at zero dollars, as I said, and will only be raised upon an incident or break-out of an epidemic. In 2006 the horse industry had proposed to the Howard government a levy arrangement to protect the horse industry against the impacts of emergency disease outbreaks. Of course, under the previous government arrangements were not put in place to sign up the horse industry to the EADRA and establish the industry’s emergency disease preparedness. As a result, at the time of the outbreak of the equine influenza in August 2007, the horse industry was not a signatory to the agreement and was left dangerously exposed. The horse sector remains the only major livestock group not included in the EADRA.
Without cost-sharing arrangements in place in the event of another disease outbreak, the sector could be liable for considerable cost to contain and eradicate any disease which would normally be shared with governments under the EADRA framework. I ask senators opposite: is that what you really want to see? Let us keep our fingers crossed that we are not ever faced with such a situation, but what a shocking situation it would be if this package of bills were knocked back with the assistance of senators opposite and others. It is worth noting that the former Minister for Agriculture, Fisheries and Forestry, the Hon. Peter McGauran, is now the CEO of Thoroughbred Breeders Australia, which supports the passage of the bills. I find that absolutely incredible, that a former senior minister is on side.

Senator McGauran interjecting—

Senator STERLE—If we are talking about the good old days, Senator McGauran, you should have taken your brother out the back and sorted it out, but unfortunately it has not worked. The opposition opposed these bills in the House and incorporated dissenting reports within the Senate committee report. However, the Independent member for New England, Tony Windsor MP, supported the passage of the bills in the House. There needs to be some system to cope with the consequences of an outbreak, and these bills provide for this. It seems reasonable that the Australian taxpayer will expect to be reimbursed for at least part of the cost of an emergency response—not all, but at least part. The financial security of many thousands of Australians relies on a strong and secure horse industry, as I said earlier on.

In my home state of Western Australia the industry employs an estimated 12,000 people and the Rudd government will not sit back and wait for the outbreak of disease in the horse population. The government will implement the recommendations of the Callinan report and will act to strengthen our quarantine and biosecurity services. The government will give those people working in the horse industry a solid footing so that they know that if there is another outbreak they will have governmental protection and not an industry catastrophe. The measures in the main bill are appropriate and they are necessary. There is ample capacity within the legislation for the levy schedule to take into account different sectors of the industry and, as I have mentioned, the bill sets the proposed rate of horse disease response levy at zero. I cannot stress that enough.

As senators are aware, the bill did go to the Senate Standing Committee on Rural and Regional Affairs and Transport for further examination. It was evident to the committee that the general principle on which this legislation is based is soundly consistent with measures applying to all livestock. This legislation represents an insurance measure to ensure that horse owners will have funds to deal with any future outbreak of equine diseases. The committee resolved to support compulsory registration for all horses and believes that this, together with the establishment of a national register, would greatly enhance the ability of animal health agencies to respond in the case of emergency. The establishment of such a register would of course require further consultation and agreement between the states and territories. We have not backed away from that through this whole process.

A number of submissions and testimonies were made by interested and affected parties over the course of the hearings, and the committee heard a number of concerns of community recreational owners and riders. It is important for all senators to remember that the policy detail of the horse disease response levy are not yet available and should...
not be condemned or discarded at this time. The bills before us are enabling legislation. That detail will be provided and, as I said before, we will be open for comment and consultation.

It is also important that all senators be aware that these bills have the support—I must stress this again—of a number of industry groups, such as the Australian Racing Board Ltd, Harness Racing Australia and the Australian Horse Industry Council, as well as Thoroughbred Breeders Australia, Riding for the Disabled and the WA Horse Council, to name a few.

I am confident, as is the committee, that the regulations can be framed so as to take account of a wide diversity of horse ownership and riding activity in the community and that they will also be equitable. Equity issues are important to consider when discussing these bills. Whilst all parties agree with the principle of a broadly based levy, it may be appropriate to exempt some classes of owners, riders and community groups.

In summing up and without sounding like a broken record, I do wish to stress once more that, in regard to performance organisations, the intent is to cover organisations that hold regular events or competitions, such as polo matches, endurance events, campdrafting, equestrian rodeos and dressage. However, small community organisations and groups, such as some pony clubs and Riding for the Disabled, will likely be excluded from the levy arrangements where these organisations do not conduct regular competitions. As I have said previously, and I reiterate this, the regulations have not been prepared, as detailed consultation with industry has to take place, needs to take place and will take place. This will be done following the passage of the bills. The regulations cannot, as I said before, go beyond the scope of the bills and will be disallowable in the parliament.

So, for fellow senators and senators opposite, this bill has been debated in both houses and has been reviewed by the Rural and Regional Affairs and Transport Committee—a wonderfully hardworking committee, if I can say so myself, and that is all members of that committee. Upon review of the submissions made, comments and testimony received, and extensive consultation, it was the committee’s recommendation to the Senate that these bills be passed without amendment. I commend these bills to the Senate.

**Senator XENOPHON** (South Australia) (5.40 pm)—I indicate my support for the second reading of the Horse Disease Response Levy Bill 2008 and associated bills. I also express my gratitude for the information that has been provided by the minister’s office, as recently as this afternoon, which I will refer to shortly. I will not outline what the purposes of these bills are. I think fellow senators have adequately done that and I will not waste the Senate’s time by reiterating that other than to say that, to me, the nub of this issue is not that something ought to be done to protect Australians and to protect the industry from equine influenza. We know, from the report of the inquiry conducted by a former High Court Justice, the Hon. Mr Callinan QC, that there were some serious flaws that needed to be addressed as a result of what happened in the EI outbreak that was the subject of his inquiry. But it seems to me that the key issue here is whether it is appropriate to give the executive arm of government what some may see as a blank cheque in being able to raise this levy without sufficient guidelines or safeguards. That is why I would like to formally request that there be a committee stage in relation to these bills so that further questions can be asked in addition to any response the minister makes with respect to the second reading contributions.
I am mindful of the comments made by Senator Birmingham that recreational horse-riding is a very significant activity in my home state of South Australia. Indeed, I think that would apply to all states.

If I may I will refer to an email I received from the minister’s office this afternoon. I am grateful for that information. A number of matters were raised and I think it would be appropriate for me to put on the record my concerns—or rather, questions—arising out of those communications. I note that the drafting instructions and principles underlying the intended operation of the proposed regulations have been provided to the Senate committee that inquired into this legislation and, further, that these drafting instructions for the regulations specify that those horse groups which do not hold regular competitions and do not meet the description of a performance organisation or breeding society will be exempt from paying any future levy. My question to the minister is: what does the government consider to be ‘a regular competition’? What is the definition of that? What are the guidelines to provide some comfort for those who do have horse clubs for recreational horse users as to what the parameters of that will be both in terms of what ‘regular’ means and the definition of ‘competition’? Does a few people getting together around a paddock occasionally, where there is a barbecue after the event and a couple of bottles of wine, constitute a ‘competition’? I think it is important that we define, in the context of this debate, in the context of the committee stage, what a ‘competition’ is and what is meant by ‘regular’.

I note that the minister’s office says that if horse owners do not hold competitions then they will not have to pay a levy. I also note that the government’s position, however, is that, in accordance with the legislation and the government’s principles for levies, they must consult with industry on these finer details and that this is the government’s intention. The whole concept around the regulations is that it is intended that there will be consultation—I accept that. If the minister can provide details as to the time frame for the consultation, the extent of the consultation, the nature of that consultation and, in broad terms, the organisations that will be consulted, that would be quite useful.

There is also the issue, in the context of this consultation, of the regulations that will arise. Is it intended that the regulations will be provided to the Senate and that the Senate will have the opportunity to disallow those regulations before they come into force? I refer to the debate late last year on Minister Albanese’s Road Charges Legislation Repeal and Amendment Bill 2008, which dealt with levies and road user charges. I may be wrong on this, but my recollection is that there was an opportunity to disallow the regulations associated with the legislation before they came into force—so there was that additional safeguard.

The information provided by the minister’s office indicates that it is also intended to exclude small groups from paying a levy where it would not be efficient to do so. If the minister could provide details as to what defines a small group and what is meant by efficiency, that would be appreciated. The information goes on to say: ‘In other words, if they are so small then it is not worth the administrative cost to actually collect this levy. We are intending these to be organisations with less than 10 registrations in a period of three months.’ That means that an organisation that has fewer than 40 new members in the year will be most likely not to pay a levy, but the advice says further: ‘We are obliged to consult with industry about this before making a final decision.’ To what extent will the government stray from that consultation in the context of formulating the regulations?
I note that the minister has committed himself to detailed consultation with industry on the regulations, and I accept that. Can I take it from that that industry includes the various recreational horse groups? There is a well-articulated argument in the Senate Standing Committee on Rural and Regional Affairs and Transport inquiry report, particularly the dissenting reports—there were three dissenting reports—in relation to equity issues and the fairest collection mechanism and whether some groups of horse owners are in a better position to pay, as I believe there would be in the case of racehorse owners as compared to recreational users.

They are my concerns. It is my intention to support the bill in its second reading. I do have concerns about the lack of precision around how the legislation will actually operate. It has been left to the regulations, but, in the absence of it being spelt out explicitly, if the government undertakes to outline how the matters raised by the minister’s office will be specifically dealt with, that degree of particularity would assist me in determining my position at the end of the committee stage.

Senator O’BRIEN (Tasmania) (5.49 pm)—At the outset, consistent with my return of interests to the Senate, I declare that I own horses. They are thoroughbred mares and, potentially at least, I would be impacted by the outcome of this legislation through the operation of any levy mechanism.

It is important to put this debate into context. The Horse Disease Response Levy Bill 2008 and related legislation follow upon the worst disease outbreak that the Australian horse industry has ever seen. That outbreak occurred, as has been established by a commission of inquiry, by totally inadequate quarantine arrangements administered by the previous government and by a quarantine facility that took what can only be described as totally inadequate—indeed, laughable—precautions to prevent the spread of disease in what was supposedly a high-security quarantine facility. It is remarkable that we did not experience an outbreak prior to the one that occurred in 2007. It was a matter of coincidence and coincidence only that it occurred because of a thoroughbred introduction of the disease. What needs to be understood is that at that time there were instances drawn to the attention of some people of questionable procedures operating in relation to horses of other breeds, particularly Arab breeds, introduced into Australia for show and display purposes in earlier years. So it is not accurate to say that the only risk that Australia faced, or continues to face, from the introduction of disease comes from the shuttle stallion arrangements, which was the argument put by opposition senators in a dissenting report of the Senate Standing Committee on Rural and Regional Affairs and Transport inquiry as a part justification for the position that they take.

The reality of course is that the shuttling of thoroughbred stallions is a significant part of the risk factor but only part of it in relation to the introduction of disease. With any import procedure that involves live animals there is a risk, and therefore it is incumbent upon a country like Australia, which has a very good record of controlling and excluding animal diseases, to operate a set of quarantine arrangements which are rigorously observed and which take into account risk factors which can make the introduction of those diseases extremely unlikely.

In relation to horse flu, the evidence is well and truly in that the risk was known—that the previous government had been alerted to the prospect of a great impact on the Australian racing, breeding and other horse industries in this country by the introduction of the disease, but in fact it presided over a system which saw us move away from
a rigorous quarantine system to one which was haphazard and indeed doomed to failure. The evidence of the royal commission, as contained in the royal commissioner’s report, is a damning indictment of the way that our quarantine system, in relation to those particular animals and indeed others, was run. The Senate Standing Committee on Rural and Regional Affairs and Transport saw consistent criticism of the quarantine arrangements that existed under the previous government. We saw criticisms which related to the introduction of plant disease as well as animal disease. It is certainly timely that our quarantine system is under review and it is certainly timely that the government has received a report, as indicated, and it will give effect to the recommendations of that report to strengthen the quarantine system so Australia can be best served by the arrangements that the government put in place to protect Australian industries from the predations of disease from other countries.

In relation to the measures in this piece of legislation, the position taken by the opposition and the Greens is, frankly, not one which is consistent with positions taken in relation to legislation that came before this chamber under the previous government, and certainly not from the opposition when in government, because on a regular basis—and certainly during the last three years of that government—this chamber was faced with legislation without seeing the content of regulations which would have a substantial effect on the industry that was the subject of the legislation. So here we have the opposition’s hypocrisy being revealed: in government they said, ‘You should trust the government, you should accept the undertakings of a minister as to consultation and you should accept that there is the ability to disallow legislation’—even when they had the numbers in the chamber—but in this case, where this government will not have the numbers in this chamber and will have to put regulations before the chamber, they are saying, ‘We shouldn’t pass this legislation until we see the regulations.’ What kind of hypocrisy is that? The fact of the matter is that if this government cannot justify the regulations then clearly, with the position taken by opposition senators and the Greens in relation to adequate regulatory mechanisms underpinning the legislation, any regulation put before this chamber would be in grave danger if the minister had not conducted himself in a way that complied with the undertakings that were given to all parties and the industry in relation to how his role in the regulatory process would be carried out—indeed, even if the process were carried out, if the form of the regulation had some flaw in it that was identifiable and which both the Greens and the opposition were unhappy with.

So all of those fail-safes now exist in relation to this legislation and all the government is saying is, ‘Let’s put in place a piece of legislation which will allow the matter to go forward, will allow the industry to have the benefit of the protections that the Emergency Animal Disease Response Agreement will have and will allow for the industry in a broad sense to make provision to pay for the cost of these incursions in the future’—because it is unfair to taxpayers if we do not do that. The fact that the previous government did that is not an exonerating this government to not take on the responsibility of taxpayers and say, ‘Let the other animal industry that wants the benefit of the government be prepared to contribute to the Emergency Animal Disease Response Agreement, but in this case we’re going to let the horse industry off.’ I do not think that is equitable to taxpayers and I do not think it is equitable to the industries that make the contribution.

As I said, there is an adequate fail-safe for both the opposition and the Greens in rela-
tion to the regulatory process which would follow this legislation. So what is the problem? Are there groups out there who think they will be done over, or is it the case that there is a secret agenda that somehow all of the costs should be shifted to the thoroughbred industry because there is a perception that only the thoroughbred industry brings a risk? That proposition is demonstrably false. An examination of the records of importation of horses into this country will show it and an examination of horses that have been through quarantine facilities will show it.

Let’s look at the proposition that all newly registered animals should be the subject of levy raising and let’s look at some numbers. It was suggested in the report of opposition senators that the racing sector would be exempt from the levy. The racing sector is not the breeding sector, but they buy from the breeding sector—in some cases they pay a lot of money to the breeding sector for the animals that they race—and the breeding sector is the sector that registers thoroughbreds. Recently I had a look at the numbers of animals registered with the Australian Stud Book. That is where all thoroughbreds are registered. On their registration figures, somewhere between 17,700 and 18,700 thoroughbreds have been registered for each of the last five years. On the statistics, which are imprecise, in the opposition’s dissenting report a very significant proportion—I suggest well over a third in all likelihood—of the animals which would be registered would be thoroughbreds, and so well over a third of the cost would be borne by the thoroughbred industry.

It is a distraction from reality to talk about whether the racing industry pays or not, because the industry is actually divided into a breeding sector. It is in the breeding sector and through the Australian Stud Book that registration takes place. I am not sure what the basis of the opposition’s concern is, given the very significant number of animals that are registered there. I am not familiar with other sectors such as the standard breed sector as to how many foals are registered, but I believe they have similar registration arrangements. There are also other breeds that have registration arrangements which would equally benefit from these arrangements and, in terms of equity, ought to make a contribution.

There are many owners of animals of a variety of breeds who use animals for pleasure—possibly members of the Equestrian Federation of Australia and various pony clubs. With an equitable sharing of cost, I suggest that they would have an equal right to be considered in any future cases of disease outbreak as to disease mitigation, cost-sharing and the like. If a disease were to break out, for example, in pony clubs rather than in the thoroughbred sector, they would be beneficiaries of these sorts of arrangements, as it might be said that parts of the thoroughbred sector were recently.

But some of the benefits which were given to the thoroughbred sector by the then government, now opposition, and which were supported by the now government, then opposition, were based upon economic impact. I am not sure that anyone is suggesting that those arrangements should not have been put in place. It may be that there are suggestions that others should have received benefits who were not eligible for benefits under those arrangements, but this legislation cannot correct that and nor should it. This is a piece of legislation which is about creating a mechanism for the horse industry to sign up to the Emergency Animal Disease Response Agreement and for the matter to be progressed to the point where there is a levy collection mechanism in circumstances where the minister, I believe, has given very proper and adequate undertakings to this
chamber and to the industry as to how the development of the regulations would proceed. Indeed, as I outlined earlier, in circumstances where there was significant dissatisfaction with those regulations the regulations would be subject to disallowance. Given the position of the Greens and the opposition, the minister would probably have reason to fear, if he did not get strong agreement, that there might be a move to disallow. In all of those circumstances, why oppose the legislation? What is the barrier? As I said, from the opposition’s point of view, this is a matter of hypocrisy, given the position that they in government took in relation to various pieces of legislation and the regulatory arrangements that followed upon them.

Having read the one-page dissenting report by the Greens, it seems like a toss of the coin decision. You could read it either way. On the one hand, they say that it is too early to condemn the legislation without consideration of the regulations that would follow; but then, on the other hand, they say that maybe it is too early to support the legislation without considering the regulations. I suggest in the circumstances that that is not a justification to defeat this legislation. That is not a reason to send this back to the drawing board. That is not a reason to delay the implementation of a mechanism which, as I said earlier, potentially will deal equitably with taxpayers; it will deal equitably with other industries that are already contributors under the Emergency Animal Disease Response Agreement and who have made their commitment to make such contribution; and it will deal equitably with the horse industry and its future viability. Certainly, arrangements such as this ultimately will be in the interests of the horse industry.

Perhaps numbers will make sure that this legislation does not proceed and that this matter is further delayed. I hope that is not the case. As I said, I do have an interest in the horse industry. I do think that it would be better that this legislation passes and the minister is allowed to get on with the job that he is committed to doing, which is to get proper regulations and to get a levy system in place that has significant support in the industry and that is equitable to all.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.05 pm)—In summing up the Horse Disease Response Levy Bill 2008 and the Horse Disease Response Levy (Consequential Amendments) Bill 2008 on behalf of the Minister for Agriculture, Fisheries and Forestry, Mr Burke, from the other place, I want to thank all those who have spoken. I did listen to part of the debate. I want to commend certainly Senator O’Brien and Senator Sterle, whose contributions I did listen to, and the work, as outlined by Senator Sterle, of the Senate committee and his observation that all members of the committee on both sides of the parliament—Liberal, National Party, Labor and Greens—who participated in those hearings did a very thorough job. I know that Senator O’Brien—and he has obviously mentioned this—has a very long-term and deep knowledge and participation in this sector. I suspect that knowledge is unsurpassed in this parliament.

The purpose of the bills is to give the horse industry the certainty that other livestock industries have when responding with government to emergency horse disease outbreaks. The proposed levy arrangements for the horse industry are similar to those applying to the chicken meat, honey, cattle, dairy, laying chickens, sheep meat, lamb, goat and pig industries. We are not dealing with a new principle here. The principle of a levy applying to a wide range of primary industries in this country has been long established. In fact, I know from when we were in government previously, and I was a parliamentary secretary from 1993 to 1996, that it was not
infrequently that the Senate dealt with levies of this nature. I point that out because the principle of levies and their application in particular sectors has been of very long standing—at least 20 years to my knowledge—and, I think importantly, supported by both sides of politics.

Regrettably, we have a situation where the now Liberal-National Party opposition have abandoned that approach in principle. I point out in passing that the Labor Party, when in opposition from 1996 to 2007, maintained the consistent principle to support levies and their necessary increase from time to time. I find it somewhat odd that the now Liberal-National Party are opposing a long-held principle that both sides of politics have consistently supported for so long. I do find this somewhat odd. When he was primary industries minister in the Liberal-National Party, Mr Peter McGauran—who is no longer in the parliament—supported that principle. As I understand it—and he has left politics and is now involved in the horse industry—he supports this levy. He supports these arrangements. I find it somewhat strange that the Liberal-National Party, as soon as they moved into opposition, abandoned the long-held principles and approaches of both sides of politics, whether in government or opposition.

I do know and I do acknowledge that the application and development of levies is not an easy job because there are diverse arrangements in particular sectors. It is not an easy job. Briefly, on reflection, I can recall attempts to introduce a levy into the vegetable industry in that period between 1993 and 1996. I have to say, having been involved in a meeting with an incredible range of diverse organisations and trying to find a cost-effective way of applying the levy, it was no easy task. I acknowledge that. It is not an easy job to bring together a sometimes diverse group within a particular industry to apply a levy.

It was in 2006 that the horse industry requested the former Liberal-National Party government to introduce a statutory levy on the registration of horses as the best means of protecting the industry against the impacts of emergency horse disease outbreaks. A large number of alternative levies were evaluated by the industry but considered less equitable than the mechanisms selected. So it is not as though this is a rush job. This goes back to 2006. Unfortunately, at the time of the equine influenza outbreak in August 2007 the industry was still not a signatory to the Emergency Animal Disease Response Agreement, which would have assisted with the industry’s emergency disease preparedness. The intention at the time was that the horse industry and the government would share the costs. I do want to say that I think all the levies that I am aware of involve cost sharing. It is reasonable to expect individuals and participants in a particular industry to share part of the cost with government, with the broader taxpayer. But it is unreasonable to expect the taxpayer to pay all the costs. So there is cost sharing. Again, this is a long-held principle—of the last couple of decades—in the approach to levies in this country.

Since their introduction to parliament these bills have been the subject of an inquiry by the Senate Standing Committee on Rural and Regional Affairs and Transport. The committee recommended the passage of these bills. Whilst the Liberal-National opposition and the Australian Greens submitted dissenting reports, the government is confident the regulations under the bills will provide an equitable, effective and efficient levy mechanism to substantially address these concerns. The process of framing these regulations will involve close consultation. They will be subject to parliamentary scrutiny, an
important safeguard for all stakeholders. Nevertheless, drafting instructions for the regulations have been provided to the Senate committee and they provide clarity on many of the questions raised during debate. I intended to add in response to a request by Senator Xenophon—and his contribution was, as always, very incisive and informed—some additional information at the conclusion of my remarks on the second reading debate, in an attempt to ensure that the committee stage of the discussions is kept within reason.

I point out that the Commonwealth does not have the constitutional authority to make national horse registration compulsory. However, the chief veterinary officers of the states and territories are examining options to collect data on horse ownership. The preferred method—similar to other systems in use for disease control purposes—is to identify properties that own horses and work with existing horse registration bodies. It has been suggested that the commercial horse sector presents a greater risk and should shoulder a heavier levy burden. The reality is that non-commercial horses pose similar risks of bringing exotic diseases into Australia. Of the 515 horses imported to Australia from countries other than New Zealand in 2007, some 47 per cent were not from the thoroughbred or standard bred sectors. Further, a number of diseases—which threaten all horse sectors—are either already present in Australia, such as hendra virus, or could be introduced by the movement of insects or birds. Having to manage these diseases once they became endemic would be a cost to all horse owners and the wider community.

All horses, whether they belong to the commercial or non-commercial sectors of the industry, benefit equally from the containment and eradication of diseases. As the President of the Australian Horse Industry Council representing many non-commercial horse owners, Mr Barry Smith, argues:

> Every horse is susceptible and everyone benefits from and eradication program.

These bills provide for a mechanism to impose, collect and appropriate a new levy on the initial registration of horses and provide certainty for resourcing emergency responses to future horse disease outbreaks. I have indicated some two years of development and discussion—if we can do it for the pig industry or the sheep industry or the cattle industry and other examples I have given them, surely, we can do it for horses.

If it is passed the levy will be set at zero. If activated in response to a disease incursion the levy will be payable only once and appropriated through Animal Health Australia. The horse industry does not need to repay its share of the costs of the 2007 emergency response. The legislation is supported by three peak national representative industries: the Australian Horse Industry Council, Harness Racing Australia and the Australian Racing Board. In addition, the bills have the support of Thoroughbred Breeders Australia, Riding for the Disabled, the Equestrian Federation of Australia, and Australian horse riding centres and many other groups. The majority of the horse industry has argued that the legislation should be passed in the interests of the broader horse industry’s national interest. I urge all senators to support the bills to provide certainty and protection to all Australians who own horses.

Specifically in response to some questions Senator Xenophon raised around the definition of what is considered a ‘regular competition’, obviously there is consultation going on about this. Regular competition is a regular scheduled event which is advertised by an organisation. The example that Senator Xenophon raised concerned a couple of people getting together, going off horse riding, maybe having a race between themselves and having a barbie afterwards and a glass of wine. That would not be covered by the levy.
It is not a regular scheduled event advertised and conducted by an organisation.

To the issue of regulations that he touched on concerning intention to consult: yes, I think that everyone would accept that Minister Burke has indicated that consultation on the details of the regs will occur. It will be thorough and it will be as widespread as possible. In fact anyone and everyone, I am told, that has a view will be consulted and listened to. The timetable, Senator Xenophon, is likely to be about six months, and I think that is a very reasonable period. As for the extent of the organisations, anyone and everyone that has got a view on this matter will be consulted. Thoroughbred Breeders Australia; Riding for the Disabled; Australian horse centres, representing some 80 horseriding schools and 40,000 riders across Australia; the Equestrian Federation of Australia; the Welsh Pony and Cob Society of Australia; the Western Australian Horse Council; the Southern Horse Council, representing a range of groups in WA; pony clubs; the Queensland Horse Council; and camp drafting. Anyone else on the face of Australia that wants to be involved in the consultation will be consulted and listened to over the coming months.

I have also sought clarification on another issue that Senator Xenophon raised concerning the regulations. The regulations are finalised after this consultation and the Senate and the House have the opportunity to disallow the regulations. Regarding the operative date for regulations, which could obviously be the date they are approved by the Executive Council, I was asked whether the Senate would have the opportunity to debate and disallow those before they come into effect. I can give you that assurance, Senator Xenophon. The minister will ensure that the operative date will provide for a period when the Reps or the Senate is sitting so they can disallow the regulations before they take effect to avoid that circumstance, and I know that difficulty can occur.

So that is where we are. We believe that it is important. It is in the national interest to provide certainty and protection if we have the sorts of disastrous events that occurred—and they could have been far worse of course—in respect of the equine disease outbreak of some 18 months or two years ago. I would urge the Senate to support the legislation. There is still a great deal more work to do obviously, but as I have indicated on behalf of my Minister Burke, and knowing him as I do, the intent to consult the timetable, the thoroughness, the extent of the organisations, the issues, the opportunity for the Senate to disallow prior to the regulations coming into effect—all of those assurances I have given on behalf of the government and on behalf of the minister. It will happen and I know that the minister is very serious indeed to ensure that all of this will happen, and I would urge the Senate to pass this legislation.

In conclusion, the principles and the approach that is being taken are no different from what has occurred over the last couple of decades. These sorts of circumstances and the need for this levy are very significant and very serious. Let us hope we do not face outbreaks of disease that we saw 18 months ago. I would urge the Senate to support the legislation and we will no doubt have an opportunity, if senators want it, to debate the regulations before they come into effect.

Question agreed to.

In Committee

Bills read a second time.

Senator XENOPHON (South Australia) (6.22 pm)—I am grateful to the Minister for Superannuation and Corporate Law for his
response in summing up the second reading debate. There is one issue I want to clarify. My concern all along has been that there is not only adequate consultation but also adequate scrutiny—a mechanism to scrutinise any regulations that have been made—and that there is an opportunity for the disallowance of these regulations before they actually come into effect. Given that the context of this legislation is about cost recovery in the event of an EI outbreak, it is important that there is that safeguard. So I am grateful to the minister for his response.

I do raise an issue, and I may need to get advice from the clerk’s office or the Deputy Clerk on this: if the government undertakes that the regulations sit on the table for a certain period—and I think we need to determine that—does there need to be an amendment to the legislation to put that into effect or will the undertaking in itself be sufficient in the context of these particular regulations? My understanding is that the regulations, in their current form, take effect from the time that they are proclaimed or the time they are enacted under the Legislative Instruments Act. Does it need a statutory modification so that there can be a sufficient period to consider the regulations prior to their coming into force? Does the government have a position on an adequate time frame? I would have thought that a reasonable time frame—and I look forward to hearing Senator Colbeck’s view on this—of something like eight sitting days would give that two-week window for there to be appropriate scrutiny by the Senate.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.24 pm)—I am advised that the regulations can be worded such that they do not take effect until the Senate has an opportunity to disallow or there could be an amendment to the primary bill. I would urge you to accept the word of the minister. There are consequences if an undertaking given on the record by the minister is breached. There are consequences, and I think we are all aware of that. You would take into account an obvious breach of trust in your dealings with the minister. I am very confident that will not happen. The minister has given that assurance. I am happy to place it on the record on behalf of the government.

Senator XENOPHON (South Australia) (6.25 pm)—If I can make it absolutely clear, this is not a question of not taking the minister’s word; it was a technical procedural question as to whether there was any drafting impediment. I am grateful to the minister for clarifying that.

That leaves one final issue, one final obstacle or one final hurdle to this bill and it relates to the number of days for the Senate to consider this as a part of the undertaking of the minister. Is the minister in a position to undertake that eight sitting days would need to elapse before the regulations would come into force from the time they are tabled in the Senate?

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.26 pm)—In principle, eight days seems reasonable. The staff that are here are not aware of any technical issues around that. With any technical requirements, we are certainly willing to indicate there will be at least eight sitting days for the Senate to consider a disallowance.

Senator XENOPHON (South Australia) (6.26 pm)—Without appearing to be a pesky suburban solicitor, which is my background, I accept in good faith what the minister is saying, but I want to make sure that there is not some technical impediment that, despite the good faith of the minister, would prevent that undertaking from coming into force. It is not a question of the minister not acting in good faith, I understand that, but is the min-
ister in a position to advise firmly and clearly that there will be eight sitting days? If that is the case, from my point of view, that hurdle has been removed.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.28 pm)—I am advised by an extraordinarily reliable source that it is technically possible. The advisers who are here presently are not technical drafters from the department, but I will attempt to confirm that with the extraordinarily reliable Senate staff. I do not believe I can indicate beyond that, but we will double-check with the drafting section of the Attorney-General’s Department.

Senator COLBECK (Tasmania) (6.28 pm)—I want to make a couple of points on where we are at. I respect the views put forward by Senator Xenophon. I am happy with the eight-day period he is asking for. So, if that could be clarified, the opposition would appreciate that. Unfortunately, as appears to be becoming a common trait of the government, there is apparently some deal that has been negotiated with the Greens and the Independents which the opposition have not been let in on. My understanding is that the government is taking is to narrow the base of the proposed levy by placing a cap under which the levy will not be charged. My understanding is that a breeder with fewer than 20 horses—or perhaps 20 registrations, and perhaps the minister can clarify that for me too—will not be levied under the proposals that are part of the secret deal between the Greens, the government and the Independents. We would like some advice on how far the base might be narrowed and what impact that might have for those paying the levy.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.31 pm)—I can say—and I suspect Senator Xenophon would want to say this too—there is no deal or agreement between the Independents, the Greens and the government on a minimum threshold figure for a levy period event. There is no deal. There has been information provided to the Senate committee, I understand, around a minimum threshold and examples of a minimum threshold for practical administrative purposes, for obvious reasons. An event could have two horses I suppose at the barest minimum. Is it practical to levy in those circumstances? There has been no agreement, no deal, with the minors or the Greens on this matter.

Senator COLBECK (Tasmania) (6.31 pm)—I can only take the minister’s word for it, but that is not how it has been put to me. We can only take that as it has been placed. Are we looking at the scope of the potential levy remaining as it was initially or is there some threshold that is going to be put in place? Can the minister give some advice as to what that might be?

I note Senator O’Brien’s comments with respect to regulations being available to Senate committees and/or the Senate prior to passing legislation. When debating a previous piece of legislation I acknowledged that previous practice has been not to provide regulations as part of the legislative process. A number of senators on both sides of the chamber over a period of time have expressed frustration with that. I do note that the government has on occasion—one occasion was with the PBS cost recovery bill, which was a very similar process to this one—provided to the committee involved the regulations so that they could be considered by the committee. Senator O’Brien did make comment about that. In a very similar set of circumstances with another piece of legislation—and this is more a comment than anything else—the government made the regulations available so there was time for the Sen-
ate committee to scrutinise them before the legislation came before the Senate.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.33 pm)—I thank Senator Colbeck for his observations. Specifically, I am advised that there was no specific proposal by the department or the government about a minimum threshold. What was given were some examples about how an approach would need to be taken to have a minimum threshold. It may be five, 10 or 20. There has been no specific proposal put on the table. It is a matter still for discussion, negotiation and consultation.

Senator FIELDING (Victoria—Leader of the Family First Party) (6.34 pm)—This is an interesting discussion, isn’t it? There has been a fair bit of debate about Independents. I belong to Family First. I am not an Independent; I actually belong to a party. I think the government needs to do a bit more work on this. There is no way that a family that owns a horse as a pet should be hit. You can say that it can be covered in the regulations and there should be a yes/no answer to that. We should have the regulations. We had this debate about the PBS. Frankly, you need to come to the chamber and show us what you are thinking. You have heard in the Senate inquiry there is genuine concern about the number of horses that someone owns. Mums and dads should not be hit with this. I am happy for you to adjourn the debate and come back next week when you have done a bit more work on this. There is no way that mums and dads should be hit with this. You need to address the issue.

Senator COLBECK (Tasmania) (6.35 pm)—Senator Fielding, I take your admonishment that I referred to your party as Independents. I accept that you do represent a party. I place on record my apologies for doing that. I think Senator Fielding’s point and the minister’s response actually reinforce the concerns that the opposition have had about this legislation and the regulations all through the process. It has been informative for us to have the opportunity to ask these questions at this stage and find that, although the impression has been given that there might be something that is going to provide an exemption, that does not necessarily exist. I agree with Senator Fielding that the government really does need to do some more work on this. I am sure that this chamber and the committee could be very well assisted by the provision of the regulations, as was done with the PBS cost recovery bill.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.36 pm)—We will not be adjourning the debate on the legislation, Senator Fielding, for the obvious reason that, as I have indicated, there is a consultation period of at least six months to go on the regulations. We will put the bills, they will be defeated and there will be a period of uncertainty. I am not happy with it, but that is your decision, and obviously the decision of the Liberal-National Party, now opposition. I would point out that the process of consideration of a levy bill and then the development of regulations through very intensive consultation is not new. This is not a new approach we are going through in this particular area. But the Liberal-National Party have decided to abandon this approach after some 20 years of bipartisan support, including from the Labor Party as opposition. Now, of course, they are in opposition and are taking a somewhat opportunistic approach. We will put the bills to the vote. It seems to me they will be defeated and we will see what we come up with in the months or possibly years ahead. If there is an outbreak and we are not in a position to respond, we are not in a position to respond.

Senator FIELDING (Victoria—Leader of the Family First Party) (6.38 pm)—I do
not know what you say to that. I have not heard too many of the government senators worrying about the mums and dads being slugged by this, frankly. I tend to think that the regulations for this one, like with the PBS, should be tabled. Senator Sherry, go through your process, do it as quickly as you can, come up with some draft numbers and let us have a look at it. Let us have a decent debate about it. It is really on your head whether or not you get this through.

Senator XENOPHON (South Australia) (6.39 pm)—Firstly, I think Senator Colbeck talked about some deals done with the Greens and other crossbenchers. I think he referred to us as the Independents, and Senator Fielding quite rightly corrected him in relation to that. Can I assure Senator Colbeck that there has been no deal. There has been no horse-trading or any sort of trading whatsoever in relation to this. There is some vague allegation that there has been some deal done. There has been no deal done. I have been entirely transparent in the whole process. My principal concern has been the appropriate scrutiny of any regulations. The minister has indicated in broad terms that, subject to, I think, some technical advice, these regulations will not come into force for a period of eight sitting days. However, I note the caveat which the minister in good faith put to that undertaking. My concern is that it is not an unequivocal undertaking, for the quite reasonable reasons the minister outlined in terms of getting appropriate advice. It would be my preference that progress be reported pending that specific advice in relation to that undertaking. To reiterate my position, I will support the bills provided that there is an unequivocal undertaking in those terms about the regulations not coming into force for a period of at least eight sitting days of the Senate in order to allow for appropriate scrutiny of those regulations once they have been prepared.

The TEMPORARY CHAIRMAN (Senator Parry)—Senator Xenophon, were you asking that progress be reported? That question has to be put if you were.

Senator XENOPHON—Perhaps I have foreshadowed it rather than simply asking for it at this stage, Chair, and thank you for seeking clarification from me. I guess it depends on whether the minister is in a position to go further than what he put earlier. Again, I accept what he says in good faith, but I also note his caveat about the technical advice. I accept the circumstances in which there has been a caveat to that advice. My position is that the undertaking needs to be unequivocal in order for me to support the government in relation to the legislation.

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.41 pm)—I just indicate the government is not in a position to agree with your request, Senator Xenophon. This legislation has been around since February last year—a year ago.

Senator Xenophon—I wasn’t here then.

Senator SHERRY—No, I know you were not here, but you have been here since July last year. There has been a fair amount of discussion—in fact, I would consider it an extraordinary amount of discussion. We have taken up some time in the chamber today and, if we agreed to your request and we were to sort out that technical issue and give you a further assurance, that would obviously not satisfy Senator Fielding. So we are not inclined to agree to the request. As I say, the matter has been around for a year. You can only consult so far. That is the reality of the world, and the reality of the world is that people are not satisfied with the consultations so far.

Senator XENOPHON (South Australia) (6.42 pm)—Can I just make it clear; I understand what the minister is saying about the level of consultation. I am happy with what
the minister has said in terms of there being consultation. The only stumbling block for me was this issue of an undertaking. I have made my position clear and I accept that. Subject to technical advice and if the minister gives that undertaking in unequivocal terms then the government has my support. That is why, in order to allow for that to occur, I now move:

That progress be reported.

Question negatived.

Bills agreed to.

Bills reported without amendments or requests; report adopted

Third Reading

Senator SHERRY (Tasmania—Minister for Superannuation and Corporate Law) (6.44 pm)—I move:

That these bills be now read a third time.

Question put.

The Senate divided. [6.49 pm]

(The Acting Deputy President—Senator S Parry)

Ayes………………. 32
Noes………………. 34
Majority…………… 2

AYES

Arbib, M.V.
Bishop, T.M.
Brown, C.L.
Collins, J.
Crossin, P.M.
Farrell, D.E.
Forshaw, M.G.
Hanson-Young, S.C.
Ladlam, S.
Lundy, K.A.
Mclucas, J.E.
Moore, C.
Polley, H.
Sherry, N.J.
Stephens, U.
Wong, P.

NOES

Barnett, G.
Birmingham, S.
Boyce, S.
Bushby, D.C.*
Colbeck, R.
Parnell, M.H.
Ferguson, A.B.
Ferrarvanti-Wells, C.
Fisher, M.J.
Humphries, G.
Joyce, B.
Macdonald, I.
McGauran, J.J.J.
Parry, S.
Ryan, S.M.
Troeth, J.M.
Williams, J.R.

PAIRS

Faulkner, J.P.
Hogg, J.J.
Hutchins, S.P.
Mcewen, A.

* denotes teller

Senator Carr did not vote, to compensate for the vacancy caused by the resignation of Senator Ellison.

Question negatived.

DOCUMENTS

The ACTING DEPUTY PRESIDENT (Senator Parry)—Order! It being 6.50 pm, we now move to the consideration of government documents.

Consideration

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

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Parry)—Order! There being no consideration of government documents, I propose the question:

That the Senate do now adjourn.
I rise today to speak on the importance of wetlands to our nation. Hailing as I do from our nation’s thirstiest state, South Australia, drought, heat and the closing peril that is climate change are never far from my mind. Even over the past week or so my home state has endured record temperatures and yet another unrelenting heatwave. Such heatwaves seem commonplace in South Australia these days. Each year they are more extreme and more unforgiving, scorching an already arid land, wiping out crops and gardens, threatening wildlife and even putting human lives at risk.

As I left South Australia during this most recent hot spell to come to Canberra for this parliamentary sitting I was struck by the fact that I was flying over such a parched land on World Wetlands Day. This day is celebrated each year on 2 February to mark the anniversary of the signing of the Convention on Wetlands of International Importance in Ramsar, Iran, in 1971. World Wetlands Day was first celebrated in 1997. Since then, government agencies, non-government organisations and community groups have recognised it by working to raise awareness of the benefits of wetlands and to promote the conservation of wetlands. We know that sustainable river basin management is extremely important to maintain the functions and ecosystem services of wetlands. World Wetlands Day aims to raise awareness about ways in which communities can support river health and how the action of those upstream affects those downstream.

Australia was one of the first nations to sign the Ramsar convention and we designated the world’s first wetland of international importance, the Cobourg Peninsula Aboriginal Land and Wildlife Sanctuary in the Northern Territory, in 1974. Today, Australia has 65 wetlands classified as being of international importance and covering an area of approximately 7.5 million hectares.

We have come to understand that wetlands are vital to the health of our environment. They provide a habitat for plants and animals and they may have cultural significance and provide recreational environments. They help control flooding by absorbing water during heavy rainfall and slowly releasing it back into the ecosystem, and through the plants they host they can help to stop erosion. They also help to purify water by processing nutrients, any suspended materials and pollutants.

Not surprisingly, therefore, the Rudd Labor government is committed to the protection of these precious resources. Among our pledges to this cause is a $400,000 rolling review program under development for Australia’s Ramsar estate. Also, more than $10 million has been committed for 2008-09 towards wetland projects through the Caring for Our Country initiative. Around Australia 16 open grant projects worth more than $3.6 million and 76 community coast projects valued at more than $6.5 million have benefited from this money.

Unfortunately, our predecessors were not so committed to the survival and expansion of our nation’s wetlands. In fact, a report that reviewed the management of Australia’s Ramsar wetlands, the Ramsar Snapshot Study report for the previous government, is a tale of woe, of inaction and of poor administration. The Ramsar Snapshot Study looks at the management and status of 65 Australian Ramsar sites up to the end of 2007. The results make for disheartening reading. The Minister for the Environment, Heritage and the Arts, Peter Garrett, has rightly called this document a damning indictment of the former government. He said:
This study shows just how much the Howard Government and Malcolm Turnbull as environment minister took their eye off the ball when it came to the management and protection of our internationally recognized wetlands, including the Coorong.

Page after page highlights the serious ecological and management issues and challenges regarding Australia’s Ramsar convention administration and the failures of the past. It suggests a number of areas where implementation of the Ramsar convention in Australia can be improved. Deficiency after deficiency is noted and many of the reports recommendations are listed as absolute priorities.

Since receiving the report last year, the Department of the Environment, Water, Heritage and the Arts has been working with states and territories through a wetlands task force to address the report’s important recommendations. This show of leadership from the Commonwealth is crucial, as its principal role regarding wetlands is in coordination and management funding, while also liaising with the Ramsar secretariat. Under the Ramsar Management Planning Program, the Australian government is providing more than $4.5 million over four years to develop and update documentation, including management plans, ecological descriptions and information sheets. Of course, water management and use is a key threat to a number of wetland sites. So, as part of the government’s $12.9 billion Water for the Future plan, we are buying water allocations from willing sellers to put back into the environment. Funding has also been allotted to the Living Murray initiative to boost environmental flows and improvements at Murray River locations, including six Ramsar sites.

While the former government denied, delayed and deferred, the Rudd government have embraced this report as a cornerstone on which we can build protection for our precious wetlands and meet our obligations as a party to the Ramsar convention. Many challenges remain as we aim to better manage our wetlands in the face of dangerous and debilitating climate change and drought. But we have already taken important steps down that path through our investment in the restoration of the health of our rivers and waterways. We are committed to working for a more effective, efficient and targeted approach to the conservation of our wetlands. We are not afraid of the hard work needed, because we know this is too important to our environment and to our future.

Grandparents

Senator ABETZ (Tasmania) (7.01 pm)—Tonight I seek to air and give public exposure to a social phenomenon in our society which deserves our support as a community. I speak of the growing trend of grandparents raising their grandchildren. In my home state of Tasmania, seven per cent of primary carers of children are, in fact, grandparents. In recent times I came across two ladies in this situation. They were kind enough to share their stories with me over a cup of coffee at the kitchen table. From that discussion we agreed to have a further meeting with others in the same situation. That meeting was held at my office just before Christmas. I was delighted that my colleague Senator Stephen Parry was able to spend the time to hear these grandparents’ stories as well.

When I say ‘grandparents’, it was, in fact, seven grandmothers, six of whom were looking after a child of their daughter and in just one case the child of a son. The shocking statistic is that all seven children of these grandmothers could not look after their children because of substance abuse. As an aside, I say to those who would go soft on drugs: look not only at the so-called personal freedom and civil liberties arguments but also further afield, and the social devastation
and consequences will overwhelm you into changing your attitude. For the person concerned who cannot bring up their own flesh and blood, there must be a great sense of personal ineptitude and guilt. For the child who grows up thinking and believing their parents were unfit or unwilling to look after them, the impact on personality, personal development, social interaction, and general health and wellbeing must be profound.

And, of course, then there are the grandparents who pick up the pieces at great personal sacrifice, but do so out of love and commitment. These grandmothers who thought that their child-rearing days were behind them and that they could move to the phase of spoiling their grandchildren and then handing them back are robbed of that time. There is also the wider family issue of how siblings interact and how the other children interact with their parents because of the time, money and effort put into one sibling and their child or children as opposed to the other children and grandchildren. In brief, the social consequences are immense and the pressure on the grandparents is enormous. Right or wrong, the fact is that the burden seems to fall disproportionately on the grandmother, often alienating and upsetting the grandfather, leading sometimes to marital breakdown after decades of marriage or to bouts of depression.

In the midst of this personal, family and social turmoil, I ask: what support do we give these grandparents? The unfortunate answer is pretty well ‘not much’. My call this evening, in a non-partisan request, is for all of us to do better as a community in providing support for these champions. The first issue is usually the cost of legal representation. If you are a pensioner who owns your own home or a self-funded retiree, you could well end up with a legal bill of $30,000, because you will not qualify for legal aid. Here is the perverse nature of how we transact this business: the child—and, in the cases that Senator Parry and I heard about, all drug impacted—got legal aid. Because of their unsatisfactory interaction with their lawyers, often adjournments are sought. They do not turn up or they make ridiculous claims, all of which mean costly legal delays which financially bleed the grandparents.

The legal proceedings these grandparents involve themselves in are for one simple purpose: the best interests of their grandchild—their grandchild’s safety and stability of home environment, to mention two aspects. We expect the grandparents to pay for their legal costs yet fund as a community the drug impacted parent. That is neither fair, just nor within the best interests of the child. And, for the seven grandmothers, the issues also brought police involvement in their actual homes. For all of them it was their first time ever, with horrendous consequences and feelings of public embarrassment and humiliation, especially amongst neighbours. If the grandmother gains an order—what I understand is, in my home state of Tasmania, for the status of a kinship carer—the grandparent is rewarded with a princely sum of $2 per day to help with the grandchild’s expenses. If, on the other hand, the grandparents were to refuse to take on the grandchild, the grandchild would become a ward of the state, a result which has a great impact on society at large and is overwhelmingly not in the best interests of the child. Yet if this same grandparent were to foster care another child—or, indeed, their own grandchild—the taxpayer would pay out literally hundreds of dollars per week to assist with the costs of raising the child. We have a built-in disincentive—not only through the legal aid system but through social security support payments as well—for grandparents to look after their grandchildren.

I understand that in that mendicant state that is New South Wales there is a glimmer
of good government, as I am advised that grandparents are actually paid as foster carers. I say: well done. For those grandparents not of age pension age who might be receiving other welfare payments, the Welfare to Work rules kick in. I am a strong supporter of Welfare to Work and the philosophy that underpins that scheme. If you can work and be gainfully employed, you should not be a burden to your fellow Australians, but it does become quite counterproductive for society if we exempt foster carers from the responsibilities of Welfare to Work because of their good work in caring for children in need but do not exempt grandparents looking after their own grandchildren and doing essentially the exact same task—in fact a much harder task due to the emotional trauma.

I have sought to highlight just some of the problems these wonderful grandmothers face in trying to do the best and right thing by their grandchildren. I do not pretend to have the answers, but some support should be considered in the following areas: counselling sessions should be offered for grandparents to deal with their often dysfunctional grandchildren who suffer from an array of issues, including attachment disorder; legal aid should be offered to grandparents or severely restricted for the other party to ensure legal costs do not escalate and get out of control, financially crippling the grandparents; any support provided for grandchildren should not be impacted by an ordinary means test on the grandparents which would not apply if the children in their care were unrelated foster children; grandparents, like foster carers, should be exempted from Welfare to Work obligations; grandparents should automatically be considered foster carers for the purposes of benefits; Centrelink should have designated officers who have a genuine understanding of grandparents’ issues; and there should be provision of some organised holiday camps not only by way of respite for the grandparents but also for the children themselves to learn they are not alone in this world in living with their grandparents.

I thank again the seven grandmothers who were so willing and open in sharing their stories with Senator Parry and me and who also assisted me in constructing tonight’s speech. I hope my contribution this evening will add to the public support that these people need and deserve. I trust that in due course we might be able to get a response to ensure that these wonderful grandparents are properly supported and sustained by society not only for their sake but for the sake of their grandchildren, to ensure that any cycles that might otherwise develop can be broken and to ensure early intervention so that these grandchildren are given the very best possible start in life.

Apprenticeship and Trade College—Perth South

Senator STERLE (Western Australia) (7.10 pm)—I only have a short time, but I do want to utilise this time to brag about the wonderful visit that I paid last week to the apprenticeship and trade college for southern Perth in Western Australia. On that visit I was accompanied by the Hon. Alannah MacTiernan MLA, the member for Armadale. It was a good news visit. When we got there, we were met by Messrs Rod Slater, who is Chairman of the Australian Technical College—Perth South, and Trevor Williams, the principal. The reason for our visit was that the government, under Deputy Prime Minister Gillard, had committed to keeping the former Australian technical college open and renaming it the Apprenticeship and Trade College—Perth South. It will have campuses in Armadale and also in Maddington in the federal seat of Hasluck.

Before I go any further, I want to spend the short time that I have allotted to me to talk about the wonderful young students that
Ms MacTiernan, the member for Armadale, and I met. At that stage there were five young men—as you will realise, a lot of them were still on holidays. With the extra funding from the federal government that has now guaranteed the school a full and healthy life, it is catering for 363 students. The beauty of this college is that it is also going to become a registered training organisation and is offering certificate III level courses in skills shortage areas, including automotive building and construction, metal and engineering, and electrotechnology. The college also plans to commence operations as a group training organisation.

As a quick demographic overview, Armadale is in the foothills of Western Australia. It is a very solid working-class area but is a distance from Perth. To have this trade college guaranteed a full life and a brand new building is a wonderful story. The five students that we met were five very fine young men who certainly told their representative members of parliament what they thought on all things, ranging from the skills shortage to their apprenticeship to why they did not have a skate park in the town of Armadale—about which the member said, ‘You’ll have to talk to the new government; it was on our list at the next election, so we hope that it still gets delivered.’

Senator Ronaldson—It didn’t take long for the blame game to start, did it?

Senator STERLE—I will take that. When we talk about skills and training, I know it is very touchy for your side of the chamber, because you did sit there with your hands tied firmly behind your backs for all those years of boom and were caught asleep at the wheel. Fortunately, we will not be doing the same as your lot.

I will name the five students that I met. They are fine young Australians. They are Andrew Spence from Kelmscott, studying bricklaying, and Stephen McCagh from Armadale, also studying bricklaying. The boys very proudly took Ms MacTiernan and me out the back to show us the walls that they had constructed. I said, ‘I can’t leave here, boys, being half Italian, without you giving me a spirit level and I’ll see how well you’ve done.’ Concrete is in our breeding. Those walls were perfect, I have to confess. I said to the boys, ‘How do you do that? Every time I do one I get the lumpy concrete that makes one end of the wall stick up higher than the other.’ We then met with Rhys Elliot from Mount Nasura, which is a suburb around Armadale. He is studying steel framing. Another of these fine young Australians was Kenan Beaumont from Lockridge—for those who do not know, Lockridge is a suburb an hour and a half from Armadale—who trains and buses every day to go to the college because of the opportunity that he is given to do his certificate III up there. He is doing steel framing. We also met Jordan Manderson from Brookdale, studying cabinet making.

One of the projects that we were shown, apart from the brick walls, was a very fine cubbyhouse. This cubbyhouse—I kid you not—is probably the size of a one-bedroom, one-bathroom flat in Canberra. You would not believe that this project was put together by students in their first year. It was absolutely amazing, to the point that the member for Armadale tried to do a barter job and buy it from them for her grandchildren. I made the statement that I wished that cubbyhouse was around when I was a young bloke in the early years of my marriage because I probably would have spent plenty of time there when my wife decided I would be better off living in it for a few months.

Anyway, it was a fine visit and a great announcement by the federal government. The federal government has to be congratulated. Like I said, we will do everything we can.
We will never, ever sit on our hands and preside over the greatest skills shortage in Australia's short history. That will not happen. We have made that very clear.

Opposition senators interjecting—

Senator STERLE—Oh, well, I really thank the senators opposite for their interjections! I will start naming some of the fine senators over there who were part of the last government and sat on their collective hands and presided over the greatest skills shortage in history—Senator Bernardi, from South Australia.

Senator Bernardi interjecting—

Senator STERLE—Yes, great. You should be very proud. I am proud of what our government is doing; I am proud of the announcement; I am proud of the people of Armadale and all those students who have the opportunity to go to this training centre to learn their skills—and they are actually being paid a training wage as well. It is fantastic. When they come out of the centre they will do the first year of their apprenticeship. They will be job ready. The training centre will also be, as I said, a registered training organisation, which means it is a host employer. The apprentices will not just be thrown out on the scrapheap and told that in Perth the streets are lined with gold—'Go west, young man, and you will be rich, but as a government we're not going to spend any money on training.' We will never do that.

I commend the people involved. I commend the chairman, Mr Slater, and the principal, Trevor Williams. They were so very proud of the Rudd Labor government's announcement that it would keep their organisation going and do everything it could to continue the growth in skills training.

Senator Ronaldson—They were going, and you cut them out!

Senator STERLE—You, Senator Ronaldson, are probably the last person who would want to have a crack at me when I am talking about skills training, because you were barely into the first term of your parliamentary career with the Howard government when you sat there and followed every vote that took away skills training or did not contribute to skills training. So, Senator Ronaldson, from Victoria, be very mindful of who you are having a crack at and why you might be having a crack. It was quite a poor interjection.

The member for Armadale and I consistently and continually lobbied for the continuation of this college and some certainty for its future, but one has to confess that the hard work was actually done by that fine member for Hasluck, Ms Sharryn Jackson. If I may say so, 'Jacko' and I go back a long way. You would not find a more committed person for young workers and young Australians than Ms Jackson, the member for Hasluck.

Opposition senators interjecting—

Senator STERLE—I have to tell you, if any of you lot—through you, Mr Acting Deputy President—had one ounce of dignity in your veins when it comes to training or employees, you could stand up and take bragging rights, but unfortunately you do not. Not one of you. So the best thing you can do is sit back and acknowledge what has been done by that fine member for Hasluck, who was so warmly welcomed back to the parliament. Thank goodness we got Sharryn Jackson back as the member for Hasluck, because what a wonderful job she has done in the short time since her re-election on behalf of her constituents in the electorate of Hasluck. Well done, Ms Jackson—congratulations. If there had been a few more hardworking, diligent members like the member for Hasluck when that lot were in
government we would not have had to witness the greatest debacle in skills training, through all those boom years in Western Australia.

Prime Minister

Senator BERNARDI (South Australia) (7.19 pm)—I rise tonight to pass comment on a recent article appearing in the Monthly by Mr Kevin Rudd entitled ‘The global financial crisis’. Clearly, Mr Rudd is channeling a scene from Joseph and the Amazing Technicolour Dreamcoat, because he has a coat that has changed colours in accordance with his political philosophy as it has changed over time. We remember that Mr Rudd firstly described himself as an old-fashioned Christian socialist and his coat was bright red. He was happy to be known as a Christian socialist, but in order to win government he decided to turn it into a deep blue coat and say he was an economic conservative. Right now he is in that no man’s land of the social democrat, so his coat is somewhat pink.

In this rather eclectic article—which I am sure he was not responsible for himself, otherwise he would not have contradicted himself quite so many times—Mr Rudd has taken an amazing array of different views and perspectives. In his railing against capitalism and his creation of a new political philosophy called ‘neoliberalism’, which he has been unable to explain in any coherent manner, he has absolutely attacked the operation of the free market. He has done this in any number of ways. He says that it has failed and is responsible for the current economic crisis that not only Australia but many parts of the world are confronted with now. There is no denying that there is an economic crisis; however, the conclusions that Mr Rudd has drawn are completely false. He says in his essay that the intervention of the US Federal Reserve to prop up and support investors after previous crises has allowed the current crisis to build.

According to Mr Rudd’s logic, the intervention by government then was wrong and is responsible for the problems that we face now. How is that an attack on the free market—on letting markets work themselves out and deal with excesses in the system with a minimum of pain? I agree with Mr Rudd—it is not often that I can say that, but I agree with him—that the intervention by government into the operation of the free market sustained bubbles that were the product of irrational exuberance or overenthusiasm. Government intervention sustained this and put off what I call financial reckoning day. Had we dealt with financial reckoning day at the time of this irrational exuberance then we would not be confronted with the monumental problem that we have today. It is not a failure of the free market; it is an endorsement of the fact that governments should avoid interfering when markets get completely out of kilter. There needs to be a regulatory framework which, like we have in Australia, is sufficient and adequate. That is why Australia prospered for 16 years until, coincidentally, the Rudd government came to power.

Mr Rudd has got even more conflicts. He quotes George Soros as the font of some wisdom by saying the current crisis is the culmination of a 30-year domination of economic policy. Mr Soros said that the salient feature of the current financial crisis is that it was not caused by some external shock. And yet, later on in his essay, Mr Rudd attacks those who are allowed to have unfettered attacks on, say, a currency. Mr Rudd may have forgotten that Mr Soros made over a billion dollars—when a billion dollars was a serious amount of money—speculating against the collapse of the British pound. He made a billion dollars out of that, but now he is the expert that Mr Rudd wants to quote. It
is an appalling display of a man who does not really know what he is and what he actually believes in. It is a shame to see a Prime Minister so desperate to give himself some economic credibility in that, while the rest of Australia is considering how they will work through this trouble, Mr Rudd is talking about a global new world order in which government is going to play the role and subvert the individual.

Mr Rudd has obviously not done quite as much research as he should have, because he talks about a new Keynesian economics. John Maynard Keynes, for those who are not familiar with Mr Keynes, was an economist in the twenties and thirties who was widely discredited because his theories on money supply and credit have not worked particularly effectively. In his essay Mr Rudd said that Keynes was ‘himself a successful speculator’. I have a bit of difficulty with that because Mr Keynes—I am advised by my research—lost nearly everything on a couple of occasions through speculating in financial markets. Further, his advice led to some of his friends actually going broke. If Mr Rudd is going to take advice from someone who made a billion dollars from speculating in a market that Mr Rudd does not endorse and takes advice from someone who not only nearly went broke a couple of times but also ensured that his friends went broke, I question the wisdom of this man who is actually leading our government now.

Further, Mr Rudd comes back to the regulatory framework currently in place. There is no question at all that in some markets and in some economies the regulatory framework has not been as robust or as strong as it has been here in Australia. I have to say, the regulatory framework that we have in Australia is a credit to the previous government. I think we have to acknowledge that APRA has worked very effectively. Our banks are in a very solid position and we are not facing quite the same level of crisis that, say, America is. But, by the same token, Mr Rudd refuses to pay credit to the 16 years of prosperity—and a large part of that was driven under the Howard government—but he is prepared to pay credit to Mr Keating’s and Mr Hawke’s governments which ran from 1983 to 1996.

In the same breath, in his essay Mr Rudd attacks and says there are so many examples of where unfettered capitalism has failed, and he gives the 1987 stockmarket crash as an example. Gee, whose watch did that fall under? If Mr Rudd wants to be consistent, let him condemn the Hawke and Keating governments for the 1987 stockmarket crash. It is preposterous to say that neocapitalism or neoliberalism is responsible for all this and yet Hawke and Keating got it right. What about the Mexican peso crisis of, I think, 1992? Mr Rudd mentions that as well. Whose watch was that under? It was under Mr Keating’s watch, and yet somehow Mr Keating is absolved of any blame. The Gulf War even gets a mention in Mr Rudd’s discussion on what is wrong with the world. It is preposterous and ridiculous. It is a humiliating attempt by Mr Rudd to paint himself as some global player on the economic stage.

Quite frankly, this is a guy who is bereft of ideas. He is happy to throw money everywhere he can in the hope of staving off a problem that this country faces, and yet he has given no consideration to targeting those funds effectively. This is a great disappointment for the people of Australia, and I think I speak for many of them, because Mr Rudd is preoccupied with trying to elevate his standing in the global community. He has been hanging by the phone, waiting for a phone call from Mr Obama, which coincidentally appeared in the press, I suppose on the day he got it. This is a man who is more intent on trying to demonstrate his intellectual prowess, but unfortunately it has come unstuck
for him because of his conflicts. It is humili-
ating, it is disappointing and it is a very sad
day for the Australian population.

Senator BARNETT (Tasmania) (7.28
pm)—There is no better day than today to
announce to the Senate the recent launch of
the www.laborwaste.com.au website. This
was recently launched in Launceston by the
Hon. Malcolm Turnbull, the federal opposi-
tion leader. Why do I say today is such an
important day? Today we have announced
our opposition to the federal Labor govern-
ment’s $42 billion expenditure package be-
cause it is wrong. It is a dud. They are throw-
ing money around like confetti, like never
seen before. The Prime Minister wanted us to
approve the package within 48 hours—
that is
about a billion dollars an hour for considera-
tion of this legislation. It is poorly targeted,
ill thought through and irresponsible.

In regard to the website, I thank the
Leader of the Opposition, Malcolm Turnbull,
for spending time with us in Tasmania to
make it happen. This followed a meeting
regarding important issues with the
Launceston City Council. The Labor Waste
Committee is an important part of the coali-
tion’s commitment to holding the Rudd La-
bor government to account for the way it
spends and manages taxpayers’ money. As
Mr Turnbull said:

Now more than ever, every single dollar of Gov-
ernment spending must be used as effectively and
efficiently as possible and directed towards
maximising jobs and economic growth.

We will be targeting Labor waste, ineffi-
ciency and mismanagement. And we will
find that out. Already we have found out and
identified examples, which include the $13
million GROCERYchoice website, which to
date—

Senator Williams interjecting—

Senator BARNETT—That is right, Sena-
tor Williams, an absolute dud—a total waste
of taxpayers’ money. They have been found
out, and we will find them out. The
www.laborwaste.com.au website provides ex-
amples of Labor waste. It also provides op-
portunity for members of the community to
tip-off examples of government waste, ineffi-
ciency and mismanagement. I am very
pleased to be joined by members of the com-
mittee: Senators Michaelia Cash, Senator
Mitch Fifield, Mr Alex Hawke MP, Mr Paul
Neville MP and Senator Scott Ryan. We will
be working very hard in identifying Labor
waste.

Some other examples of Labor waste in-
clude the Rudd hypocrisy on staff pay rises,
which was highlighted very recently by
Senator Michael Ronaldson. Prime Minister
Kevin Rudd secretly gave pay rises to two of
his own key staff members, including his
chief of staff, while at the same time calling
on workers to defer their own requests for
pay rises in a staggering case of double stan-
dards. It seems that what is good for the
goose is not good enough for the gander.

We have seen taxpayers footing the bill
for publishing the Garnaut report. The De-
partment of Climate Change and Water was
forced to pay $65,000 in taxpayers’ funds to
purchase copies of the Garnaut report after
the Rudd government awarded the publish-
ing contract to Cambridge University Press.
Despite copies of the report being for sale in
bookshops, the taxpayer will receive nothing
from the agreement. We have also seen the
computers in schools fiasco. The cost of La-
bor’s computers in schools program has
blown out 66 per cent. But even with the
$800 million increase, Labor will still fail to
put a computer on every desk. More exam-
pies include $28 million to advertise and
administer the economic stimulus package
prior to Christmas. What a disgrace. The
Rudd government is spending $146,000 per
day on climate change advertising. And then we have the 168 reviews, committees and inquiries that have been undertaken to date—and no doubt there are many more.

So, with www.laborwaste.com, we will find you out. We will hold the Rudd Labor government accountable.

Senate adjourned at 7.32 pm

DOCUMENTS

Tabling
The following government documents were tabled:

Australian Broadcasting Corporation (ABC)—Equity and diversity—Report for the period 1 September 2007 to 31 August 2008.


Copyright Agency Limited—Report for 2007-08.


Future Fund Board of Guardians and Future Fund Management Agency (Future Fund)—Report for 2007-08—Corrections.

Migration Act 1958—

Section 91Y—Protection visa processing taking more than 90 days—Report for the period 1 July to 31 October 2008.

Section 440A—Conduct of Refugee Review Tribunal reviews not completed within 90 days—Report for the period 1 July to 31 October 2008.

Section 486O—Assessment of detention arrangements—Personal identifiers 492/08 to 508/09—Commonwealth Ombudsman’s reports.

Government response to Commonwealth Ombudsman’s reports.

Tabling
The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

Civil Aviation Act—Civil Aviation Safety Regulations—Airworthiness Directives—Part—

105—

AD/ML-M4/3—Elevator Trim Control – Modification [F2009L00182]*.

AD/ML-M4/8—Flight Control System Pulley – Modification [F2009L00183]*.

AD/ML-M5/2—Control Column Chain and Engine Controls – Inspection [F2009L00185]*.

AD/ML-M6/3—Elevator Controls [F2009L00187]*.

107—

AD/ELECT/15—Engine Starter – Bendix – Modification [F2009L00172]*.

AD/ELECT/16—Magneto – Bendix Scintilla Distributor Gear – Inspection [F2009L00173]*.

Higher Education Support Act—VET Provider Approval No. 5 of 2009—Australian College of Sports Therapy Pty Ltd [F2009L00249]*.

* Explanatory statement tabled with legislative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

**Government Websites**

(Question No. 574)

Senator Minchin asked the Minister representing the Prime Minister, upon notice, on 27 August 2008:

1. How many new Government websites (i.e. additional ‘.gov.au’ domain names) have been created since 18 December 2007.
2. What are these websites.
3. Who designed these websites.
4. Who updates and maintains the content on each website.
5. How many staff in each department are employed to maintain these websites.
6. What was the total cost for the design of each website.

Senator Chris Evans—The Prime Minister has provided the following answer to the honourable senator’s question:

I am advised that:

1. A total of 36 new Government websites (i.e. ‘.gov.au’ domain names) were created or in development between 18 December 2007 and 27 August 2008.
2. Details for each website are provided in the attached table.
3. Details for each website are provided in the attached table.
4. Details for each website are provided in the attached table.
5. Details for each website are provided in the attached table.
6. Details for each website are provided in the attached table.
<table>
<thead>
<tr>
<th>Website name</th>
<th>Department</th>
<th>Purpose of website</th>
<th>Status of website (Live, in development)</th>
<th>Who designed the website?</th>
<th>Who updates and maintains content on the website?</th>
<th>Number of staff employed to maintain website.</th>
<th>Total cost for the design of website to 27 Aug 08</th>
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<tbody>
<tr>
<td>haneefcaseinquiry.gov.au</td>
<td>Attorney-General’s Department</td>
<td>To support The Clarke Inquiry into the Case of Mohamed Haneef.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
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<td>$2,500</td>
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<tr>
<td>ministerhomeaffairs.gov.au</td>
<td>Attorney-General’s Department</td>
<td>To support the Minister for Home Affairs..</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$3,500</td>
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<tr>
<td>aasb.gov.au</td>
<td>Australian Accounting Standards Board</td>
<td>To communicate developments in accounting standard setting and to provide ready access to Exposure Drafts and Standards.</td>
<td>Live</td>
<td>Icon Inc.</td>
<td>Internal agency staff</td>
<td>1</td>
<td>~$180,000</td>
</tr>
<tr>
<td>grocerychoice.gov.au</td>
<td>Australian Competition and Consumer Commission</td>
<td>To provide information to consumers on which supermarket chains is cheapest and to provide that information by selected regions.</td>
<td>Live</td>
<td>Internal agency staff, Getronics, UXC Ltd and Cogent</td>
<td>Internal agency staff</td>
<td>1</td>
<td>$118,332</td>
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<tr>
<td>Website name</td>
<td>Department</td>
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<td>Status of website (Live, in development)</td>
<td>Who designed the website?</td>
<td>Who updates and maintains content on the website?</td>
<td>Number of staff employed to maintain website.</td>
<td>Total cost for the design of website to 27 Aug 08</td>
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<tr>
<td>nhwt.gov.au</td>
<td>Australian Health Ministers' Advisory Council</td>
<td>To provide the target market with up to date information on Australian’s health workforce, workforce planning and activities of the various national health workforce advisory committees that report to the Australian Health Ministers' Advisory Council (AHMAC) and Australian Health Ministers. The site also provides a members only area to support the day to day operations of the Health Workforce Principal Committee.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$12,752</td>
</tr>
<tr>
<td>quarantinebiosecurityreview.gov.au</td>
<td>Department of Agriculture, Fisheries and Forestry</td>
<td>To provide information relating to the Quarantine Biosecurity Review.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$1,250</td>
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<td>Website name</td>
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<tr>
<td>defence-honours-tribunal.gov.au</td>
<td>Department of Defence</td>
<td>To provide information on the newly established independent Defence Honours and Awards Tribunal (Interim site only).</td>
<td>Live</td>
<td>Internal agency staff and Fresh Web Solution Pty Ltd</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$7,476</td>
</tr>
<tr>
<td>digiteducation-revolution.gov.au</td>
<td>Department of Education, Employment and Workplace Relations</td>
<td>To provide information on the digital education revolution program that aims to contribute sustainable and meaningful change to teaching and learning in Australian schools that will prepare students for further education, training and to live and work in a digital world.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$12,160</td>
</tr>
<tr>
<td>joboutlook.gov.au</td>
<td>Department of Education, Employment and Workplace Relations</td>
<td>To provide information on occupations Australia wide, such as the size of the workforce, future growth prospects, required skills, duties involved, average weekly earnings, and the main employing industries. The information in Job Outlook assists people to make informed career decisions.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$13,493</td>
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<tr>
<td>Website name</td>
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<tr>
<td>mychild.gov.au</td>
<td>Department of Education, Employment and Workplace Relations</td>
<td>To provide information about children, with the main focus being on early childhood learning and child care.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$12,160</td>
</tr>
<tr>
<td>nationalohsreview.gov.au</td>
<td>Department of Education, Employment and Workplace Relations</td>
<td>To provide information on the national review into model Occupational Health and Safety (OHS) Laws.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$13,493</td>
</tr>
<tr>
<td>oececc.gov.au</td>
<td>Department of Education, Employment and Workplace Relations</td>
<td>To provide information on the Australian Government’s agenda for early childhood education and child care which focuses on providing Australian families with high-quality, accessible and affordable integrated early childhood education and child care.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$12,160</td>
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<tr>
<td>socialinclusion.gov.au</td>
<td>Department of Education, Employment and Workplace Relations</td>
<td>To provide information on the Government’s social inclusion agenda, including the latest news, Government announcements relevant to social inclusion, and information about the Australian Social Inclusion Board.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$12,160</td>
</tr>
<tr>
<td>interreview.gov.au</td>
<td>Department of Families, Housing, Community Services and Indigenous Affairs</td>
<td>To provide information on the Northern Territory Emergency Response (NTER) Review.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$3,000</td>
</tr>
<tr>
<td>cabinetsecretary.gov.au</td>
<td>Department of Finance and Deregulation</td>
<td>To support Senator Faulkner by amalgamating his portfolio responsibilities as Cabinet Secretary with his responsibilities as Special Minister of State in a single website.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$2,350</td>
</tr>
<tr>
<td>nhhrc.gov.au</td>
<td>Department of Health and Ageing</td>
<td>Website for new organisation (National Health and Hospital Reform Commission)</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$722</td>
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<td>Website name</td>
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<tr>
<td>citizenshiptestreview.gov.au</td>
<td>Department of Immigration and Citizenship</td>
<td>An independent website providing information on the review of the Australian citizenship test. It enables the lodgement of submissions, publishing of those submissions approved to do so and the committee’s report.</td>
<td>Live</td>
<td>Internal agency staff, CSC and NetRegistry</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$31,851</td>
</tr>
<tr>
<td>immigration-bis.gov.au</td>
<td>Department of Immigration and Citizenship</td>
<td>To enable the department to share information with equivalent immigration and related border security agencies from certain countries within the Asia/Pacific region. It is access controlled and not a public site.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$14,788</td>
</tr>
<tr>
<td>infrastructureaustralia.gov.au</td>
<td>Department of Infrastructure, Transport, Regional Development and Local Government</td>
<td>To provide information on the new, national approach to planning, funding and implementing the nation’s future infrastructure needs.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$250</td>
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<td>Website name</td>
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<tr>
<td>enterprisecon-nect.gov.au</td>
<td>Department of Innovation, Industry, Science And Research</td>
<td>To support the delivery of the Australian Government’s Enterprise Connect initiative.</td>
<td>Live</td>
<td>Internal agency staff and Haystac Public Affairs Pty Ltd</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$20,939</td>
</tr>
<tr>
<td>npg.gov.au</td>
<td>Department of the Environment, Water, Heritage and the Arts</td>
<td>To provide online access to the National Portrait Gallery collections, programs, activities and interpretive material.</td>
<td>Live</td>
<td>Internal agency staff and Communication Co.</td>
<td>Internal agency staff and Link Web Services</td>
<td></td>
<td>$141,358</td>
</tr>
<tr>
<td>Website name</td>
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<tr>
<td>australia2020.gov.au</td>
<td>Department of the Prime Minister and Cabinet</td>
<td>The Australia 2020 Website was established as a focus for the Australia 2020 Summit in April, to receive public submissions, nominate and select delegates and communicate with the public. The site was also used for associated Summit events such as School, Youth and local Summits. Following the Summit, the site is used to publish and distribute ongoing reports and communications, photos and media from the Summit as well as offering an online mechanism for ongoing submissions.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$2,310</td>
</tr>
<tr>
<td>sbr.gov.au</td>
<td>Department of the Treasury</td>
<td>To provide information and resources about the Standard Business Reporting Program.</td>
<td>Live</td>
<td>Internal agency staff</td>
<td>Internal agency staff and Cre8tive Digital</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$12,997</td>
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<td>Website name</td>
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<tr>
<td>dhoas.gov.au</td>
<td>Department of Veterans’ Affairs</td>
<td>To promote the Defence loan subsidy initiative.</td>
<td>Live</td>
<td>Internal agency staff and Morpheme</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$98,000</td>
</tr>
<tr>
<td>commemoration.gov.au</td>
<td>Department of Veterans’ Affairs (DVA)</td>
<td>To provide educational and commemorative information on Australia’s role in Southeast Asia since Second World War (Malayan Emergency, Indonesian Confrontation and Vietnam War)</td>
<td>Live</td>
<td>Internal agency staff and Board of Studies (NSW)</td>
<td>Internal and Board of Studies (NSW)</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$255,000</td>
</tr>
<tr>
<td>grainandgraze.gov.au</td>
<td>Land &amp; Water Resources Research and Development Corporation</td>
<td>To provide information about the Grain and Graze research program.</td>
<td>Live</td>
<td>Objectify and Greyworldwide</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$15,039</td>
</tr>
<tr>
<td>mdba.gov.au</td>
<td>Murray-Darling Basin Commission</td>
<td>To provide public information about the newly established Murray-Darling Basin Authority.</td>
<td>Live</td>
<td>Department of the Environment, Water, Heritage and the Arts staff</td>
<td>Internal agency staff</td>
<td>Maintained by a team responsible for a number of websites</td>
<td>$5,000</td>
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<td>Website name</td>
<td>Department</td>
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<tr>
<td>ode.ausaid.gov.au</td>
<td>Office of Development Effectiveness (ODE), AusAID</td>
<td>To report on the effectiveness of Australian aid and identify areas where effectiveness could be improved.</td>
<td>Live</td>
<td>Swell Design Group</td>
<td>Internal agency staff</td>
<td>Part of existing staff duties</td>
<td>$10,300</td>
</tr>
<tr>
<td>educationtaxrefund.gov.au</td>
<td>Australian Taxation Office (ATO)</td>
<td>To provide a simple site that will allow people to easily access information on the Education Tax Refund measure.</td>
<td>In development</td>
<td>Internal agency staff</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>$8,000</td>
</tr>
<tr>
<td>firsthomesaver.gov.au</td>
<td>Australian Taxation Office (ATO)</td>
<td>To provide a simple site that will allow people to easily access information on the First Home Saver measure.</td>
<td>In development</td>
<td>Internal agency staff</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>$2,000</td>
</tr>
<tr>
<td>ties.gov.au</td>
<td>Australian Taxation Office (ATO)</td>
<td>To provide information on Tax Issues Entry Systems (Treasury initiative to better support Tax Agents).</td>
<td>In development</td>
<td>Internal agency staff</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>$43,500</td>
</tr>
<tr>
<td>srcc.gov.au</td>
<td>Comcare</td>
<td>Subsidiary body - Safety Rehabilitation and Compensation Commission.</td>
<td>In development</td>
<td>Internal agency staff</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>$2,307</td>
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<td>Website name</td>
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<tr>
<td>studyoverseas.gov.au</td>
<td>Department of Education, Employment and Workplace Relations</td>
<td>To provide information to students on the benefits of studying overseas as part of their university or vocational course.</td>
<td>In development</td>
<td>Internal agency staff</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>$13,493</td>
</tr>
<tr>
<td>measureup.gov.au</td>
<td>Department of Health and Ageing</td>
<td>To provide information on the social marketing campaign for the Australian Better Health Initiative.</td>
<td>In development</td>
<td>Internal agency staff and 303 Advertising Pty Ltd</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>$12,388</td>
</tr>
<tr>
<td>nalwt.gov.au</td>
<td>Department of Infrastructure, Transport, Regional Development and Local Government</td>
<td>To provide information on the Northern Australia Land and Water Taskforce.</td>
<td>In development</td>
<td>Internal agency staff</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>$100</td>
</tr>
<tr>
<td>Website name</td>
<td>Department</td>
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<td>Status of website (Live, in development)</td>
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<tr>
<td>clinicalguidelines.gov.au</td>
<td>National Health &amp; Medical Research Council</td>
<td>To provide one-stop-shop access to all current clinical practice guidelines in Australia that meet National Guideline Clearinghouse inclusion criteria (around 200 guidelines). This website will be primarily aimed at clinicians working in primary health, community care and tertiary care.</td>
<td>In development</td>
<td>Internal agency staff</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>N/A – site not live as at 27 Aug 08</td>
<td>$21,800</td>
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</tbody>
</table>
Prime Minister: Visit to China, Republic of Korea and Singapore  
(Question No. 577)

Senator Minchin asked the Minister representing the Prime Minister, upon notice, on 25 August 2008:
With reference to the Prime Minister’s travel in August 2008 to China, the Republic of Korea and Singapore:

(1) For each country visited, what was the total cost of the Prime Minister’s: (a) travel; (b) accommodation; and (c) any other expenses.

(2) How many personal staff accompanied the Prime Minister and Ms Rein.

(3) What was the role of each of the personal staff who travelled with the Prime Minister.

(4) In regard to staff and family accompanying the Prime Minister, what was the total cost of: (a) travel; (b) accommodation; and (c) any other expenses.

(5) (a) How many departmental officers accompanied the Prime Minister for all or part of the travel; and (b) for what period did they accompany the Prime Minister.

(6) In regard to the departmental officers, what was the total cost of: (a) travel; (b) accommodation; and (c) any other expenses.

(7) How many Olympic events did the Prime Minister, his family, staff and departmental officials attend.

(8) How many staff, family and departmental officials accompanied the Prime Minister to each individual Olympic sporting event attended in Beijing.

Senator Chris Evans—The Prime Minister has provided the following answer to the honourable senator’s question:

(1) As at 19 November 2008 the Department of Finance and Deregulation (Finance) had paid costs for the following:

(a) Travel by Special Purpose Aircraft (costs of travel by Special Purpose Aircraft will be tabled in the Parliament by the Department of Defence in accordance with established practice).

(b) Accommodation and meals $62.25

(c) Travel allowance $378.00, hospitality $2,229.18

(2) & (3)

Mr Alister Jordan, Deputy Chief of Staff
Mr Gary Quinlan, Senior Policy Adviser Foreign Affairs
Mr Lachlan Harris, Senior Press Secretary
Mr Scott Dewar, Adviser
Dr Andrew Charlton, Adviser Economics
Mr Tim Gleason, Media Adviser
Ms Corri McKenzie, Assistant Political Adviser
Ms Virginia Dale, Advancer
Ms Elida Jaksic, Advancer
Ms Jill Brunson, Executive Assistant
Ms Emily Jellis, Executive Assistant
Mr Adam Collins, Media Assistant
(4) As at 19 November 2008 the Department of Finance and Deregulation (Finance) had paid costs for the following:
   (a) Airfare for advance party $25,735, main party travelled by Special Purpose Aircraft (costs of travel by Special Purpose Aircraft will be tabled in the Parliament by the Department of Defence in accordance with established practice)
   (b) Accommodation/meals $20,658.74
   (c) Travel allowance $3,975.20, incidentals $3,079.91

(5) (a) Five
   (b) Officer one – 31 July to 7 August 2008
      Officer two – 5 August to 13 August 2008
      Officer three – 7 August to 12 August 2008
      Officer four – 9 August to 12 August 2008
      Officer five – 10 August to 13 August 2008

(6) (a) Travel $25,390.84
    (b) Accommodation/meals $3,825.00
    (c) Other expenses $2,694.25

(7) Four. The Opening Ceremony, women’s basketball (Australia v Belarus), swimming heats and swimming finals.

(8) Ms Rein accompanied the Prime Minister to the Opening Ceremony, women’s basketball and the swimming heats. Two members from the Prime Minister’s personal staff attended the women’s basketball. One member from the Prime Minister’s personal staff attended the swimming heats. No officers from the Department of the Prime Minister and Cabinet attended Olympic events.

Prime Minister: Visit to New York

(Question Nos 724 and 725)

Senator Minchin asked the Minister representing the Prime Minister and the Minister representing the Minister for Foreign Affairs, upon notice, on 27 August 2008:

With reference to the Prime Minister’s visit to New York in early 2008:
(1) On what dates did the Prime Minister visit New York.
(2) Where did the Prime Minister stay during his visit.
(3) Who accompanied the Prime Minister.
(4) Where did accompanying staff stay during the visit.
(5) What was the total cost of the visit.

(6) Have any alterations, refurbishments or décor changes been made to the Australian Mission to the United Nations residence in New York during 2008; if so: (a) what was the nature of these alterations, refurbishments or décor changes; (b) what was the itemised and total cost of these alterations, refurbishments or décor changes; and (c) at whose instigation were these alterations, refurbishments or décor changes made to the residence.

Senator Chris Evans—The Prime Minister on behalf of all ministers has provided the following answer to the honourable senator’s question:
(1) 29 to 30 March 2008
(2) Australian Ambassador to the United Nation’s residence
(3) Mr David Epstein, Chief of Staff and Principal Adviser, Prime Minister’s Office
Mr Duncan Lewis AO, Deputy Secretary, Department of the Prime Minister and Cabinet
Mr Gary Quinlan, Senior Policy Adviser, Prime Minister’s Office
Mr Hugh Borrowman, First Assistant Secretary, International Division, Department of the Prime Minister and Cabinet
Mr Lachlan Harris, Senior Media Adviser, Prime Minister’s Office
Mr Frank Leverett, Assistant Secretary, Ceremonial and Hospitality Branch, Department of the Prime Minister and Cabinet
Mr Steven Kennedy, Senior Adviser Economic, Prime Minister’s Office
Ms Fiona Sugden, Media Adviser, Prime Minister’s Office
Mr Scott Dewar, Adviser (International), Prime Minister’s Office
Mr John Fisher, Adviser, Prime Minister’s Office
Ms Tracy Robinson, Advancer, Prime Minister’s Office
Ms Kate Shaw, Executive Assistant, Prime Minister’s Office
Ms Jill Brunson, Executive Assistant, Prime Minister’s Office
Ms Maggie Lloyd, Media Assistant, Prime Minister’s Office
Mr David Foote, Official Photographer, Department of Finance and Deregulation
Squadron Leader Roland (Arnie) Morscheck, Staff Officer VIP Operations, Royal Australian Air Force

(4) Beekman Tower Hotel

(5) The cost for staff from the Prime Minister’s Office and staff from the Department of the Prime Minister and Cabinet for New York was: Accommodation/meals - $7,634.34, transport - $4,695.46, business centre - $6,079.42. The overall cost for the visit was tabulated during Budget Estimates hearing 26 May to 27 May 2008. The overall cost for the visit to the United States of America, Belgium, Romania, UK and China was provided in Question on Notice PM41 from the Budget Estimates Hearing 26 May to 27 May 2008.

(6) The Department of Foreign Affairs and Trade has advised that internal painting of guest rooms in the residence for the Australian Ambassador and Permanent Representative to the United Nations, scheduled in the 2008-09 repairs and maintenance program approved in December 2007, was carried out in March 2008. The cost of the painting was $3,360, and was within the programmed budget.

Economics Committee: Interim Report
(Question No. 730)

Senator Abetz asked the Chair of the Senate Standing Committee on Economics, Senator Hurley, upon notice, on 2 September 2008:

(1) What was the urgency for releasing the committee’s interim report National Fuelwatch (Empowering Consumers) Bill 2008 and National Fuelwatch (Empowering Consumers) (Consequential Amendments) Bill 2008.

(2) Were there communications between the office of the Chair, or the Chair herself, and the office of the Assistant Treasurer or the office of the Prime Minister, on the issuing of this report; if so, what was the: (a) time; (b) duration; and (c) medium, of each of these communications.

QUESTIONS ON NOTICE
Senator Hurley—On behalf of the Economics Committee, I provide the following response to the honourable senator’s question:

(1) The interim report of the Senate Standing Committee on Economics on National Fuelwatch (Empowering Consumers) Bill 2008 and National Fuelwatch (Empowering Consumers) (Consequential Amendments) Bill 2008 was produced in response to public and media interest in the matter.

(2) There were no communications between the Chair and the office of the Assistant Treasurer or the Prime Minister regarding the issuing of the report.

Governor-General

(Question No. 788)

Senator Abetz asked the Minister representing the Prime Minister, upon notice, on 13 November 2008:

(1) (a) How much is the clothing allowance for the Governor-General; (b) on what basis is it paid; (c) with what regularity is it paid; and (d) does the Governor-General need to acquit it.

(2) With reference to the 2008-09 supplementary budget estimates hearing of the Finance and Public Administration Committee (Committee Hansard, 20 October 2008, p. F&P A 23) and Mr Brady’s use of the term ‘bipartisan’ in relation to Her Excellency’s role: Does Her Excellency see her role as being ‘bipartisan’ or ‘non-partisan’.

Senator Chris Evans—The Prime Minister has provided the following answer to the honourable senator’s question:

(1) (a) As Governor-General Designate, the Governor-General received a one-off fitting-out (or clothing) allowance of $28,000. This was the same amount that had been allocated to the two previous Governors-General Designate in 2003 and 2001 respectively A clothing allowance is not payable to the Governor-General;

(b) The one-off allowance is part of the entitlements for Governors-General Designate approved by the Prime Minister of the day and is paid to assist a Governor-General Designate and their spouse prepare for the office of Governor-General;

(c) The allowance is paid to each Governor-General Designate in the period prior to them being sworn to the office of Governor-General;

(d) No.

(2) On the occasion of the swearing-in of the Governor-General on 5 September 2008, Ms Bryce said that she undertook the role “… with solemnity, impartiality, energy, and a profound love for the country we share.”

Australia 2020 Summit: Ms Linda Hornsey

(Question No. 792)

Senator Abetz asked the Minister representing the Prime Minister, upon notice, on 13 November 2008:

With reference to the 2008 09 Budget estimates hearing of the Finance and Public Administration Committee, and further to the following answers:

(1) In regard to the answer to question PM147b: how many days did Ms Hornsey work on the 2020 summit.

(2) In regard to the answer to question PM147c: can the amount paid to Ms Hornsey for accommodation, flights, meals etc. be itemised.
(3) In regard to the answer to question PM147f: was any consideration given to revoking Ms Hornsey’s contract when her alleged role in interfering in the appointment of a magistrate in Tasmania was revealed; if not, why not.

(4) In regard to the answer to question PM75: (a) are there any written records indicating that Ms Hornsey’s name was passed on from the Prime Minister’s office to the department; if so, by whom; and (b) who recommended Ms Hornsey for the role.

Senator Chris Evans—The Prime Minister has provided the following answer to the honourable senator’s question:

(1) Ms Hornsey worked from 8 February 2008 to 2 May 2008.

(2) Ms Hornsey was reimbursed for expenses totalling $3,384.65 (ex. GST) comprising:

- Taxi fares $525.94
- Air fare $1,110.10
- Accommodation $152.00
- Food/Incidentals $1,596.61

(3) No. Ms Hornsey was appointed as Project Director for the Australia 2020 Summit.

(4) (a) No. (b) Ms Hornsey was selected and appointed to the role of Project Director of the Australia 2020 Summit by the Department of the Prime Minister and Cabinet.

Minister for Defence: Community Cabinet Meetings

(Question Nos 818 and 819)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 13 November 2008:

In the period 1 April to 30 September 2008:

(1) What was the cost of the travel and expenses for the Minister for Community Cabinet meetings.

(2) (a) How many ministerial staff and departmental officers travelled with the Minister for these Cabinet meetings; and (b) what was the total cost of this travel.

Senator Faulkner—The Minister for Defence has provided the following answer to the honourable senator’s question:

(1) Minister for Defence: $1415.82, Minister for Defence Science and Personnel: $1492.64.

Advice from the Department of Finance and Deregulation is that the above figures include airfares and Travelling Allowance (including Motor Vehicle Allowance) claims. They do not include travel by taxis (due to the difficulties determining exact destinations using the electronic information as provided by Cabcharge) or travel on Special Purpose Aircraft. The Minister drove his own vehicle to Newcastle Community Cabinet as it was near his electorate.

The figures provided for the Minister for Defence Science and Personnel from the Department of Finance and Deregulation include additional destinations. Given the nature of the flight bookings, the cost of the additional destinations is not able to be disaggregated from the cost of travel to attend the Community Cabinet meeting.

The Minister travelled by Special Purpose Aircraft from Adelaide to Williamtown, returning from Community Cabinet in Hallet Cove South Australia. He was accompanied by his Aide de Camp. Details regarding the cost of flights and passenger manifest can be found in the Schedule of Special Purpose Flights which is tabled every six months. The schedule for 1 July to 31 December 2008 will be tabled in June 2009.
The Minister for Defence Science and Personnel travelled by Special Purpose Aircraft from Canberra to Darwin for Community Cabinet in the Northern Territory on 23 July 2008. Details regarding the cost of flights and passenger manifest can found in the Schedule of Special Purpose Flights which is tabled every six months. The schedule for 1 July to 31 December 2008 will be tabled in June 2009.

(2) (a) The Department of Finance and Deregulation advises that seven ministerial staff accompanied the Minister for Defence across three Community Cabinet meetings. One departmental officer accompanied the Minister for three Community Cabinet meetings. No ministerial staff or departmental officers accompanied the Minister for Defence Science and Personnel during his attendance at one Community Cabinet meeting.

(b) The Department of Finance and Deregulation advises that the cost of travel for ministerial staff was $4611.76. The cost of travel for the departmental officer was $2279.83.

Aboriginal Media and Broadcasting
(Question No. 835)

Senator Ludlam asked the Minister for Broadband, Communications and the Digital Economy, upon notice, on 20 November 2008:

(1) Why are Aboriginal media and broadcasting organizations regulated under the portfolio of the Minister for the Environment, Heritage and the Arts rather than the Minister’s portfolio.

(2) Has the Minister had representation from Aboriginal media and broadcasting organisations requesting to be brought within the Minister’s portfolio.

(3) Will the Minister investigate the return of Indigenous media organisations to the Minister’s portfolio as soon as is practicably possible.

Senator Conroy—The answer to the honourable senator’s question is as follows:

(1) All licensed broadcasting organisations, including indigenous media organisations, are regulated by the independent organisation, the Australian Communications Media Authority (ACMA), which is part of my portfolio. The Department of Environment, Water, Heritage and the Arts administers funding to a range of indigenous media and broadcasting organisations to achieve cultural and other policy objectives.

(2) Yes. Such a representation was made by National Indigenous Television (NITV).

(3) No. Under the Administrative Arrangement Orders, the Minister for the Environment, Heritage and the Arts has portfolio responsibility for arts and cultural policy and programs. This includes responsibility for the administration of programs supporting indigenous art, culture, language and broadcasting. An investigation into these arrangements is not required.

Rudd Government: Appointed Groups
(Question Nos 840 to 875)

Senator Cormann asked all ministers, upon notice, on 24 November 2008:

(a) Can a list be provided of all appointed groups within the Minister’s portfolio including: (i) authorities, (ii) committees, (iii) boards, (iv) working groups, and (v) any similar groups appointed by the Minister or the department; (b) how is each appointed group’s membership determined; and (c) can a breakdown of membership of each appointed group, by state/territory, be provided.
Senator Chris Evans—The Prime Minister, on behalf of all ministers, has provided the following answer to the honourable senator’s question:

As departments table lists of appointments made by ministers a week before each Estimates round in accordance with a continuing order of the Senate, the provision of a similar list at this time would be an unreasonable diversion of resources.

Environment, Water, Heritage and the Arts: Program Funding
(Question No. 891)

Senator Ronaldson asked the Minister representing the Minister for the Environment, Heritage and the Arts, upon notice, on 24 November 2008:

For the 2008 calendar year, can lists be provided for: (a) the department’s top 5 program overspends and their costs; and (b) the department’s top 5 program underspends and their costs.

Senator Wong—The Minister for the Environment, Heritage and the Arts has provided the following answer to the honourable senator’s question:

The Department is unable to provide the information requested for the 2008 calendar year.

The Department can provide the information requested for programs in the 2007-08 financial year. The table below identifies the program and the overspend or underspend.

<table>
<thead>
<tr>
<th>Top 5 Program Overspends in 2007-08 Financial Year</th>
<th>$’000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable Remote Generation Program (SPP)</td>
<td>1,573</td>
</tr>
<tr>
<td>Renewable Energy Equity Fund</td>
<td>864</td>
</tr>
<tr>
<td>Gallery of Australian Democracy</td>
<td>833</td>
</tr>
<tr>
<td>Indigenous Arts and Culture</td>
<td>298</td>
</tr>
<tr>
<td>Tackling Climate Change - Solar Homes and Communities Plan</td>
<td>156</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Top 5 Program Underspends in 2007-08 Financial Year</th>
<th>$’000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenhouse Gas Abatement Program</td>
<td>9,192</td>
</tr>
<tr>
<td>Solar Hot Water Rebate Program</td>
<td>8,655</td>
</tr>
<tr>
<td>Scout Hall Water Saving Infrastructure Program</td>
<td>5,884</td>
</tr>
<tr>
<td>Art Indemnity</td>
<td>2,679</td>
</tr>
<tr>
<td>Securing Australia’s Energy Future - Solar Cities</td>
<td>2,196</td>
</tr>
</tbody>
</table>

Education, Employment and Workplace Relations: Commonwealth Credit Cards
(Question Nos 971, 972, 973, 997 and 1002)

Senator Ronaldson asked the Minister representing the Minister for Education, upon notice, on 25 November 2008:

(1) How many Commonwealth credit cards have been issued to departmental and agency staff within the Minister’s portfolio.

(2) How many Commonwealth credit cards have been issued to departmental and agency staff that fall within the responsibility of the Minister’s associated Parliamentary Secretary or Secretaries.

(3) Within the Minister’s portfolio, how many Commonwealth credit cards have been issued to: (a) staff employed under the Members of Parliament (Staff) Act 1984; (b) the Minister; and (c) the Minister’s associated Parliamentary Secretary or Secretaries.

(4) For each Commonwealth credit card issued in (3) above, what was the date of its issue.

Senator Carr—The Minister for Education has provided the following answer to the honourable senator’s question:

(1 & 2) The departments and agencies within the Education, Employment and Workplace Relations Portfolio have issued the following number of cards to their staff:

QUESTIONS ON NOTICE
QUESTIONS ON NOTICE

<table>
<thead>
<tr>
<th>Department/Agency</th>
<th>Number of cards issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Education, Employment and Workplace Relations</td>
<td>4,655</td>
</tr>
<tr>
<td>Australian Fair Pay Commission Secretariat</td>
<td>17</td>
</tr>
<tr>
<td>Australian Industrial Relations Commission/Australian Industry Registry</td>
<td>22</td>
</tr>
<tr>
<td>Australian Institute for Teaching and School Leadership Ltd (Teaching Australia)</td>
<td>2</td>
</tr>
<tr>
<td>Carrick Institute for Learning and Teaching in Higher Education Ltd</td>
<td>8</td>
</tr>
<tr>
<td>Comcare, the Safety, Rehabilitation and Compensation Commission and the Seafarer’s Safety, Rehabilitation and Compensation Authority</td>
<td>222</td>
</tr>
<tr>
<td>Office of the Australian Building and Construction Commissioner</td>
<td>139</td>
</tr>
<tr>
<td>Workplace Authority</td>
<td>173</td>
</tr>
<tr>
<td>Workplace Ombudsman</td>
<td>380</td>
</tr>
</tbody>
</table>

(3 & 4) No credit cards have been issued to staff employed under the Members of Parliament (Staff) Act 1984, the minister or the Minister’s associated Parliamentary Secretary or Secretaries.

Families, Housing, Community Services and Indigenous Affairs: Commonwealth Credit Cards

(Question No. 981)

Senator Ronaldson asked the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, upon notice, on 25 November 2008:

(1) How many Commonwealth credit cards have been issued to departmental and agency staff within the Minister’s portfolio.

(2) How many Commonwealth credit cards have been issued to departmental and agency staff that fall within the responsibility of the Minister’s associated Parliamentary Secretary or Secretaries.

(3) Within the Minister’s portfolio, how many Commonwealth credit cards have been issued to: (a) staff employed under the Members of Parliament (Staff) Act 1984; (b) the Minister; and (c) the Minister’s associated Parliamentary Secretary or Secretaries.

(4) For each Commonwealth credit card issued in (3) above, what was the date of its issue.

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) 1036
(2) 53
(3) (a) 0
   (b) 0
   (c) 0
(4) Not Applicable

Green Vehicle Guide

(Question No. 1181)

Senator Abetz asked the Minister representing the Minister for Infrastructure, Transport, Regional Development and Local Government, upon notice, on 16 December 2008: With reference to the Government’s website www.greenvehicleguide.gov.au:

(1) Does the Minister endorse this website.
(2) Are either the Minister, his office and/or the department aware that this website is used by the Queensland and Tasmanian state governments as a reference for their vehicle fleet procurement policies; if so, when did they become aware of this fact.

(3) Was either the Minister, his office and/or the department consulted about this website being used as a reference in the aforementioned procurement policies.

(4) Does the Minister support the use of this website in the procurement policies of the Queensland or Tasmanian state governments.

(5) Has either the Minister, his office, and/or the department had any discussions with the Queensland and Tasmanian state governments about their use of the website in their procurement policies.

(6) Will Ford’s new Euro IV compliant engine, to be built in Geelong, Victoria, score 5.5 or better on this website.

Senator Conroy—The Minister for Infrastructure, Transport, Regional Development and Local Government has provided the following answer to the honourable senator’s question:

(1) to (5) The Government’s Green Vehicle Guide has been developed to provide objective, model specific information on the environmental performance of vehicles to assist consumers, whether private, government or business, in their purchasing decisions.

(6) The rating for Ford models utilising the new Euro 4 compliant engine will not be known until Ford submits the data for the completed vehicles.

Violations of Controlled Airspace
(Question No. 1210)

Senator Abetz asked the Minister representing the Minister for Infrastructure, Transport, Regional Development and Local Government, upon notice, on 23 December 2008:

With reference to the answer to question no. CASA 03 taken on notice on 21 October 2008 during the 2008-09 supplementary Budget estimates hearings of the Rural and Regional Affairs and Transport Committee:

(1) Given that it was revealed that there were in fact 5,112 Violations of Controlled Airspace (VCAs) between January 2005 and June 2008, why were only two cases pursued out of this large number of violations?

(2) What were the determining factors in separating these two cases out for prosecution action from the other 5,110 VCAs that occurred?

(3) How many administrative actions have been undertaken in response to VCAs between January 2005 and June 2008?

Senator Conroy—The Minister for Infrastructure, Transport, Regional Development and Local Government has provided the following answer to the honourable senator’s question:

(1) There were 18 matters referred to CASA's Enforcement Policy & Practice branch over this period. Of these 18, the two matters referred for prosecution involved other breaches as well as VCA breaches.

(2) The determining factor separating these two from the other 16 referred matters was that they involved other breaches including offences under the Civil Aviation Act which could not be addressed by such action as the issuing of infringement notices.
(3) CASA participates with Airservices Australia in a Violation of Controlled Airspace Taskforce. When advised by Airservices of a violation, CASA field officers will usually dispatch a letter to the pilot or operating company involved seeking an explanation for the violation. Depending on the response, CASA can take one of a number of administrative actions including counselling (in person or via telephone), the issuance of an infringement notice, or referral for prosecution. Depending on the operating company options also include a meeting with the Chief Pilot and/or Chief Flying Instructor to discuss the violation, or the dispatch of an aviation safety advisor to work with the flying training organisation to improve airspace education. In those instances where a letter is not dispatched, other administrative action (for example, a telephone call) will usually be taken. Given the variety of administrative actions possible at field office level, it is not practical to provide a total number of administrative actions taken.