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FORTY-SECOND PARLIAMENT
FIRST SESSION—FIFTH PERIOD

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

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

Leader of the Government in the Senate—Senator Hon. Christopher Vaughan Evans
Deputy Leader of the Government in the Senate—Senator Hon. Stephen Michael Conroy
Leader of the Opposition in the Senate—Senator Hon. Nicholas Hugh Minchin
Deputy Leader of the Opposition in the Senate—Senator Hon. Eric Abetz
Manager of Government Business in the Senate—Senator Hon. Joseph William Ludwig
Manager of Opposition Business in the Senate—Senator Stephen Shane Parry

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
### Members 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) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Christopher Martin Ellison, resigned.
(4) 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 Hon. Kevin Rudd, MP
Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion Hon. Julia Gillard, MP
Treasurer Hon. Wayne Swan MP
Minister for Immigration and Citizenship and Leader of the Government in the Senate Senator Hon. Chris Evans
Minister for Defence and Vice President of the Executive Council Senator Hon. John Faulkner
Minister for Trade Hon. Simon Crean MP
Minister for Foreign Affairs and Deputy Leader of the House Hon. Stephen Smith MP
Minister for Health and Ageing Hon. Nicola Roxon MP
Minister for Families, Housing, Community Services and Indigenous Affairs Hon. Jenny Macklin MP
Minister for Finance and Deregulation Hon. Lindsay Tanner MP
Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House Hon. Anthony Albanese MP
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate Senator Hon. Stephen Conroy
Minister for Innovation, Industry, Science and Research Senator Hon. Kim Carr
Minister for Climate Change and Water Senator Hon. Penny Wong
Minister for the Environment, Heritage and the Arts Hon. Peter Garrett AM, MP
Attorney-General Hon. Robert McClelland MP
Cabinet Secretary, Special Minister of State and Manager of Government Business in the Senate Senator Hon. Joe Ludwig
Minister for Agriculture, Fisheries and Forestry Hon. Tony Burke MP
Minister for Resources and Energy and Minister for Tourism Hon. Martin Ferguson AM, MP
Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services Hon. Chris Bowen, MP

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

Minister for Veterans’ Affairs
Hon. Alan Griffin MP

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

Minister for Home Affairs
Hon. Brendan O’Connor MP

Minister for Indigenous Health, Rural and Regional Health
Hon. Warren Snowdon MP

and Regional Services Delivery

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

Assistant Treasurer
Senator Hon. Nick Sherry

Minister for Ageing
Hon. Justine Elliot MP

Minister for Early Childhood Education, Childcare and
Youth and Minister for Sport
Hon. Kate Ellis MP

Minister for Defence Personnel, Materiel and Science and
Minister Assisting the Minister for Climate Change
Hon. Greg Combet AM, MP

Minister for Employment Participation and Minister
Assisting the Prime Minister on Government Service
Delivery
Senator Hon. Mark Arbib

Parliamentary Secretary for Infrastructure, Transport,
Regional Development and Local Government
Hon. Maxine McKew MP

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

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

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

Parliamentary Secretary for International Development
Assistance
Hon. Bob McMullan MP

Parliamentary Secretary for Pacific Island Affairs
Hon. Duncan Kerr SC, MP

Parliamentary Secretary to the Prime Minister and
Parliamentary Secretary for Trade
Hon. Anthony Byrne MP

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

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

Parliamentary Secretary for Employment
Hon. Jason Clare MP

Parliamentary Secretary for Health
Hon. Mark Butler MP

Parliamentary Secretary for Industry and Innovation
Hon. Richard Marles MP
SHADOW MINISTRY

Leader of the Opposition
The Hon. Malcolm Turnbull MP

Shadow Minister for Foreign Affairs and Deputy Leader of the Opposition
The Hon. Julie Bishop MP

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

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

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

Shadow Treasurer
The Hon. Joe Hockey MP

Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House
The Hon. Christopher Pyne MP

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

Shadow Minister for Finance, Competition Policy and Deregulation
Senator the Hon. Helen Coonan

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

Shadow Minister for Energy and Resources
The Hon. Ian Macfarlane MP

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

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

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

Shadow Minister for Health and Ageing
The Hon. Peter Dutton MP

Shadow Minister for Defence
Senator the Hon. David Johnston

Shadow Attorney-General
Senator the Hon. George Brandis SC

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

Shadow Minister for Employment and Workplace Relations
Mr Michael Keenan MP

Shadow Minister for Immigration and Citizenship
The Hon. Dr Sharman Stone

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

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

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

Shadow Assistant Treasurer
The Hon. Tony Smith MP

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

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

Shadow Minister for Housing and Local Government
Mr Scott Morrison

Shadow Minister for Ageing
Mrs Margaret May MP

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

Shadow Minister for Veterans’ Affairs
Mrs Louise Markus MP

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

Shadow Minister for Justice and Customs
The Hon. Susan Ley MP

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

Shadow Parliamentary Secretary for Northern Australia
Senator the Hon. Ian Macdonald

Shadow Parliamentary Secretary for Roads and Transport
Mr Don Randall MP

Shadow Parliamentary Secretary for Regional Development
Mr John Forrest MP

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

Shadow Parliamentary Secretary for Energy and Resources
Mr Barry Haase MP

Shadow Parliamentary Secretary for Disabilities, Carers and the Voluntary Sector
Senator Mitch Fifield

Shadow Parliamentary Secretary for Water Resources and Conservation
Mr Mark Coulton MP

Shadow Parliamentary Secretary for Health Administration
Senator Mathias Cormann

Shadow Parliamentary Secretary for Defence
The Hon. Peter Lindsay MP

Shadow Parliamentary Secretary for Education
Senator the Hon. Brett Mason

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

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

Shadow Parliamentary Secretary for Immigration and Citizenship and Shadow Parliamentary Secretary Assisting the Leader in the Senate
Senator Concetta Fierravanti-Wells
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Tuesday, 23 June 2009

The PRESIDENT (Senator the Hon. John Hogg) took the chair at 12.30 pm and read prayers.

BUSINESS

Rearrangement

Senator PARRY (Tasmania—Manager of Opposition Business in the Senate) (12.31 pm)—by leave—I move:

That, commencing from 9.30 am on Wednesday, 24 June 2009, the orders of the day for the following bills, deemed urgent by the Government:

- Rural Adjustment Amendment Bill 2009
- Health Workforce Australia Bill 2009
- Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009
- National Greenhouse and Energy Reporting Amendment Bill 2009
- Car Dealership Financing Guarantee Appropriation Bill 2009
- Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009,

as well as the order of the day relating to Appropriation Bill (No. 1) 2009-2010 and two related bills, be called on and determined before the order of the day relating to the Carbon Pollution Reduction Scheme Bill 2009 and 10 related bills is called on.

Senator CHRIS EVANS (Western Australia—Leader of the Government in the Senate) (12.31 pm)—I am surprised that Senator Parry is not speaking to the motion. Can I just make the point that we gave leave for this motion so as not to waste the time of the Senate with a suspension. I presume that Senator Parry is not speaking to it because he has the numbers. That is usually the reason when people keep it short.

I make the point that this effectively involves two issues. The first is the capacity of the government to order the business and determine the business that the Senate deals with. I am afraid that the opposition have given up on all prospect of ever being a government again, because they have adopted the attitude that seems to forget that there are requirements in this place for governments to be able to operate effectively. By supporting this sort of stunt, they give up, I think, the commitment to a perspective as an alternate government.

But the real issue is the question of whether or not we deal with the Carbon Pollution Reduction Scheme bills this week. The Senate has known for months that those bills were to be called on. We have had a green paper, a white paper, no end of public discussion and inquiries both by Senate committees and by others that led us to the point of planning for a debate on the climate change and Carbon Pollution Reduction Scheme bills in this sitting week.

It has been clear for some weeks now that the opposition are terrified about debating these bills because they are unable, as on so many other things, to reach a consensus inside their party room. They are deeply divided. The Senate committee reports again highlighted that division. That, quite frankly, is a problem for them. But they have a responsibility to the Australian people to come into the parliament and vote on these issues, particularly given that they went to the last election under a commitment to introduce a carbon pollution reduction scheme. They actually went to the last election, even under John Howard, committed to that stance, and they have since walked away from it because they are unable to deal with the divisions inside their party.

This comes down to a question about whether or not the Senate is going to debate the Carbon Pollution Reduction Scheme Bill this week. We are in a position in this par-
liament where the government do not have the majority and where the opposition and some minor senators have determined to frustrate the government’s capacity to debate these bills. I have to say, at least to Senator Xenophon, that he was honest about it. He has said quite clearly that he does not want to debate them. I do not support his rationale. He wants more surveys, more inquiries, more reporting, but that is perfectly—

Senator Cormann interjecting—

Senator CHRIS EVANS—Senator, we will hear you on the alcopops legislation later in the week. We look forward to you eating humble pie.

The PRESIDENT—Order! Ignore interjections.

Senator CHRIS EVANS—Please let me know when you are doing it, because I am going to come and enjoy the show! I did warn you, but I am looking forward to it.

The PRESIDENT—Senator Evans, ignore interjections and address your comments to the chair.

Senator CHRIS EVANS—Mr President, Senator Xenophon has been open and upfront. I disagree with him; I think he is wrong. But he has at least said: ‘If you force me to do it’—as with this motion today—‘I’m not up for it. I’m not going to vote on these bills or the second reading this week. I am a vote for a deferral. I am a vote for not dealing with it.’ At least he has been honest. I think it is wrong. I think he ought to take his responsibility to debate the bills this week, but he has been frank about that.

After Senator Fielding’s contribution to the last debate, yesterday, on these matters, I am a little confused about what his position is. I think he is currently a climate change sceptic, which is a perfectly reasonable position for him to adopt if that is his position. But, at the last debate on this matter, Senator Fielding argued that he did not want to be dealing with these bills late at night. The reality is that, if this resolution is carried, we will be dealing with the Carbon Pollution Reduction Scheme bills late at night at the end of the week because it pushes them all back to that period, rather than dealing with them early in the week when he is fresh and when we are able to deal with them in a non-rushed manner. We could bring them on. But, Senator Fielding, if your position is that you do not want to deal with them this week, say so. Do, for the chamber, the honest thing and say so, because then we will all know where we stand.

Senator Ronaldson interjecting—

Senator CHRIS EVANS—No, let us just know where we stand. If Senator Fielding’s position is that he does not want to deal with them this week, that is fine. Make that position clear, and then the government will not persist because we know that we cannot get you—

Senator Parry—Mr President, on a point of order: I did not speak on this so that we would facilitate time for the government to go back to the CPRS today. The Leader of the Government in the Senate is now verballing other senators. He is getting very close to casting aspersions on the honesty of Senator Fielding. Can you please ask him to address the matter so we can actually get on with the business of the Senate?

The PRESIDENT—There is no point of order. Senator Evans, have you finished?

Senator CHRIS EVANS—No, I haven’t; I thought there was a point of order being taken—isn’t there?

The PRESIDENT—I thought you might have finished.

Senator CHRIS EVANS—Senator Parry, you may think I am wasting time but that is your business. If you want to speak, speak to
the motion; you did not have the courage to do it.

Senator Minchin—Mr President, on a point of order: the Leader of the Government in the Senate should be setting an example for everybody else, and he should direct his remarks through the chair and not directly across the chamber. Will you bring him to order, please.

The President—Order! Senator Evans, you have got 14 minutes and 43 seconds in which to continue, and your remarks should be addressed to the chair.

Senator CHRIS EVANS—Thank you, Mr President. It seems the opposition are a little—

Senator Wong—Sensitive.

Senator CHRIS EVANS—sensitive today. I do not know why; I cannot understand why. I was addressing my remarks to Senator Fielding, for the reason that he will get the vote on this. I have addressed my remarks to Senator Xenophon; he has made his position clear. I expect him to support the opposition on this resolution—as he indicated yesterday he would if the government did not agree to delay the bill till August. We are not agreeing to delay the bill till August. We made it clear that our position is that the bill ought to be debated this week. That has been known for months. We would ask him to consider that. But he has made his position clear. Senator Fielding did not make his position clear in the longer term. Yesterday he supported the resolution. His argument was that he did not want to be dealing with it late at night. Well, if his position is that he is not going to support dealing with the bills this week, what I would say to him is: say so. Be honest, be upfront and say so. Then we would all know where we all stand.

The same argument goes for the opposition. If what they are saying, as we all know it is, is that they are too scared to deal with the CPRS this week then they should have the honesty to say so. Do not push the bill back to be the last bill debated this week, knowing that it is your intention, as Senator Barnaby Joyce has made clear, to talk it out—to filibuster. Surely, now, after all the argy-bargy; surely, on the Tuesday of the last week, you could at least work up the courage to be honest, to speak to your bill and say, ‘We are doing this because we do not want to deal with the CPRS.’ That is why you are doing it. Be honest, say so, and we can all get on with it. But what we have now is this facade that if this passes then the implication is that we will deal with the CPRS later this week. If that is the case, that is great. I will move a motion on sitting hours that allows us to complete that bill this week, and we will sit any hours that the Senate requires to do that. We will sit Thursday night, Friday and Saturday. If you are honestly saying to us, ‘We are just moving it to the end because we think the other bills are more urgent,’ and if the sorts of statements made by Senator Parry yesterday are to be believed then the opposition will support a motion on sitting hours that allows us to deal with it. But if, as we all know, this is merely a rather unsubtle tactic to ensure that we do not get to the bill then let us be honest; let us not rely on fake emails or subterfuge; let us just say that the position of the Liberal Party is: ‘We are too scared to deal with the Carbon Pollution Reduction Scheme this week. We are too racked by division. We want to put it off until some time after the end of the year—next year sounds good—because it is all too hard.’

As I understand it, Senator Xenophon’s position is ‘August’, Senator Fielding’s position is unknown, and the opposition’s position is ‘on the never-never’. This government is ready to debate the legislation on its CPRS scheme. There has been extensive consultation. There has been a green paper. There has been a white paper. Everyone has known that
the debate is coming on. So if people are not prepared to debate it now, you have got to wonder why. And the only explanation for the opposition is that they cannot reach any consensus. The leader does not feel secure enough to take on people like Senator Cash whose views are from the flat-earth side of the opposition and who do not believe—as Senator Minchin does not—that there is any contribution to global warming from human activity. But because they cannot resolve those difficulties they come in here and hide behind a procedural resolution, which they did not even speak to. I have got to give it to Senator Parry, he gave it his best shot yesterday. It was not very convincing, but he moulded some sort of argument. I am not surprised, though, that he did not have the courage to run it twice, because it did not warrant a second airing. It was pretty thin. I have had to run some thin ones myself, Senator Parry, but running them twice is hard, I know.

The PRESIDENT—Senator Evans, address your comments to the chair.

Senator CHRIS EVANS—we know that this is about a desperate attempt to delay debate on the CPRS. Well, all I am arguing is that we have some honesty about that. If there is a majority in the Senate for that, say so; otherwise bring the bills on. Let us debate them. Let us have a vote on them. Let us determine how this country should respond to the challenge of CO2 emissions. Let us deal with the policy debate. But if you are not prepared to deal with it then at least be honest and say so.

Under this resolution proposed by Senator Parry we have the subterfuge that somehow we will get the Carbon Pollution Reduction Scheme bills again, sometime, maybe, on Thursday, and then they will go, ‘Oh golly gosh, we’ve run out of time! Isn’t that terrible! Oh, is that the time? We’ve got to go home. Oh, isn’t that horrible! Surprise, surprise!’ I mean, really—have some political guts. Have some courage. If you are saying to us that you are not going to vote for it, say so. If you are saying to us you are not going to deal with the bill properly this week, say so. Let us have that debate. But do not come in here with this mealy-mouthed effort to pretend that you are ‘helping the government with the urgency of its legislation’. What nonsense!

And to people like Senator Fielding, I say: please be honest with us. If you are really saying that you are not going to deal with it, say so. Be honest. Otherwise, if you are not saying that, I will expect you to vote for a resolution to extend hours to complete the bill, because that will force you to make your position clear. If you are saying to us that you are prepared to deal with the bill, we will move the resolution on sitting hours to ensure that we deal with it. But if you are honestly saying to us that you do not want to deal with it this week then that is fine; we will have the political argument about that. But do us the courtesy of saying that, not hiding behind some other, quite pitiful, excuse.

I accept Senator Xenophon made his position clear yesterday. I do not agree with him, but his position is on the record and that is for him. He wants to deal with it.

Senator Ferguson interjecting—

Honourable senators interjecting—

The PRESIDENT—Order! Ignore the interjections, Senator Evans. Interjections are disorderly.

Senator CHRIS EVANS—I am sure the Deputy President should know better, but sometimes it even gets the better of him. It is important that we be honest about this. If, in fact, people are prepared to debate the bill and they are not really seeking to delay it then we will move a resolution that has the
Senate sit until we complete the bill. If people are not prepared to do that then they are exposed for actually having taken a decision that they are not going to deal with the legislation this week. Let's be frank about it. I understand the Greens are prepared to deal with it this week and we call on other senators to do the same. But if, in fact, as I suspect and I think everyone knows, this is merely an attempt by the Liberal Party to put off judgment day on their position on the CPRS, do the Senate the courtesy of being upfront about that.

Senator MINCHIN (South Australia) (12.45 pm)—Senator Parry was appropriately very brief in his remarks because he was seeking to ensure that we did facilitate dealing with this motion. We are conscious of the government wanting to get on with urgent business, but we have just had a remarkable histrionic performance from Senator Evans which has in fact wasted 15 minutes of the Senate's time. What a remarkable contribution from Senator Evans to so singularly and obviously delay the Senate's dealing with the government's legislation by that repetitive performance.

I was not going to speak, but Senator Evans has made two allegations which I will respond to as briefly as I possibly can because the Senate should get on with its business. Senator Evans made the claim that the opposition has abandoned the longstanding practice of the government being responsible for the order of business. I have been here 16 years, most of which have been in a situation where the government of the day has not had a majority. I fully and well understand that this place does only work with cooperation between all the parties because it is the norm that nobody has a majority and the government should be able to order the business. But that is not unconditional.

In this case we have the remarkable set of circumstances where there are some agreed bills which are urgent in the last week of June and some bills that are budget bills or have 1 July start dates, which the government itself has pushed below the legislation which does not have a start date until not 2010 but 2011. It is two years away. The government knows full well our position that this legislation is irresponsibly being proposed in advance of the world's consideration of the post-Kyoto framework for dealing with climate change which will occur in December. The government full well knows that this should not be dealt with before the United States deals with. So there are exceptions to the rule that the government has control of the order of business. This is one of those cases. The government flagrantly seeks to have a bill dealt with prior to its own urgent legislation, a bill which it knows full well does not have majority support in this chamber. The government itself knows; the government is flagrantly setting this up for defeat. The government is so cynical that it is setting up its own bill for defeat because it knows it does not have the numbers. We absolutely defend what we are doing in relation to this. This is a rare exception to the rule that the government should order the business, but it is an exception where there is this flagrant behaviour on the part of government and where the opposition feels it must act.

The second allegation is that the opposition are too scared to debate this bill. Our position is very upfront. We announced some time ago our quite open position—that is, that this bill should be deferred. This bill should not be being dealt with. We have a motion still to be dealt with that the Senate defer consideration of this bill.

Honourable senators interjecting—

The PRESIDENT—Order! Interjections across the chamber from both sides are dis-
orderly. Senator Minchin is entitled to be heard.

Senator MINCHIN—It is our very upfront position that the government should defer consideration of this bill on the triple grounds that it does not have a start date for two years, that for Australia to legislate in advance of Copenhagen is utterly irresponsible and reckless, and that to advance this legislation prior to the United States legislat- ing, the world’s biggest emitter of anthropo- genic CO2, is ridiculous and reckless. So we have very good grounds and very public grounds. There is nothing we are hiding at all about this. It has been a position that we have held for several weeks that this bill should be deferred. There is nothing secret about that.

We are very happy to debate this bill at the appropriate time. It is our upfront position that this bill should not be debated this week and we have motions on the Notice Paper to that effect, so we reject outright the proposition from the Senate leader. I would urge the Senate to support the motion now before the chair that the Senate deal with those bills which are in fact urgent and which the Australian people expect us to deal with which are budget bills or have 1 July start dates. Those are the bills which the Senate should be dealing with. As soon as we deal with those, we can resume debate on the government’s CPRS albeit that we believe that it is a bill which should be deferred.

Senator XENOPHON (South Australia) (12.50 pm)—Yesterday when I spoke in relation to an identical motion moved by Senator Parry—not identical but with the same substance as this motion—I indicated that I could not support it unless there was an undertaking by the government that it would agree to not having a vote on the second reading stages of the CPRS bills. I think it is fair to say that I have had some useful disc-ussions with the government, the opposition and my crossbench colleagues in relation to this in the last 24 hours. I understand the government’s position is that they believe there ought to be a vote on the second reading stages of these bills. They do not resile from their position and I understand that.

My position is that I do not believe it is appropriate to have a vote on the second reading stage of the CPRS bills—not, as Senator Evans indicated, because I want to have some surveys and inquiries but rather to undertake some specific economic modelling on alternative scheme designs, because there is no bigger issue in terms of the economic and environmental welfare of this nation than the design and implementation of the CPRS bills, and my view is that we ought to get it right. I indicate that I will be giving notice of a motion, to be dealt with tomorrow, that there be further modelling undertaken and that the results of that modelling be provided to the Senate prior to the next sitting week of 11 August so that we have time to do that.

I understand the government’s position— their current position, and it may well be their future position—that they do not want that to take place but I think it is important in the context of this bill that we actually have an opportunity to model not only alternative scheme designs but also what the impact of even higher targets would be. That would give the Senate an opportunity to consider amendments to these very critical bills so that they can be fulsomely debated. That is my position in relation to that, and Senator Evans is right: I make no apology for the fact that I do not believe it is prudent to deal with the second reading stage of these bills this week. That is my agenda. I have been upfront about that.

Having said that, I will also be giving no- tice of a motion to be dealt with tomorrow
that the question on the second reading of these bills not be put this week and that upon the next sitting week these bills be dealt with to their conclusion—so that there is no question but that when the Senate resumes in the week of 11 August; we will sit until we deal with them. I think that deals with the concern that Senator Evans had about these bills being put on the never-never. I indicate—and I have had a discussion with Senator Minchin about this—a commitment that these bills be dealt with in that week one way or the other. I want to say publicly that I take Senator Minchin absolutely on his word in relation to that and I am grateful for that commitment. So I think that resolves some of the issues. It is not what the government wants, but I think it deals with the dilemma of having these bills on the never-never, which Senator Evans referred to.

I think it would be extremely unwise for us to have a second reading vote on these bills this week in the absence of further economic modelling and without having amendments available as a result of that modelling for the Senate to consider. I think it is fair to say that the coalition ought to have the opportunity to see the results of that modelling and any amendments that are put up in relation to this package of legislation. I think that is a prudent course and I am prepared to support Senator Parry’s motion today as a result of failing to reach an understanding with the government that they would be prepared to put off the vote on the second reading of the CPRS bills this week. I understand the government’s position but I hope they can understand mine, which is that this seems the best way forward for what I consider to be the most important piece of legislation, in environmental and economic terms, that this parliament has ever dealt with.

**Senator BOB BROWN** (Tasmania—Leader of the Australian Greens) (12.55 pm)—What a mess, through a lack of application, the most important and potentially most catastrophic environmental and economic issue confronting this nation has got into because of the opposition and, on this occasion, Senator Xenophon and the silent Senator Fielding. The government announced the Garnaut report in December last year at the Press Club, and there was a responsibility upon all of us to come to this debate mid-year fully equipped with the information that we needed.

There have been a number of Senate inquiries and, of course, consequent upon the inquiry that Senator Xenophon proposes we could propose another series of inquiries, because this is a field that is always moving; there is no limit to it. But we are charged with making decisions in the interests of this nation and getting on with the job. I submit that, after 11 years of inaction by the Howard government and now a two-year wait in this period of the Rudd government, it is time for the Senate to deliberate on this matter and carry it through to a vote. If the vote gets up, the legislation will be implemented; if it does not then we absolutely need to look at other models, other alternatives and, we Greens submit, a realistic application of the government’s responsibility for better targets and better facilitation of the nation’s move towards the green economy, which it should be moving towards.

I flag an amendment to Senator Xenophon’s motion tomorrow which is that we get on with the determination on this matter this week. That is our responsibility and it is what we will be advocating tomorrow. But here we have the opposition saying none of that. They are saying: ‘We’re now confronted with the government’s climate change legislation. Let’s put it off so we can deal with the Car Dealership Financing Guarantee Appropriation Bill. That’s more important.’ They are so stuck on used cars that they cannot
bring themselves to look at, as a priority, the greatest threat confronting the planet.

What a derelict attitude towards responsibility we are seeing unfold in the Senate, after all the debate—public, global, economic, environmental and in relation to employment—that we have seen on this issue. One way or another, the government is on a mission to get to Copenhagen with a determination from Australia, which it should expect out of the Senate. There should be a result. Senator Xenophon’s proposal does bear on the subtext in this place, which is a potential double dissolution election. That is also being put in front of the interests of the planet, in front of the interests of future generations and in front of us getting on with the business of greening the economy and creating the 800,000 to one million jobs that would come out of that restructure, as the Greens propose it. Double dissolution potential if, come August, this gets voted down would move to March—that is what is concentrating the minds of the opposition.

It is just not acceptable for the opposition to say, ‘We want to go out of this place not having voted on this legislation.’ At least Senator Xenophon is saying, ‘I have some specific alternative inquiries I want to make.’ The opposition are not saying that. They are saying, after 13 years of pig ignorance on climate change, of having our heads stuck in the sand: ‘We want more of that.’ That is a failure for this nation. That is a failure of responsibility. It is a failure of intellect and integrity.

What we are seeing unfold here is a filibuster not just in terms of speechifying and presenting vacuous, repetitive ideas to the Senate, which we are going to see in the coming week, but through procedural moves that amount to nothing more than dishonesty because the opposition are not stating what they are about—that is, they are about not having a determination on climate change legislation. I can tell you that the people of Australia will not be impressed by that. It is no way to treat this Senate. But, even more importantly, it is also no way to treat the interests of Australians, who are galvanised by this issue, who want action on this issue and who want people to be able to state what their situation is—and the Greens have been the first to do that because this is an area of priority for us. We have made it clear, first of all the parties in this place, that the targets should be commensurate with the Bali roadmap and that we should be going to Copenhagen with an intention to reduce greenhouse gas emissions over 1990 levels by 40 per cent if the rest of the world will entertain similar action; and by 25 per cent if they will not. We have added to that. If you go for the 25 per cent, you can reduce greenhouse gas emissions in this country by the comparatively cheap alternative—instead of putting $16.5 billion into the big polluters, as the government legislation does—of ending the logging of forests and woodlands in this country and reducing greenhouse gas emissions by 20 per cent. That industry is not required, if you look at the wood needs of this nation. But we are not getting to that level of debate. What we are getting to here is boring procedural cat-and-mouse play for a political interest which is all to do with the next election and not with the future of this nation, and that is not good enough.

Senator XENOPHON (South Australia) (1.02 pm)—by leave—I seek leave to make a short explanation. In my contribution I should have indicated that Senator Minchin’s commitment was of course conditional upon the coalition’s motion with respect to these bills being delayed until after Copenhagen not succeeding. I apologise to Senator Minchin for not making that clear. I think that clarifies his position and clarifies my position.
Senator FIELDING (Victoria—Leader of the Family First Party) (1.02 pm)—I thought we had this debate yesterday. In fact, if people had seriously considered it yesterday, the vote would have been had yesterday. As I said yesterday, I am not interested in playing politics on this issue; I am interested in being very prudent. The government have made it absolutely clear that for good governance they need certain bills passed by 30 June, and what they are trying to do is play games rather than show good governance. They are trying to say, ‘Let’s get to the end of the week’ and then they will say, ‘Oh, quick, we’ve got these other bills to get through.’ They know what they are doing here. They know that they are supposed to manage business in a way that is conducive to good decision-making processes, and they have stuffed up. To be frank, it is left for the chamber to wait on them with nappies and tissues and to mop up after them. They have made a mistake; they have underestimated how much work has to be done here. Now they are trying to do things in reverse by covering the CPRS issue first. That will chew up a lot of time, and then there will be very little time left to deal with issues that we need to get through by 30 June.

I will make it quite clear that I do not take this issue of rearranging business lightly. Frankly, the government have failed. They are playing games, and I will not be part of the games that they are playing. It is prudent to cover first the issues that they have said need to be addressed and then, after those have been dealt with, get on with the CPRS.

Senator PARRY (Tasmania) (1.04 pm)—I was not going to speak but I have been summoned to speak because of Senator Evans’ commencement. Let us just go back to this: we could be dealing right now, right at this very minute, with the CPRS bills. That is what is scheduled for debate at this point in time. I did not speak when I got up because I thought it was a straightforward motion. Yesterday I did not waste half an hour and take up time with a suspension motion, nor did I today—and Senator Evans got up and spoke for 15 minutes. He wasted 15 minutes of the time for CPRS debate, and now it has gone around the chamber. Senator Minchin spoke only for five minutes; Senator Xenophon spoke for just under five minutes; Senator Fielding has done the same thing; Senator Brown spoke for slightly longer. But Senator Evans has taken up the most time in this debate.

We are keen to get back onto the CPRS now. Also, we have made it very clear that the opposition will not sit for extended hours this week, that we did not want to do it in any other week and that we would only do it if it was urgent legislation that had a start date of 1 July. We have facilitated this. I know the government are secretly happy that this motion has come forward, because they would have had to move a motion or come cap in hand and ask us to get back onto urgent legislation because they had run out of time. This is the crux of the matter: they have run out of time. So now we are going to get back onto the urgent legislation. We are going to transact the business of the Senate that is going to facilitate the 1 July start-up issues.

Also, Senator Brown indicated that this is a procedural debate and a time-wasting exercise. Through you, Mr President, I say to Senator Brown that this is not the case, because we have limited our time just to prosecuting our issue so that we can get back to legislation. With those words, let us bring back on the CPRS after this vote has been taken.

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

The Senate divided. [1.11 pm]

(The President—Senator the Hon. JJ Hogg)

Ayes........... 34
Noes........... 32
Majority........ 2

AYES

Adams, J. Back, C.J.
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.
Ferguson, A.B. Fielding, S.
Fierravanti-Wells, C. Fifield, M.P.
Fisher, M.J. Humphries, G.
Johnston, D. Joyce, B.
Kroger, H. Macdonald, I.
Mason, B.J. Minchin, N.H.
Nash, F. Parry, S.
Payne, M.A. Ronaldson, M.
Ryan, S.M. Scullion, N.G.
Troeth, J.M. Trood, R.B.
Williams, J.R. * Xenophon, N.

NOES

Arbib, M.V. Bilyk, C.L.
Bishop, T.M. Brown, B.J.
Brown, C.L. Cameron, D.N.
Carr, K.J. Collins, J.
Crossin, P.M. Farrell, D.E.
Faulkner, J.P. Feeney, D.
Forshaw, M.G. Furner, M.L.
Hanson-Young, S.C. Hogg, J.J.
Hurley, A. Hutchins, S.P.
Ludlam, S. Ludwig, J.W.
Marshall, G. McEwen, A.*
McLucas, J.E. Milne, C.
Moore, C. O’Brien, K.W.K.
Polley, H. Pratt, L.C.
Siewert, R. Sterle, G.
Wong, P. Wortley, D.

PAIRS

McGauran, J.J. Lundy, K.A.
Barnett, G. Stephens, U.
Brandis, G.H. Conroy, S.M.

* denotes teller

Question agreed to.

Consideration of Legislation

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (1.14 pm)—I move government business notice of motion No. 1, standing in the name of the Minister for Climate Change and Water, Senator Wong:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009, allowing it to be considered during this period of sittings.

Question agreed to.

CARBON POLLUTION REDUCTION SCHEME BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2009
AUSTRALIAN CLIMATE CHANGE REGULATORY AUTHORITY BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CHARGES-Customs) BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CHARGES-Excise) BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CHARGES-General) BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CPRS Fuel Credits) BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CPRS Fuel Credits) (CONSEQUENTIAL AMENDMENTS) BILL 2009
SECOND READING

Debate resumed from 22 June, on motion by Senator Faulkner:

That these bills be now read a second time.

upon which Senator Milne moved by way of amendment:

At the end of the motion, add: "provided that the Government first commits to entering the climate treaty negotiations at the end of 2009 with an unconditional commitment to reduce emissions by at least 25 per cent below 1990 levels by 2020 and a willingness to reduce emissions by 40 per cent below 1990 levels by 2020 in the context of a global treaty".

Senator SIEWERT (Western Australia) (1.14 pm)—Last night before we adjourned I was talking about the impact of the mining boom in Western Australia and the fact that it has not produced the sustainable economic growth that some people like to make out it has produced and the fact that in Western Australia we need to diversify. If we grasped the opportunity to develop new green-collar jobs based on sustainable industries such as renewable energies, we would be doing a great deal not only to address the issues around climate change but also to address sustainable economic development and a truly sustainable future for Western Australia—a future that does not then put at risk our biodiversity, our water resources, our fishing resources, our health or places such as Ningaloo that are desperately threatened by climate change.

I am desperately disappointed that people are not grasping this opportunity to develop a sustainable green economy in Western Australia, because they are doing the state a disservice. They are not looking to the future. They are not looking to help those in Western Australia who have missed out from the mining boom. As I articulated in my speech last night, it has not produced a sustainable and prosperous future for all Western Australians. There are significant numbers of Western Australians who have missed out, who have not been able to buy a house because prices have risen so high and who have not shared the increase in wages that those in the mining industry have gained from. Instead of looking to a new, sustainable green future, what is our West Australian government doing? It is investing even more money in clean coal in Collie.

The people in Collie know that they need to be looking to a future that involves renewable energies. Our state government do not recognise that. Unfortunately, they do not have the wit or the wisdom to realise just what we could do with $16 billion invested in a truly renewable, sustainable industry, instead of investing $16 billion in old industry. That is where we need to focus our efforts. We are supporting and subsidising the old fossil fuel industries that have contributed significantly to climate change. We are investing in old technology in the belief that somehow that may change the polluting practices of these industries, when of course it will not.

A significant interest that I hold dearly, not only as a West Australian but also as the portfolio holder on community services, is climate justice and looking at how responding to climate change gives us an opportunity to transform our economy so that it delivers for those people in the community who have continually missed out from the benefits of the mining boom and have not seen benefits
delivered to create a sustainable future for them. We believe that if we take a measured and proper approach to addressing climate change then we can create sustainable, job-creating industries, such as renewable energy, that will deliver green jobs and sustainable jobs into the future and that will help those who have missed out from the benefits of the boom. We can create new jobs and new employment opportunities for the whole of our community. We also need to be—

Senator Boswell—I wish someone would tell me what these new jobs are—put a name on them.

Senator SIEWERT—Senator Boswell, last night I did not interrupt you; I sat and listened. I disagreed with you but I did not interrupt you. You can do me the same courtesy, thank you.

Unfortunately, we are not grasping the opportunity that has been put forward through, for example, the EASI scheme, the energy efficiency access and savings initiative, which Senator Milne has been proposing for many years. It shows what we can do if we invest significantly in alternative schemes that look at how to make our homes more energy efficient, particularly homes in low-income areas and rental homes where people cannot afford to put energy efficiency measures in place. This makes sense not only from a social justice perspective but also from an economic perspective because the community and home owners invest and they see an economic return. Those sorts of issues just have not been factored into decision making. That is just one scheme that we could put in place.

We could be farming solar energy. We could be farming renewable energies. That not only contributes to a sustainable future in terms of energy production but also helps make our farming systems more sustainable. Unfortunately, as I was touching on in my speech last night, agriculture faces great threats from climate change as agricultural lands in some instances become more marginal. We need to look at alternative crops and we need to look at alternative sources of energy. If we can farm solar energy and renewable energy at the same time then not only does that benefit the economy and climate change; it actually makes our farming systems more sustainable. Unfortunately, we seem to lack the vision to put these alternative futures in place. We see this government focus on continuing the same old same old. We see it continue to support the fossil fuel industry, putting all our bucks and all our futures into clean coal. It is a bad bet by this government to invest in unproven technology when we know what we can do in this country with renewable energies.

In the seventies and eighties my home state of Western Australia was a leader in the development of solar energy. That has all gone offshore because we did not have the wit or wisdom to invest in that technology. It went overseas to China and Germany, who are doing very well, thank you very much, out of the technology that we generated. Even today, the technology that we are working on is still being taken up overseas because we are not investing. We are closing down schemes—two schemes in the last two weeks. A scheme a week is being closed down: the solar panels scheme last week and the remote community energy systems scheme this week. That is a very significant blow to industries that should now be thriving but are essentially fledgling industries because we have not invested in them.

My home state of Western Australia should be the home of solar technology for the world, and it is not because we have not invested in or developed that industry. We have to go cap in hand for small grants all over the place. How about $16 billion worth of investment in renewable energies? Then
we would see a significantly different future for this country. We would lead the world. We would be an economic powerhouse in renewable energies. We are not, because we have never developed that. We have never seen that future. Australia needs to get beyond that limited way of thinking, actually grasp the future and be a leader in terms of renewable energies, alternative jobs and environmental technologies. We can do that and we should be doing that, but we are not because we are bound with old-world thinking. It is time to get out of it.

The Carbon Pollution Reduction Scheme Bill 2009—the ‘continue polluting regardless scheme’, as it is known in some places in Western Australia—needs significant amendment to make it work. Providing $16 billion worth of subsidies to the old industries is not the way of the future. Get out of the old way of thinking and grasp the opportunity that this presents. We will be not only addressing the impacts of climate change but providing a new economic future, a new green deal, for this country—not only for my home state of Western Australia, which needs alternative developments beyond the mining boom, because we have seen how fragile that is. We have been relying on that as if it is going to go on forever. Well, it is not. We need a broader base. This provides us with the opportunity. As well as addressing climate change, we can truly address a new, green economy that provides sustainable jobs into the future that are not reliant on polluting industries and polluting the atmosphere and that take account of the environment and look after the environment as well as the people. We need to be embracing it from an economic, environmental and social justice perspective.

It is not beyond us—it is not beyond this place—to actually grasp that opportunity, but it is slipping through our fingers. If we do not address it now, when will we address it? We did not address it in the good times, and now we are being told, ‘Oh, you can’t address it in the bad times.’ In other words, we are never prepared to address it. We let those opportunities go by when the economy was in a so-called boom. We did not need to do it then: ‘Oh, you’ll interrupt industry and the economy.’ Now the economy is in a bad state; we cannot address it now! Now is the very time we can address it, because it can provide us with an alternative future. We need to wake up, see that and build a strong, resilient, sustainable economy.

I urge the Senate to look at the amendments that the Greens are putting forward and to grasp the nettle in terms of putting in place real, solid targets. That is what we need. We need to be addressing real, solid targets and not giving away $16 billion worth of freebies to the old industries when we can be giving $16 billion worth of support to renewable, sustainable industries. That is the future. Australia can grasp the future or it can lag behind. My vote is with the future. I know our children’s votes are with the future. I know that we can be leaders in the world by putting forward a truly sustainable scheme. We can lead the world rather than being followers. Being followers will not only leave our children in a worse situation but open the planet to catastrophic, runaway climate change, and this planet cannot afford that.

Senator RONALDSON (Victoria) (1.25 pm)—I agree with Senator Siewert—for whom I have a great deal of respect on a personal basis—that this debate is about the future. I have real issues about how she wants to get there and how the Greens want to get there, but this is a debate about the future. I thought that it was fascinating to hear today Senator Evans, the Leader of the Government in the Senate, talking about the debate surrounding whether the Carbon Pollution Reduction Scheme Bill 2009 and re-
lated bills were going to be debated this week or, indeed, finalised in August. I will take the opportunity to quote Senator Xenophon, and I agree with him absolutely. I hope that I am quoting him correctly from this morning, when he said, ‘We ought to get the design right.’

On what Senator Siewert said today about the future, there is a lot at stake with the joint decision of the chambers of the parliament—the Senate and the other place. The ramifications of the decisions that will be made by those two chambers in relation to this matter are enormous. They are significant in an environmental sense, but they are equally significant in an economic sense. I do not think that is what Senator Siewert was talking about, but that is what I want to talk about today: the significance in an economic sense.

It makes absolutely no sense to me at all that we have taken up close to three-quarters of an hour—nearly an hour—this week, on a rough calculation, deciding whether these bills should be debated this week, because, for those in the gallery and those listening today, this scheme does not start for approximately, I think, 737 days. It is now 23 June. This scheme does not start until 1 July 2011. I am sure there are people in the gallery and people listening today who would have heard Senator Evans talk about whether these bills should be debated today and wondered, ‘What on earth is he on about?’ It is two years and seven days before this scheme is due to start. If it were to start on 1 September, I could understand the government’s urgency. If it were to start even on 1 January, I could understand the government’s urgency. But it is to start on 1 July 2011.

At stake here is our ability to guarantee our children and grandchildren the sort of country and economy that will maximise their chances of having a job and a future. How can it be that the government is opposed to an independent assessment, as Senator Xenophon also talked about today, with some economic modelling that will test the government’s and Treasury’s views on the potential economic outcomes of this? The notion that you can divorce the environment from the economy is a quite remarkable policy and practical approach, because you cannot divorce the two. It is impossible to divorce the two because if you go down that path you are putting the future of this country at very, very grave risk.

The other matter I find quite remarkable is that the rest of the world is going to be debating this very issue in about five months time. The rest of the world is going to ultimately make a global decision about what we are going to do. I would, again, put the perspective of when the government’s scheme is due to start—1 July 2011. The Howard government had an ETS policy so, in that regard, we have very much shown our policy and environmental hand. But the one other elephant in the room, which is still there, is the impact on our economy and the impact on the ability of our kids and grandkids to have a decent standard of living. How can it be that the government is trying to force this legislation through? How can the community—the mums, dads, aunts, uncles and grandparents out there—be satisfied that what this parliament is doing will sustain the long-term economic future of this country and everyone who lives here?

I personally believe that this issue should be addressed. If there is a risk then I believe we should ameliorate that risk. I am not in the Chicken Little camp, but I do understand that we have a responsibility to ameliorate risks if they are there. But that has to be based on sound evidence. That cannot be based on a Chicken Little approach to this issue. If this whole debate is seen in a context where the environmental debate is run with the economic debate then you can do
nothing other than approach this in a rea-
soned and rational manner. The global lead-
ers have made the decision that this is a sub-
stantial issue. The coalition have made it quite clear that we believe this is a substan-
tial issue. We have been proactive in a policy sense in relation to this debate. But what we cannot understand is how the government can possibly be prepared to put this country’s future at risk without an appropriate investi-
gation of the economic ramifications.

The members for Goldstein, Flinders and Groom, who have been running this debate on behalf of the opposition, have in my view put forward a rational and reasoned position in relation to the timetable for these debates. I have heard government backbenchers and others over this debate insinuate that we must go to Copenhagen with legislation. The Executive Secretary of the United Nations Framework Convention on Climate Change has revealed that the UN does not require countries to have legislation in place before the Copenhagen meeting. So why is it that this government is in such an incredible rush to put legislation in place before the world leaders get together and have a global solu-
tion to this issue?

I think it is becoming clearer and clearer: this is actually about politics, not about pol-
icy. I fail to see how the Australian commu-
nity, when given all the evidence in relation to this debate, can form a view other than that this is about politics, not policy. Surely it is incumbent upon a national government heading into such an important area, and such an important policy debate, to make sure that it has all the ducks lined up in relation to the impact on this country. Surely it is one of the basic responsibilities of any gov-
ernment to make sure that what it does is right. I suspect that this is probably the most significant piece of legislation that this chamber and the other place will debate in the next decade—possibly in the next two decades. Surely it is incumbent upon us to make absolutely sure that what we are doing is right, because not to do so would be the most appalling abrogation of the responsi-
bilities that the Australian people have given us.

We are in a remarkably privileged position and we come to this place with different phi-
losophical views. Senator Xenophon has a certain philosophical view, Senator Fielding has, the Greens have. I do not agree with the Greens probably 95 per cent of the time, but they have a philosophical view and they have been elected to this place and they are enti-
tled to express that view, as is the Australian Labor Party and as are the Liberal and Na-
tional parties. But when we come in here with those different philosophical views we are required—it is requirement that has been forced upon us, quite rightly, by the position we hold—to make sure that what we do is in the best interests of the Australian people. If we abrogate that responsibility then we should not be here. If we are prepared to put at risk potentially the economic strength of this nation and therefore the standard of liv-
ing of those who are too young at the mo-
ment to have a vote or who have not been born, then that is a monstrous albatross that we would wear around our necks for the rest of our days, both while we are here but probably more importantly when those of us who are here now are no longer here.

This debate should not be finalised until we know what the rest of the world is doing. It is bizarre that a country which I think is responsible for about 1.2 per cent or 1.4 per cent of the world’s global emissions is getting itself so far out there without having done the appropriate economic modelling, without having done the homework, with a series of regulations that still have not been finalised and will not be finalised until the middle of August, and that we are required to take the government on trust in relation to
what those regulations might contain. We are required to take on trust on behalf of the Australian community the views of a minister, one person, in this place. Well, I am not prepared to do that. I have three children, who are 19, 22 and 24, and it is my fervent hope that at some stage they will have children of their own. I am not prepared to come in here and abrogate the responsibility I owe to my own children but more importantly to the children of every other Australian.

One of the great strengths of this country is the strength of our regions. From a parochial Victorian point of view I talk about the Bendigos, the Ballarats and the Geelong. I will talk about the fundamental requirement for us in this place to protect the regions, to protect regional and rural Australians, to give those kids the same opportunities that their city cousins have. There should not be one person in this chamber who is not aware of the report commissioned by the New South Wales government, a Labor government, which said that the biggest impact of the government’s current scheme will be upon Australia’s regions; in fact a 20 per cent reduction potentially in the economic activity in those regions. I ask you, Madam Acting Deputy President, which areas suffer first in and economic downturn and last into economic upturn? It is the regions. They are the very regions that sustain the rural sector of this great country of ours. First into recession, last into growth. There is a fragility within those regions that you do not see in the major cities.

I am very proudly a fifth-generation resident of Ballarat; our kids are the sixth generation. My family were very actively involved in the manufacturing sector. I am the very proud patron senator for the seats of Corangamite and Corio. Within those seats are some of the most at-risk industries in this country. I believe Geelong has the largest carbon footprint of any region in Australia. We are talking about Alcoa; we are talking about cement; we are talking about motor vehicles; we are talking on the New South Wales government report, the Frontier report I think it was called. We are talking a minimum of 700 jobs in Geelong—700 jobs that we are required to do what we can to protect. Yet we have this disgraceful performance in this chamber this week where we are trying to rush through legislation that will not start for two years and seven days.

The Labor Party wonders why we are opposed to this course of action. I will tell you why we are opposed to it: because we believe in the fundamental right of the Australian people to have a standard of living that they deserve and that we can afford. If we are prepared to go down this path without having done the appropriate homework to guarantee and maximise that, then, quite frankly, we should not be here. I want the Australian Labor Party and I wanted Darren Cheeseman, the member for Corangamite, and Richard Marles to go and tell the people of Geelong why they are not prepared to stand up for those 700 jobs, why they are not prepared to make sure that what is done is done properly. And how can it be that the parliamentary secretary, now Minister Assisting the Minister for Climate Change, Mr Combet, made it quite clear in an interview that not one member of the Australian Labor Party had been to him to discuss jobs? Not one member of the Australian Labor Party had been to him to discuss jobs and the jobs ramifications of the government scheme. Yet Mr Marles was in the Geelong Advertiser saying that he had. One of them has not been truthful.

Where is Mr Darren Cheeseman in this debate? Why is Mr Cheeseman not standing up for the people of Geelong? Why isn’t he out there saying to the government that this is simply not acceptable until we know where the world is going? I find it remark-
able that the potential legislation of the leader of the world’s greatest economy is miles away from the Rudd government’s legislation. We have got to get to Copenhagen, we have got to have a global view on this and we cannot abrogate our responsibility to the Australian people by putting in place legislation until we are absolutely sure that the rest of the world is committed to a course of action that will not damn this country’s industries and its workers to oblivion.

Senator HANSON-YOUNG (South Australia) (1.46 pm)—I rise to speak to the government’s Carbon Pollution Reduction Scheme Bill 2009 and indicate my disappointment with the approach the Rudd government has taken, particularly when we have seen 12 years of disastrous inaction from the coalition, who continue to ignore the need for urgent action and in some cases continue to espouse climate change scepticism.

The Greens cannot and will not support a scheme that is environmentally ineffective and economically inefficient. What we are prepared to support is an unconditional commitment to a 25 per cent target, the bare minimum that is required by science and the global community and which would go some way towards repairing the damage of years of inaction, ignorance and cynicism that we have inflicted on our planet and future generations. Sadly, the government is not listening to the science or the community, continuing to promote its five per cent target as the most ideal and economically responsible model to combat climate change. Clearly it is not. My colleague Senator Christine Milne has highlighted on a number of occasions that committing to a minimum five per cent target is worse than useless when 25 per cent is the bare minimum required by science and the global community. This legislation, with its pathetic five per cent target, is locking us in to fail: we are failing to take action that is needed, failing to clean up the mess that has been created and failing to commit to a leading role in assisting those communities and countries hardest hit by the effects of climate change in terms of water and food security, sea level rise and extreme weather events.

Given we are already seeing the effects of climate change on our Pacific neighbours, with the people of Tuvalu and Kiribati already facing sea level rise and the prospect of being forced to migrate as their homelands become uninhabitable, when will the Australian government stop thinking about the profits of the big polluters and start focusing on the social, economic and environmental costs to the global community? Our Pacific island neighbours have made virtually no contribution to greenhouse pollution yet they are now faced with becoming the first victims of climate change, with the Stern report estimating that close to 200 million people could be displaced by climate change by 2050. We must be doing more. If the British government can produce a map of regions likely to be at risk from floods due to increased sea level rise from climate change then surely the Australian government must follow suit, particularly given we are seeing the islands in the Pacific sinking before our eyes. Predictions of flooding and erosion of our coastal towns and cities as a result of sea level rise leave little to be desired for Australia families living on the eastern seaboard and in my home town of Adelaide.

As I said in my inaugural speech in this place almost a year ago, we must see an end to the mantra of business as usual. We need decisive and immediate action to alleviate greenhouse gas emissions and we must see a greater commitment to reducing emissions and setting realistic targets that will go some way towards reducing the extent and severity of the impacts of climate change. Surely the thinking people on all sides of politics would be of the same opinion, that the world we are
currently living in just is not sustainable. We need a transformation and a willingness to do things differently and we must listen to the concerns and views of our young people, who have inherited a planet much less fortunate than the one inherited by many of those who sit in this place and who will be the ones who are forced to sweep up the mess of inaction and ineffective policy.

It is always most interesting to find that the biggest climate change sceptics and critics out there are the ones who will not be around to deal with the consequences of ineffective policy. It is the future of our young Australians that is at stake. As the youngest member of this chamber, I stand here today voicing my concerns for the young people I am here to represent. I am standing up to say, ‘Let’s challenge “business as usual”; let’s recognise that Australia can make the transition from a resource dependent economy to a clean, green and clever economy, to a new way of thinking that puts respect for each other and respect for the environment at the centre of politics.’

Climate change will impact significantly on the poorest and most disadvantaged in our communities, particularly those living in developing countries and regions. The most vulnerable to the effect of climate change are women and children. They are most likely to be displaced, to suffer from a lack of food and water security and to be caught in the crossfire of conflict as the fight over the world’s precious resources intensifies. But in communities right around the world and here in Australia, women and young people are leading the way in helping to organise their communities to mitigate climate change, to change their daily lives to become more energy efficient and to educate each other in the best ways forward to protect the future of their own children and future generations.

When we hear stories of women and children working to alleviate the effects of climate change in their individual communities, it is utterly astonishing to think that the government, which is already giving $7.4 billion in compensation to Australia’s biggest polluters, just wants to give them even more. Every dollar that compensates polluters is a dollar less for the community and a dollar less for fighting the real effects of climate change.

The Rudd government was elected in 2007 on the back of a promise to take real action on climate change by transforming and transitioning Australia into a low-carbon economy. Yet what we see before us today is a flawed policy and a policy that the Greens simply cannot accept. As a mother and a young woman, I have many years ahead of me and I feel a deep obligation to work for a cleaner, greener and more secure planet than was left for me. I have no other choice but to ensure that I work as hard as I possibly can to help my local community and my global community work towards being a safer, fairer, healthier and happier place to live.

In 2050 I will be 69 and my daughter will be 43, and I shudder to think what type of planet we will be living on if we do not make the deep cuts to emissions we know are needed now. For those of us participating in this historic debate this week, knowing the facts, the science and the need for action, we must take responsibility and make the changes necessary to avoid dangerous climate change. As representatives of our com-
munity, we cannot claim after the fact that we did not know. We have been warned, and the failure to act is the failure that this government will carry for years to come. I for one will ensure that my daughter knows that I am trying to do everything that I can and that hundreds of thousands of mothers and fathers around the country are doing just the same. We all want to help protect the future of our children and the future of young Australians. This legislation is only halfway there.

Debate (on motion by Senator Chris Evans) adjourned.

Ordered that the resumption of the debate be made an order of the day for a later hour.

**Sitting suspended from 1.55 pm to 2.00 pm**

**QUESTIONS WITHOUT NOTICE**

**OzCar**

Senator ABETZ (2.00 pm)—My question is to the Minister representing the Treasurer, Senator Sherry. Will the minister advise who provided Senator Doug Cameron with the Department of the Treasury emails that Senator Cameron tabled in Friday’s economics committee hearing?

Senator SHERRY—The short answer is: I have no idea.

Senator ABETZ—Mr President, I ask a supplementary question. Could I compliment the minister on his acknowledgement that he has no idea. I request that the minister advise the Senate—and he will undoubtedly need to take this on notice—of all communications between the Treasurer’s office, the Treasury, and Senator Cameron regarding the tabling of these emails.

Senator SHERRY—I am happy to take it on notice, but my understanding is that the Auditor-General will be investigating these matters. I certainly hope that the Auditor-General and the Federal Police investigate that false email you were flashing around in the Senate committee last Friday. I certainly hope you cooperate with the Auditor-General and the Federal Police, Senator Abetz, about the source of that false email, based on which the Leader of the Opposition, Mr Turnbull, made the most outrageous accusations against the Prime Minister of this country—which turned out to be false. You, Senator Abetz, and the wiser head of Senator Minchin should advise Mr Turnbull that it is about time he resigned as opposition leader, given the critique from last week. But certainly, Senator Abetz, given your tactical involvement in the masterstroke of last week, I think you should consider your position as well. (Time expired)

**Employment**

Senator JACINTA COLLINS (2.04 pm)—My question is to the Minister for Employment Participation and the Minister Assisting the Prime Minister on Government
Service Delivery, Senator Arbib. Minister, can you confirm to the Senate that since the global downturn that began late last year, the Rudd government has been taking action to support jobs and to cushion Australia from the full impact of the global recession by stepping in early and taking decisive action? Can you also confirm that, following the government’s stimulus packages last year and the Nation Building and Jobs Plan announced in February, the government also announced in April that seven priority areas would receive additional assistance through the appointment of local employment coordinators, and that this involved experienced Department of Education, Employment and Workplace Relations staff working in the role immediately, until the permanent coordinators were in place? Minister, can you please update the Senate on the progress of this very important initiative?

Senator ARBIB—I thank Senator Collins for that important question. It is important because obviously Australia is facing the worst economic downturn since the Depression. Importantly, there are some Australian communities which are doing it worse than others and have been more affected. These communities need extra support to avoid the misery that often comes with long-term unemployment. That is why in April the government announced it would provide additional assistance to seven priority areas which have been hit hard by the global recession.

Opposition senators interjecting—

Senator ARBIB—Senators on the other side may not want to hear this, but it is important because it is regarding local employment strategies. Maybe the Liberal Party do not care about jobs—they have no jobs plan—but I would hope that they would want to hear some of the good news that is going on in communities. Given that there was no time to lose, the government put in place seven priority areas that have been hardest hit by the global recession. We immediately started the search for local coordinators who could be involved in local plans and strategies to pull together job opportunities with local business, small business and, of course, government departments. To get things going, straightaway we put in place interim local employment coordinators. They have been working hard over the past months.

Today I can announce to the Senate that we have appointed seven permanent local employment coordinators. They are: Canberra-Bankstown, Mark King; the Illawarra, Jane Robinson; Ipswich-Logan, Samantha Wilson; South Eastern Melbourne, Keith Pimblett; Northern and Western Adelaide, Pippa Webb; South West Perth, Jon McLlhone; and Northern Tasmania, Geoff Speers. We are also in the process of making appointments in the Richmond-Tweed and Clarence Valley and also the mid-North coast of New South Wales. I would like to congratulate those coordinators who have been appointed and I commend them on the work that is going to be undertaken over the next 12 months. (Time expired)

Senator JACINTA COLLINS—Mr President, I ask a supplementary question. I thank the minister for that answer. It is certainly pleasing to note that these coordinators will be on the ground from now on. But, given the significant challenges that they will be experiencing in these difficult economic times, can the minister provide any further information for the benefit of senators on the kind of work these employment coordinators will be engaged in?

Senator ARBIB—Thank you again, Senator, for that question. You are 100 per cent right: the work they will be undertaking is absolutely significant. The key at the moment for these coordinators is to take a
whole-of-government approach. While senators from the Liberal Party have no plan for jobs—their leader has been in place now for 280 days and there is no plan for jobs—we do have a plan for jobs. On one side, these coordinators will be working with government departments on the stimulus package—working with local builders, contractors and small business, who are putting together those new libraries, new classrooms and new halls. At the same time, they will be working with local councils. A big section of the stimulus package, which the other side of the chamber do not want to talk about, are the local community projects that are underway right now—the projects that some members of the Liberal Party, like Joanna Gash, give the thumbs up to but which Liberal senators voted against. (Time expired)

Senator JACINTA COLLINS—Mr President, I ask a further supplementary question. I thank the minister for his response but I wish to ask a further question in relation to the local employment coordinators and the Nation Building and Jobs Plan. Given that the Nation Building and Jobs Plan is providing work opportunities across our nation, with construction work at schools, houses, road and rail projects, and installing ceiling insulation, and noting that this comes on top of the action the government has taken in doubling and tripling the first home owners grant to stimulate the building and housing construction industry, can the minister explain to the Senate how the work of local employment coordinators will link with all of these government initiatives?

Senator ARBIB—Thank you again, Senator, for that question. As I was saying before I was interrupted, the local employment coordinators will be working with the schools, with the local state departments of housing, with small business and with big employers in the regions. This is what the jobs plan is about. At the same time, they will also be working to establish Jobs Fund projects in those areas. There is also the $41 million Innovation Fund. In addition, they will be working within the Jobs and Training Compact, ‘learn or earn’, which the government has put in place for young people. On top of that, there is the redundancy compact to ensure that people who lose their jobs get immediate access to Job Services Australia. Under the previous government, it took months to get access to personalised service; now you get it automatically—direct access to stream 2. On this side of the chamber, we the Labor Party have a jobs plan. The other side has no plan. (Time expired)

Building the Education Revolution Program

Senator MASON (2.11 pm)—My question is to the Minister representing the Minister for Education, Senator Carr. I ask whether the minister recalls, in answering a question from Senator Feeney last week, saying: Construction is always a low-bid industry, and in the difficult economic times competition becomes even more intense.

Can the minister now guarantee that, for every project funded by the Building the Education Revolution, the Commonwealth government is ensuring a competitive tender process is undertaken and the most competitive quotes are being awarded contracts?

Senator CARR—The question of the Building the Education Revolution is a question that has preoccupied the opposition in recent times. In the context where they have actually opposed every single part of that program yet have sought to ingratiate themselves with local communities at every stage of that program, it is somewhat inconsistent for the opposition to be concerned about these matters in the manner in which they are. I have indicated on a previous occasion that there are 9½ thousand schools, Senator Mason, that are benefiting from this pro-
gram. There are a quarter of a million teachers whose jobs will be able to be undertaken more effectively as a result of this program. There are 3½ million primary and secondary students across this nation who are getting direct benefits from this program. This program is funding over 20,000 infrastructure projects valued at over $10.45 billion.

When it comes to the arrangements for the actual funding of individual programs, a template is in place for the consideration of particular projects. There is very, very extensive consultation with school communities to ensure that appropriate arrangements are made and that the funds are used efficiently and effectively.

Senator Mason—Mr President, I rise on a point of order. I know Senator Carr is trying, but there is less than 30 seconds to go and the word ‘tender’ has not even emerged.

Senator Ludwig—Mr President, on the point of order: the issue of relevance was not raised. It seems to be that you can now jump to your feet, argue, raise matters of debate and then use the device—

Senator Ian Macdonald—What has this got to do with the point of order? Sit him down.

Senator Ludwig—I am talking on the point of order. In respect of this, all that was raised was the issue of the word ‘tender’. It might be a tender moment for Senator Mason, but it is not a point of order. It is not a matter that he should use to complain about. If he wants to raise something, Senator Mason should say what the ground or the point is and then argue that point.

The President—Senator Carr, I draw your attention to the question. You have 23 seconds remaining to answer the question.

Senator Carr—Each of the states and territories is responsible for the management of projects within their jurisdiction. Tenders are sought outside of the templates for managing contractors who will hire subcontractors in local areas to undertake the work. There will be project management of a number of projects across a particular region. Quotes or tenders are sought for individual projects. (Time expired)

Senator Mason—Mr President, I ask a supplementary question. I thank the minister for his answer. Will the minister assure the Senate that in every instance state governments are calling open, competitive tenders for projects funded under the BER?

Senator Carr—I have indicated to the Senate now on numerous occasions that there are templates established to provide initial estimates which are provided to the Commonwealth based on extensive experience of state and territory governments. This project aims to get work out of the door quickly as part of a stimulus arrangement to ensure that work is provided for contractors, builders and workers in a local area, that individual tenders are sought from managing contractors at individual firms and to ensure that there is an opportunity for local workers to be engaged at fair and reasonable prices, to ensure appropriate value for money for the Commonwealth and to protect public expenditures. Quotes or tenders are sought for individual projects. However, the approach varies from region to region within that broad administrative framework. Quotes will include some moneys allocated for contingencies, unforeseen problems with the site and so on and so forth. (Time expired)

Senator Mason—Mr President, I ask a further supplementary question. Are all schools participating in the BER provided with a full breakdown of costs for their projects? Are schools given the opportunity to negotiate variation claims by builders?

Senator Carr—Senator Mason, I trust that you are aware in any event—and if not
you should get a further briefing from the education department about these management questions—that the principle, as I have outlined, is that the costs are allocated on the basis of a template, which is based on extensive experience. Individual contracts are taken at the local school level, but the individual schools are involved in extensive consultations with their state authorities and with the Commonwealth where necessary to ensure that local needs are being met.

The costs that I have seen in some of the press reports—erroneously, I suggest, put there by Liberal Party persons—have been predicated on assumptions about different stages of the development of a project. The cost of a fully completed project is different from a project that is run to a lockup stage, which has been one of the flaws in the thinking that we have seen in some of these costs. There are standards that have to be maintained. There are quality provisions that have to be maintained. The Commonwealth is insisting on appropriate value for money for Commonwealth expenditure. (Time expired)

Automotive Industry

Senator CAMERON (2.17 pm)—My question is to the Minister for Innovation, Industry, Science and Research, Senator Carr. Can the minister update the Senate on the progress of the government’s A New Car Plan for a Greener Future? How are the car plan and other Commonwealth initiatives helping to maintain jobs and business activity in the automotive sector? What contribution has the small business and general business tax break made to restoring market confidence and boosting sales?

Senator CARR—I thank Senator Cameron for that question. The government’s priority since the day that we came to office has been to provide this vital industry with certainty. Even before the world was gripped by the recession, the car industry was facing acute pressures. That is why we announced A New Car Plan for a Greener Future in November last year. We took decisive action and, as a result, the Australian industry is now ahead of the game. Total vehicle sales and sales of Australian made vehicles both rose in May compared to April. Sales of commercial vehicles were especially strong. Industry observers attribute this to the government’s small business and general business tax break. It allows a 50 per cent bonus of tax reduction for assets purchased by small business. The Federal Chamber of Automotive Industries says:

The business tax break is proving extremely effective, providing a much needed boost to vehicle sales and stimulating economic activity.

The tax break allows small businesses to claim a deduction of some $28,590 on the purchase of a $60,000 vehicle plus their normal depreciation, which, in this example, would be some $14,295 over a full year. This is about providing the stimulus needed to keep people in work and to keep businesses going through the global downturn. There are more tough times ahead, but there is no question that the Australian car industry is heading in the right direction.

Senator CAMERON—Mr President, I ask a supplementary question. Can the minister inform the Senate how industry has responded to the government’s efforts to transform car making in Australia? What level of support does the A New Car Plan for a Greener Future enjoy amongst stakeholders, and how have workers and unions responded to the challenges facing the sector?

Senator CARR—We have set out to create in this industry a partnership based on mutual obligation. Managers, workers and the unions are all working closely with the government to produce the best possible outcome for the automotive industry. The research sector is also involved, including
through the Automotive Industry Innovation Council. The government’s investment of up to $6.2 billion in the car plan is expected to generate three times that amount of money in new industry investment. Everyone in the automotive sector is sharing in the sacrifices needed to maintain the skills and capacity until the economic upturn returns. This is a perfect illustration of what can be achieved through dialogue and cooperation. This is the key to the success of our industry policy and stands in sharp contrast to the position taken by the conservatives when—(Time expired)

Senator CAMERON—Mr President, I ask a further supplementary question. Can the minister explain to the Senate how the situation in Australia compares with experience overseas? How well are the domestic industry and the domestic market weathering the global recession? What further steps will the government take to maintain the momentum of reform and modernisation in the automotive industry, something that lot never did in their whole—(Time expired)

Senator CARR—Thank you, Senator Cameron. Thanks to our new car plan, the Australian industry is better placed than most to come through this difficult period in much stronger shape. General Motors has indicated that Holden will be an integral part of the new GM. This is especially significant, given the brutal effects of General Motors bankruptcy on workers, on suppliers and on dealers in the United States. The Automotive Transformation Scheme Bill is to be introduced to the House of Representatives this week, and it is designed to consolidate Australia’s advantage. This is a test for those opposite. Are they going to stop whingeing and wringing their hands, or are they going to support this legislation? Are they going to support this strategic industry? Are they going to support the tens of thousands of Australians who rely upon this industry for their livelihood? When are we going to hear from this opposition as to what they actually support rather than what they oppose? (Time expired)

Defence

Senator JOHNSTON (2.23 pm)—My question is to the Minister for Defence, Senator Faulkner. Both the white paper and the recent Defence budget were roundly criticised due to the lack of detail regarding costings for capability. There will be somewhere around $44.9 billion spent on planned new initiatives over the next decade, and $9.5 billion over the next four years. My question to the minister is: where is this money for the $44.9 billion of new initiatives and associated projects over the next decade coming from?

Senator FAULKNER—I think I explained to Senator Johnston yesterday when he asked me a similar question about the Defence budget that when the budget was announced the government delivered a new financial plan. I indicated that it would fully fund the Defence white paper, and I think I mentioned the figure of $308 billion that I expected to be spent over the decade. What I did not have an opportunity to do yesterday—and I do very much appreciate an opportunity to expand on this today, courtesy of the question that Senator Johnston has asked—was to speak about what I described as the second element of the government’s financial plan, which of course is its Strategic Reform Program. I can inform Senator Johnston through you, Mr President, that that program will cut wasteful Defence spending. The Strategic Reform Program, as well as other savings initiatives, will deliver around $20 billion in savings across the decade. And, I might say—and this is a very important point—that those savings will be reinvested back into priority Defence programs and capability acquisitions. (Time expired)
Senator JOHNSTON—Mr President, I ask a supplementary question. I thank the minister for that answer. Minister, you will recall that I mentioned $44.9 billion in the first question. Even if your $20 billion—or, actually, $18.2 billion—can be found in internal savings and the $10.8 billion is injected as new money as and by way of the three per cent every year, where is the remaining $16 billion coming from?

Senator FAULKNER—As the Department of Defence indicated at Senate estimates on, I think, 3 June, the estimated overall cost of buying the capabilities that were outlined in the white paper will be between $245 billion and $275 billion out to the year 2030. Officials at the table indicated at that time that the new funding model that the government has decided on will cover the cost of those acquisitions. The government, as Senator Johnston would know, has also made a commitment to grow the Defence budget in real terms by three per cent on average until 2017-18—(Time expired)

Senator JOHNSTON—Mr President, I ask a further supplementary question. Minister, there is the $20 billion in savings and the $10.8 billion in new money that you have set out. Yesterday you introduced $308 billion of expenditure over the next decade. Precisely where is the $308 billion coming from?

Senator FAULKNER—It is off budget funding, Senator, as I thought you would have realised—

Senator Johnston—So where’s it coming from?

Senator FAULKNER—Senator, the government’s commitment is budget funding for Defence to ensure that we have reform in Defence and to ensure that Australia gets the best possible Australian Defence Force that money can buy. I would suggest through you, Mr President, to Senator Johnston that that means there will be improved value for Australian taxpayers over the long term. This is something that Senator Johnston should appreciate if not celebrate.

Nation Building and Jobs Plan

Senator HANSON-YOUNG (2.29 pm)—My question today is to the Minister for Climate Change and Water, Senator Wong. Minister, of course, as a South Australian senator, you are aware of the dire state of South Australia’s Lower Lakes. During the negotiations and debate over the stimulus package back in February this year, $10 million for a bioremediation program was agreed to by the government as part of the Nation Building and Jobs Plan. Could the minister please update the chamber on where we are up to in implementing this program?

Senator WONG—Thank you, Senator Hanson-Young. My recollection is you raised this previously with my office and I understood they had indicated to you the status of that program. I will see if I can get further details. As you will recall, this bioremediation assistance was in addition to extant—although I cannot recall if they actually had started or not—plans by the South Australian government to put in place a bioremediation strategy in the Lower Lakes. In relation to the specific Commonwealth component, I will get the detailed information about that so I can give you a full answer on that issue.

Senator HANSON-YOUNG—Mr President, I ask a supplementary question. Thank you, Minister. My recollection is that this was part of the Nation Building and Jobs Plan and was written up as so in the budget, where are we up to and where are the jobs that were promised for the communities on the Lower Lakes?
Senator WONG—You might recall there were a range of commitments given to the crossbenchers in the context of the Nation Building and Jobs Plan, negotiations which the government was quite willing to undertake with the crossbenchers but, let us remember, was required to because those opposite refused to support the package—yet again the 'just say no' tactics from the opposition. There were a range of propositions agreed with your party and there were a range of propositions agreed with Senator Xenophon, and some of those have already been announced. You might recall I have already announced stormwater funding, which was part of the discussions with Senator Xenophon. There are a range of other matters not in my portfolio that were also announced that the Treasurer agreed with the Greens. I am not sure really to what issue your question goes. We will continue to—(Time expired)

Senator HANSON-YOUNG—Mr President, I ask a further supplementary question. I thought I was pretty clear, but I will spell it out again. Part of the agreement was that the bioremediation program would be part of the jobs plan for that region. What I am asking is: where are those jobs and when will the minister make an announcement about where we are up to?

Senator WONG—And I said in relation to the $10 million—and I recall that there have been a range of discussions about this—I would come back to you with detailed information about that. It would have been very easy for you to pick up the phone and ask me this. I would have been very happy to provide you with the information, just as I have with Senator Xenophon when he has asked my office about the implementation of this package. As I said to you, I am happy to get further information and provide it to you.

Budget

Senator ADAMS (2.33 pm)—My question is to Minister Carr. There are thousands of rural and remote students who are undertaking a gap year under the current workforce participation criteria who now find they will not be eligible for independent youth allowance in 2010. Will the government reconsider the effect of the retrospectivity of their changes so that these students will be eligible for the youth allowance at the end of this year?

Senator Chris Evans—Mr President, I rise on a point of order. Senator Adams asked her question of Senator Carr but did not indicate whether she was asking him in his representative portfolio responsibilities—

Senator Ian Macdonald—What does it matter?

Senator Chris Evans—I am not sure that it is actually a question that goes to—well, I suspect it is supposed to be Minister Gillard's portfolios. I think clarifying which portfolio the question is directed at and whether in fact it has gone to the right person would assist Senator Adams. We just want to be clear who she is asking the question of and whether she has the right person.

Senator Abetz—Mr President, on the point of order: I think we all know that Senator Carr represents the Minister for Education, and the gap year and youth allowance are of vital interest to people who are hoping to further their education next year. The relevance to Senator Carr of the question was quite clear.

Senator Ludwig—Mr President, on the point of order: for clarification, Senator Abetz is correct that, in respect of the education department, Ms Gillard does have that portfolio. In relation to youth allowance and the payment of youth allowance, it is a working age payment, which comes within the portfolio responsibilities of the Minister for
Employment Participation, Senator Mark Arbib. So, if directed at the education portfolio about a youth allowance, as I think Senator Abetz highlighted, then it is definitely the wrong portfolio. The question should be to employment participation and should be directed to Senator Arbib—unfortunately for Senator Arbib!

Senator Abetz—Mr President, again on the point of order: the question related specifically to these students—’students’, Senator Ludwig—being eligible for the youth allowance at the end of this year. It is clearly related to students at university.

The PRESIDENT—I am going to call Senator Carr, as indicated, representing the Minister for Education.

Senator CARR—Thank you very much, Mr President. The government has made changes to the student income support provisions of the youth allowance in response to the Bradley review. That concentrated on the desire of the government to actually make the student support program more equitable, to provide support to more students, to assist particularly students from poorer families to go to university and to provide the support from the Commonwealth. Under the current scheme, the program allows for students from wealthier families to qualify for a higher independent rate of youth allowance through the work test, at the expense of students from needier families.

Senator Siewert interjecting—

Senator CARR—It might be all very well for the Greens to concentrate on their particular niche in the socioeconomic structures of this country. The Labor Party is in the business of providing equality of opportunity for students right across this country. An estimated 36 per cent of independent students living at home and receiving youth allowance came from families with incomes greater than $100,000, 10 per cent came from families with incomes above $200,000 and three per cent came from families with incomes above $300,000. Many students from families with total incomes between $32,000 and $42,000 currently miss out on the maximum rate of payment, and scholarships are limited. Of course, many needy students in this country miss out because of the misdirected policies of the—(Time expired)

Senator ADAMS—Mr President, I ask a supplementary question. Due to the unrealistic assets-testing regime, to receive the dependent category of youth allowance many tertiary students from lower- and middle-income families in rural and remote areas will be ineligible for either a relocation or start-up scholarship, because they do not qualify for a youth allowance. What assistance is the government going to offer these students?

Senator CARR—Sixty-eight thousand students from needier families will now be eligible to receive youth allowance as a result of the increase in the parental income test from $10,000 to $32,000, and from $42,000 with the tapered rates. What we have actually got here is a suggestion that we should not—

Senator Adams—Mr President, I rise on a point of order. The point is relevance: I have asked specifically about lower- and middle-income families in rural and remote areas who will be ineligible for either a relocation or a start-up scholarship because they do not qualify for youth allowance.

The PRESIDENT—Senator Carr, you have 34 seconds to address the question that has been asked by Senator Adams.

Senator CARR—On top of the scholarships that I have spoken of, rural and regional students under these arrangements will also receive additional assistance. Eligible students who have to move to go to uni-
versity will now receive a relocation scholarship of $4,000 for the first year of study and $1,000 in the years that follow. This means students will receive $6,254 in their first year and $3,254 in subsequent years. It is estimated that 14,200—(Time expired)

Senator ADAMS—I ask a further supplementary question. Given that there is no access assistance for rural and remote students, has the government given consideration to classifying rural and remote students as a separate, disadvantaged group?

Senator CARR—The presumption that the senator makes to me is just wrong, because there are special provisions—additional provisions, on top of the new scholarships and on top of the additional support for students in needier families—for those students in rural and regional areas to actually get additional support. It might be all right for you to defend the wealthy and for you to maintain the gross inequalities that occur in this country, but it is not all right for the Labor Party. We are not—

Senator Adams—Mr President, I rise on a point of order. Senator Carr, I ask you, once again, as a question of relevance: could you answer the question?

Senator Ludwig—On the point of order: what we have heard is first of all the opposition trying to bring a question into education when it is clearly within employment participation. However, notwithstanding that, Senator Carr is doing an excellent job answering the base question about how we are supporting regional and rural people. For the point of order to be taken now, to say that he is not answering that or that he is not being relevant to the question—I would respectfully remind those opposite that they should listen to the answer that is being given by Senator Carr, because he is being relevant to the point.

The PRESIDENT—Senator Carr, you have 27 seconds remaining to answer the question.

Senator CARR—It is well known that in rural and regional areas income is lower. Also, it has to be appreciated that our program is aimed at supporting people on lower incomes. It directly helps people in rural and regional areas. On top of that there is additional support, additional support for rural and regional students. We are in the business of helping all Australians, not just the wealthy, as your government was about.

Alcopops

Senator HURLEY (2.43 pm)—My question is to the Minister representing the Minister for Health and Ageing, Senator Ludwig. I note the coalition’s backflip over the government’s alcopops policy and I ask Senator Ludwig to update the Senate on the latest developments on the government’s alcopops policy and support for the measure.

Senator LUDWIG—I thank Senator Hurley for her question. I know Senator Hurley has a huge interest in tackling the scourge of binge drinking in our community. After months and months of siding with the distilling industry and going against the government’s plans to tackle the increasing problem of binge drinking, the opposition in the House of Representatives have finally seen the light. I note those on the opposite side here may not have seen the light. But maybe their yelling is really a symptom of the problem they now have. I do congratulate, though, the members of the House of Representatives for their decision yesterday to support the increased tax on premixed alcoholic drinks. But I note that not all of the coalition MPs in the other house agreed with the shadow minister’s memo, because some of them took the opportunity to vote against this important measure to deal with the
binge-drinking culture in our community. What we hear now—

Opposition senators interjecting—

Government senators interjecting—

The PRESIDENT—Order! Constant interjections on both sides are disorderly. Senator Ludwig is entitled to be heard.

Senator LUDWIG—The government’s alcopops policy has been backed by 80 per cent of the community health experts but not by those on the opposite side in the Senate. The Cancer Council of Australia joined the Rudd government in welcoming the opposition’s change of heart in the House. The CEO, Ian Olver, said, ‘Sales data showed that the alcopops tax was driving down net alcohol consumption, which on a population basis equates to reduced risk of alcohol related cancers.’ They have seen the light, but those opposite in the Senate are yet to find their feet on this. Yesterday, I congratulated those in the House. They found the nerve to support the reduction in binge drinking within our community. But four coalition members voted against it. How many more of those opposite are going to join with those four on the other side—(Time expired)

Senator HURLEY—Mr President, I ask a supplementary question. Can Senator Ludwig explain to the Senate how the Rudd government’s alcopops policy will support a comprehensive strategy to deal with the problem of binge drinking within the community?

Senator LUDWIG—I thank Senator Hur- ley for her supplementary question. After more than 12 months—

Opposition senators interjecting—

Government senators interjecting—

The PRESIDENT—Order, on both sides! As I have pointed out, interjections across

the chamber are disorderly. Senator Ludwig is entitled to be heard.

Senator LUDWIG—After 12 months of opportunistic delay and obstruction by those opposite, the coalition have finally seen the merit in supporting the reduction in binge drinking in our society. But what we now have is that the opposition in the Senate—and it seems to be led by those opposite—to deal with this bill in the Senate. They are not going to ensure that it is put on the program to be dealt with. Those opposite are now going to join with those four who did not support the bill and make sure that this bill does not get dealt with. That is what the opposition are now saying to this government. This government want this bill dealt with tomorrow as early as possible to ensure that we address the issues of binge drinking in our society. If you are going to stand up for your shadow minister in the House—(Time expired)

Senator HURLEY—Mr President, I ask a further supplementary question. Can Senator Ludwig inform the Senate how the Rudd government’s alcopops policy will support a comprehensive strategy to deal with the problem of binge drinking within the community?

Senator LUDWIG—Of course, on this side of the chamber we are committed to improving the health of all Australians no matter where they live. Those opposite in the House of Representatives, thankfully, have seen sense and support us in our pursuit of tackling binge drinking. The alcopops tax is one part of our overall plan on the national anti-binge-drinking strategy. But I encourage those opposite to rethink their current strategy in the Senate to ensure that the alcopops tax is dealt with in the Senate, because at the moment the motion that they passed today makes it plain that we cannot deal with the alcopops tax before we go home this week. If
those opposite want to support the bill, give us the indication and we will bring the bill on and have it dealt with. The simple message is that those opposite should support the alcopops tax. Stand up with your shadow minister and support it or tell us that you have joined the pack of four.

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the chamber of a parliamentary delegation from the Republic of the Philippines, led by the Hon. Prospero Nograles, Speaker of the Parliament. On behalf of all senators, I wish you a warm welcome to Australia and, in particular, to the Senate. With the concurrence of honourable senators, I invite the Speaker to take a seat on the floor of the Senate.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Laura Aboriginal Dance and Cultural Festival

Senator IAN MACDONALD (2.50 pm)—My question is to the Minister representing the Minister for Environment, Heritage and the Arts, Senator Wong. Minister, why is it that, after years of the Commonwealth government funding the Indigenous dance festival at Laura in Cape York Peninsula, the federal government has refused to fund the festival this year—held just last weekend?

Senator WONG—I thank the senator for his question. There are not many questions asked in the arts portfolio by the opposition, so I welcome the question. I am afraid I do not have that detailed information to hand. I am happy to seek—

Senator Abetz—That is why we don’t ask questions.

Senator WONG—There are so many responses to that, Senator Abetz, but I just thought it better not to go there. I will obtain some advice from Minister Garrett and provide it as soon as is possible.

Senator IAN MACDONALD—Mr President, I ask a supplementary question. Could I suggest to the minister that she might ask Senator McLucas, who was there. At that festival Mr Jim Turnour, the member for Leichhardt, said he and Senator McLucas were representing the federal government, and he said that the federal government wanted to ensure the continuing success of the festival so that the Commonwealth could help nurture and protect the culture of Indigenous people. I ask the minister, now that she has had a note from Senator McLucas: was Mr Turnour speaking the truth in that he was saying the federal government wanted to nurture the culture through this festival? If he was speaking the truth, why is it that the government did not provide the normal funding for the festival?

Senator WONG—This is an interesting day for an opposition senator to be talking to the government about speaking the truth. Here is an opposition whose leader called for the Prime Minister of the country to resign on the basis of an email that was found to be false and a forgery—

The PRESIDENT—Senator Wong, I draw your attention to the question.

Senator WONG—and you want to come in here and continue to throw smears at hardworking members of the government. I have no doubt that the member for Leichhardt as well as Senator McLucas will be putting the case for that community as strongly as they put other cases for the communities they represent. They are outstanding representatives of Far North Queensland in this parliament, and I am sure they will be putting their views very clearly to Minister Garrett and the government on this issue. But for you to come in here and yet
again suggest that somebody is not telling the truth really demonstrates that those on the other side have no strategy other than a low-rent strategy.

Senator IAN MACDONALD—Mr President, I ask a further supplementary question. If Senator McLucas and Mr Turnour are representing these people, why didn’t they, like me, write to the minister more than a month ago seeking this funding?

Senator Carr—It wasn’t a real letter! Did you really write it or did you get someone to fabricate it?

The PRESIDENT—Order! Senator Carr, Senator Macdonald is entitled to be heard in silence. Order on both sides!

Senator IAN MACDONALD—Why didn’t they make representations to the minister, as I did, for that funding? And, if they did make the representations, why were they unsuccessful in getting it? And why were they so hypocritical as to stand on the stage at the dance festival and pledge undying support for the festival when they have done nothing to get funding for the festival, funding which had been given by the previous coalition government for many, many years past?

Senator Chris Evans—The tactics committee must have been desperate today.

Senator Carr interjecting—

The PRESIDENT—Senator Carr, constant interjection is completely disorderly. Order!

Senator WONG—I have to say that, although there is stiff competition, I think Senator Macdonald wins the prize for the most relevance deprivation in this place. It is all about him, isn’t it? ‘I wrote a letter. I did this. It’s all about me.’ Senator, I am not sure this is the place for you to deal with those personal issues and your difficulty around the fact that you are not in government. I have said on this issue I am not aware of the detail of what funding has or has not been made available, and I will seek advice from Minister Garrett and provide an answer to the Senate. It is unfortunate that Senator Macdonald chooses to use question time to smear members of the government who cannot stand up in response to his question, but he is in fine company, because that is the way Mr Turnbull approaches these matters.

Government senators interjecting—

The PRESIDENT—Order on my right! Senator Macdonald is on his feet.

Senator Ian Macdonald—Mr President, on a point of order: I will not have this incompetent, dishonest minister impugning my integrity.

The PRESIDENT—You need to withdraw that word. You know the offending word.

Senator Ian Macdonald—Which one? ‘Incompetent’ or ‘dishonest’?

The PRESIDENT—You know the word you need to withdraw.

Senator Ian Macdonald—If it is ‘dishonest’—and what she has just said is entirely dishonest—and if you so call, I shall withdraw ‘dishonest’ and leave ‘incompetent’ and ‘duplicitous’ there.

Senator Carr—Mr President, on a point of order: ‘duplicitous’. I would put to you, is unparliamentary. The senator has not withdrawn that. He has no right to qualify his withdrawal for the use of unparliamentary language.

The PRESIDENT—I will look at the Hansard. There was a degree of noise in the chamber. I will look at the Hansard after question time and, if there is any need to come back to the chamber, I will.
Economy

Senator CAROL BROWN (2.57 pm)—My question is to the Assistant Treasurer, Senator Sherry. Can the Assistant Treasurer update the Senate on any new data regarding the world economic outlook and what this data means for Australia? In light of this new data, how is Australia faring compared to other economies both in our region and internationally? Can the Assistant Treasurer update the Senate on what actions the Rudd government has taken and continues to take to step in to fill the gap left by the private sector to stimulate the economy and support jobs and working families from the effects of this global recession? Why is it important to continue to take action such as the nation-building plan where the need exists to protect Australian jobs and working families?

Senator SHERRY—Overnight, the World Bank released their Global development finance report and, unfortunately, I have to inform the Senate it is not a particularly good read. The report updates the outlook for the global economy and more broadly looks at the actions required going forward for global recovery. In the report the World Bank has further downgraded its outlook for the global economy. As my colleagues and I have indicated on previous occasions—perhaps it was not appreciated by members of the Liberal and National parties opposite as much as you would hope—the world faces a financial and economic crisis, the worst crisis in some 75 years. The recent report expects global output now to decline by some 1.7 per cent in the year 2009. Unfortunately, that is considerably more than the World Bank forecast just three months ago.

Major advanced economies are in a deep recession. The World Bank is forecasting the US to decline by three per cent in 2009, the European area by 4.5 per cent and Japan by a massive 6.8 per cent. In highlighting the decline in the economy of such a country as Japan, it is obvious, of course, that it is one of our major trading partners. We are not immune from this world financial and economic crisis. When the economy of a major trading partner like Japan declines in its output by 6.8 per cent—which is a massive figure—Australia is inevitably affected by this world financial and economic crisis. But the Rudd Labor government has taken a range of decisive measures to cushion the Australian economy. (Time expired)

Senator CAROL BROWN—Mr President, I ask a supplementary question. Whilst it is clear that the global economy remains a serious concern and we are not yet out of the woods here in Australia, can the Assistant Treasurer update the Senate further on what impact the Rudd government’s stimulus actions will have on Australia’s economic and job security? Is the Assistant Treasurer aware of any alternative strategies to address the current economic conditions? What might have occurred to the Australian economy if the Rudd government had taken such an approach?

Senator SHERRY—On previous occasions—

Senator Abetz—Mr President, I raise a point of order. Questions are not allowed to be hypothetical. Whilst I do not have the exact wording in front of me, it did seem on listening to it that it was hypothetical. I would invite you to rule on that.

The PRESIDENT—I do not have the wording in front of me either. I will review that question and if needs be I will get back to the chamber.

Senator SHERRY—Despite that point of order, the government deals with the real issues of the day that require decisive action, not the hypothetical emails that Senator Abetz likes to flash around.
Senator Abetz—Or hypothetical travel allowance!

Senator SHERRY—An invented email, Senator Abetz.

The PRESIDENT—Order! Address your comments to the chair and ignore the other side, Senator Sherry.

Senator SHERRY—Senator Abetz should concern himself with the important issues of the day. I can report to the Senate what might have occurred if the Rudd Labor government had not implemented its decisive actions to support and cushion the Australian economy. I have referred to the $42 billion nation-building plan that we have implemented. You have only to look at the retail sector and the building and construction sector. We got some figures last week which showed that employment in the retail sector over the last six months actually increased. In other countries it has fallen off—(Time expired)

Senator CAROL BROWN—Mr President, I ask a further supplementary question. In light of the World Bank data the Assistant Treasurer has pointed to today, along with the dangerous alternative approaches to managing the current economic risks, is it important that the Australian government play a role in the international economic and regulatory measures to address the global financial crisis? What such actions have the Rudd government been taking? Is the alternative approach—to sit back, wait and do nothing—able to be reconciled with the need for international action? Can the Assistant Treasurer point to any other credible political parties in the world who have adopted this dangerous do-nothing strategy?

Senator SHERRY—The Treasurer last week released a recent Treasury estimate of the additional jobs that have been created by the decisive actions and policy decisions taken by the Rudd Labor government to cushion the Australian economy at this time of world financial and economic crisis. It is estimated that some 200,000 additional jobs have and will be created as a consequence of the decisive actions taken by the Rudd Labor government. I have been asked about alternative policies. It is very easy to outline alternative policies from the Liberal opposition: there aren’t any. Their view, at a time of a massive financial and economic crisis, is that you should do nothing—sit on your hands and knees, don’t try and cushion the Australian economy and don’t try to create jobs. And you claim to be the alternative government! (Time expired)

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Water

Senator WONG (South Australia—Minister for Climate Change and Water) (3.05 pm)—I have some further information in relation to the question asked by Senator Hanson-Young in question time today. I can advise that earlier this month the initial $250,000 contract was signed with the South Australian Department of Environment and Heritage to prepare a detailed project plan to be delivered by 30 June. I am also advised that the text of the second funding deed for the program as a whole is agreed with the South Australian Department of Environment and Heritage to prepare a detailed project plan to be delivered by 30 June. I can advise that earlier this month the initial $250,000 contract was signed with the South Australian Department of Environment and Heritage to prepare a detailed project plan to be delivered by 30 June. I am also advised that the text of the second funding deed for the program as a whole is agreed with the South Australian Department of Environment and Heritage, and when this has been signed it is intended to allow for payments to cover the balance of the program, including payments for some works already undertaken by South Australia this year, particularly aerial and machine seeding. I can also indicate that if the senator wishes to have any further briefing on details, I would be happy to provide it.
QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Budget

Senator WILLIAMS (New South Wales) (3.06 pm)—I move:

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

I would like to contribute to the debate on the very important issue raised by my colleague Senator Adams today in question time; the issue being the government’s changes to youth allowance handed down in the budget on 12 May this year. Coming as you do from a regional and rural area in South Australia, Mr Deputy President, you would be well aware of this issue too. The point I make is that this is the hottest issue that my office has ever had to handle in my brief time in this chamber.

There are two problems with this change to the youth allowance. The first one is how the government has changed the goalposts halfway through the game. Those students who have taken a gap year this year have gone out and found a job. Some I know have sacrificed a scholarship after Centrelink advisers told them they are better off to sacrifice a scholarship, take a gap year and declare independence from their parents. They are the first lot that are going to be severely damaged, if I could use that word, in this change of policy by the government. The situation is simple. Instead of them just taking the gap year and earning a gross wage of some $19,500, from memory, the government has changed the rules so that they must work for 30 hours a week for 18 months. So, under these regulations, those students planning to go to university in March next year for the start of the term now do not qualify for youth allowance. As I said, the government has changed the goalposts halfway through the game. Those people are livid. The parents are annoyed. As you would be well aware, Mr Deputy President, parents want the best thing in life for their children. They want a good education for their children, to see them go through year 12 and take a gap year. For them to be constrained from attending university and carrying out tertiary study is a complete knockdown for not only the students but also the parents.

I would like to refer to a letter I received from a person involved in the public sector. This lady makes it quite clear on one issue, and I will read it out to you:

Parents and students are all angry that the Government has changed the rules halfway through the game. As all the students have deferred their courses already, and I have checked with two Queensland universities, they cannot defer a second time. As a result they will have to surrender their place and take their chances at a second round, no guarantees they will be successful in obtaining their original choice.

What she is saying is that those who have to defer again may not get back into the university or the studies which they have already applied for and been accepted for. She goes on to say:

It would also mean that these children will be out of study for two years if they are forced to attempt to meet the 18 month two year full-time employment. They all feel betrayed and discriminated against.

My writer goes on to say:

Secondly, it will affect rural students and families the most as it is the biggest strain on these families to send their children to university, the major cost being the accommodation component. These families are not affluent, as suggested in a recent Australian newspaper article.

In answering a question today, Senator Carr referred to those in a niche market—those living out on properties, many of whom have suffered drought since early 2002. Many
parents have suffered the situation where there is no crop, where they have to buy fodder to keep their stock alive, where they get low yields with their wool and where they do not have the weaner cattle to sell off. These families are the niche market that the minister refers to. These are the ordinary people who wish to pursue a tertiary education. These are the future doctors and nurses, the future dentists and veterinary surgeons, the future lawyers et cetera. These essential services are required not only in the cities but in those rural and regional areas. I pay specific attention to nurses. With our ageing population, there is more demand for nurses, especially in aged-care facilities, let alone in hospitals and local medical practices. This is a really serious problem. How do we keep things going without enough nurses? I am sure this chamber is going to hear a lot more about this issue before the legislation comes into the Senate and we can get to work on correcting it.

Senator FARRELL (South Australia) (3.11 pm)—I think I heard Senator Williams mention some reference to regional South Australia. Obviously it has been some time since he has been into regional South Australia, because the people I talk to in regional South Australia tell me that what they were concerned about in relation to the previous government’s position on the youth allowance was that they were required to establish the issue of independence. That issue of independence generally was established because those students took a gap year. In other words, they artificially gave up their year after secondary school to go out and establish that issue of independence.

The key fact about Labor’s policy in this area is that there are something like 100,000 students who can now qualify for the youth allowance and who no longer have to establish that issue of independence. In other words, they do not have to go out and artificially try and establish that they are taking that gap year. Under the measure announced in the budget, young people can no longer prove that they are financially independent from their parents by working part-time or by earning $90,000 a year and then receive eligibility to the youth allowance after 18 months. Instead, they need to work at least 30 hours a week for 18 months out of 24 months since leaving school.

In an article in the *Australian* on 3 June, academic Professor Bruce Chapman states that the wide-ranging changes to student income support represent the most significant reforms to the system in 15 years. So here is Professor Chapman saying that the reforms made by this government, the Labor government, the government that does not fake emails, are the most significant reform in 15 years. His conclusion is:

The result is increased fairness in a system established to allow greater access to higher education for poorer students.

So that is what the system is all about; that is what Labor is all about. We heard Senator Carr talk about that in question time.

This is all about establishing a fairer system of youth allowance—removing the artificiality of the gap year system and establishing a fair system for young people to receive youth allowance. Professor Chapman went on to say that, under the old independence criteria, students could receive non-means tested income support after taking a gap year, even though being employed for an exceptionally high wage for a short period of time by a family member or a friend. That is all about the artificiality of the old system. We are putting an end to that artificiality. We are providing the youth allowance to 100,000 people who previously would not have qualified under that independence system.

Senator Nash—That is just rubbish.
Senator FARRELL—It is not rubbish at all. What is rubbish is your fake email. That is what is rubbish. What I am saying, Senator Nash, is that we have established a fair and honest system of youth allowance. That is what we have established and that is what we are doing.

Senator Marshall—You’re not making your computers available, are you?

The DEPUTY PRESIDENT—Order! Senator Marshall, I think you should give your colleague at least a chance to make his case without interjecting across the chamber.

Senator FARRELL—Thank you, Mr Deputy President. This is all about providing a fair system of youth allowance. We have removed that artificiality, particularly where people were able to be employed for a very short period of time for a high wage by, for example, a family member. (Time expired)

Senator NASH (New South Wales) (3.16 pm)—I rise to discuss the motion that the Senate take note of answers given by Senator Carr. What an extraordinary situation we saw today, with Senator Adams asking questions about changes to the youth allowance scheme and the effect on regional students, and the government side of this chamber simply not knowing where the question belonged. It was quite extraordinary. We had a very specific question here on regional students’ access to education, and the Leader of the Government in the Senate was jumping up and down saying, ‘We are really sorry; we do not know where this question has to go.’ They do not even know where this particular issue belongs on their side of this place. It is absolutely extraordinary.

Given the nature of this issue and how important it is to regional students and regional families, this just shows the complete disconnect that this Labor government has with regional communities. I am happy to inform the other side of this chamber that indeed Senator Carr was the appropriate minister to respond on behalf of the education minister, and I say that because he was also the appropriate person to deal with this matter in Senate estimates, which I think, Senator Adams, was only a couple of weeks ago. Our view was that Senator Carr was responsible for this particular youth allowance issue two weeks ago, and maybe things had not changed.

This is an incredibly serious issue. I do not think I have ever seen representation as overwhelming as this from a particular group as I am seeing now. In the four years I have been a senator and the about five years I worked on and off in this building before that, I have never seen such concern from rural and regional families over a particular issue. What did Senator Carr call it in Senate estimates? When he was asked about people automatically qualifying under the scheme and what would happen, he referred to it as political hysteria. I do not think that the concerns of rural and regional families out there demonstrate anything approximating political hysteria. These are very genuine concerns about a serious issue. Regardless of the protestations from the other side, this is seriously going to affect those students taking a gap year at the moment. I know those on the other side would say, ‘Well, it is just ill-informed families; once they realise what the changes actually mean they will understand they are just as well covered as they would have been under the previous system.’ That is complete rubbish. The parents of the students who are writing in to us know about the changes. They are very well aware of the changes and what they will mean to them. But they have realised that under this particular criteria they are going to fall outside the net.

These are students who finished school at the end of last year and who in good faith and on good advice chose to take a gap year
to qualify for the youth allowance under the $19,500 earning limit criteria. They were told by Centrelink, they were told by teachers and they were told by advisers that they should use this criterion to make sure they qualified to get that assistance they so desperately need. What do we see the Rudd Labor government do? They move the goalposts in the middle of the game. No matter what the Labor contribution has been up to now, they know absolutely full well that the students caught in the net are now in an invidious position—because the goalposts have moved, because that start date is going to be 1 January, they can no longer qualify for youth allowance under this criterion. They simply cannot do it. These are rural and regional families who, as my good colleague from Western Australia, Senator Adams, would know, have been suffering unbelievably from drought and debt for years and years and years and they simply want to make sure that they give their children the best possible start and the best possible access to tertiary education that they can.

What do we see from the Rudd Labor government? An absolute complete disregard for those regional students who, in good faith, embarked upon a course of action to qualify for the youth allowance under this criterion—an absolute disregard. The Labor line is simply, ‘Well, that’s okay; under the other arrangements they will fall under those measures and they will be catered for just the same.’ It is simply rubbish—they will not. Those rates will taper off. The $370 a week that they would have got under the youth allowance program under the previous arrangements simply will not exist for all the students currently on their gap year. The government should take responsibility for this and at the very least, amongst the other changes that need to be made, make sure that those gap year students from regional areas and from the cities wanting to go out to the regions are not caught in the net and that they fix this problem.

Senator WORTLEY (South Australia) (3.21 pm)—I welcome the opportunity to respond to this debate on the motion to take note of answers given by Senator Carr. In saying so, I would like to point out to the senators opposite that by delaying the implementation of this measure, over 100,000 Australian students will be worse off. The Bradley review found that current income support arrangements were poorly targeted, with not all support going to those most in need. I would encourage those senators opposite to have a look at the Bradley review and the findings of that review. The government’s response to the Bradley review of higher education will ensure that student income support payments are better targeted and that more assistance is provided to those students who need it most, including rural students.

For the senators opposite, let me point out a few things that they seem to have missed. The Bradley review found that 36 per cent of independent students living at home were from families with incomes above $100,000. It found also that 18 per cent of students in this situation came from families earning incomes above $150,000, and 10 per cent came from families earning incomes above $200,000. This government has accepted the recommendations of the review and has decided to take tough decisions to ensure that student income support payments are better targeted and that more assistance is provided to those students who need it most.

The workforce participation criteria will be tightened and those savings will be invested in increasing access to income support for students who need it most by increasing the parental income test. This means more support for more students. More rural youth will qualify for student income support payments under changes to the age of inde-
The independence criteria will be tightened to better reflect actual circumstances, but rural students will be receiving additional income support. They will get additional help to this. Any university student who receives at least a part payment of youth allowance or Abstudy also receives a range of other assistance of particular benefit to rural young people and their families. There are other benefits attached to this, and I would like to highlight some of those. Rural students receiving youth allowance or Abstudy still have access to the higher away-from-home rate of payment as well as the remote area allowance, the fares allowance for up to two return trips home per year and other benefits such as the low-income healthcare card and the pharmaceutical allowance.

For rural students who are dependent on their parents, the family asset test applying to dependent youth allowance recipients takes account of current market values, net of business or farm related debt. This valuation disregards the principal family home and up to two hectares of surrounding land. The limit is currently set at $571,500 for most families and is indexed each year. Further, a 75 per cent discount is applied when assessing business assets, including farm assets. This means that youth allowance and Abstudy can be received by dependent young people from small business and farming families with assets up to the value of $2.286 million. Families in drought affected areas who are in possession of a drought relief exceptional circumstances certificate—

**Senator ADAMS** (Western Australia) (3.27 pm)—I rise to take notice of answers from Senator Carr, the Minister for Innovation, Industry, Science and Research and Minister representing the Minister for Education. This matter certainly has raised a number of issues and concerns today. I would like to inform those opposite that the youth allowance petition on the website of the member for O’Connor, the Hon. Wilson Tuckey, has reached 9,500 petitioners. This has blown the whole thing out of the water and, as my colleagues on this side have said today, this is one of the biggest issues for students living in rural and remote areas who wish to go to university. The Isolated Children’s Parents Association came to visit me the other day and their biggest concern was about how the changes to the youth allowance and the gap year are affecting their members.

As people who have lived and worked in rural and regional Australia, my husband and I put our two sons through university. At that stage, of course, there was nothing like a youth allowance to give us some assistance. I myself worked on the farm instead of working at the local hospital to put my sons through university, so I fully know how hard it is for people living in rural and remote Australia to educate their children, and there is nothing better for us to do than to give our children a good education so that they can...
then move on in the world. Without an education these days, it is very difficult.

As far as the petition is concerned, an enormous number of people have either rung or emailed my office, and I know that the member for Forrest, Ms Nola Marino MP, has certainly been inundated, as has the member for O’Connor. We live in very rural areas and really understand the way people have to work. With respect to the gap year, as my colleagues have said, students have their gap year so that they can be out there working to acquire the money they need so that they can be considered independent, because they have to move away from their homes to go to the cities to study. They have been put in a dreadful situation. I really did try to get the minister to say that the government would perhaps look at the situation, but obviously that is not to be. The minister made a comment about people being very rich. Because of the noise I could not hear exactly what he had to say, but I am amazed that he was so confused about the issue. I sat in Senate estimates and listened to Senator Carr talking about the $2.28 million, and he asked, ‘Is this too low as an assets threshold?’ The next thing he said was:

I just want to be clear about this. Are you trying to suggest that a family income—

He was then brought back by Senator Back, who said:

Chairman, with respect, it is not $2.268 million of annual income.

It is assets. I would just like to put this on the record. A farm—with the plant and machinery needed to put a crop in, if you are a cropping farmer—is usually worth over $1 million. Then there is the land and the stock that go with it. To people who live in the city, $2.28 million as an assets threshold might seem very, very generous. But I can assure you that for most farmers it is not. When you take the plant and equipment and land into account, they are asset rich on paper, maybe, but they certainly are cash poor. Students living in rural areas will have to try to acquire work at 30 hours a week when, most of the time now, they can work during seeding and harvest and earn the money they need. But from January next year, students will have to work 30 hours per week for 18 months in a two-year period after leaving school so that they can get the independent rate. As Senator Nash has said, as far as deferring a university place goes, universities will not defer for two years. (Time expired)

Question agreed to.

PETITIONS

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

Abortion

To the Honourable the President and Members of the Senate in Parliament assembled:

Whereas,
- item 16525 of the Health Insurance (General Medical Service Table) Regulations 2007 provides for the payment of Medicare funds for the performance of second trimester abortions, that is, abortions as late as 26 weeks of pregnancy;
- Medicare funds have, since 1994 paid $1.7 million for 10,000 second trimester abortions;
- babies as young as 21 weeks gestation have been born alive and subsequently flourished;
- Medicare funds may be used to abort babies through the partial birth abortion method and also for abortion procedures in which the baby is born alive but then deliberately left to die; and therefore

We, the undersigned petitioners, pray that the Senate will disallow item 16525 of the Health Insurance (General Medical Service Table) Regulations 2007 and thereby stop the funding of second trimester and late abortions.

by Senator Boswell (from 3,400 citizens)

Budget

To the Honourable the President and Members of the Senate in Parliament assembled:
This petition of families; students and friends of those who will be affected by the Government’s proposal to change Centrelink’s criteria for Independent Status Allowance to University students.

Draws to the attention of the Senate: the Government’s proposed budget to discontinue paying Centrelink’s Independent Status Allowances to tertiary students who have earned $18,500 between the time of finishing high school and commencing university.

We therefore ask the Senate to consider the pleas, particularly of those students who must leave their family homes to commence tertiary study at a University away from their home town; particularly those students currently working a gap year to earn the $18,500 criteria for payments of $370 per fortnight. These kids should not be deprived the opportunities their city cousins take for granted; in acquiring a tertiary education. The Government’s new proposal of 18 months’ full time work will equate to 24 months to comply with uni starting semesters; will possibly discourage kids starting uni at 19/20 years of age with young High School Graduates. Furthermore, regarding the Government’s intention that these kids work 18 months (i.e. will actually be 2 years); where does the Government propose that each year’s High School graduates will work when the previous year’s High School graduates are holding the positions for an extra 12 months?

The Government is willing to invest more in overseas students studying at our universities. What can there be to gain from this; when surely the majority take the expertise and knowledge gained here; back to their home countries?

by Senator Boswell (from 13 citizens)

Petitions received.

NOTICES

Withdrawal

Senator WORTLEY (South Australia) (3.32 pm)—Pursuant to notice given at the last day of sitting, I now withdraw business of the Senate notices of motion Nos 1, 2 and 3 standing in my name for five sitting days after today.

Presentation

Senator Bernardi to move on the next day of sitting:

That the time for the presentation of the report of the Finance and Public Administration References Committee on the relationship between the Central Land Council and Centrecorp Aboriginal Investment Corporation Pty Ltd be extended to 30 October 2009.

Senator Marshall to move on the next day of sitting:


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

That the Senate—

(a) acknowledges the Sudanese Government’s decision to allow aid agencies to return to Darfur and encourages it to facilitate the resumption of the agencies’ operations;

(b) encourages the United Nations, the African Union, the Arab League and other countries to urge Sudanese authorities to permit more patrols to ensure the safety of humanitarian operational areas;

(c) calls on the Australian Government to increase funding to non-government organisations operating in Sudan; and

(d) supports calls for the Sudanese Government to hold a general election in November 2009.

Senator Colbeck to move on the next day of sitting:

That the Export Control (Fees) Amendment Orders 2009 (No. 1), made under regulation 3 of the Export Control (Orders) Regulations 1982, be disallowed. [F2009L02097]

Fifteen sitting days remain, including today, to resolve the motion or the instrument will be deemed to have been disallowed.
**Senator Xenophon** to move on the next day of sitting:

(1) That the question for the second reading of the Carbon Pollution Reduction Scheme Bill 2009 and related bills not be put this week.

(2) That, on Thursday, 13 August 2009:
   (a) the hours of meeting shall be 9.30 am to 6.30 pm and 7 pm to adjournment;
   (b) the routine of business from 12.45 pm till not later than 2 pm, and from 3.45 pm shall be government business only;
   (c) 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;
   (d) divisions may take place after 4.30 pm; and
   (e) the question for the adjournment of the Senate shall be proposed after the Senate has finally considered the Carbon Pollution Reduction Scheme Bill 2009 and related bills.

**Senator Xenophon** to move on the next day of sitting:

(1) That the Senate calls on the Government to make a reference to the Productivity Commission requiring modelling of alternative emissions trading schemes including:
   (a) a conventional baseline-and-credit scheme;
   (b) an intensity model;
   (c) a carbon tax;
   (d) a consumption-based carbon tax; and
   (e) the McKibbin model;
   with a view to determining which scheme design (including the Government’s Carbon Pollution Reduction Scheme (CPRS) and schemes with higher targets) provides the best environmental and economic outcomes.

(2) That the Productivity Commission’s report on modelling under paragraph (1) be laid on the table by 6 August 2009 to inform the debate on the CPRS bills.

(3) That there be laid on the table by 6 August 2009 all documents held by the Productivity Commission relating to the design and economic impacts of the Government’s CPRS.

**Senator Joyce** and **Senator Xenophon** to move on the next day of sitting:

That the following bill be introduced: A Bill for an Act to amend the Trade Practices Act 1974 to reduce predatory pricing by requiring corporations to offer and supply products at consistent prices across adjacent markets, and for related purposes. *Trade Practices Amendment (Guaranteed Lowest Prices—Blacktown Amendment) Bill 2009.*

**Senator Milne** to move on 25 June 2009:

That the following legislative instruments be disallowed:

(a) the Export Control (Fees) Amendment Orders 2009 (No. 1), made under regulation 3 of the Export Control (Orders) Regulations 1982;

(b) the Australian Meat and Live-stock Industry (Export Licensing) Amendment Regulations 2009 (No. 1), as contained in Select Legislative Instrument 2009 No. 108 and made under the Australian Meat and Live-stock Industry Act 1997;

(c) the Export Inspection (Establishment Registration Charges) Amendment Regulations 2009 (No. 1), as contained in Select Legislative Instrument 2009 No. 109 and made under the Export Inspection (Establishment Registration Charges) Act 1985; and

(d) the Export Inspection (Quantity Charge) Amendment Regulations 2009 (No. 1), as contained in Select Legislative Instrument 2009 No. 110 and made under the Export Inspection (Quantity Charge) Act 1985.

Fifteen sitting days remain, including today, to resolve the motion or the instru-
ments will be deemed to have been disallowed.

Senator Siewert to move on 25 June 2009:

That the Senate—

(a) notes:

(i) that Sunday, 28 June 2009, is the 7th anniversary of the corporatisation of Snowy Hydro Limited, of which the Commonwealth, New South Wales and Victorian governments are shareholders, and

(ii) the recent report of the Snowy Scientific Committee which warned that critical deep pools in the upper reaches of the Snowy River are 'under threat of permanent or near permanent change';

(b) expresses concern:

(i) at the failure of the three governments to meet legislated targets for returning environmental flows to the Snowy River, which should have seen the return of 15 per cent annual natural flow to the river by 2009, rather than the 46.7GL or just over 4 per cent planned to be delivered in 2009-10, and

(ii) at the recommissioning of the Mowamba Aqueduct, diverting the waters of the Mowamba River to Lake Jindabyne, and calls for the suspension of repayment of the Mowamba Borrowings Account from the Snowy River environmental allocation and the permanent decommissioning of the aqueduct; and

(c) calls on:

(i) the New South Wales Government to release the long overdue draft report of the first five-year review on the Snowy Water Licence, which was due in 2007, and

(ii) the Commonwealth to commit additional resources for the immediate purchase of high security water entitlements to meet the commitment to return 21 per cent of annual natural flows to the Snowy River by 2012 and

Senator Ludwig to move on the next day of sitting:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Rural Adjustment Amendment Bill 2009, allowing it to be considered during this period of sittings.

Senator Milne to move on the next day of sitting:

That the Senate calls on the Government to task the Department of the Treasury with modelling the cost of achieving greenhouse gas emission cuts of 40 per cent below 1990 levels by 2020 and to present the information to the Senate by 11 August 2009.

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

That the Senate calls on the Australian Government to make representations to the British Government to undertake the permanent return of the so-called ‘Elgin Marbles’ to the Greek Government and the people of Greece recognising that the marbles were part of the Parthenon at the Acropolis in Athens and should be returned to their historical home.

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

That the following bill be introduced: A Bill for an Act to amend the Marriage Act 1961 to create the opportunity for marriage equality for people regardless of their sex, sexuality or gender identity, and for related purposes. Marriage Equality Amendment Bill 2009.

Senator Ludlam to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) it has been 2 years since the Minister for Broadband, Communications and the Digital Economy (Senator Conroy) attended Channel 31’s Antenna Awards and announced that ‘Community Television would not be left behind’ in Australia’s transition to digital television, and

CHAMBER
(ii) despite the Minister’s assurances, there was no funding to facilitate community television’s transition to digital broadcasting in the 2009-10 Budget; and

(b) calls on the Australian Government to:
   (i) immediately allocate available digital spectrum to the current community television license holders, and
   (ii) provide funding to facilitate community television’s transition to digital broadcasting and inform the Senate of a timeline to achieve this.

Postponement

The following items of business were postponed:

Government business notice of motion no. 1 standing in the name of the Minister for Defence (Senator Faulkner) for 24 June 2009, proposing the introduction of the National Security Legislation Monitor Bill 2009, postponed till 25 June 2009.

General business notice of motion no. 465 standing in the name of the Leader of the Family First Party (Senator Fielding) for today, proposing the introduction of the Banking Amendment (Keeping Banks Accountable) Bill 2009, postponed till 24 June 2009.

COMMITTEES

Foreign Affairs, Defence and Trade Committee

Meeting

Senator O’BRIEN (Tasmania) (3.36 pm)—At the request of Senator Forshaw, I move:

That the Joint Standing Committee on Foreign Affairs, Defence and Trade be authorised to hold a public meeting during the sitting of the Senate on Wednesday, 24 June 2009, from 11 am, to take evidence for the committee’s inquiry into Australia’s trade and investment relations with Asia, the Pacific and Latin America.

Question agreed to.

Environment, Communications and the Arts Legislation Committee

Extension of Time

Senator O’BRIEN (Tasmania) (3.36 pm)—At the request of Senator McEwen, I move:

That the time for the presentation of the report of the Environment, Communications and the Arts Legislation Committee on the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 be extended to 17 September 2009.

Question agreed to.

Community Affairs Legislation Committee

Extension of Time

Senator O’BRIEN (Tasmania) (3.36 pm)—At the request of Senator Moore, I move:

That the time for the presentation of the report of the Community Affairs Legislation Committee on the provisions of the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009 be extended to 24 June 2009.

Question agreed to.

EMISSIONS TRADING SCHEME

Senator PARRY (Tasmania) (3.36 pm)—At the request of Senator Abetz, I move:

That the Senate

(a) notes:
   (i) the bipartisan commitment to an unconditional reduction in CO₂ emissions of 5 per cent from 2000 levels by 2020, and a reduction of up to 25 per cent in the event of a comprehensive global agreement,
   (ii) the importance of ensuring that the Obama Administration’s intentions on an emissions trading scheme are clarified before Australia implements any emissions trading scheme including the Government’s proposed Carbon Pollution Reduction Scheme (CPRS), and
(iii) the importance of awaiting the outcomes of the United Nations (UN) Climate Change Conference in Copenhagen in relation to targets before any scheme is legislated in Australia;

(b) calls on the Government to refer the proposed CPRS to the Productivity Commission so that it may conduct a 6-month review, and make public its findings, before the legislation is finalised to:

(i) assess the national, regional and industry sectoral impact of the CPRS in light of the global financial crisis,

(ii) assess the economic impact of the CPRS in light of other countries either not imposing a price on carbon comparable to that proposed in Australia or imposing such a price after different assumed periods of delay, and

(iii) conceptually and empirically examine the relative costs and benefits (including emissions reductions) of the key alternative scheme designs against the CPRS; and

(c) therefore, calls on the Government to defer further consideration of the following bills until after the conclusion of the UN Climate Change Conference in Copenhagen:

- Carbon Pollution Reduction Scheme Bill 2009
- Carbon Pollution Reduction Scheme (Consequential Amendments) Bill 2009
- Australian Climate Change Regulatory Authority Bill 2009
- Carbon Pollution Reduction Scheme (Charges—Customs) Bill 2009
- Carbon Pollution Reduction Scheme (Charges—Excise) Bill 2009
- Carbon Pollution Reduction Scheme (Charges—General) Bill 2009
- Carbon Pollution Reduction Scheme (CPRS Fuel Credits) Bill 2009
- Carbon Pollution Reduction Scheme (CPRS Fuel Credits) (Consequential Amendments) Bill 2009
- Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009
- Customs Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009
- Carbon Pollution Reduction Scheme Amendment (Household Assistance) Bill 2009

or any other related bill or bills to implement the proposed CPRS.

Question put.

The Senate divided. [3.41 pm]

(The President—Senator the Hon. JJ Hogg)

**AYES**

- Ayes………… 33
- Noes………… 33
- Majority……… 0

**AYES**

- Abetz, E.
- Back, C.J.
- Birmingham, S.
- Boyce, S.
- Cash, M.C.
- Coonan, H.L.
- Eggleston, A.
- Fielding, S.
- Fifield, M.P.
- Heffernan, W.
- Johnston, D.
- Kroger, H.
- Mason, B.J.
- Nash, F.
- Ronaldson, M.
- Troeth, J.M.
- Williams, J.R.

**NOES**

- Arbib, M.V.
- Bishop, T.M.
- Brown, C.L.
- Collins, J.
- Farrell, D.E.
- Feeney, D.
- Furner, M.L.
- Hogg, J.J.
- Hutchins, S.P.
- Ludwik, J.W.
- McEwen, A.

- Adams, J. *
- Bernardi, C.
- Boswell, R.L.D.
- Bushby, D.C.
- Colbeck, R.
- Cormann, M.H.P.
- Ferguson, A.B.
- Fierravanti-Wells, C.
- Fisher, M.J.
- Humphries, G.
- Joyce, B.
- Macdonald, I.
- Minchin, N.H.
- Parry, S.
- Ryan, S.M.
- Trood, R.B.
Tuesday, 23 June 2009


PAIRS


* denotes teller

Question negatived.

IRAN

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (3.45 pm)—I move:

That the Senate—

(a) expresses its support for all Iranian citizens who embrace the values of freedom, human rights, civil liberties and rule of law;

(b) condemns the ongoing violence against demonstrators by the Government of Iran and pro-government militias, as well as the ongoing government suppression of independent electronic communication through interference with the Internet and cell phones; and

(c) affirms the universality of individual rights and the importance of democratic and fair elections.

Question agreed to.

ANTI-TERRORISM LAWS REFORM BILL 2009

First Reading

Senator LUDLAM (Western Australia) (3.45 pm)—I move:

That the following bill be introduced: A Bill for an Act to reform anti-terrorism laws, and for related purposes.

Question agreed to.

Senator LUDLAM (Western Australia) (3.46 pm)—I present the bill and move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator LUDLAM (Western Australia) (3.46 pm)—I move:

That this bill be now read a second time.

I seek leave to table an explanatory memorandum relating to the bill.

Leave granted.

Senator LUDLAM—I table the explanatory memorandum, and I seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

The Australian Greens are deeply committed to the principle of non-violence. Non-violence is one of the four interconnecting pillars that are the foundation of our party’s policy and practice; the other three pillars are social justice, economic and ecological sustainability and participatory democracy. In rejecting violence we condemn the violent crime of terrorism, and view non-violence as a creative, planned, positive force to resolve conflict, believing it to be the best way to transform oppressive power, symbols and behaviour. Our objective is not just to reduce violence but to address the underlying conflicts and create alternatives to resolve the immediate dynamic and causes, as well as contributing to political change that will build a more sustainable peace over the long term, based on cooperation and justice. We support the right of people to resist unjust laws, unethical corporations and inappropriate development by non-violent direct action and civil disobedience. In choosing to reject violence, in refusing to emulate violent power or tactics, we fight fire with water and earth, rather than with fire.

The violent crime of terrorism did not occur for the first time on 11 September 2001 and it will
occur again. This is a grave reality that must be faced by governments who have the responsibility to protect citizens from intimidation and violence. Likewise, governments also have the responsibility to protect human rights and civil rights. The Greens do not underestimate the complexity of these responsibilities, however, we are not alone in recognising that in many countries, including our own, the balance between these two responsibilities was skewed by the responses to the events of 11 September 2001. Perceived and real threats to security were used as a lever to curtail human and civil rights and fair trials.

The newly elected US President has begun the courageous and complex work of reversing the symbolic and actual mistakes made in the name of the “War on Terror”. The Obama Administration is putting effort into devising “clear, defensible and lawful standards…” to govern the treatment of detainees and arguing that the nation should “enlist the power of our most fundamental values” in the effort to keep itself safe. Australia entered the “War on Terror” very much on the terms set by the United States; we too should rethink and redefine a legitimate response to terrorism and practical ways to address its root causes and consequences.

The laws that were hastily created in Australia following the crimes of 11 September need to be reviewed to determine which merit retention and modernisation. Mistakes were made; indeed, mistakes were inevitable when the government of the day would not allow the parliament to debate each bill individually, even though the anti-terrorism legislative package constituted some of the most dramatic changes ever made to Australia’s security and legal environment. Of course mistakes were made when 200 pages of legislation and explanatory memoranda were introduced into the House of Representatives at 8pm and were expected to be debated at 12 noon the next day, leaving entirely inadequate time for review and analysis. Amendments were made available to the Senate less than 24 hours before the commencement of debate in that Chamber, effectively stripping the parliament of the time necessary to ensure that the laws were adequate to prevent, deter and pursue terrorists while ensuring that any limits on free speech or association struck an acceptable balance. The parliament was set up to fail, and fail it did.

The purpose of this Bill is to identify those laws and provisions that are so extreme, so repugnant, redundant or otherwise inappropriate, that they should be abolished and don’t even deserve the dignity of being subjected to review by the long-awaited independent reviewer of terrorism laws. Some of the laws identified in this bill offended our core democratic principles by using definitions and terminology that was simply too vague and broad such as the bizarre “reckless possession of a thing”. Other laws curtailed freedom of expression and association; others compromised the rule of law and the principle of fair and open trials. Such laws simply need to be removed, to allow the solid criminal laws and procedures to continue doing the job they did before 2001 in prosecuting and penalising anything that can be sensibly described as terrorism.

While some leaders and commentators deeply fear the accusation of being “soft on terrorism” believing it to be corrosive of their public perception, standing and masculinity, the Greens believe that to maintain these laws in their current form is corrosive of democracy itself and the rule of law upon which it is based. The benefit of hindsight and the passage of time have revealed the laws identified in this bill as irrational, unused or extreme.

This Bill seeks to amend, and in some cases repeal

- Provisions in the Criminal Code 1995 related to the definitions relating to terrorism offences, provisions relating to the proscription of ‘terrorist organisations’, offences relating to interaction with ‘terrorist organisations’, ‘reckless possession of a thing’ and the offence of sedition.
- Provisions in the Crimes Act 1914 relating to detention of terrorism suspects.
- Provisions in the Australian Security Information Organisation Act 1979 relating to the questioning of terrorism suspects and the detention of terrorism suspects; and
AMENDMENTS TO CRIMINAL CODE

1. Defining a terrorist act
The Bill repeals the current definition of ‘terrorist act’ at section 100 of the Criminal Code and offers an alternative definition, drawing heavily from the definition arrived at by the United Nations Security Council in 2004. Some of the terminology used within the Criminal Code in relation to terrorism offences is either currently undefined or inadequately defined. The current definition of ‘terrorist act’ at section 100.1 of the Criminal Code includes a ‘threat of action’. This has been identified as unsuitable by the June 2006 Report of the Security Legislation Review Committee, (known as the Sheller Report after the Chair of the Committee, Hon Simon Sheller AO QC). The report recommends that the reference to ‘threat of action’ and other references to ‘threat’ be removed from the ‘terrorist act’ definition in section 100.1(1). This position has been supported by the Australian Law Council, who also recommended the removal of ‘threat of action’ and other references to ‘threat’ from the definition of ‘terrorist act’ in section 100.1(1).

(2) Fostering and supporting a terrorist organisation
What are the actions and intentions that define the fostering and supporting of a terrorist organisation? Under section 102.1 of the Criminal Code, supporting a ‘terrorist organisation’ means; “provide support or resources that would help a terrorist organization engage in preparation for, or planning, assisting or fostering of the doing of a terrorist act”. The Act currently fails to define ‘fostering’; this has been identified as problematic because of the potential for ‘fostering’ to be construed very broadly. For instance, technically Australian aid organisations providing food and material assistance to people in crisis zones, such as in Sri Lanka, Afghanistan and elsewhere could easily fall into the category of fostering, when in fact their work is humanitarian assistance and emergency support. The inability to define fostering highlights its inappropriateness as an offence.

(3) Reckless possession of a thing
‘Thing’ is not defined within section 101.4(1). Parameters for what may be included with the scope of ‘thing’ are needed. Under the current Act it is possible to be in reckless possession of a thing if somebody passes along a DVD recommending that the contents be viewed, whether one views it or not, or agrees with the content. Another example that has been discussed in our courts as ‘reckless possession of a thing’ related to a document stored on a computer. The case was lost as it was possible to show through forensic evidence the absence of an electronic path. The document had not been accessed, however, what if the person had opened the document to assess its contents?

Most would consider it reasonable that the ‘thing’ in question should be linked with a terrorist act, a thing practically necessary in the material carrying out of a criminal act of violence. Instead of things actually connected, what we have is the possibility of things that are ideologically connected, things of a literary nature.

If parameters cannot be provided the provision should be removed. There have been two convictions under section 101.4(1) ‘reckless possession of a thing’ both in relations to the possession of a CD connected with preparation of a terrorist activity. In addition, anyone who saw the ‘thing’, which could be just about any object given the lack of a precise definition, is exposed to the possibility of a Detention or Questioning Warrant.

(4) Proscribing a terrorist organisation
Division 102 of the Criminal Code currently allows organisations to be designated as ‘terrorist organisations’ by regulation. This has significant consequences for the organisation, its members and supporters – for example, a person can be imprisoned for being a member or supporter of a...
terrorist organisation’. The ‘Sheller Report’ recommended that the process of proscription be reformed to meet the requirements of administrative law. The report recommends that the process of proscription by way of regulation made by the Governor-General on the advice of the Attorney-General, as per section 102.1 of the Criminal Code be retained. However, the process should be made more transparent and should provide organisations, and other persons affected, with notification, unless this is impracticable, that it is proposed to proscribe the organization and with the right to be heard in opposition.

This Bill amends section 102 of the Criminal Code, as per recommendation 4 of the ‘Sheller Report’:

(a) To provide notification, if it is practicable, to a person, or organization affected, when the proscription of an organization is proposed.

(b) To provide the means, and right, for persons and organisations, to be heard in opposition, when proscription is considered.

(c) To provide for the establishment of an advisory committee, to be appointed to advise the Attorney-General on cases that have been submitted for proscription of an organization.

(d) To require the committee to consist of people who are independent of the process of proscribing terrorist organizations, such as those with expertise in security analysis, public affairs, public administration and legal practice.

(e) To require the role of the committee be publicised,

(f) To allow the committee to consult publicly and to receive submissions from members of the public to assist in their role.

(g) To require that proscribed organizations be widely publicised, with the view, in part, to notify any person connected to the organization of their possible exposure to criminal prosecution.

If the Government of a foreign country has requested the proscription, that should be revealed to all parties. Additionally, provision should be made for merits review of the decision to list an organisation by the AAT. Standing rules for such a review should include protections, so that those coming forward to seek review do not automatically find themselves admitting to criminal offences.

(5) Offences related to interaction with ‘terrorist organisations’

The Criminal Code also contains a number of offences relating to interaction with ‘terrorist organisations’. It is an offence to:

- direct the activities of a terrorist organisation (s102.2);
- be a member of a terrorist organisation (s102.3);
- recruit a person to join or participate in the activities of a terrorist organisation (s102.4);
- receive or provide training to a terrorist organisation (s102.5);
- receive funds or make funds available to a terrorist organisation (s102.6);
- provide support or resources that would help a terrorist organisation engage in, plan, assist or foster the doing of a terrorist attack (s102.7); or
- on two or more occasions associate with a member of a terrorist organisation or a person who promotes or directs the activities of a terrorist organisation in circumstances where the association will provide support to the organisation and is intended to help the organisation expand or continue to exist (s102.8).

The Attorney-General’s department has explained the rationale for these offences as follows:

By criminalising activities such as the funding, assisting and directing of a terrorist organisation, proscription contributes to the creation of a hostile operating environment for groups wanting to establish a presence in Australia for either operational or facilitation purposes. It also sends a clear message to Australian citizens that involvement with such organisations, either in Australia or overseas, will not be permitted. Proscription also
communicates to the international community that Australia rejects claims to legitimacy by these organisations.

Critics of the offences, including the Law Council of Australia, have argued that the offences are unnecessary and that, "[b]y shifting the focus of criminal liability from a person's conduct to their associations, the terrorist organisation offences unduly burden freedom of association and are likely to have a disproportionately harsh effect on certain sections of the community who, simply because of their familial, religious or community connections, may be exposed to risk of criminal sanction."

There has been particularly strong criticism of the 'association' offence in section 102.8 of the Criminal Code. The shortcomings and dangers of this provision have been noted by, amongst others, the Senate Legal and Constitutional Legislation Committee, the Sheller Committee and the Parliamentary Joint Committee on Intelligence and Security.

The Bill also amends the 'supporting' offence (s.102.7). The Human Rights and Equal Opportunity has argued, and the Sheller Committee accepted, that the reference in s.102.7 to 'support' for a terrorist organisation 'could extend to the publication of views that appear to be favourable to a proscribed organisation and its stated objective.' This would be an unwarranted interference with freedom of expression. In the light of these concerns, the Sheller Committee recommended that, "Providing support to a terrorist organisation', be amended to ensure that the word 'support' cannot be construed in any way to extend to the publication of views that appear to be favourable to a proscribed organisation and its stated objective."

The Bill implements this recommendation by substituting "support" with "material support" as recommended by the Parliamentary Joint Committee on Intelligence and Security in order to ensure that 'mere words' are not caught by the section – an approach supported by the Government. In order to resolve ambiguity as to what may be deemed as 'supporting', an amendment is made to provide that the accused not only offered support, but also intended that the support have the requisite connection (direct or indirect) to a terrorist act, demonstrating proof of a connection between the support and the accused's intention.

Section 102.7 is considered ineffective because of its complexity. It is argued that this complexity has lead to a failure to convict, making the provision redundant as it exists currently.

(6) Sedition Offences

The Australian Law Reform Commission’s report Fighting Words: A Review of Sedition Laws in Australia, was published in July 2006. The Commission recommended the repeal of two of the five offences (urging another person to engage in conduct that assists an enemy of Australia and urging another person to engage in conduct that assists an organization or country engaged in armed hostilities with the Australian Defence Force). It also recommended substantial amendments to the other three offences, including removing any use of the term ‘sedition’. The Law Council of Australia recommended that these laws should be repealed in their entirety because they are unnecessary, lack clarity and precision, and have a chilling effect on free speech and expression. This Bill seeks to implement the Law Council’s recommendation.

AMENDMENTS TO THE CRIMES ACT

(7) Dead time

Under Commonwealth criminal laws, a person can be arrested if the arresting officer believes on reasonable grounds that:

• the person has committed the offence; and
• arresting the person is necessary because proceeding by way of summons would not achieve one or more of certain purposes specified in the Crimes Act (e.g. ensuring the appearance of a person before the court).

The difference between terrorism offences and ordinary criminal offences emerges after a person has been arrested. The key differences are:

• once a person has been arrested they can be detained for up to 24 hours, rather than the usual 12; and
• there is a special provision for terrorism offences relating to 'dead time', which allows a magistrate or justice of the peace to 'stop the clock' where questioning is reasonably suspended or delayed.
The extended periods for detention of terrorism suspects were introduced by the Anti-Terrorism Bill 2004. As originally introduced, the Bill provided that additional ‘dead time’ was limited to:

Any reasonable period during which the questioning of the person is reasonably suspended or delayed in order to allow the investigating official to obtain information relevant to the investigation from a place outside Australia that is in a different time zone, being a period that does not exceed the amount of the time zone difference.

The Senate’s Legal and Constitutional Legislation Committee considered the Bill. A majority of the Committee recommended that the Bill be supported with some amendments, including an amendment to ensure that the special ‘dead time’ provisions for terrorism offences only be available upon successful application to a judicial officer. As the Law Council has pointed out, the Government adopted the recommendation to introduce a requirement for judicial approval. However, the amended clause also removed any cap on the maximum allowable dead time and expanded the grounds on which dead time could be claimed.

The ‘dead time’ provisions were applied in the case of Dr Haneef, who was detained for more than 11 days before he was charged. The Report of the Inquiry into the Case of Dr Mohamed Haneef (‘the Clark Inquiry’) considered the dead time provisions in some detail. Justice Clarke stated that, “Perhaps the most obvious deficiency in Part 1C of the Crimes Act is the absence of a cap on, or limit to, the amount of dead time that may be specified as a consequence of the introduction of s. 23CA(8)(m) and therefore the amount of time a person arrested for a terrorism offence can be detained in police custody.”

In relation to the length of time a cap on dead time, Justice Clarke said:

Varying time limits were suggested in submissions. Some argued for 48 hours; others argued for longer—up to 13 days. I do not have expertise to determine the most appropriate time, nor do I hold a strong view about it. Many people told the Inquiry the period of Dr Haneef’s detention (11 or 12 days) was far too long. Others, including police forces, would argue that 48 hours is manifestly inadequate. In the United Kingdom the period is 28 days (subject to judicial oversight), but different considerations apply in Australia ...

... I do not understand my task as requiring me to put forward a specific recommendation as to the allowable time.

If pressed—and having regard to Dr Haneef’s detention in circumstances where the overseas involvement created time problems generally for the investigation—I would tend to say the cap should be no more than seven days.

Justice Clarke went on to identify other concerns with the ‘dead time’ provisions and to recommend a review of the whole of Part 1C of the Crimes Act 1914 in relation to terrorism offences—a recommendation that the Government has since accepted.

Notwithstanding the fact that Part 1C of the Act is now under review, 23 CA (8)(m) of the Crimes Act should be repealed to remove ‘investigative dead time’ from the calculation of dead time. Subsection 23CA (8)(m) of the Crimes Act is unique to terrorism offences and provides that the investigation period in terrorism cases does not include any ‘reasonable time’ approved by a magistrate or justice of the peace, during which the questioning of a person is ‘reasonably suspended or delayed’. The maximum allowable length of the investigation period for terrorism offences is 24 hours, compared to the 12 hours permitted for all other offences. This additional period negates the need for the additional inclusion of ‘investigative dead time’ provisions.

Other amendments to this section require investigators to inform the defendant of their rights.

**AMENDMENTS TO AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION ACT 1979 (ASIO Act)**

(8) Questioning and detention of those with information about terrorism offences

Many of the terror related provisions under the ASIO Act have never been invoked, leading some commentators to question whether they are in excesses to actual requirements. A person can be detained without charge under an ASIO warrant for up to 168 hours, or 7 days. A person may
therefore be held in detention indefinitely for rolling periods of 7 days, without any charge having been made out against them in accordance with conventional criminal procedure. This is also contrary to Australia’s human rights obligations under Article 9 of the International Covenant on Civil and Political Rights. Additionally under this legislation:

- the person may be prohibited and prevented from contacting anyone at any time while in custody;
- the person may be questioned in the absence of a lawyer;
- the person’s lawyer may be denied access to information regarding the reasons for detention and also in relation to the conditions of detention and treatment of the person;
- the person is prohibited from disclosing information relating to their detention at risk of five years imprisonment; and
- the person’s lawyer, parents and guardian may be imprisoned for up to five years for disclosing any information regarding the facts or nature of the detention.

These secrecy provisions prevent the press, academics and human rights advocates from independently monitoring the use of ASIO questioning and detention powers. As Amnesty International noted, ‘[t]he level of secrecy and lack of public scrutiny provided for by this Bill has the potential to allow human rights violations to go unnoticed in a climate of impunity.’

This Bill amends the Australian Security Intelligence Organisation Act 1979 to amend sections 34F(6) and 34G(2) which allow detention without charge to continue beyond 168 hours if at the end of the 168 hours new material justifies the issuing of a separate warrant. Under our bill detention periods cannot simply be extended by way of ‘rolling warrants’. Further detention warrants can only be sought and issued if they relate to different offences arising from different circumstances.

This Bill also amends the ASIO Act to repeal the following provisions:

- Section 34K(10) which allows a person to be prohibited and prevented from contacting anyone at any time while in custody;
- Section 34ZP which allows a person to be questioned in the absence of a lawyer;
- Section 34ZT which permits the denial of access to information regarding the reasons for detention and also in relation to the conditions of detention and treatment of the person to the person’s lawyer;
- Section 34ZS(2) which prohibits the person from disclosing information relating to their detention at risk of five years imprisonment; and
- Section 34ZR relating to the conduct of the parents of a detained person during questioning.
- Section 34S; which allows a person to be detained without charge for 168 hours is amended to provide for a detention without charge period of 24 hours. A corresponding amendment to section 34G(4)(c) reduces the prescribed period from 168 hours to 24 hours.

National Security Information (Criminal and Civil Proceedings) Act 2004 (NIS Act)

This Act is problematic in the extreme. It requires security clearance for lawyers while providing no justification. Requiring security clearance for lawyers threatens the right to a fair trial and limits the pool of lawyers permitted to act in cases. It also threatens the independence of the legal profession by allowing the executive arm of government to effectively ‘vet’ and limit the class of lawyers who are able to act in matters which might involve sensitive information. By undermining the independence of the legal profession the right to an impartial and independent trial with legal representation of one’s choosing is undermined. This Act also permits for closed court proceedings in certain circumstances for terrorism cases, and provisions relating to the designation of evidence as ‘secret’. The Law Council of Australia has described these concerns in detail Pursuant to the Commonwealth Legal Aid Guidelines (March 2008), a legal representative acting for a legally aided person cannot maintain carriage of a matter (where the Attorney-General has issued a security notification) unless they already have or can obtain security clearance. If the legal representative does not have or
cannot obtain a security clearance, then a legal aid commission can only continue to pay the legal representation for 14 days from the date a security clearance was issued. This detracts significantly from the guarantee in Article 14 (3) of the International Covenant on Civil and Political Rights that all persons have access to a legal representative of their choosing, and that such representation be provided for by the State in cases where the person does not have sufficient means to pay for it.

This act also provides for the exclusion of evidence, which again compromises the right to a fair trial. Subsection 31 (8) of the NIS Act restricts the court’s discretion to determine whether evidence should be closed to the accused and their legal representatives, resulting in a disproportionate restriction on the right to a defence and a fair hearing. The relevant provisions of section 31 provide:

(7) The court must, in deciding what order to make under this section, consider the following matters:

(a) whether, having regard to the Attorney-General’s certificate, there would be a risk of prejudice to national security if:

(i) where the certificate was given under subsection 26(2) or (3)- the information were disclosed in contravention of the certificate; or

(ii) where the certificate was given under subsection 28 (22) – the witness were called;

(b) whether any such order would have a substantial adverse effect on the defendant’s right to receive a fair hearing, including in particular on the conduct of his or her defence

(c) any other matter the court considers relevant.

(8) In making its decision, the court must give greatest weight to the matter mentioned in paragraph (7)(a).

The Law Council contends that the NIS Act tilts too far in favour of the interests of protecting national security at the expense of the rights of the accused. These concerns are exacerbated by Part 3 of the NIS Act, which permits the exclusion of a defendant or legal representative from the hearing to determine whether certain information should be banned from disclosure. Further provisions of the Act restrict the defendant’s right to access information that may be used against him or her in criminal proceedings. While it may be necessary for the court to restrict public access to a hearing in the interests of national security, the law council is of the view that restricting a party or their legal representative from examining and making representations to the court about the prosecution’s attempt to restrict access to certain information goes beyond that which is necessary in the interest of national security.

The NIS Act has no redeeming features, and Schedule 4 of the bill provides for the whole of the Act to be repealed.

As Bill Calcutt has observed in the April 2009 Journal of Policing, Intelligence and Counter Terrorism, “A primary objective of terrorism as an organisational strategy is to engender a disproportionate response within the wider community and to act as a catalyst for changes to society that advance the terrorists’ goals….An alarmist and sensationalist media; an intelligence community that grows in importance and resources in the face of imminent threats; and a government that apparently gains electoral advantage from appearing to be tough and protective; combine to reinforce community fear and inadvertently serve the terrorists interest.”

Australia’s parliament and community did not get an opportunity to hold a thorough, calm and considered debate over the terrorism laws when they were introduced; nor did they consent to the substantial reallocation of resources away from health and schools to security and defence. Now is the time for a thorough, calm and considered debate about methods for dealing with terrorism that strengthen our democracy and are consistent with Australian values. That process includes the appointment of the long-awaited independent reviewer of terrorism laws, whose time need not be wasted on the draconian measures amended or repealed in this Bill.
Senator LUDLAM—I seek leave to continue my remarks later.
Leave granted; debate adjourned.

AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSIONER
Order
Senator FISHER (South Australia) (3.47 pm)—I move:
That there be laid on the table by the Minister representing the Minister for Employment and Workplace Relations, no later than 5 pm on Wednesday, 24 June 2009:

(a) a copy of any documentation provided to the Government by the Australian Building and Construction Commissioner, the Honourable John Lloyd (or by the Department of Education, Employment and Workplace Relations), reflecting his views on the report by the Honourable Justice Murray Wilcox, *Transition to Fair Work Australia for the Building and Construction Industry*; and

(b) the Ministerial Directions referred to by the Deputy Prime Minister (Ms Gillard) in her second reading speech of 17 June 2009 on the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2009 and issued by her (whether on 17 June 2009 or otherwise) to the Australian Building and Construction Commissioner (ABCC):

(i) under section 12 of the *Building and Construction Industry Improvement Act 2005*, to provide a report outlining ‘the ABCC’s resources allocation and placement compared to locations with high levels of unlawfulness as evidenced by allegations, investigations, prosecutions, audits and the like’, and

(ii) under the Act to the ABCC, concerning the application of coercive powers and the conduct of compulsory interviews.

Question agreed to.

COMMITTEES
Economics References Committee
Reference
Senator PARRY (Tasmania) (3.47 pm)—At the request of Senator Bushby, I move:
That the following matters be referred to the Economics References Committee for inquiry and report by 15 September 2009:

(a) the circumstances and basis of the decision to introduce an unlimited bank deposit guarantee and of subsequent decisions to change or define the guarantee;

(b) the circumstances and basis of the decision to introduce an unlimited wholesale bank funding guarantee and of subsequent decisions to change or define the guarantee;

(c) the effect that the initial announcement of, and subsequent changes to, an unlimited bank deposit guarantee had on operations of the Australian financial sector, including for entities not regulated by the Australian Prudential Regulation Authority (APRA);

(d) the effect that the initial announcement of, and subsequent changes to, an unlimited wholesale bank funding guarantee had on the operations of the Australian financial sector, including for entities not regulated by APRA;

(e) the estimated effect of the bank deposit and wholesale funding guarantees on interest rates in Australia;

(f) how Australia’s deposit guarantee and wholesale funding guarantee schemes compare with guarantees offered in other countries and the way in which these schemes were introduced and changed in major overseas countries;

(g) the interaction between the deposit guarantee scheme and other recent measures implemented by the Government since September 2008, including the wholesale funding guarantee and the purchases of residential mortgage backed securities;
(h) the nature of the financial and economic distortions that the unlimited deposit guarantee scheme has created vis-a-vis savings products that are not covered by the guarantee scheme;

(i) the optimal cap, if any, for the deposit guarantee in the light of international experience;

(j) recommendations for ameliorating the moral hazard associated with the deposit guarantee and wholesale funding guarantees;

(k) recommendations for timelines and for policies to credibly remove the wholesale funding guarantee and to reduce the deposit guarantee to any recommended optimal cap;

(l) the effects of the bank deposit guarantee and wholesale funding guarantee on competition within the financial sector;

(m) the effects of the announcement of the unlimited bank deposit guarantee and unlimited wholesale funding guarantee on consumer and business confidence;

(n) the broader economic and social consequences of these distortions;

(o) the size and nature of the contingent liability that the unlimited deposit guarantee has created for Australian taxpayers; and

(p) other matters relevant to the bank deposit guarantee and wholesale funding guarantee that the committee considers appropriate.

Question agreed to.

Senator O’BRIEN (Tasmania) (3.48 pm)—by leave—The government will not call a division even though we are opposing that motion, given that, with the Greens supporting the opposition, it has the majority.

Economics References Committee
Reference

Senator COONAN (New South Wales) (3.48 pm)—I move:

That the following matter be referred to the Economics References Committee for inquiry and report by 17 August 2009:

The operation of employee share schemes in Australia, including:

(a) the structure and operation of employee share schemes;

(b) the benefits of employee share schemes;

(c) the taxation issues relating to compliance of employers and employees participating in employee share schemes;

(d) the recent announcement of proposed changes to the treatment of employee share schemes, the background to these changes, consultation undertaken to develop these changes and the anticipated impact of these changes on employees, employers and Australian business generally;

(e) the rules governing employee share schemes in other countries; and

(f) any other related matters.

Question agreed to.

Senator O’BRIEN (Tasmania) (3.48 pm)—by leave—Could the Hansard reflect that the government do not support this motion but we recognise that the majority of the chamber does support the motion, and we will not call a division.

MATTERS OF PUBLIC IMPORTANCE
Renewable Remote Power Generation Program

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

The Rudd Government’s hypocrisy on renewable energy and the recent closure of the Renewable Remote Power Generation Program that has been supporting remote Australian homes, communities and businesses since its introduction by the Howard Government in 2001.
I call upon those senators who approve of the proposed discussion to rise in their places.

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

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

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (3.50 pm)—Isn’t it amazing that, in a time when the centre-piece is apparently about producing a more carbon efficient society, a society where if we reduce carbon it will have an effect on the globe, the only tangible thing that this Labor Party government has done is that it has made the situation worse? Every time there is some kerfuffle in this parliament or there is some issue in the other place, what happens is that either Mr Garrett or Minister Wong runs out of the joint and scraps a scheme. The latest is one that has been pursued through this place since 2001. It was the Howard-Anderson government that commenced the RRPG scheme. In fact, the program was revised again in 2004 by the Howard-Anderson government to be extended to 2012. It was the Howard-Vail government that put in a further $123.5 million, offering 50 per cent rebates of up to $8,000. But ever since the Rudd government has been in we have had the paradox of the difference between what it intends to create for the planet and intends to deliver to Australia and what it actually has delivered to Australia, especially regional Australia.

Solar panels in regional Australia are an extremely effective and efficient way of delivering power to remote areas. Solar panels actually take out of production diesel engines. I thought it was the reduction in the reliance on fossil fuel which was the whole crux of the Labor government’s ETS policy. But you cannot have it both ways. You cannot go through every day using rhetoric and the raving-banshee approach of, ‘The world is going to come to a screaming halt unless the emissions trading scheme goes through,’ and put up your authenticity on that issue, and take it to this chamber—with, you know, the serene looks: ‘We are going to save the world this afternoon with the emissions trading scheme’—while, at the same time, for something that really does have an effect, really does reduce carbon emissions and actually is working in the Australian economy, you pull the funding.

It was a complete surprise when one day, about a month ago, in the paper the people in the solar panel industry were talking about how good the industry was, and doing a great sort of promotion job for the government, and yet, the next day, Mr Garrett pulled part of the rebate scheme. And now, today, we have the cessation of the capacity of those in remote and regional areas to get access to solar panels to take the place of diesel generation. That has been pulled. We know exactly why they have done it—because there has been a torrent of media and the spotlight is on the other place. So, whilst it is, they are doing what they are always doing—running out and scrapping schemes because of the reality of exactly where they are financially.

Where they are financially, as we all know, is on the road to insolvency. This government is on the road to insolvency. It is very cryptic that it is today that we find out about this scheme being scrapped. My office has contacted the Australian Office of Financial Management to find out exactly what our bills and notes are drawn down to, and they are drawn down to approximately $99.9 billion. So we are about to crack the first $100 billion in federal government debt—and that is actually quite an increase from
only about a month ago. In celebration of cracking that $100 billion in federal government debt in notes and bonds, we are going to scrap a scheme for regional Australia. It is a scheme for those people who are the most removed from the public service dollar that is so apparent in other areas, a scheme for those people to whom we are trying to deliver some semblance—if only a parody—of that standard of living by giving them access to a solar-generated power supply. It is peculiar that, on this day, the $100-billion birthday of the Labor Party’s debt, we are scrapping a scheme that has been so effective in so many parts of this nation.

This scheme was brought about by the side of politics that the Labor Party has always insisted are the sceptics, the people who do not want to do anything about the climate. But this was clear evidence of a policy that was part of a program to reduce carbon. A carbon pollution reduction scheme is completely encompassed in what this was. But it has been scrapped because it is not the type of scheme that the Labor Party want. The Labor Party want the broker-bureaucrat-banker scheme, in which we open up an absolute gravy train of largesse for certain people, who are probably very wonderful and well-meaning people, in the middle of town—brokers, bankers and bureaucrats—who will be the profiteers from the impediments that are going to be put on the productive side of our economy.

This scheme shows the conservative side of how we deal with this issue—investment in the areas that are the productive capacity of our nation, to assist them and, at the same time, reduce the carbon component of their footprint. It is the practical form of going forward with a policy of carbon reduction, which is the complete antithesis of the banker-bureaucrat-broker scheme that the Labor Party is inspiring.

Today is the $100-billion-debt anniversary of the Labor government—or $99.9 billion; that is what they have got us in hock for today. Remember, they always thought that this was going to happen in 2013-14. Well, here we are, on 23 June, and we are $100 billion in hock today. To celebrate that, to put the candle on the cake, they are going to turn off the solar program for remote and regional Australia! Why? If you wished to be authentic then you should have had the authenticity to continue with the schemes that are doing the job that, as you have so ably displayed in this chamber, is your ultimate wish. In your ultimate wish to save the planet, your desire is to reduce carbon emissions. How can you possibly keep a straight face when the crux of today’s ploy is to actually increase carbon emissions—to move people from solar back to diesel? What is the logic of that? The metaphor you are selling is completely and utterly confused. But you think you can get away with it because of the ruckus that is going on in other places—just like the last time Mr Garrett pulled the pin on one of these schemes. It was the same deal: ‘We wait for a ruckus and then we run out and pull the scheme.’

Well, Mr Garrett no longer has any credibility, I believe. Everything he has ever stood for has paled into insignificance. I can see members of the Labor Party nodding, so they are probably acknowledging that—the issue of Mr Garrett’s authenticity in everything he has done. I remember the times when I used to watch him at the Arts Factory at Byron Bay with Midnight Oil, and then at uni. I mean, who was that person? Who is the person we have got now?

**Senator Birmingham**—Where did he go?

**Senator Joyce**—Where did he go?

What happened to him? What hole did he disappear down? And who is the person who looks awfully like him down in the other
place? But the authenticity of Peter Garrett on these issues is the authenticity he has displayed personally in this complete 180-degree turnaround in his personal life and his personal beliefs. He used to rant and rave about nuclear energy and uranium mining. Those are things, actually, that I believe in, but I could listen to his music without believing in his policies. But what has happened to him now? He is part of a government that mines uranium! He holds a ministry in it! Such was the depth of this man’s conviction. He is the former president of—what was it?

Opposition senators interjecting—

Senator JOYCE—The Nuclear Disarmament Party—that is it! And now he is a minister in a government that exports uranium to countries that produce nuclear bombs. There has to be something a little bit confusing about that—and there is something totally confusing when we wake up today and find that the party that said they were happy to go to the election on a policy of reducing carbon emissions in our nation deliver today to the Australia people an increase in carbon emissions because they have run out of dough.

Senator McEWEN (South Australia) (4.00 pm)—It is always a pleasure to follow Senator Joyce. When I read Senator Joyce’s motion I was intrigued by the hypocrisy that is implicit in it. You have to ask: where does the hypocrisy lie in this debate about Australia’s low-emissions, low-carbon green future?

It is true that after taking government from the Liberal Party in 2007 the Rudd Labor government continued with the Renewable Remote Power Generation Program because it was a useful program that provided financial support to increase the use of renewable generation in remote parts of Australia that otherwise relied on diesel and other fossil fuels for electricity supply. However, since the dramatic rise of diesel prices, particularly in the last year, the government has seen a significant increase in the number of applications for the program and, in approving the qualifying applications, the government has exhausted its budget allocation for the program. Ultimately, it became too successful a program for the government to continue to provide it in an affordable and responsible fashion. The industry had been aware for some time of the increasing number of applications for funding under this program just as the industry was also aware that the program had a finite budget, and the industry was also aware that that had rapidly been fully committed. I acknowledge also the concerns of industry about the notice given for the cessation of funding for the program, but because of the huge increase in recent applications it was imperative for the government to give notice of the end of the program without encouraging even more applications which could not be supported.

Focusing on the achievements of the program in the seven years that it has been available for remote Australian homes and communities, not-for-profit organisations, businesses, governments and industry, we acknowledge that more than $300 million was committed to renewable energy generation in remote and regional Australia. Additionally, more than 7,000 residential and medium-scale projects up to 20 kilowatts in size went ahead, almost half of them being approved in the last 18 months. Residential and medium-scale projects, plus renewable energy water pumps, with a total power capacity of more than 10,600 kilowatts of solar, wind and microhydro, which are estimated to have saved more than 24 million litres of diesel fuel each year, have also been implemented, and the program is still supporting 31 major projects with $52 million in fund-
ing, saving more than seven million litres of diesel fuel each year as well as other fossil fuels. One hundred and seventy renewable generation systems for Indigenous communities were installed. What the opposition probably will not tell you is that there are still more than 1,100 applications remaining in the pipeline for this program. It is estimated that that will result in at least another six months work for the industry, and there will be continued support for industry training, accreditation, inspections, testing and standards development.

Those opposite will of course claim, as they always do, that the government is not supportive of remote and regional communities. However, what they fail to tell you about is the range of initiatives that the government has and its ongoing commitment for a cleaner and more energy-efficient future throughout Australia. The motion that we are debating fails to recognise that and the number of other options that people in businesses in remote communities can still take advantage of in the fight against climate change. These include support for households, businesses and community groups for the first 1.5 kilowatts of small-scale installations completed under the program on or after 9 June 2009—that is, of course, if the renewable energy target legislation is passed—and access for homeowners to free, tailored advice for their homes, and interest-free loans of up to $10,000 through the Green Loans Program. Homeowners can benefit from Australia’s most comprehensive rollout of energy efficient rebates in history through the $4 billion Energy Efficient Homes package. There is also the National Rainwater and Greywater Initiative, which provides rebates of up to $500 for households to install rainwater tanks or greywater systems.

Businesses, community organisations, not-for-profit organisations and governments will all receive support under the government’s $2.75 billion Climate Change Action Fund. There is also the government’s $2 billion Caring for our Country program, which is available to regional natural resource management organisations, not-for-profit organisations, Indigenous organisations, community groups et cetera. As well, there is the government’s Solar Flagship program, a $1.6 billion commitment which will rapidly accelerate the deployment of commercial-scale solar technology in Australia. That funding will be used to construct large-scale power stations in Australia, targeting 1,000 megawatts of electricity generation. Funding will be allocated under a competitive process, with the intention of funding projects across a range of solar technologies designed to move solar into mainstream energy supply. That will be a cooperative program between the federal government, state governments and private investment—a very significant initiative which will do a great deal to improve the availability of renewable energy sources across Australia.

Additionally, the government will continue to provide $2.2 million over the coming two years to support the not-for-profit Bushlight program, a renewable energy program devoted to assisting Indigenous communities with energy advice and renewable energy support services. As has been often mentioned by government senators, the government is committed to closing the gap of Indigenous disadvantage in remote and regional Australia and through a whole-of-government approach a range of additional education, health, housing, employment and family and community services are being implemented to do just that.

As I mentioned at the outset the whole thrust of this motion that we are debating today is pretty extraordinary given that it is sponsored by a climate change sceptic—a senator who vehemently opposes the government’s Carbon Pollution Reduction
Scheme. This motion, like so much of the activity that has happened in this chamber over the last couple of days—indeed the last week—is another hypocritical and low-rent political stunt by an opposition that are divided and dysfunctional and will do anything that they possibly can to delay the debate and a decision being made on the single biggest environmental initiative by any government in Australia. Those opposite want to delay the debate and the decision on the Carbon Pollution Reduction Scheme because they cannot work out what their position is on it. It is clear though, I think, that the Nationals will vote against the CPRS. Yet Senator Joyce and others still insist on playing these games and moving these ridiculous motions to prevent that debate from even continuing.

There are two significant factors which stand out as reasons that this MPI today is a pointless waste of Senate time. Firstly, there is the alleged hypocrisy in the government’s action of ceasing funding for one renewable energy program, while we are trying at the very same time to pass an even greater program through the Senate, a national initiative of the kind that the nation has never seen before. Senator Joyce and all of those opposite do not want to see the CPRS pass through the Senate yet the motion has been lodged today here in this pathetic attempt to divert the debate from what the debate should be about—which is nation building and the Carbon Pollution Reduction Scheme and the importance of that to Australia’s clean green future. You would have to ask why someone who is so dead against actually believing in climate change is so adamant on this motion. The hypocrisy there is breathtaking.

The second reason that the MPI is a waste of time is the fact that the Renewable Remote Power Generation Program has ceased to be funded because it came to the end of its budget allocation. The government has made a wise decision that to go on funding it beyond the budget allocation would be fiscally irresponsible. The government has made a decision that the funding that would otherwise go to programs such as this can be much better used on more comprehensive, strategic and effective programs. This program was always going to be a capped program and the government has reached the limit of that cap. So now we have this ridiculous MPI from the so-called bush accountant over there who says that we should ignore budget realities and ignore our budget responsibilities.

We have had endless hysterical utterances from those over there since the announcement of the government’s 2009-10 budget—hysterical claims that the Labor Party is sending the nation into debt and accusations of reckless spending and record debts. They have condemned our successful economic stimulus packages that have saved jobs and reduced debt. In fact, they voted against those responsible economic stimulus packages. And yet when we act in a responsible manner, as we have with regard to this program, to reduce debt then suddenly the same bush accountants over there are up in arms and accusing us of being hypocritical. I know who the hypocrites are in this particular chamber and I think some of you over there do too.

I have already mentioned a number of programs which rural and regional communities have access to to continue the fight against climate change. If the opposition stopped acting to delay the passing of the renewable energy target bill along with the CPRS legislation in the Senate this week, further options would be provided for an energy efficient future. When the government came to office some 18 months ago we did inherit a collection of ad hoc and uncoordinated climate policy measures and programs. Few of them though there were, they
were not part of any strategic plan on the part of the former government. In fact, the former government did no comprehensive planning for the future of our environment. Indeed the former government neglected to comprehensively deal with climate change at all and, as we know, were constantly in alliance with the former United States government to stop any global action on reducing carbon emissions. While they were in government, they refused to ratify the Kyoto protocol and they failed to engage with the global community on the debate on climate change.

I have said many times in this chamber how pleased I was when one of the first actions of the Rudd Labor government was to ratify the Kyoto protocol and to take the step up to engage with the rest of the global community to address the very significant effects of climate change that we are feeling every day in this country. The former government neglected to invest in renewables; they failed to see the importance of investing in creating new jobs in environmentally-friendly industries. They neglected to improve our rivers. And I cannot conclude this speech about the environment without once again mentioning that in the whole of the term of the former government they failed to purchase a single litre of water to put back into our rivers.

Many of their climate change policies, of course, hinged on voluntary actions on the part of the nation’s residents who, with goodwill, wished to do what they could. But it is time for the nation to take the next step up. We need a comprehensive national strategy to address climate change, and the core components of that are the Carbon Pollution Reduction Scheme and the Renewable Energy Target. It is about time those opposite addressed the really important issues in this debate and stopped wasting the Senate’s time with ridiculous MPIs.

Senator MILNE (Tasmania) (4.15 pm)—Hypocrisy on renewable energy oozes off the seats in both sides of this parliament. I have heard a lot about a comprehensive strategy on climate change but there is not one in this parliament from this government; nor was there one when the Howard government was in power. What we actually have is a strategy to destroy solar and renewable energy. That is a more appropriate description of what has gone on in relation to renewable energy since the Rudd government was elected. The reason for that is simple and it is why hypocrisy oozes off these seats when it comes to renewable energy and solar: coal. Neither side of this parliament is prepared to do anything to get solar and renewables to a scale that could challenge coal. It is why day in, day out we see billions of dollars going to the coal industry and the large emitters. It is why we see billions going to carbon capture and storage and why we constantly see that being given priority while what we see for renewables is exactly as the previous speaker said—ad hoc, uncoordinated, not strategic and designed to destroy.

The way the government have behaved in relation to renewable energy is like a cat playing with a mouse. They let it get just a little bit of confidence and then back it to one side. It gets up and starts again and—wham—it is hit by something else. Let me give you the box and dice on what has happened here. First of all, the Photovoltaic Rebate Program was so successful that the minister said it was too successful—so in this country we can be too successful at reducing emissions from coal fired power by getting photovoltaic renewable energy into the market. We were too successful, so Minister Garrett introduced a means test to try to slow things down. But the community were not to be slowed down, because the community, unlike the government and the coalition, actually want to move to renewables and away
from coal. When the means test failed to slow things down, overnight and without consultation the minister ended the rebate. Hundreds, probably thousands, of people across the country were left in a position where they had filled out the forms, rung up, expressed interest and planned on getting a system before 30 June but then found that, no, the program was gone.

Then we had the renewable energy target discussed—it still has not been introduced into the Senate, I might say. Here, the responsibility for the complete mess with renewable energy lies with both the government and the coalition, because the legislation for the renewable energy target would have been passed—had the government got around to introducing it into the Senate—except that the government decided to protect the old sectors, the big emitters, by exempting those polluters from the renewable energy target but saying that the exemption would apply only if the Carbon Pollution Reduction Scheme was passed. And the coalition was not prepared to pass the renewable energy target legislation without the exemption for the big emitters. So who was being given security here? The big emitters. Who has been hung out to dry? The renewable energy industry.

Right on the back of that complete failure we now have an end to the Renewable Remote Power Generation Program and with it the demise of Bushlight. In Indigenous communities in particular this has been an extremely successful program. Not only has it been successful in terms of the quality of life in those Indigenous communities; it has been extremely successful in building capacity for Australia to sell its expertise and intellectual property in remote power generation, in particular in the Pacific. 

Senator Ian Macdonald—And who introduced the scheme? John Howard.

Senator MILNE—I congratulate those behind the Bushlight program, because it has been a great success. Now that it has gone, what are those communities who have not yet taken advantage of it going to do? They will go back to diesel. With diesel they will get the diesel fuel rebate, so they are going to be subsidised for using diesel to generate greenhouse gas emissions when they should have been given the money upfront by way of the subsidy to put the solar programs in place.

Years ago the Greens introduced a solar fund into this place to try to remove all of these diesel generators and replace them with solar systems, but it has not happened. I have had several emails about this in the last few weeks. One in particular—and I told the author I would quote the case study but not his name—said:

… our rural location means that connecting to the grid is expensive (more than $30,000), and given our limited income we were really relying on the RRPGP …

… they told me that as far as they knew the programme was going to carry on.

This was on budget night, when he rang the department. It went on:

Nothing was said to me about the limited budget or that it might end soon. So I was really shocked to hear that the programme ended …

It’s unlikely we’ll be able to afford to put in a solar system now: we need a reasonably powerful system—

and so on. So people right across the country are being denied this.

The answer to this is clear—that is, a national gross feed-in tariff. Who has resisted this to the very last? The government. Minister Wong is totally opposed to a gross feed-in tariff. How did both the coalition and the government kill off a gross feed-in tariff? By referring it to COAG, knowing that it would get the lowest common denominator. Now
state after state is going to a net feed-in tariff, which is no use at all in driving the investment that is necessary to go into renewables. The more successful a subsidy is, the more likely that it is going to be axed, changed, limited or destroyed because it is a cost to the government. The more successful a feed-in tariff is, the better it is all round. It encourages greater investment. So you have to ask yourself: why, when Europe has benefited so amazingly from a gross feed-in tariff, when Spain's renewable energy has expanded and when right across Europe we are seeing this work, is there such trenchant opposition to it from both the government and the coalition in Australia? The only answer is: they cannot afford to give renewable energy a go because it will leapfrog so-called clean coal. Renewables will be online, cheaper and more cost effective, and the coal industry will be at risk. That is why we end up with this ridiculous situation of ad hoc, stop-start arrangements for renewables.

The Minister for Climate Change and Water herself says industry need certainty. They certainly do. Can you point to any venture capitalist or any superannuation fund that would think there was any certainty at all about investment in renewables in Australia—in solar in particular—when we have witnessed this disgraceful litany of, first of all, the means test, then the abolition without consultation and then the messing about with renewable energy technologies to give certainty to the big polluters? Then we get what we have now: the abolition of our remote scheme. Of course, the answer is always, ‘But we are giving you $1.3 billion for up to four systems for solar thermal around the country.’ Yes, that is true. But where is the pathway after the four? If you had a gross feed-in tariff, there would be an investment pathway to roll out renewables on a grand scale. Talk about hypocrisy. We see it here on these red seats—oozing out from both the government and the coalition. I wish they would have the honesty to stand up here and say that they will never see the renewables get ahead of coal and that they will do everything in their power to not allow the renewables to take over. As long as they sit on these red seats, Australia will be a coal exporter and Australia will generate coal fired power.

In the UK they have moved to say, ‘No coal fired power stations without CCS by 2020’—and it will not happen—but we do not have that here in this country. Every time a renewables proposal comes forward, they check to see what the big emitters think, and the big emitters say, ‘Just give it a photo opportunity.’ My final question to the Senate is: how many ministers have taken their photo opportunity with their leaflets on the one-off solar panel? It is a disgrace. People who see those pictures need to see that behind that smirk there is a great big coalmine and that the great big coalmine will prevent any kind of coordinated or systemic effort. If the government were serious, we would have a gross feed-in tariff. I welcome a change of heart from either the government or the coalition in supporting a strategy to give us real renewables in this country.

Senator IAN MACDONALD (Queensland) (4.25 pm)—The two previous speakers, Senator McEwen from the Labor Party and Senator Milne from the Greens political party, started off their contributions talking about hypocrisy, and I might just do the same. Hypocrisy epitomises both the Rudd Labor government and the Greens political party. Let me demonstrate.

We have two ministers related to the environment and climate change in the Rudd government. Both have been complete and abject failures, and their reign as ministers has been marred by backflip after backflip. You might remember that Senator Wong
used to come in here and lecture us on how important it was to get this CPRS up and running with the greatest urgency. Every day that went by, she told us, would destroy the world. So what happens with Senator Wong? When she finds that she cannot bring her backbench with her, that she has got it all wrong, she is taken over by Mr Combet—then a mere parliamentary secretary, who is given the job of getting it back on track—and delays the commencement for more than 12 months. So that is hypocrisy example No. 1.

Mr Garrett is a nice enough sort of fellow, not a bad musician, but completely out of his depth when it comes to looking after the environment. Indeed, as I said during question time, Mr Garrett is one of those who, whenever there is a photo opportunity with Indigenous people around, is there with them, blowing the didgeridoo and pledging his undying support. When they want some money for their Laura dance festival up in Cape York Peninsula, what happens? He refuses to give them money for that dance festival—money which has been given by previous governments, coalition governments, for many, many years.

Talking about hypocrisy, let us get on to the Greens, the ultraleft of the political spectrum in this parliament. They just hate Mr Howard and the Liberal Party so much that they cannot even acknowledge that the programs that Senator Milne was talking about—and this particular program today which is the subject of this debate—were programs of the Howard Liberal government. The solar program, the $8,000 figure, was an initiative of the Howard Liberal government. But can you get the Greens to acknowledge that? Their hatred for Mr Howard and the Liberal Party is so great that they cannot even acknowledge the great steps forward that were taken by the Liberal Party and the National Party when in government.

Those two programs I have mentioned are just two of any number of very good programs introduced by the Liberal and National parties to help save the environment. Indeed, we are very proud that it was the Liberal and National parties that established the first ever greenhouse office anywhere in the world that actually started work on abating greenhouse gases.

The Labor Party’s attitude to the subject of this matter of public importance debate, the Renewable Remote Power Generation Program, was again clearly explained by the first speaker for the Labor Party. She said that the debate was a complete waste of time. How many times did Senator McEwen say, ‘This is a complete waste of time’? Do you know why, Madam Acting Deputy President? Because it has to do with rural and remote Australia. Regrettably, the Labor Party has absolutely no interest and very little representation from rural and remote Australia. The Liberal and National parties put this program into operation and I, like Senator McEwen in her contribution, can read about the program on the government website. It is still there. It lauds the success of this program introduced by the Howard government in 2001. It was a good program. It did a lot to reduce greenhouse gas emissions and at the same time it did something to help those less fortunate than most of the Labor senators in this chamber with the provision of power on their remote properties. They had a subsidised program from this government that enabled them to create power without the cost, both in money and greenhouse gas emissions, of diesel motors.

Mr Garrett has tonight committed those people again without any warning to the costs and the environmental degradation of diesel motors. He has done it, as he did with the solar rebate, without any warning. What has this done for the small businesses dealing in the area of alternative power which were...
built up over the Howard government years? Overnight they have been smashed by Mr Garrett and the Rudd government. Indeed, I have here a media release by Solar Shop Australia, and I do not think I can put it any better than Mr Liam Hunt has in talking about what happened last night. He said:

This is the third setback for the industry in as many weeks ...

We were promised a smooth transition from the $8k rebate to the new Solar Credits scheme and instead the old rebate was pulled early with only hours of notice.

The Government then fiddled with the Renewable Energy Target policy, making what was a policy with bipartisan support an unwinnable piece of legislation, and now they have retrospectively pulled the RRGP which was a very popular and important program ...

He went on to say quite rightly that the Rudd government:

... was elected into office partly on the back of the green vote, he started well by ratifying Kyoto, but since then he has seemed to turn the lights out on the domestic solar power industry. It has thrown the whole industry into turmoil ...

He quite rightly asked at the end what is happening to all those green collar jobs which have been promised and which are now in limbo. This government is not interested in the environment. This government is not interested in greenhouse gas reductions. This government is not really interested in saving the climate of the world. What it is interested in is political spin. Anything this government can do to win a vote it will do. It signed Kyoto—not that that had any impact on anything—but when it comes to the real programs that were actually doing things, like the solar rebate subsidy and the Renewable Remote Power Generation Program, what does it do? It axed them. By axing them not only does the government lessen our impact on reducing climate change and reducing greenhouse gas emissions but also it once again attacks country people, in whom it has no interest. The action of Mr Garrett in both these instances is a disgrace. *(Time expired)*

**Senator FEENEY** (Victoria) (4.33 pm)—I congratulate Senator Macdonald on his manful defence of the indefensible, but now the time has come for us to switch the channel from vaudeville back to policy. I am pleased to have this opportunity to speak about the Rudd government’s commitment to renewable energy. This government is indeed committed to moving the Australian economy towards a cleaner and greener future by encouraging the use of renewable energy wherever possible, wherever practicable, wherever viable. This is a vital part of our overall scheme to reduce Australia’s emission of greenhouse gases through the burning of fossil fuels. The other part of our scheme is the Carbon Pollution Reduction Scheme, a scheme which the Senate is currently debating, a scheme about which Senator Macdonald and his colleagues have made clear their intent. These are the two chief policy weapons which Australia must deploy if we are to reduce our emissions and accept our fair and proper share of the international responsibility for tackling dangerous climate change. Both these policy weapons are necessary. Neither will be fully effective without the other. As Senator Macdonald and his colleagues well know, what we are debating here at the moment is in practical effect a complementary measure of the CPRS and it is vitally important that both the CPRS legislation and our measures with respect to renewable energy are put in place as quickly as possible.

We have seen today that the opposition are determined to do everything within their power to delay the progress, the consideration and the debate in this place of the CPRS bills. They will filibuster this legislation in the Senate for all they are worth. They are determined not to allow a vote on this legis-
lation this week. They are determined not to allow for these bills to be passed this year. They are doing this partly because they are terrified of the possible political consequences of rejecting the CPRS legislation—and rightly so—but mainly because they cannot agree on their position on climate change in general and the CPRS in particular. There is no ambiguity about the fact that, when it comes to the climate change and global warming debate, the other side can be found on every part of the debate on every side of the street—indeed, meeting themselves coming through the door.

Today we have an opposition leader whose authority has been fatally undermined by his own reckless and irresponsible behaviour. He has made unsubstantiated allegations against the Prime Minister of corruption, no less, and lying to parliament, no less, based on what we now know is a forged email. His cunning plan has blown up in his face with the exposure of this faked email. His authority is now so weak that not even today, let alone on any other day, can he impose on his party or on his senators here in this chamber any decision to support the CPRS legislation, legislation which Mr Turnbull and Mr Hunt know full well is necessary. One might say that the Liberal Party senators and the National Party senators have kidnapped the coalition and dragged it kicking and screaming, with a weak leader at the helm, to a position which is completely indefensible and a position which today it can only sustain through delay and verbal fraud. This is why the opposition is so desperate today to move the debate away from its obstructionism of the CPRS and have us debate renewable energy instead.

It is quite amazing that Senator Joyce should come into the Senate and propose this matter of public importance—Senator Joyce, of course, being one of the most vociferous opponents of the CPRS Bill. He has made it clear that the Nationals will oppose not just the CPRS, not just this emissions trading scheme, but any emissions trading scheme. As he put it so eloquently, the certainty he intends to provide to the Australian business community is the word ‘no’. He and his party here in the Senate have made it clear that he will ignore any decision by the Leader of the Opposition and the shadow cabinet to support an emissions trading scheme. And, I might say, it is now quite clear that, for most senators opposite, the opinion of the opposition leader is of no account.

Senator Joyce would have Australia do nothing to reduce our greenhouse gas emissions—nothing. He would have us go to the Copenhagen climate conference in December with no greenhouse gas emissions targets in place at all. Who is going to listen to Australia’s argument at Copenhagen if our parliament has just voted to do nothing whatsoever about action on climate change? It was Senator Joyce’s party that prevented the Howard government ratifying the Kyoto protocol and therefore wasted an entire decade in which Australia could have made a serious start on reducing our emissions and made an important contribution to the global climate change debate. Now Senator Joyce and his colleagues want to waste yet another decade by blocking the CPRS Bill in the Senate indefinitely. Senator Joyce has no credibility on this subject, and his motion is just part of a broader opposition attempt to distract attention away from its own obstructionist strategy.

Let me now turn to the subject of this motion. The Renewable Remote Power Generation Program is a program to support remote Australian homes, communities, businesses, governments and industry. The government committed $300 million to renewable energy generation in remote and regional areas. More than 7,000 residential and medium-
scale projects were approved. These projects, with a total power capacity of more than 10,600 kilowatts of solar, wind and microhydro, are estimated to save more than 24 million litres of diesel fuel every year. This was a useful program, but it was always a transitional program; it was never an end in itself. The fact that the funding allocated for this program has now run out was never disguised. The program has invested over $215 million in supporting renewable remote power generation, with a further $85 million under construction or approved—a total of $300 million. The program had funds to run until 2011 but, due to the recent spike in demand, these funds are now fully committed. The renewable energy industry has been aware for some time that this program has finite funds and that full commitment was imminent.

The decision to wind this program up was not taken in a vacuum. It was taken in the context of the government’s overall commitment to renewable energy. On 9 June, the Minister for the Environment, Heritage and the Arts announced the final legislation for the expanded renewable energy target, which will allow for the creation of new solar credits. These solar credits will build on the largest ever investment in solar panels in this nation’s history, with more than 80,000 solar systems set to be installed on Australian rooftops since the Rudd government came to office. The opposition does not like being reminded of this, but it remains the fact that this government has overseen more installation of solar power systems in 18 months—that is, since we came to power—than we saw over the previous eight years of the Howard government. As the minister said, the renewable energy sector has changed from being a cottage industry to being part of a productive and growing green collar workforce. This government has done more to foster the growth of renewable energy than any other government in Australian history.

It is in that context that the farce of those opposite is truly seen, because not only are they opposing the CPRS—not only are they twisted in knots as they try and debate their own internal position—but, on that side of the chamber, they are not even sure that climate change is happening. Now we have to put up with them coming into this place and pretending, for brief moments every day, that they are in fact green—that they believe in a green future and that they understand what the green and clean future of this country could mean in terms of jobs, job opportunities and new industries. But we on this side are not surprised that the coalition—which is tortured, twisted, divided and led by a man who cannot lead and which has a creative writing team which might be good at emails but is no good at policy—remain a mess.

The previous government had no real interest in renewable energy. The only reason the Howard government ever created this scheme in the first place was that they were forced to by the Australian Democrats as part of a deal they negotiated with Meg Lees to get the GST bills through the Senate. That is the whole sum of your commitment, Senator Macdonald: a deal with the Democrats. Senator Joyce is claiming this scheme as the Howard government’s child, but it was an unwanted child of very dubious parentage indeed. It is particularly curious to see a Nationals senator coming in here and crying crocodile tears about renewable energy. During the recent hearings of the Senate Select Committee on Climate Policy, Senator Joyce’s colleague Senator Boswell—that notorious green—never tired of telling us what a disaster mandatory renewable energy targets would be. He raised this matter with virtually every witness, as Senator Macdonald well knows, inviting them to agree with him that the renewable energy target
would have disastrous effects on their industry. Senator Boswell is not only adamantly opposed to an emissions trading scheme but also opposed to government leadership in making the transition to renewable energy. The other side’s colours are well and truly up the mast here. Renewable energy is an alien notion for those opposite. I am very interested to know what Senator Joyce’s position is this minute, because we can be sure that, whatever it is, it will remain complete humbug.

Senator BIRMINGHAM (South Australia) (4.43 pm)—Let me be absolutely clear at the outset that no Australian industry has been more stuffed around by the Rudd government than the solar industry has been. No Australian industry has been more screwed over by the Rudd government than the solar industry. The solar industry has had strike after strike after strike from the Rudd government. Indeed, if it were a ‘three strikes and they’re out’ type of policy, they would have been out long ago because, from what I can see from the treatment of the solar industry by this government in its fairly short time in office, there have been no fewer than six strikes on the industry. First of all, we had the means testing. That came along, unannounced, in last year’s budget. Lo and behold, buried in the budget papers was the means testing of the solar rebate under the Solar Homes and Communities Plan. What happened from there was that it shut out of the marketplace everybody who could afford to buy larger sized solar power systems.

As all households with a taxable income over $100,000 were shut out of that program, the average size of solar units installed in Australian homes went down, down, down under the government. So, instead of getting the maximum bang for the taxpayers’ buck when it came to installing solar systems in households, taxpayers were instead subsidising the smallest possible systems. A plethora of one-kilowatt systems were being installed as a result of the government’s decision to means test. It did not do what they hoped it would do and slow demand and fix the budgetary problems that they had in terms of how much was allocated. Instead, demand kept surging but they kept getting less bang for their buck—strike 1 on the solar industry.

Then, because that plan did not work, the government decided that instead it would axe the solar communities program altogether and replace it with a new system based on the new renewable energy certificates system. The problems with the REC system were that people would get less of an incentive to install a solar system, it was harder to understand and it is almost impossible to quote for because, as it is a market, nobody knows what the price of a REC will be at the particular point in time it is issued. So the solar industry find themselves having to quote to the marketplace not knowing exactly what type of subsidy will be on offer—strike 2 against the solar industry.

Then, lo and behold, the government brings forward the axing of the solar rebates under Solar Homes and Communities. That is despite Minister Garrett giving assurances to the industry and consumers on ABC’s PM program on 17 December last year that it would be phased out after 1 July. That is despite the COAG community on 30 April this year telling the industry and consumers that the new program was intended to commence on 1 July. That is despite even this year’s budget papers stating that the funding for solar rebates will continue until the program has transitioned to Solar Credits on 1 July 2009. This is another broken promise, another strike—strike 3 and counting—against the solar industry.

Of course, the solar rebates were axed early, ahead of 1 July, without any replacement. Minister Garrett, Minister Wong and
the government said, ‘We’re introducing a new renewable energy target that will encompass the new Solar Credits program.’ Guess what? They did not even have the legislation finalised when they announced the axing of the current program. No legislation was finalised, there was no legislation in the parliament, there were weeks to go until their ‘planned’ conclusion of the program and they axed it early, with nothing to replace it—strike 4 and counting against the solar industry.

This all happened only a couple of weeks ago. The industry were still reeling from the last strike against them when the government came along and decided to axe early the Renewable Remote Power Generation Program, which was critical to regional Australia in terms of allowing regional areas to wean themselves off diesel powered generators and actually have renewable energy alternatives in their communities. This program was axed by email on Monday of this week at 8.33 am. That is how the industry found out. There was no warning, no planning, nothing—they just got an email at 8.33 on Monday morning. That is how the industry found out, so little wonder the industry are reeling from the latest blow to them—strike 5 and counting.

The Clean Energy Council has indicated that the impact on the industry will be serious and has highlighted that the government cut this program last year by $42 million—strike 6 and counting, in terms of blows against the solar industry.

Senator Milne in her contribution to this debate highlighted the government’s stance when it came to feed-in tariffs. Back on 30 October 2007, in a policy document, Minister Garrett stated:

… Labor believes it is important that there is a consolidated and consistent approach across jurisdictions to renewable energy policy. A Rudd Labor Government will work through the Council of Australian Governments to develop a consistent national approach to feed in tariffs.

Guess what: strike 7 and counting. There is no national approach—they have backed away from that policy—and Minister Garrett now says it is up to the states. There have been too many strikes too many times against the solar industry. (Time expired)

**The Acting Deputy President (Senator Hurley)—Order! The time for discussion of this matter has expired.**

**MINISTERIAL STATEMENTS**

**Local Sporting Champions**

Senator Sherry (Tasmania—Assistant Treasurer) (4.50 pm)—I table a ministerial statement on local sporting champions by the Minister for Sport, Ms Kate Ellis.

**AUDITOR-GENERAL’S REPORTS**

Report Nos 43 and 44 of 2008-09

**The Acting Deputy President (Senator Hurley)—In accordance with the provisions of the Auditor-General Act 1997, I present the following reports of the Auditor-General:**

Report No. 43 of 2008-09: Performance audit: construction of the Christmas Island immigration detention centre: Department of Finance and Deregulation

Report No. 44 of 2008-09: Performance audit: security risk management

**COMMITTEES**

**Electoral Matters Committee**

Reports

Senator Carol Brown (Tasmania) (4.51 pm)—On behalf of the Joint Standing Committee on Electoral Matters, I present the Advisory report on the Commonwealth Electoral (Above-the-Line Voting) Amendment Bill 2008 and the Report into the conduct of the 2007 federal election and matters
related thereto. I seek leave to move a motion in relation to the reports.

Leave granted.

Senator CAROL BROWN—I move:

That the Senate take note of the reports.

The Commonwealth Electoral (Above-the-Line Voting) Amendment Bill 2008 was referred to the committee by the Senate on 14 May 2008 as a particular part of the committee’s inquiry into the 2007 election. The separate advisory report specifically addresses the proposals outlined in the bill. The committee has not made any recommendations in relation to the bill or in relation to several options to make below-the-line voting more accessible, believing that there should be further and continuing discussion of the various approaches.

The report on the conduct of the 2007 election and related matters includes 53 recommendations, many of which are designed to restore and protect the franchise for those entitled to exercise it and to modernise electoral processes. Key recommendations include restoring a range of longstanding provisions that provided electors with greater opportunities to maintain their eligibility, such as reinstating the previous seven-day close of rolls period to update enrolment, removing barriers preventing reinstatement to the electoral roll for declaration voters and removing the requirement for provisional voters to provide proof of identity at the time of voting.

In his dissenting report, Senator Bob Brown has noted the committee thoroughly investigated the conduct of the election and has developed sound recommendations on many issues. His proposal to include truth in advertising arrangements is one that could be examined further as part of the government’s broader electoral reform green paper process. Of the 53 recommendations, the four coalition members of the committee have disagreed with eight recommendations, most of which relate to reinstating longstanding arrangements that protect the franchise. The majority of the committee reject the view put forward by the coalition members that reinstating these provisions weakens integrity and somehow rewards complacency on the part of eligible electors.

The years leading up to the 2007 election saw the creation and perpetuation of the myth that electoral fraud in Australia is commonplace. Detailed examination by the AEC reveals that relatively few cases are found to be deliberate attempts to vote on multiple occasions and are referred to the AFP. Only 64 cases of apparent multiple voting were referred to the AFP arising from the 2004 election and only 10 cases were referred following the 2007 election. These figures do not warrant disenfranchising potentially hundreds of thousands of otherwise eligible voters. The integrity of the electoral roll is not watered down by these proposals. Existing checks and balances will continue to apply to those who seek to change their enrolment details or to enrol for the first time.

Further recommendations are made with a view to addressing falling electoral participation rates, made worse by overly prescriptive and burdensome provisions in the Commonwealth Electoral Act. These include recommendations to simplify the proof of identity requirements for enrolment and reinstate provisions allowing electors to notify changes to enrolment details or to enrol for the first time.

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tices that require electors to satisfy sometimes onerous and time-consuming processes to maintain their enrolment. Existing integrity measures to verify enrolment details would remain unchanged.

Changes to the formality rules made following the 1996 election to address Langer-style voting caused a significant rise in the number of ballot papers ruled informal. This report recommends returning to the previous safety net. This would also guard against the potential for ballot flooding. Too many genuine electors are being disenfranchised in order to address Langer-style voting, with the AEC estimating that up to 90,149 ballot papers would have been admitted at the 2007 election had the previous provisions applied.

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

Senator RONALDSON (Victoria) (4.56 pm)—I commence by thanking all members of the committee and the committee staff for their work on these two reports, particularly the committee staff, who really did put an enormous amount of work into this, as did the chair, the deputy chair and other members.

These two reports are the Report on the conduct of the 2007 federal election and matters related thereto and the Advisory report on the Commonwealth Electoral (Above-the-Line Voting) Amendment Bill 2008. The first report comes from a long line of holistic inquiries which have taken place after every federal election since 1984. The second comes in response to a bill brought into this place by the Greens. All I will say on this matter is that we believe that the existing method of voting serves us well and there is no compelling case for change. This is a bipartisan position.

Although there is a substantial and compelling dissenting report in the main inquiry, it should be noted that we have agreed more often than we have disagreed with the government members. While the coalition would prefer to have a unanimous JSCEM report, we are not prepared to trade away our principles for the sake of agreement. It would not be lost on many that Labor has consistently ignored evidence of electoral fraud over many years, and I have no doubt that this is because, in large measure, the fraud is often committed by Labor Party operatives. I refer honourable senators to the Shepherdson inquiry report for further information with regard to that.

The opposition believes the sanctity of the electoral roll and the voting process is paramount, because that is the basis for achieving a just, democratic outcome. While I am the first to admit that the participation rate could be better, the ‘cure’ proposed by Labor is worse than the disease. As Mr Morrison, the member for Cook, has said in another forum: If you believe Labor, they say in their majority report tabled last night, that the problem with participation is not apathy, but that we are placing too unreasonable a burden when it comes to voting. Please! you fill out a form, you change it when you move and you turn up at your local public school every 3 years and count to ten. I have no doubt some administrative processes could be improved, particularly in the use of technology, by they are missing the point.

Labor are indeed missing the point. It is for this reason that certain elements of the government report cannot be supported by the opposition. Let me draw out in the brief time available a couple of examples as to why the opposition has reached these conclusions.

The Commonwealth Electoral Act mandates that Australians have some basic rights and responsibilities: first, upon reaching en-
rolment age, to enrol to vote; second, to accurately maintain their enrolment; third, to vote in an election; and, finally, to fully extend their preferences to all candidates in their electorate who are contesting election for the House. As our dissenting report makes clear, these are the basic building blocks of our system of compulsory preferential voting. Yet the majority report of the government members of the committee concludes that these requirements impose an unwarranted inconvenience on citizens. No—a shift to the lowest common denominator approach is wrong, and we oppose it.

We know that their suggestion for closure of the rolls to be mandated to seven days after the date of the writ is a significant threat to the integrity of the electoral roll. It is simply impossible, given the statutory time frame, to remove bogus enrollees from the electoral roll. In a seat like McEwen, which was won by a handful of votes, it is unquestionable that a concerted effort at fraud would not be detected and might well change the result in a seat. The existing arrangements afford a high degree of accuracy and integrity to the electoral roll because they give the Australian Electoral Commission an extra seven days to verify new enrolments and an extra four days to verify changes of address. Therefore, these arrangements should be maintained and Labor’s changes should be rejected.

The opposition members made further recommendations against weakening proof of identity requirements because we do not believe they are onerous and we believe they act as a major disincentive to enrolment fraud. We also recommend against weakening sanctions to ensure correct enrolment. You have the ridiculous situation under the government members’ proposals of having absolutely no penalty for failing to keep your enrolment up to date. We oppose the notion of financial inducement to encourage enrolment because it is not an option; it is the law. We should not be paying people to make sure that they obey the law.

We also recommend against establishing mobile polling places in areas which clearly do not need them. We oppose the removal of the requirement for voters to sequentially number their ballot paper for the House of Representatives. Just on this point, government members, if you want to push for optional preferential voting then do so, but do not try to hide behind the fig leaf of saying, ‘Oh, well, we support full preferential,’ and then allowing optional preferential votes to be counted as valid.

Finally, we reiterate our position in relation to prisoner voting. If a person has done something that pushes them so far outside the bounds of civil society that a court believes that they should be locked away from the rest of the community then that person should not be allowed to vote. If you are in serious breach of the laws, you should not be allowed to vote for people who set the laws of this country. It is an outrageous notion that people who are incarcerated should be able to cast a vote, given that their behaviour has actually effectively taken them out of community involvement. I commend these recommendations and the dissenting report to honourable senators.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (5.02 pm)—I concur with the positive findings that have come out of the review of the 2007 federal election by the Joint Standing Committee on Electoral Matters. One thing that does concern me is that I have been here long enough to see very good reports come out of this committee that are put before the parliament and absolutely zero action as a result. I think it is incumbent upon committee members and members of the Senate generally—and particularly the government, of
course—to follow through on these reports to ensure that we do get results. The government has said there is a green paper coming out later in the year. One would hope that a lot of notice of the proceedings and recommendations of the committee will come out of that.

Two important matters that the Greens have been pursuing for some time did not get acceptance from the committee as a whole. The first is above-the-line voting in Senate elections—voters tick the boxes of the parties and the Independents in the order of their choice. It must not be left to the scramble we now have, where the parties get together, try to trade positions and get advantage and hand a preference order to the electoral office before the election. Then, on election day, everybody who votes ‘1’ Labor and leaves it at that has their preferences directed according to the Labor Party; everybody who votes ‘1’ Green and leaves it at that, ditto; everybody who votes ‘1’ coalition, ditto; and so on. But the outcome of that is very often against what the majority of those voters would want—in other words, the machinations in the backrooms are contrary to what the voters actually want.

I am sure Senator Fielding will not mind me mentioning the fact that, although he got less than two per cent of the vote in the previous election in 2004, he was elected to this place, whereas a Greens candidate in Victoria on nearly 10 per cent of the vote was not elected. They needed 14 per cent because Labor Party and Democrat preferences flowed to Senator Fielding against the wishes of the majority of Labor voters. It is really a case here of getting a more honest outcome based on what the electorate’s intention is. Anomalies like that should not be allowed. Indeed, my colleague Senator Milne—who, agree with her or not, everybody would say is an enormous contributor to this Senate and to this parliament—got, I think, 10 or 12 per cent of the vote in Tasmania.

Senator Bushby—Seventeen.

Senator BOB BROWN—No, it was not, Senator. You are wrong. A Family First contender got less than two per cent of the vote and almost passed Senator Milne on the basis, again, of Democrat and Labor Party preferences. That situation is going to occur again. We ought not to leave anomalies like that where wrong results, results not intended by the voters, are in fact translated into decision making in parliaments. I am surprised the Labor Party has not agreed to this recommendation that we should leave it to the voters and that their preferences should be taken note of. There was an argument that this might lead to increased informal voting. But in New South Wales, where there is above-the-line preferential voting by voters in the upper house elections, which can be more complicated than Senate elections in many states, in fact it led to a decrease in the number of informal votes. So that argument does not hold water.

The second matter is truth in advertising. It should be pretty clear and logical to everybody that voters should not be deceived by patently untrue advertising on their way to the ballot box. There is an enormous tendency by players, as election time comes close, to engage in trying to get the electorate’s attention and its votes by not always being fair to opponents. That is the nature of elections. But we are now in a situation in Australia where the watchdog of private television channels has gone. You used to have to submit your election material and justify claims made in it or they would not allow it to go to air on Channel 9, Channel 7, Channel 10 or whatever. That has gone. Of course, advertising is now available on SBS and there is a lot of advertising through other means as well. We ought to have a watchdog
on this in the interests not of the political parties but of the voters. They deserve not to be tricked, cheated and lied to through advertising of any sort on the way to making up their minds about their votes.

The Greens are saying that the government—and I hope the government will seriously look at this; I note that the government has indicated that it will certainly look at our recommendations—should attach to the electoral office, have in tandem with the electoral office or have as part of the electoral office an independent authority which can make such judgments. It is not beyond our wit and wisdom to do that; as I indicated before, we used to have such an authority attached to private television. If you are going to have a fair democracy, it has to be based on fair information. Ralph Nader, the great consumer advocate who then became Greens candidate for the presidency of the United States, said in Launceston in 1980 that ‘information is the currency of democracy’, and how right that is. If you get tainted, fake currency, you are in real trouble.

I hope the government will take these two recommendations seriously. I know there is one that it will not—it got passing mention as far as this committee is concerned—and that is the need for proportional representation in the House of Representatives in this parliament. It is manifestly undemocratic that there are people in blue-ribbon Labor, Liberal or National Party electorates who can live their whole lives and never have voted for a candidate who got into the House of Representatives. That is the nature of single-member electorates. If you wake up on the morning after the election and something over 50 per cent of the voters have elected somebody, something under 50 per cent—in most occasions very close to 50 per cent—are then represented by somebody they voted against. Proportional representation reduces that anomaly enormously: over 90 per cent of people wake up on election day and find that somebody they voted for is representing them in the parliament. There was a debate raging about this when the Constitution was written. The provision is in the Constitution for the parliament to make rules about the voting system, because they did not determine one way or the other.

Catherine Helen Spence, the great democrat from South Australia who, unfortunately, was before her time, because she was not elected in her own right, was a great advocate of proportional representation. She is the much-forgotten mother of Federation in amongst the fathers of Federation that we hear so much about. I put it to the government that in considering its green paper it ought to look at proportional representation to make the House of Representatives in this parliament fairer, more democratic and more reflective of the vote of every Australian in a system based on one person, one vote and one value.

**Senator BIRMINGHAM** (South Australia) (5.12 pm)—As this is the first occasion on which I have noted you in the chair, I congratulate you on your appointment to that position, Acting Deputy President Ryan. I add my comments welcoming these reports of the Joint Standing Committee on Electoral Matters, thanking in particular the many witnesses who have participated in these inquiries, the committee staff for their hard work in producing these reports, and the chair and deputy chair for their stewardship throughout this process. In particular I note the report on the 2007 federal election and matters related to it.

This undertaking of a full and comprehensive assessment of the conduct of each of our federal elections during the life of the parliament that follows them is an important tradition that has arisen through the Joint Standing Committee on Electoral Matters. It
ensures that we take into account the workings and operations of each and every one of those campaigns. As someone who has personally had the experience of running for a House of Representatives seat and enjoying a result that came down to just 108 votes—I note Senator Wong smiling across the chamber at me—

Senator Wong—We win some; we lose some.

Senator BIRMINGHAM—I note the role that Senator Wong played in that campaign—

Senator Wong—We lost a couple in that seat before.

Senator BIRMINGHAM—You had indeed lost a couple in that seat, at least one of those by an even smaller margin some years before. Increasingly we get very close election results in individual seats around Australia, and it is only a matter of time before we have an election somewhere in the future where potentially we will have a result on election night that actually is not a result, because it is not yet known and will hang in the balance in too many undecided seats. In each election, it now seems, we are seeing an increasing number of seats coming down to the wire. It is with that that the merit of reports such as this one stands out.

One of the key recommendations we made in this report, after extensive discussions with the Australian Electoral Commission and the many other participants in this inquiry, is about the treatment of prepoll votes. Increasingly, Australians are choosing to exercise their right to cast a ballot in advance of election day. For whatever reason, we are seeing more and more Australians go into the ballot box to exercise their democratic right and privilege in the days and couple of weeks leading up to polling day. The problem that has ensued, of course, is that because those prepoll votes have not been historically counted on election day it is increasingly the case that more and more votes are put aside on election night and we have a diminished chance of seeing an outcome. We need to see those votes counted on election night to increase the likelihood of having clear results in individual seats and a clear result across the nation. I am pleased that all parties in the majority report of this inquiry have supported the concept that amendments should be made to the Electoral Act to ensure that those prepoll votes are counted, as are ordinary ballots across the rest of the system, on election night. This will be an important change that will deliver better outcomes for Australia in the way our elections are conducted.

Whilst I recognise the many other recommendations that the coalition and other minor parties have supported in the majority report, I do note that there are a number that we do not support. Unfortunately, whilst this is a very valuable process that leads to sensible outcomes such as those surrounding prepoll matters, equally it often leads to a little politicking along the way as well. We should greet with some cynicism and scepticism any of those recommendations that do not enjoy bipartisan support, because they will usually have been made for some type of partisan advantage. I would not put it beyond our friends in the Labor Party to engage in partisan advantage in these matters. We need to treat with a rather large grain of salt those areas in which they have dissented from the views of the coalition or other parties, because it is quite likely that they play to the advantage of the majority party.

We need to be very focused on the responsibilities of the AEC under the Electoral Act. Amongst those responsibilities is a need to focus on accurate enrolment—enrolment that is accurate as to the identification of a person and where that person lives. Another responsibility is the conduct of the election: how,
when and in what circumstances a ballot is cast; and how we ensure that only one ballot per person is cast. Then, of course, there is the count: ensuring that preferences are fully exhausted and that the count is undertaken in an appropriate way.

The government have unfortunately chosen to make some recommendations that go against evidence given to the committee and which will undermine the integrity of some parts of that process. They have chosen to make a recommendation about changing the timing of the closing of the rolls. This was despite hearing very clear evidence from the Australian Electoral Commission that the number of people missing at the date of the close of the rolls in 2007 was 100,370 persons whereas in 2004 it was 168,394 persons. Despite the closure date for the rolls being brought forward, we saw fewer people miss out on being on the roll. That was because the AEC ran an effective campaign to ensure that people were accurately enrolled before the closure date. That campaign ensured that people knew they had to have their house in order before the election was called. This was a sensible mechanism that ensured the AEC was not flooded, as they had been previously, with more than half a million changes to enrolments in the days after an election was announced. Instead, it ensured that every enrolment was correct and in place and there was a better outcome in the time frame that was provided. Labor’s recommendation in this regard must be rejected.

We also see suggestions that the changes made prior to the last election to proof of identity for provisional voting should be repealed. Once again we see a situation where the evidence does not stack up, because most people—around 75 per cent—produced their proof of ID when they turned up to cast a provisional vote. That is not surprising. People produce proof of ID all the time nowadays and they do so quite validly. We should not make it easier to cast a vote or to enrol to vote than it is to go to the video store and get a membership card. We should be ensuring that reasonable identification provisions exist—and, in provisional voting, that is quite critical. More than three-quarters of those people who turned up had their ID on them and, of those who did not, a surprising number never bothered to come back with that identification. You have to wonder about the intent of those voters.

This is an important report. I draw the attention of the parliament and the Senate to, in particular, the dissenting comments of Senator Ronaldson, Mr Morrison, me and others. They highlight some areas where we need to be cautious about reforms to the Electoral Act that are perhaps being made for partisan purposes. But I welcome the report and hope that the government embraces the majority recommendations, especially those that will strengthen our processes in the years to come. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Public Works Committee

Report

Senator TROETH (Victoria) (5.21 pm)—I also congratulate you, Acting Deputy President Ryan, on your accession to the position of a temporary chair of committees. On behalf of the Parliamentary Standing Committee on Public Works, I present the 3rd report of 2009 of the committee, Referrals made February and March 2009: fit-out of new leased premises for the Australian Securities and Investments Commission, Sydney, New South Wales, and the construction of housing for Defence at Yamanto Hills, Ipswich, Queensland, and seek leave to move a motion in relation to the report.

Leave granted.

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

I seek leave to incorporate a tabling statement in Hansard.

Leave granted.

The statement read as follows—

On behalf of the Parliamentary Standing Committee on Public Works, I present the Committee’s third report of 2009, Referrals made February and March 2009.

The first project addressed in this report is the proposed fit-out of new leased premises for the Australian Securities and Investments Commission at Market Street in Sydney. The project was referred to the Committee on 5 February 2009 at an estimated cost of $30.8 million.

The Committee was not satisfied with the initial cost plan provided by ASIC and was forced to seek further information on a number of issues. These subsequent inclusions increased the estimated cost of the work to $35.2 million, excluding GST.

ASIC submitted that the primary purpose of the proposed work is to co-locate its 870 Sydney-based staff at a single site, to benefit from the resultant operational and cost efficiencies and to provide room for any future increase in staff numbers.

In its examination of the project, the Committee found that the scope of the work, which comprised the fit-out of five floors at 100 Martin Place, would accommodate only 775 staff—insufficient to achieve ASIC’s aim of co-location. At the site inspection, ASIC told the Committee that it was awaiting approval for the lease of an additional floor, which would allow it to accommodate 890 staff. Approval was granted subsequent to the public hearing, incurring an additional $2.48 million in fit-out costs and bringing the total estimated project budget to $37.68 million.

The Committee recommends that the work proceed at this cost on the grounds that it will fulfil ASIC’s co-location requirements and provide limited capacity for future growth.

The referral for construction of housing for Defence at Yamanto Hills, Ipswich, Queensland has been deferred indeﬁnitely, pending the resolution of noise issues related to the introduction at RAAF Base Amberley of the FA/18-F Super Hornet. The Committee is concerned that the withdrawal was due to a lack of basic consultation by Defence Housing Australia with its primary client, the Department of Defence. The Committee recommends that DHA establish internal protocols to ensure that, in future, all such matters are resolved prior to the referral of a project. The Committee will be seeking to satisfy itself on this point when the project is re-referred.

Mr President, I would like to thank the Committee members for their work in relation to this inquiry and commend the report.

Question agreed to.

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2009-2010
APPROPRIATION BILL (No. 1) 2009-2010
APPROPRIATION BILL (No. 2) 2009-2010

First Reading

Bills received from the House of Representatives.

Senator WONG (South Australia—Minister for Climate Change and Water) (5.22 pm)—I move:

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

Question agreed to.

Bills read a first time.

Second Reading

Senator WONG (South Australia—Minister for Climate Change and Water) (5.23 pm)—I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—
Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010

The purpose of the Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010 is to provide funding for the operations of the three Parliamentary Departments.

As part of Operation Sunlight, the Government’s reform agenda to improve Budget transparency and accountability, the Parliamentary Departments’ outcome statements have been revised to make them better targeted to improve Budget transparency and accountability. The changes to the outcomes provide greater clarity in terms of the results the Parliamentary Departments are seeking to achieve.

The total appropriation sought through this Bill is $172.7 million. Details of the proposed expenditure are set out in the Schedule to the Bill. I commend the Bill to the Senate.

Appropriation Bill (No. 1) 2009-2010

Appropriation Bill (No. 1) 2009-2010, together with Appropriation Bill (No. 2) 2009-2010, is one of the principal pieces of legislation underpinning the Government’s Budget.

Appropriation Bill (No. 1) 2009-2010 seeks authority for meeting the expenses of the ordinary annual services of Government.

This Bill seeks approval for appropriations from the Consolidated Revenue Fund totalling almost $71.3 billion.

Details of the proposed appropriations are set out in Schedule 1 to the Bill, the main features of which were outlined in the Treasurer’s Budget speech on 12 May 2009. I commend the Bill to the Senate.

Appropriation Bill (No. 2) 2009-2010

Appropriation Bill (No. 2) 2009-2010 proposes appropriation for agencies to meet:

- payments direct to local government, and some national partnership payments through the states, the Australian Capital Territory and the Northern Territory;
- requirements for departmental equity injections, loans and previous years’ outputs; and
- requirements to create or acquire administered assets and to discharge administered liabilities.

Appropriation Bill (No. 2) 2009-2010 seeks approval for appropriations from the Consolidated Revenue Fund totalling $10.6 billion.

The implementation of the Federal Financial Relations Act 2009 has important implications for the Commonwealth’s arrangements for payments to the States and Territories and for Appropriation Bill (No. 2).

With the commencement of COAG’s federal financial framework reforms on 1 January 2009, most of the annual appropriations for payments to the States and Territories will no longer be proposed in Appropriation Bill (No. 2). Instead, those payments will be made under the Federal Financial Relations Act 2009. Appropriation Bill (No. 2) will continue to propose appropriations for payments direct to local government, and payments through the States and Territories for non-government schools that are not paid from the Schools Assistance Act 2008 or the COAG Reform Fund.

The Federal Financial Relations Act implements the centralised payments arrangement agreed by COAG and payments to the States and Territories are now contained in one piece of Commonwealth legislation. This streamlining will improve public transparency of these payments and the ability of the Parliament to scrutinise the payment arrangements.

Appropriation Bill (No. 2) also contains an important new provision that will provide Parliament with a transparent mechanism to oversee the rate at which amounts committed to the Nation-building Funds and to the COAG Reform Fund are expended.

The Government intends that payments from the three Nation-building Funds and the COAG Reform Fund will be transparent and subject to parliamentary scrutiny. Accordingly, the Nation-
building Funds Act and the Federal Financial Relations Act 2009 provide a mechanism to specify maximum limits, called the 'general drawing rights limits', on the amounts that can be paid out from each of the four special accounts in a financial year.

It is important to note that Bill 2 will not appropriate amounts to be paid from the various Funds. The intention of specifying general drawing rights limits is to set maximum limits on the amounts that may be covered by drawing rights issued by the Finance Minister under the Financial Management and Accountability Act 1997, for the purposes to which the limits apply.

As part of the Government's Operation Sunlight program to increase the transparency of the Budget, Budget Paper No. 4 contains a new table providing details of all special accounts authorised under the Financial Management and Accountability Act. The new table shows, by portfolio and agency, estimated balances and flows for the budget year and for the previous year.

In addition, for the first time Budget Paper No. 4 contains separate estimates of receipts that agencies may retain and spend under section 31 of the Financial Management and Accountability Act, or which bodies under the Commonwealth Authorities and Companies Act may spend in accordance with their enabling legislation. A separate column shows the estimated special account receipts from non-appropriated sources.

This means that Budget Paper No. 4 now contains complete estimates of agency funding identified by each source of appropriation. More detail on these changes is provided in the Introduction to the budget paper.

Agencies' outcome statements have been revised to make them better targeted to improve Budget transparency and accountability. The changes to outcomes provide greater clarity in terms of the results agencies are seeking to achieve. These improvements do not create new outcomes or change the purposes for which the appropriations are provided. Accordingly, the administered expense appropriations for the revised outcomes are proposed in Bill 1.

Details of the proposed appropriations are set out in Schedule 2 to the Bill, the main features of which were outlined in the Budget Speech delivered by my colleague, the Treasurer. I commend the Bill to the Senate.

Debate (on motion by Senator Wong) adjourned.

**EXCISE TARIFF AMENDMENT (2009 MEASURES No. 1) BILL 2009 [No. 2]**

_BILLS RECEIVED FROM THE HOUSE OF REPRESENTATIVES._

**Senator WONG** (South Australia—Minister for Climate Change and Water) (5.24 pm)—I move:

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

Question agreed to.

Bills read a first time.

**SECOND READING**

**Senator WONG** (South Australia—Minister for Climate Change and Water) (5.24 pm)—I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

Excise Tariff Amendment (2009 Measures No. 1) Bill 2009

The Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 and cognate Customs Tariff Amendment (2009 Measures No. 1) Bill 2009 were originally passed by the House of Representatives on 25 February 2009. The same bills were negatived by the Senate on 18 March 2009.

I am reintroducing the original bills negatived by the Senate into the House today.

The re-introduction of these bills will test the Opposition to see whether it will support a meas-
ure which helps reduce the harmful effects of alcohol on young people and especially young women or whether it will side with the distilling industry.

The decision for the Opposition is whether to protect the health of young people, or to protect distillers’ profits. The ball is well and truly in their court.

On 15 April 2009 I announced with the Treasurer that the Government would reintroduce the alcopops tax measure into the Parliament. The Government also introduced legislation to validate the ‘alcopops’ revenue collected from 27 April 2008 until 13 May 2009.

The validation bills ensured all alcopops revenue as a result of Excise Tariff Proposal (No. 1) 2008 and Customs Tariff Proposal (No. 1) 2008, from 27 April 2008 to 13 May 2009 have been retained by the Government. The validation bills protected an estimated $424 million in revenue collected between 27 April 2008 and 13 May 2009.

I also tabled tariff proposals in the House on 12 May 2009 so that with effect from 14 May 2009 the alcopops measure remains in place into the future.

The Opposition supported the validation bills I have just mentioned. If they support the measure in the past they must now support it into the future. Their position must be settled.

But consistency has not been a hallmark of the Opposition on this measure as they are too close to the distilling industry.

The Government’s position on this has been clear and consistent from day one and remains consistent because the measure is working.

Consumption of alcopops has declined since its introduction. Tax Office data show that alcopop clearances have fallen by 35 per cent in the 11 months after this measure was introduced compared to the same period a year earlier. Total spirits clearances decreased by around 8 per cent over the same period—and this is important to note—that is, even after some substitution over all clearances have dropped by 8 per cent.

And the Budget Papers released a couple of months ago have more evidence of the proposal working. Average weekly beer and spirit clearances (including alcopops and full strength spirits) have dropped 0.5%, or 9,000 litres of alcohol in the period May to March 2008-09 compared to the same period in 2007-08. This equates to about 720,000 fewer standard drinks being consumed per week on average on this measure.

So the evidence is there, and the Government stands by this measure, and has had a consistent position. The question is where the Opposition stands.

Alcopops are brazenly targeted directly at young people and underage drinkers. By using bright colours and sweet flavours, alcopops can very effectively fool young people about how much they’re drinking by disguising the taste of alcohol.

Effectively, alcopops are alcohol-laced lolly water targeted to young people, and young women in particular who might not otherwise drink as much, or at all, if the taste of alcohol was more obvious as it would be unpleasant to their young palates.

They are basically designed to undermine any notion of responsible drinking.

This measure is backed by health experts all over Australia. There are many examples, but I’ll just refer to just one here for the sake of brevity.

David Templeman, CEO of the Alcohol and other Drugs Council of Australia (ADCA) has stated, ‘that this initiative clearly recognised the problems created by the excessive consumption of RTDs which were attractive to the youth market.’

I think it is useful to correct a few misconceptions that have been peddled on this alcopops measure at this point.

First, the measure closes a loophole whereby alcopops are taxed at a lower rate than other spirits. Alcopops will now be taxed at the same rate as other spirits, not more, not less. This is what we mean by closing the loophole.

Second, the alcopops measure was never at any time a stand-alone initiative as some have disingenuously suggested.

Binge drinking is a long-term issue and which requires sustained long term action.
Experts agree that to effectively tackle binge drinking, we need to have a multi-pronged, and prolonged strategy. There is no serious argument against this proposition.

So when you hear people say this that measure of itself has not “fixed” within a few short months a binge drinking culture built up over many decades, we know they are simply being glib. Cultural change takes a long time to occur, and I look forward to seeing the findings of the Preventative Health Taskforce which has preventing alcohol-related harm as one of its three priorities.

The Rudd Government is acting in a comprehensive way. I have mentioned the very important work of the National preventative Health Taskforce.

But the Government has not just been waiting on its hands for its report. As long ago as March 2008 the Prime Minister and I announced the National Binge Drinking Strategy. This involved investing $53.5 million to address binge drinking among young people. Elements of the package include:

- Investing $14.4 million in community level initiatives to confront the culture of binge drinking, particularly in sporting organisations. Six major sporting codes have now signed up to a code of conduct;
- Funding of $20 million for advertising that confronts young people with the costs and consequences of binge drinking via the gritty and hard hitting Don’t Turn a Night Out into a Nightmare campaign; and
- Committing $19.1 million to intervene earlier to assist young people and ensure that they assume personal responsibility for their binge drinking.

As a part of this $19.1 million today I have approved an investment of seven million dollars between now and 2012 for the first four early intervention pilot programs. These have been negotiated with state and territory police and health experts with the aim of ensuring that young people developing an alcohol problem get access to co-ordinated support from health and police as early on as possible to prevent a downward spiral. These are:

- Northern Territory $2.5 million to enhance existing systems and programs within the NT Health and Police - working with young people at risk, and those already in the justice system;
- Tasmania $0.7 million will be allocated in the Tasmanian Police Southern District Command area where alcohol education sessions will be conducted with established outreach services. The Tasmanian Alcohol and Other Drug Service will develop youth specific programs to facilitate the ongoing treatment for young people in need developed through the EIPP;
- Victoria: VicPol will conduct the $1.4 million EIPP in the Wyndham local government area, where police, the Victorian DHS and Directline will work together to assist young people and their families to access drug and alcohol services; and
- South Australia: $2.4 million to assist Police and the SA Drug and Alcohol Service to better work together in three sites to develop an evidence base by evaluating different alternative styles of intervention and inform best practice around final alcohol diversion models for underage drinkers. Individual treatment plans will be negotiated between the young person and the treatment agency.

I am pleased that initiatives like this have been developed with police and health agencies, working together to help young people in trouble.

By tackling the issue on many fronts we aim to make inroads into behaviour particularly amongst young Australians. This strategy remains in place and has been made stronger by additional Government intervention.

Thirdly I’d like to address the issue of substitution. The argument runs that if the price of alcopops is increased—incidentally by taxing them at the same rate as full strength spirits—that young people will substitute their drinking to full and mix their own drinks.

While there has been some substitution to full strength spirits—partly driven by the marketing strategies of alcopop sellers—overall there has been a fall in total spirits excise and equivalent
customs duty clearances of around eight per cent as a mentioned earlier.

The Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 and cognate Customs Tariff Amendment (2009 Measures No. 1) Bill 2009 reverse the previous Government’s decision to tax alcopops at a rate similar to the full strength beer rate. The Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 restores the treatment of taxing alcopops at a rate equivalent to full strength spirits.

The Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 increases the rate of excise duty in the Excise Tariff Act 1921 on beverages commonly referred to as ‘alcopops’ from $39.36 per litre of alcohol content to $66.67 per litre of alcohol content, with effect on and from 27 April 2008.

This rate is subject to biannual indexation and is increased in February and August each year. As at 2 February 2009, the rate applicable to alcopops is $69.16.

Unfortunately, there have attempts by some manufacturers and importers to find ways to circumvent the increased tax rate on alcopops.

The Government decided to alter the taxation definitions of beer and grape-wine product wine to ensure beer and wine based products that attempt to mimic spirit based products in relation to their taste are taxed as a spirit product—that is, at the higher tax rate.

The Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 alters the taxation definition of beer in the Excise Tariff Act 1921 to ensure beer based products that attempt to mimic spirit based products in relation to their taste are taxed at the higher rate that applies to alcopops.

Complementary changes will be made to the Customs Tariff Act 1995 so that imported beer is subject to the same definition of beer for taxation purposes. Changes will also be made to the Customs Tariff Act 1995 to alter the definition of wine. Changes to the A New Tax System (Wine Equalisation Tax) Regulations 2000 will follow to ensure domestically produced and imported grape wine products are taxed on a comparable basis.

The amendments are not designed to have any significant impact on conventional beer and wine products. Both industries are supportive of the changes and in particular beer industry representatives have confirmed that they are strongly supportive because they see the changes as allowing them to be more innovative.

Again, I emphasize this measure acts to address the Government’s concern at the growth in alcopop consumption, alongside their appeal to young and underage drinkers—and the role they play in encouraging binge-drinking.


Customs Tariff Amendment (2009 Measures No. 1) Bill 2009

The Customs Tariff Amendment (2009 Measures No. 1) Bill 2009 which was rejected by the Senate on 18 March 2009 is being re-introduced today in the House.

This Bill contains amendments to the Customs Tariff Act 1995 that implement changes that are complementary to amendments contained in the Excise Tariff Amendment (2009 Measures No. 1) Bill 2009.

The amendments apply to imported alcoholic beverages not exceeding 10 per cent by volume of alcohol that are classified under several subheadings in Schedule 3 to the Customs Tariff, as well as items in Schedules 5 and 6.

These amendments increase the excise equivalent component of the customs duty applying to those subheadings and items from $39.36 to $66.67 per litre of alcohol content on and from 27 April 2008.

The ad valorem component of customs duty for these goods, where applicable, has not been changed.

Changes will also be made to the Customs Tariff Act 1995 so that imported beer is subject to the same definition of beer for taxation purposes as set out in the Excise Tariff Amendment (2009 Measures No. 1) Bill 2009. Additionally, the Act will be changed to introduce a new taxation definition of grape wine product. Changes to the definition of grape wine product will also follow

Full details of the measure are contained in the Explanatory Memorandum.

Debate (on motion by Senator Wong) adjourned.

BUDGET

Consideration of Estimates Committees Reports

Senator FARRELL (South Australia) (5.25 pm)—Pursuant to order and at the request of the chairs of the respective committees, I present reports from legislation committees in respect of the 2009-10 budget estimates, together with the Hansard record of the committees’ proceedings and documents received by committees.

Ordered that the reports be printed.

Senator CORMANN (Western Australia) (5.26 pm)—by leave—I move:

That the Senate take note of the reports.

Senator Wong—I was not aware, Senator Cormann, that you were going to seek leave to do this. I seek some indication of the length of time on this issue.

Senator CORMANN—I seek some clarification from the chair. I was led to believe that I would be able to speak to this motion.

The ACTING DEPUTY PRESIDENT (Senator Ryan)—Senator Cormann, you can speak for 10 minutes.

Senator CORMANN—May I also congratulate you on your ascension to your high office, Mr Acting Deputy President Ryan. As we consider the 2009-10 budget estimates reports that have just been approved for printing, I thought I should reflect on the early operation of the Senate order of continuing effect in relation to public interest immunity claims. This order has been in operation for the first time in these Senate estimates hearings.

I remind the Senate that the order that was passed on 13 May 2009 noted that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate. I am sad to advise the Senate that ministers and officers are still continuing to refuse to provide information to Senate committees without properly raising claims of public interest immunity. Indeed, very senior ministers and very senior officers in the government are still refusing to provide information to Senate committees without properly raising claims of public interest immunity.

I thought I would bring to the attention of the Senate a number of particular examples that I was involved in personally and that some of my colleagues were involved in over the budget estimates fortnight. Before doing so, may I remind the Senate that a minister or an officer who does not want to provide an answer to a particular question, who does not want to provide information held by government, has to claim a recognised public interest ground and then, if requested to do so, refer the matter to the responsible minister who has to both confirm the ground that is claimed and make a statement of reasons as to why it is not in the public interest for a particular piece of information to be provided.

The recognised public interest grounds, so far, are prejudice to legal proceedings, prejudice to law enforcement investigations, damage to commercial interests, unreasonable invasion of privacy, disclosure of executive council or cabinet deliberations, prejudice to national security or defence, prejudice to Australia’s international relations and, indeed, prejudice to relations between the Commonwealth and the states. They are the recognised public interest grounds to which an officer or a minister can point when, in
the judgment of that officer or that minister, it would not be in the public interest to release a particular piece of information that has been asked for by a senator in a Senate committee hearing.

To refer to the report of the Finance and Public Administration Legislation Committee as an example, it lists the questions asked of the Department of the Prime Minister and Cabinet on a whole series of issues and has a catch-all paragraph listing issues discussed—like changes to the private health insurance rebate, the National Health and Hospitals Reform Commission, community cabinets, Medibank Private and so on and so on. One of the issues not listed in this particular paragraph is the government’s proposal to increase the tax on alcopops. As it so happens, I did actually ask a series of questions on that particular matter. In fact, there was quite a lengthy exchange between Senator Faulkner and me, Senator Faulkner being the minister at the table, in relation to seven pieces of advice that were provided to the government, or that were in fact provided to the Prime Minister, since the February estimates in relation to the proposal for an increase in the tax on alcopops. I asked for a copy of that advice and was quite directly told that it was a matter of advice for government and that they could not provide information on advice to government, or words to that effect. I responded:

Minister, are you claiming public interest immunity?

We went through a very lengthy debate but, to cut a long story short, at the end of it the minister sought to refer to the FOI Act as containing the justification, because there was some provision in the FOI Act around why certain information that forms part of advice to government should not be provided. That was completely irrelevant, because there is a very clear proviso at the end of the relevant government guidelines which says that FOI exemptions are only relevant ‘where disclosure would be contrary to the public interest’.

To reflect on this particular case study for a minute, I asked the official whether the advice that had been provided to the Prime Minister in relation to the increased tax on RTDs was part of the cabinet’s deliberative processes, or whether it was advice to government. Of course, they are two different things. If something goes to cabinet then it is part of the cabinet deliberative process, and that is one of the recognised public interest grounds. However, if something is just part of routine advice to the Prime Minister or to a minister, as is requested from time to time, it does not fall under the cabinet’s deliberative process exemption. There has to be a particular reference to a public interest ground. But, when I asked the question, the minister essentially refused to point to a particular public interest ground. The matter is not resolved yet because I have, since the estimates, written to the minister asking him to reconsider the way he handled this particular issue during Senate estimates.

The question arises here: why would it not be in the public interest for the Senate committee that is investigating and scrutinising these measures to have access to the advice that has been provided to government? Would it prejudice our national security or defence? Would it prejudice legal proceedings? Would it prejudice law enforcement inquiries? Which one is it? This is just one of a number of examples, sadly. Senator Conroy during Senate estimates was a particular culprit when it came to refusing to follow the proper processes established in the Senate order on public interest immunity claims. On one occasion Senator Coonan was asking questions of Senator Conroy in relation to the employee share scheme budget measures. He claimed that it was advice to government
and the question had to be rephrased. I asked him:
Are you claiming public interest immunity?
He, dare I say it, sneered at me a bit and responded:
Any time you want to try, go for it. Any time you want to try it on, Senator Cormann, feel free.
I pointed out:
You know what the proper process is.
He said:
Any time you want.
I could not say he had an attitude of wanting to reveal information, but here is the clincher. I sought to ask a question of the senior official at the table, asking whether he was aware of the new order of the Senate and the processes that had to be followed, and here is Senator Conroy’s answer:
It is of no relevance to the official. It is only of relevance to a senator.
Senator Conroy is totally ignorant of the order passed by the Senate and, sadly, he is only one of a number of senior ministers and senior officials who are quite ignorant of the proper processes of the Senate. You might remember that after the coalition budget reply, a few days later, an article appeared in the media revealing Treasury analysis of the coalition’s alternative savings proposals, the alternative to the means testing of the private health insurance rebate, which was to increase the excise on tobacco by 12.5 per cent. Articles in the media talked about ‘Treasury analysis, which was released yesterday, showed that over a 10-year period the Commonwealth would be $3.2 billion short in revenue’. That is a serious allegation and it is something that surely a Senate estimates committee ought to scrutinise. We asked:
Given that this particular advice has been provided to the media, will you provide us, as the Senate committee responsible for scrutinising your budget, a copy of that same advice.
They had to take it on notice. We are now three weeks down the track and we still have not been provided with the information which the media was provided with on 17 May. Can someone explain to me why it is not in the public interest for Senate committees scrutinising the budget to be provided with a copy of Treasury advice to the government on a measure like this, which is highly in the public interest, when the media has been provided with that same information? Can someone explain that to me?

I will soon run out of time, so I want to briefly reflect on the fact that a number of reports have been tabled but answers to questions on notice submitted during the Senate estimates process have not, by and large, been provided yet. There are still outstanding a whole range of answers to serious and significant issues in the budget. The government was very keen for us to push ahead with a whole range of these measures, including having a one-day inquiry two weeks ago into the private health insurance rebate changes. This was even though we still at that time had neither the Hansard transcript nor the answers to questions asked. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**CAR DEALERSHIP FINANCING GUARANTEE APPROPRIATION BILL 2009**

**Report of Economics Legislation Committee**

Senator **FARRELL** (South Australia) (5.38 pm)—On behalf of the Chair of the Senate Economics Legislation Committee, Senator Hurley, I present the report of the committee on the Car Dealership Financing Guarantee Appropriation Bill 2009, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.
Senator SCULLION (Northern Territory) (5.39 pm)—Mr Acting Deputy President Ryan, I join my colleagues in congratulating you on your ascension to the chair. I trust I will be joining you to further celebrate that event later in the week.

I rise to speak on the Carbon Pollution Reduction Scheme Bill 2009 and cognate bills. The legislation before us today covers an issue that we as a government, as a nation and as a people have dealt with in the past. I suspect it is without precedent in its complexity, but I recall dealing with a similar issue 20 years ago. I was associated with fisheries at the time. I can remember us making some of the same fundamental mistakes then as we are making today. Suddenly there was an international crisis about what we were going to do with southern bluefin tuna. The world was noticing a decline in stocks. It was a fish stock that had been measured in a number of areas because it was popular. People noticed that it was harder to get, and the fact that prices were going up was an indicator. So we all had a very close look at that. In Australia, we decided that we would fix it with no worries at all by screwing industry and by screwing Australian fishermen into the ground and saying, ‘That’ll fix it’—until someone said, ‘We can do what we like here, but it is not going to make a zack of difference to the decline of the southern bluefin tuna, because the effects are taking place all over the world.’ The decline was felt in breeding and feeding grounds all around the world so, unless we took a global approach to that problem, we were not going to fix it.

Finding solutions to fisheries problems is not easy, but the Convention on the Conservation of Southern Bluefin Tuna, the CCSBT, is an international agreement that deals with that issue globally. We did not do anything domestically because we knew that, without ensuring that the activities in Australia were part of a fundamental international agreement, it would be a waste of time. I think the proposal before us today, promised to us prior to the election, is absolutely doomed to failure if it does not move in the same direction as the fisheries response did.
The scheme that was promised to us prior to the election said that we are going to have significant cuts in carbon emissions with absolutely no impact on exports, imports or the competitive nature of this country. It would have no negative impacts on jobs and it would basically not cost anyone anything. The government thought, ‘We’ll just quickly slip that into the election promises and hope for the best.’ That is the general thrust of it, but we know that what we are offered today is clearly going to cost tens of thousands of jobs. Anyone in business with the slightest idea about risk assessments of investment would have to agree that this is going to stop significant new investment in major projects in this country. It is definitely going to do very little, if anything, to contribute to the global quest to reduce our carbon footprint.

We have to ask what motivates the introduction of the bills. I have to say that those on the other side have form on this. We have had a whole stream of legislation which I suspect was motivated less by wanting to resolve the issue than it was by wanting to seem impressive. I am thinking of the disaster of Computers in Schools. I am thinking of the government’s guaranteeing of the banks, whereby they did not listen to people but just forged ahead, resulting in money in people’s accounts being frozen. I am thinking of their cash splash to impress everybody, their ‘no child in poverty’ campaign and their $900 payments. If they had listened to the rest of the world, they would recognise that there are much smarter and effective ways to spend our money that would have had much better results. Much like this proposal, those programs were based on the need to impress people for a political outcome rather than thinking about our national interest.

There has been much discussion—and I tend to agree—that this legislation appears to be motivated by a desire to go to an early election to escape the wrath of the Australian people on the fundamental stuff-ups in the management of our economy. I am not sure that is exactly the way the government is going to go, but there does seem to be an overwhelming and cynical body of opinion that that would be the only motive for going to an early election. I am sure that the Prime Minister would like to avoid the consequences of his policies. We all know that it does not seem so long ago that we had a magnificent economy. It seems like just a breath away. It is almost like lending your dog to your neighbour for the weekend. When you drop it off, it is a big, healthy, well-fed doberman—a fantastic animal, like our economy—but, when you go back at the end of the weekend or, in the case of our economy, only 18 months ago, it is a very sick chihuahua.

We have seen an effective change in the deficit of some $55 billion. We are now $350 billion in debt. Every Australian knows that and we are very sad about that. That is why I think that most people suspect that the motive behind this particular legislation is simply a political motive and that it is not a single iota about looking after the global environment. But Rudd has been consistent on this issue. He has consistently failed to reflect advice from just about anyone. It is very rare that you see a piece of legislation come into this place or the other place and, it does not matter what side you are on—whether you are a member of the Greens or the cross-benches or the coalition—we all reckon it is sick; we all think it could be vastly improved for a variety of different reasons. But, of course, we are going to stand in this place with this legislation, because the motive is not to fix the legislation and to provide the best legislative environment to look after the global environment. The government’s motive is to cynically try to sneak through to an early election for their own political gain.
The government have delayed the start date by some 12 months. You have to give credit where credit is due: someone has listened to a little bit of advice and they have said, 'That would be a lot smarter.' We do not think you can get it implemented. In fact, it was coalition policy. We said, 'We don’t think you can get it done by now.' And of course they could not, so they have changed that. It is not a bad idea, our policy. But a better idea would have been to listen completely and comprehensively to everyone else in the room—including the coalition, who were saying, ‘It’s a much better idea to delay finalising this legislation until early next year. It would give us time to fix the fatally-flawed legislation.’ Wouldn’t you expect, Mr Acting Deputy President, that it would be a good idea to perhaps have a bit of a peek to see what one of our largest trading partners, the United States of America, is going to do? Wouldn’t it be handy to toddle off to Copenhagen and see what the rest of the world is going to do?

It is interesting to note that the executive secretary of the Copenhagen conference, Mr Yvo de Boer, said that he does not expect countries to have any legislation. He is not expecting anybody to bring legislation to that particular party. He is expecting people to come along perhaps with a target, which we have supplied. So Australia is going to roll up to the party in fancy dress. We are the odd man out at this United Nations forum. Nobody else is expecting to come with legislation. We are in there with a dog suit—and we do not even know where the zip is. You cannot change this uniform. We are there with a dog suit on, we have brought our target and we are looking a little bit embarrassed. The most embarrassing thing—it is almost like fibreglassing the bloody thing on—is that we are not going to be able to go back and reflect on what we learn at Copenhagen. We are the only ones in the room. So I think one has to be very cynical about the motive that would put Australia in such a vulnerable position. It is an absolute outrage that, given the discussion about all of these matters, they are continuing to press on.

The meeting is to decide what the framework should be, how we should have compliance internationally and how it will all fit together so we can work together. Of course, you could argue that the five per cent target could have been different. We have made it very clear that we agree with that, so there is absolutely no argument supporting the consideration of this legislation at this time—or, in fact, at any other time. I think the political motivation is transparent, and I hope that the Australian people see it as such.

The Carbon Production Reduction Scheme and the ETS, which is a part of it, are clearly designed for a world where each country has put a price on carbon. Each country in the world puts a price on carbon, because without that we are doomed to failure. If this is the case and we do go to Copenhagen in our dog suit, and everybody else there tells us, ‘We’re going in early. We’re going in hard with a carbon price,’ perhaps we would not have a problem with that. Mr Acting Deputy President, I do not know if you have heard or read anything about China, India or Indonesia going in hard and early on a carbon price and with their own ETS—perhaps I have missed that—but without that this legislation is doomed to failure.

Forget about the idiocy of this; people need to understand that putting a multibillion-dollar tax on Australian business whilst it is extremely likely that our competitors will do absolutely nothing just beggars belief. The assumption that all our competitors are going to put a major tax on carbon is a flawed one. I am sure everyone will recog-
nise that, and after Copenhagen we will certainly see that, but we will be locked in. We will have already locked it in. We will have voted for this or voted it out. We will be completely locked in. What if China, Indonesia and all those other large emitters decide that they are not going to do that? What will the consequences be? What will be the consequences of our competitors not playing the game? With respect, I do not think the government have a clue. I am not saying that to be disrespectful. I am simply saying that, when we see the questions that have been asked time and time again by all sides of this parliament, by the Greens and the cross-benchers, and the investigations that have been made, we see that no modelling has been done.

It is just as well that there has been some modelling done by business, and certainly there has been some modelling done by the Centre for International Economics. I think it is very interesting to read what they have to say, and it should be a concern to us all. If you look at the findings of the Centre for International Economics, there are a couple of issues that their report took issue with. For example, it states:
- there is no analysis to show the tradeoffs between an ETS and other viable alternatives;
- there is no analysis of the short term transitional costs;
that is, the 20- to 30-year transitional costs—
- there is no analysis to test whether the framework outlined in the White Paper is in fact the lowest cost; and
- there is no analysis of the risks involved in the short term . . .

The Treasury model has not, in fact, simulated the CPRS—which it proposed in its very own white paper. That has not been done. It goes on and on. These are significant errors that should not have been made. The key finding was that there has not been any analysis done, and one of the fundamentals is that we do not understand what is going to happen in this absolutely essential transitional period. It is going to be the most difficult period to get through. We really have to get through this to ensure that we do not lose competition, that we do not lose jobs and that we do not lose our business.

The report also notes the pretty damning finding regarding the cost effectiveness of the scheme over this critical 20- to 30-year transition period. It recommends that ‘critical analysis be done before finalising a scheme’—that is, before coming into this place to lock it in—and ‘that such analysis be undertaken by an independent and transparent organisation such as the Productivity Commission’. I will not go into the amendment that has been put in the other place and I am sure will be put here. But, no surprise—that is our policy. Our policy reflects a lot of good advice. We have had a lot of good advice around the place. That is why the fundamentals of our policy are based on evidence, good science and good economic advice. Unfortunately, as I have said, this very same report from the Centre for International Economics damns those on the other side for not even attempting to do the analysis.

So why would we legislate now? We have Obama’s draft legislation which assists the US electrical companies all the way through to 2030. We know that is the case. Our legislation provides a much smaller amount of assistance and it phases out in 2016. I am not sure how that is going to make us more competitive. Obama’s legislation is only in its draft form; it is yet to go through the Republicans. So it could get even harder for us to be competitive, and we are simply doing nothing about it. It is a complete mess.

Let us look at the free permits. A number of free permits will be appearing on the books. So you will go to buy a company and
they will say, ‘It’s a nice Australian company. Have a look at this,’ and you will say, ‘Mate, what’s this here?’ and they will say, ‘It says free permits,’ and you will say, ‘Oh, that’s great; I’d like a few free permits hanging around the cupboard. Sounds like a good thing to have. What happens with these?’ and you be told, ‘The government will review them in five years.’ So you will ask, ‘What does that involve?’ and you be told, ‘You’ve got to go and get on your knee, you’ve got to be really friendly and you’ve got to hope that they are going to give out more free ones. We don’t really know anything more than that. Goodbye,’ and you will say, ‘Yeah, goodbye, mate; there’s no good buy there.’

There are a number of things in this legislation, but there is one thing that is notable by its absence. Everybody talks about practical measures that we can take—for example, capturing soil carbon. Part of the report that I referred to earlier says:

… it is important that any policy also incorporates the possibility of directly absorbing emissions from the atmosphere …

According to the scientist Freeman Dyson:

To stop the carbon in the atmosphere from increasing, we only need to grow the biomass in the soil by a hundredth of an inch per year.

I am not saying that this bloke with ‘scientist’ before his name is going to be the all-out solution, but wherever you go there are real, practical things that you can do to make a contribution. We do not see any of that in this legislation. We do not see an opportunity for communities. We do not see an opportunity for agriculture, for biosequestration or for more energy efficiencies—things which are in fact real, practical programs.

We have also suggested, as has been much discussed, the Chicago Climate Exchange. It will be a voluntary exchange. We on this side are not an organisation that just plucks figures out of the air. We said, ‘Five per cent; go for it.’ Why? Because we have done the sums and we think that if communities are involved we can actually achieve that. We think that is really important.

The pastoral industry in the Northern Territory—and, in fact, right across the north of Australia—will be significantly affected. Why? Simply because they do not have an opportunity to make a contribution. They will be penalised by this remote tax. If you live in remote parts of Australia, this is going to hurt you worse than ever, because it is going to have a significant impact on fuel and your cost of doing business—because there is no benefit in having an offset from soil sequestration.
We really need a better understanding. We should not go ahead and support this legislation unless we have a better understanding of the world direction at Copenhagen. We need to understand what the rest of the world is doing, if this is to mean anything to this country apart from a loss of jobs, a loss of business, a loss of credibility and a loss of competitive edge. That is what is going to happen unless we delay this legislation.

At the moment, the short- and medium-term modelling is quite astonishing. Those on the other side keep telling us, ‘By the way, guys, haven’t you noticed that it’s not us stuffing up the economy; it’s the global financial crisis.’ It is odd that we do not even have the global financial crisis included in the modelling. You would reckon that you would have to get that right. Tragically, this legislation goes nowhere near getting it right. It seeks a political outcome. It is not in the national interest. In fact, it is not in the globe’s interest.

 Debate (on motion by Senator Wong) adjourned.

Ordered that the resumption of the debate be made an order of the day for a later hour.

**PRIVILEGE**

The PRESIDENT (5.59 pm)—Senator Heffernan has raised a matter of privilege under standing order 81. The matter relates to alleged threatening and intimidation of a witness who gave evidence at a public hearing of the Economics Legislation Committee on Friday last, Mr Godwin Grech. Senator Heffernan alleges that the threatening and intimidation consisted of ‘backgrounding’ of the media in a manner prejudicial to Mr Grech. Reports have appeared in the press concerning Mr Grech’s alleged illness and his reliability as a witness. Senator Heffernan has also drawn attention to the search of Mr Grech’s home by the Australian Federal Police and suggests that, if this search was a consequence of Mr Grech’s evidence before the committee, this could amount to intimidation of a witness. Senator Heffernan emphasises that he is not concerned with the merits or otherwise of the matter relating to the email allegedly received by Mr Grech.

I am required under the standing order to determine whether a motion to refer the matter to the Privileges Committee should have precedence, taking into account the following criteria.

(a) the principle that the Senate’s power to adjudge and deal with contempts should be used only where it is necessary to provide reasonable protection for the Senate and its committees and for senators against improper acts tending substantially to obstruct them in the performance of their functions, and should not be used in respect of matters which appear to be of a trivial nature or unworthy of the attention of the Senate; and

(b) the existence of any remedy other than that power for any act which may be held to be a contempt.

These criteria basically go to the seriousness of the matter raised. The Senate and the Privileges Committee have always taken extremely seriously any suggestion that a witness has been threatened or intimidated in respect of their evidence before a Senate committee. Every case raised by a senator has been referred to the Privileges Committee for inquiry and report. The Privileges Committee stated in paragraph 4.73, page 46, of its 125th Report—Parliamentary privilege: Precedents, procedure and practice in the Australian Senate 1966-2005:

The committee continues to regard the protection of persons providing information to the Senate, and in particular of witnesses before parliamentary committees, as constituting the single most important duty of the Senate, and therefore of the committee as its delegate, in determining possible contempts. As a result all 20 cases of possible intimidation reported on to date have been considered with the utmost care and have resulted in
the most comprehensive inquiries which the committee has undertaken.

In light of the precedents, I have determined that I should give precedence to a motion to refer the matter to the Privileges Committee. A notice of motion to do so may now be given.

Senator HEFFERNAN (New South Wales) (6.02 pm)—I give notice that, on the next day of sitting, I shall move:

That the following matter be referred to the Committee of Privileges for inquiry and report:

Whether any adverse action was taken against Mr Godwin Grech in consequence of his evidence before the Economics Legislation Committee on 19 June 2009 and if so, whether any contempt of the Senate was committed in that regard.

CARBON POLLUTION REDUCTION SCHEME BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2009
AUSTRALIAN CLIMATE CHANGE REGULATORY AUTHORITY BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CHARGES-CUSTOMS) BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CHARGES-EXCISE) BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CHARGES-GENERAL) BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) BILL 2009
CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) (CONSEQUENTIAL AMENDMENTS) BILL 2009
EXCISE TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME) BILL 2009
CUSTOMS TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME) BILL 2009
CARBON POLLUTION REDUCTION SCHEME AMENDMENT (HOUSEHOLD ASSISTANCE) BILL 2009

Second Reading

Debate resumed.

Senator LUDLAM (Western Australia) (6.03 pm)—Climate change is one of the main issues that brought me into this place. It was one of the reasons that I got involved in politics. It was one of the reasons I chose to run for the Senate. So it is with a great deal of sadness that I am rising to deliver this speech. This must be a bad piece of legislation indeed for the parliament’s strongest advocates of a response to climate change to be voting it down. The package of Carbon Pollution Reduction Scheme bills that is before us fails the test of consistency with climate science. It fails to keep faith with the millions of Australians who voted for an end to 12 years of energy policy written by the transnational oil and gas companies and the coalmining industry. The bills enable an unprecedented transfer of wealth from the taxpayer to the most carbon intensive industries in the country. They lock in a target so low and so compromised by loopholes as to amount to no target at all. They fail the test of intergenerational equity, binding Australian delegates to Copenhagen with what amounts to a blocking position, a refusal to entertain the Bali negotiating range of 25 per cent to 40 per cent, which must be the bare minimum starting point for the crucial talks later this year. Most tragically, this legislation fails the test of being better than nothing at all.

On Professor Ross Garnaut’s advice the government has pursued a market based mechanism of a cap-and-trade system which
embeds a carbon price in the economy. In the 10 years that I have been working on climate change issues, I have never heard anyone say that a carbon price was a bad idea. But this scheme manages to shield the nation’s most polluting industries from the impacts of that price, displacing those costs onto the broader community and warping the principles outlined by Professor Garnaut almost out of recognition. It is a carbon trading scheme in which the more you pollute the more you get paid, turning the principle of a price signal inside out. It is a carbon price but only with exemptions for coal, oil and gas. This is the starkest example possible of how politics—as usual—will fail the Australian people, the global community, those on the front line and the species already vanishing under the early impacts. I have listened to the debates in here and to the contributions from all sides, and it is quite clear that the government has tried to steer a middle way between the science based targets of the Australian Greens and the rearguard demands of the polluters for an entrenchment of business as usual. Of course, politics is meant to be the art of compromise. In human affairs, balancing the competing needs of different constituencies is vastly harder than it looks. But this issue is something different. There is no middle way with climate change. The atmosphere will not compromise and the planet’s heat balance is not interested in negotiating.

As a senator for Western Australia I am keenly aware that climate change has already hit us pretty hard in the west. It is projected to hit us much harder. Senator Siewert has already outlined some of the modelled consequences for the western third of the continent, so I want to concentrate on the opportunities. How many senators in this place realise that in 2008 global investment in renewable energy was greater than all investment in all fossil generation combined? I suspect that that is news to most of us here because so little of that investment is being made in Australia. According to the *Global trends in sustainable energy investment 2009 report* conducted for the United Nations Environment Program, 2008 was the first year that global investment in new power generation capacity from renewable energy technologies—not including large hydro—outpaced investment in fossil fuelled technologies. Wind, solar and other clean technologies attracted a US$140 billion investment compared with $110 billion for gas and coal for electrical power generation. If you include energy efficiency and other measures, more than $155 billion of new money was invested in clean energy companies and projects in 2008, a year in which the rest of the economy was really only generating bad news.

The growth in investment in clean energy was largely due to record investments by China, India, Brazil and other emerging economies. These are the very nations that Australian politicians love to cite as a reason for Australia to do nothing, and they are now leaving Australia behind. Europe and North America are storming ahead. In Australia we are cursed with a political culture that cannot see past a smokestack. Our leaders assume that only coal and nuclear can generate base load energy, that energy efficiency is a waste of time and that renewables will only ever be a sideshow. All of these assumptions are dead wrong and mean that we keep coming up with the wrong answers.

Last week I commented on a report by Fremantle based Australian company Carnegie Corporation Ltd which showed how building 1,500 megawatts of wave energy power stations by 2020 would create 3,210 Australian jobs and enough energy to power 1.2 million households. The report by that company projects that, by 2050, 14,380 jobs could be created, producing 12,000 megawatts of clean, renewable power. Australia
has the world’s most abundant renewable energy resources and we are doing almost nothing with them. Western Australia has world-leading solar, wind, wave, biomass and geothermal resources, and they are treated as irrelevant by a leadership that seems to understand resources only as something that can be burnt, blown up or chopped down. With the right policy settings, Australia could be renewably powered within a generation and could permanently leave the concept of climate change and fossil fuel depletion behind.

One issue that is very close to my heart is public transport and what happens in communities when you get it right. The government seems to think that introducing a CPRS will somehow be enough to drive a change in transport habits. But, of course, it will not go close. If it were done right, climate policy could be an opportunity to support public transport to create genuine travel alternatives to cars. It could be an opportunity to provide incentives for people to choose public transport, which would greatly reduce our carbon footprint. But we know that it has not been done right. One of the more perverse impacts of this package of bills relates to the way that public transport will be disadvantaged relative to private cars.

By including buses as public transport vehicles in the heavy vehicle categorisation, the legislation fails to recognise the bus industry’s unique status within the heavy vehicle sector as an environmentally positive industry that provides a practical travel alternative to the car. The removal of the proposed cent-for-cent compensation for fuel price increases as a result of the CPRS will increase public transport operating costs. This is what the bus and coach industry are saying to us. The rail industry note that their costs will also increase relative to private cars, as the CPRS increases electricity prices. So there you have it: the government’s centrepiece climate change legislation has been drafted to make public transport more expensive relative to private cars—and this is not really an accident; it is something that has been known for many months.

The transport sector is Australia’s third largest emitter of carbon pollution. It accounts for around 14 per cent of total emissions. Road transport—cars, trucks and light commercial buses—accounts for about 90 per cent of total transport emissions. We know that the Commonwealth spends 12 times more on roads than it does on rail, and we know that public transport uses fewer resources for infrastructure, fewer vehicles and less fuel. Trams emit half the carbon pollution of cars, at least per passenger kilometre. When petrol is $8 a litre, the urban freeways that we are building now will make no sense whatsoever. Car-dependent developments on the fringes of our great cities only look affordable in an age of cheap oil and low carbon prices. Take away that assumption, and low-income families in car-dependent suburbs will find themselves highly vulnerable to oil price shocks. The infrastructure that we are designing for the fossil economy is obsolete.

I very much support the recommendations being made today by the Rapid, Active and Affordable Transport Alliance. This is a group made up of a very broad coalition of organisations and includes health organisations such as Diabetes Australia, trade unions, transport advocacy organisations, city councils and environment groups including the ACF. They are calling on the government to rebalance transport spending by dedicating two-thirds of the funding to public transport and one-third to roads. It does make sense, particularly in terms of Australia’s rapidly worsening carbon emissions from this sector. It is naive in the extreme to imagine that the CPRS bills before us will have any real impact on patterns of transport in Australia. If
anything, in the absence of a large-scale investment in public transport, they will further compound the misery of people in vulnerable communities without doing anything tangible to provide for choice or alternative options.

The rallying cry for those for whom climate change is still an inconvenient truth is ‘jobs’. At a time of grave economic uncertainty and with the underlying weakness of the global economy laid bare for all to see, we cannot ignore the impacts of climate change on employment. So what kinds of jobs are the climate deniers promoting? They are offering you a job on the Titanic, a job in a future shrouded with risk and dislocation. It is short-term thinking in the extreme to imagine that you can stand up and pretend to be a defender of jobs while steering the ship on which these jobs depend directly at the iceberg. We have seen this coming. Australia signed the United Nations Framework Convention on Climate Change in 1992. That is how long we have had to prepare for the debate this evening, and it underlines the tragedy of the Liberal and National parties running around, nearly 20 years later, flogging us jobs on the Titanic instead of confronting directly the challenges that are before us.

As I did in my first speech in this chamber, I want to conclude with some thoughts about the community campaigners who will react to the huge missed opportunity that the CPRS represents: the climate action groups around the country and the ordinary people who will take action because this chamber has failed. Even the head of the United Nations climate change branch, Yvo de Boer, is getting a little desperate. He spoke to non-government organisations last week and said, ‘If you could get your members out on the street before Copenhagen, that would be incredibly valuable’. That is what it has come to. With the parliament unable to decide between inadequate action and no action at all, it again falls to the community to make its voice heard and demand strong action. To paraphrase Churchill, it seems the government does intend to do the right thing—after everything else has been tried. We do not have time for this approach, for further delays at the behest of the industries which have held back progress until five minutes to midnight.

This is not the end of this debate. I would like to pay tribute at this point to Senator Christine Milne, who has carriage of climate change issues for the Australian Greens, for the leadership that she has shown in taking such a strong and scientifically defensible line in this debate. I think we will see, in future weeks and months, as this debate plays out, that it is really the only sensible course for the Australian parliament to take. This parliament will one day soon have to pass a comprehensive set of measures to confront these challenges directly, to harness Australian ingenuity and the strength of our economy to build a renewable society. Until that day, the real hope in Australian politics lies outside this building in the movement for a safe climate, which is growing around the country.

Senator CORMANN (Western Australia) (6.14 pm)—The Rudd government’s proposed emissions trading scheme is deeply flawed. If the government’s goal is to help reduce global greenhouse gas emissions, it will not achieve that through its ETS. It will not help reduce global greenhouse gas emissions. In fact, the Rudd government’s Carbon Pollution Reduction Scheme Bill 2009 and related bills could well result in more global greenhouse gas emissions than there would be without them. The scheme is not going to do anything for the environment, yet it is a scheme that will cost jobs and put pressure on our economy.
You would think that a Labor government would care about jobs. But, in their modelling exercise, do you think they assessed the impact of their proposed emissions trading scheme on jobs? No, they did not. They, in their absolutely inadequate and flawed modelling—modelling that is as flawed as the emissions trading scheme itself—included full employment as a modelling assumption, rather than trying to assess employment as a modelling result. They started off telling their model that we are going to have full employment. However, there is going to be an impact on jobs in the steel industry, as we were told in Wollongong when we went there with the Senate Select Committee on Fuel and Energy. We were told 20,000 jobs are at risk in Wollongong. If you tell your model that we are going to have full employment and then 20,000 jobs go down, it says, ‘Oh, well, jobs are going to go up somewhere.’ That is a function of the flawed model that this absolutely flawed government have put together: 20,000 jobs go down over here, so 20,000 jobs must go up over there.

The only category that was left where jobs could go up was ‘green jobs’. So if we are going to have jobs lost everywhere, as the coal industry, the steel industry and a whole range of other industries say, and if you cannot find another category for jobs created, the model says, ‘Oh, well, it must be green jobs.’ Then the government say, even though it is a function of the way the model was put together: ‘Look at this! Isn’t this great? We’re going to have all these new green jobs,’ not telling people who are not diligent enough to look at the fine print that it was not a modelling result but a modelling assumption. They have not modelled the impact on jobs. They have not modelled the impact on regional Australia. In fact, they say it is too hard, too difficult. A number of witnesses before our particular committee inquiry said it can be done and there is absolutely no difficulty. In fact, the New South Wales government commissioned Frontier Economics, who did exactly that work. Frontier Economics, who used exactly the same modelling methodology and exactly the same databases et cetera were able to do the work that this government refused to do.

I say it again: compared to the reference scenario, the Rudd government’s scheme will actually make things worse for the global environment, not better. Let us reflect on this for a moment. If there were a price on carbon in Australia in isolation from what was happening in the rest of the world, what would that mean for the LNG industry, for example, which could prosper here in Australia under a global agreement? We have a lot of untapped gas reserves which could contribute to a reduction in global greenhouse gas emissions by displacing coal fired power stations in China and Japan. Yet under this scheme the LNG industry is going to be worse off than all of the competition it is facing from companies overseas that are not facing the same cost. We could have the trifecta—good for economic growth, good for jobs and good for the environment. Surely a scheme introduced by a government in Australia should make it easier for such an industry to develop, to grow and to prosper, rather than make it harder. This scheme is going to make it harder. We are going to tie our hands behind our back, rather than doing everything we can.

I will put a few facts and figures around this. For every tonne of additional emissions in Australia through the production of LNG, we can achieve a reduction in emissions in China of 5½ to nine tonnes and a reduction in Japan of 4½ tonnes. So, if your objective truly was to reduce global greenhouse gas emissions, rather than political grandstanding, and if you were really focused on reducing global greenhouse gas emissions, wouldn’t you design your scheme such that
the Australian LNG industry could grow and prosper so that we could maximise our potential to reduce global greenhouse gas emissions? But, no, we have not done that.

Let us go to steel, cement and other industries. An industry in Australia which is at world’s best practice environmentally—that is, the best in terms of having the lowest level of emissions for a particular activity, compared to any other company or business conducting a similar activity anywhere else in the world—will face a cost not faced by any of the others, including the more polluting businesses in overseas jurisdictions. They will be less competitive, so they will get less business. The businesses that are going to get the business are those that are more polluting, and the businesses that are going to grow are the businesses that are more polluting. The businesses in Australia that are operating at world’s best practice environmentally will not do well. That business will get shifted to businesses that are more polluting. That will result in more greenhouse gas emissions—as a direct result of what we are trying to do over here.

A particular witness, from Spitfire Oil, appearing before the fuel and energy committee said: ‘We’ve got this great new technology, this great new process, which actually will help to have a significantly lower level of greenhouse gas emissions around oil production. However, we won’t be able to get it off the ground because we’ll be competing with imports that are going to be more competitive. Even though we’re much more environmentally friendly and even though our emissions are significantly lower, we’re still going to have to pay a price for carbon that others overseas won’t have to pay.’ So, for businesses that are more environmentally friendly and that are trying to pursue new technology, you are actually going to make it harder to compete with more polluting businesses, as a direct result of what is being proposed here. In fact, that particular enterprise, which is a very creative and innovative enterprise, is looking at relocating offshore. Australia is probably going to lose that particular enterprise, Spitfire Oil.

**Senator O’Brien interjecting—**

**Senator CORMANN**—I invite you, Senator O’Brien, to have a very close look at what they do, because they are researching some very good technology which will be very environmentally significant. Yet if this Carbon Pollution Reduction Scheme comes into play, that will be the end of it for Australia—it will be the end of it.

There are some basic principles to understand. The Europeans understand them and the Americans understand them. People keep pointing to Europe: ‘They have had an emissions trading scheme and the world has not fallen apart over there.’ Let us just start off by noting that when they introduced their emissions trading scheme they provided more permits than there were emissions at the time. That was the way Europe started off. But then let us just note that their emissions-intensive trade-exposed industries—their export industries—are 100 per cent protected. In Australia we are saying, ‘Oh, well, the LNG industry’. In the end, after a lot of public debate, the government said, ‘We will give you 60 per cent free permits, which over a period of time are going to go down.’

Some other industries were given 90 per cent free permits, but when you actually look at the way it is calculated and go through the ins and outs of it—activity based definitions and all of the bureaucratic mumbo-jumbo—this is a very complex, very bureaucratic scheme. It is very difficult to get your head around it. The bureaucracy and the red tape that are going to be built around all of this will be just incredible, if this ever gets up. The government says, ‘Ninety per cent free permits are here,’ but in the end clearly we
are talking about 60 or 63 per cent of permits. So there is going to be a significant cost. The government is aiming to raise $25 billion through all of this. It is a cost that has to be borne by business across Australia—a cost that is not going to be borne by competitors overseas.

Has the government actually set itself a target as to how much it will reduce global greenhouse gas emissions as a result of this measure? No, it has not. Very specifically, I asked an official from the Department of Climate Change and Water at the table at a Senate committee hearing, ‘Can you point me to where in any of your legislation, policy documents, green papers or white papers there is a target as to how much you want to contribute through this scheme to reductions in global greenhouse gas emissions?’ There is no target. There is no target as to how much this proposed scheme for Australia will contribute to a reduction in global greenhouse gas emissions. The reason is that this government knows what we know: it knows that this scheme is not going to reduce global greenhouse gas emissions, yet it is quite prepared to impose the economic cost and the sacrifice on people right across Australia. It is flying blind.

Let us just reflect on the modelling that was done by Treasury. Treasury went through this political exercise: ‘We have got to send this message out there.’ The objective of the exercise was, ‘Let’s go through some modelling so we can send a message out there that the impact is not going to be so bad. It is just going to be a small impact. You can just sort of squeeze it in—softly, softly, don’t worry, she’ll be right.’ Except that is not the case when you start scratching the surface.

We commissioned a peer review of the Treasury modelling and Dr Brian Fisher had a look at it. Dr Brian Fisher asked for access to a whole heap of information, which the government decided to keep secret—but I will get to that in a minute. It is quite incredible how contemptuous the Treasurer has been in handling successive orders of the Senate and legitimate requests by the Senate Select Committee on Fuel and Energy in relation to that information. But this is what Dr Fisher concluded in terms of the Treasury assumptions of its modelling: its international action assumptions are highly optimistic—and I think that has been widely canvassed; the emission-pricing and permit-trading assumptions bias the results toward artificially low costs of mitigation, with Treasury assumptions ‘which virtually guarantee that the permit prices from the modelling are unrealistically low,’ and the electricity sector transformation assumptions appear to underestimate significantly the cost and structural adjustment challenge of moving to a decarbonised electricity generation sector.

In fact, the Treasury modelling assumed there would be an absolutely immediate transition, totally ignoring the capital intensity of power generation and completely ignoring the replacement costs and the transitional issues involved with moving from one method of power generation to another. The Treasury modelling assumed that there would be seamless transition. Anybody who knows anything about electricity and power generation knows that there is not going to be any seamless transition should this scheme come into play.

Senator O’Brien interjecting—

Senator CORMANN—I can understand why Senator O’Brien is embarrassed by the scheme that his government has put forward for consideration of the Senate. I can well understand why Senator O’Brien is embarrassed. But the reality is this: we have got before us a scheme that is flawed. We have got before us a scheme that will not make
any difference to the global environment. It will not reduce global greenhouse gas emissions. It will cost jobs. It will put pressure on the economy. It will put pressure on regional Australia.

Has this government done its homework? Has this government properly assessed what the impact on the economy, on jobs and on regional areas is going to be? No, it has not. Do not take my word for it; do you know what Paul Howes from the AWU said about the Treasury modelling? They are very quiet over there because they know what the answer is. He said it was inadequate. The Treasurer needs to do some more modelling, in particular, given the current global economic downturn and conditions.

Do you know who else said this modelling was inadequate? ACOSS—hardly climate change sceptics or climate change deniers or conservative acolytes. They cannot be accused of doing the bidding of the Liberal Party; surely, ACOSS, AWU and the CFMEU; we had witness after witness that said the Treasury modelling was inadequate and that more modelling was required.

As a committee, we were actually trying to assess and go a bit deeper. We were trying to do the work of the government. As a committee, we wanted to know what the impact was going to be on jobs—not just a fake, flawed modelling assumption that there will be full employment. We wanted to know what the impact was going to be on jobs and we wanted to know what the impact was going to be on regional Australia. So we said to the government that we would like to get access to the underlying information—the model codes, databases and a series of other things.

The Senate Select Committee on Fuel and Energy first wrote to the Treasurer on 8 December 2008. It took the Treasurer nearly three months before he got back to us. Do you know why he got back to us? Because we had given notice of a motion in the Senate ordering him to provide that information. He ignored the first order and came into the chamber with the flimsy excuse that in his view it was not in the public interest for that information to be released and it was about the contractual obligations of the Commonwealth. We got back to him and said that parliamentary privilege overrides the contractual obligations of the Commonwealth—which the government well knows. We went backwards and forwards.

In the end, they claimed commercial harm would be caused to two external consultants they had contracted. We made another order. The committee and the Senate bent over backwards to accommodate the legitimate issues that were raised in relation to commercial harm, insofar as we considered that they were legitimate. We ensured that the information could have been provided in a very confidential way to the Senate committee. Any breach of that confidentiality as per the order would have been a breach of parliamentary privilege and a criminal offence.

Monash University was one of the two external consultants. The Treasurer tried to hide behind the excuse of Monash University to cover up the modelling information that we needed to assess the impact of the government’s flawed scheme on the economy and jobs. But Monash University said, ‘We’re quite happy for you to have it; we’re happy to waive confidentiality.’ They even wrote to the Treasurer and said, ‘We’re happy to waive confidentiality based on the provisions in that Senate order.’ What would you expect me to do then? Of course I wrote to the Treasurer. We were in a good position: an order which requires the government to produce a particular piece of information and the statement from the consultant, Monash University, who provided most of the information that the government was sensitive
about. We wrote to the Treasurer on 17 March and said, ‘Please give us the information.’ It was another three months before I got a letter back. Do you know when I got that letter back? The day after I gave notice of another motion. It was hand delivered to my office.

As the chair of a committee of the Senate, I had to wait six months to get information that we legitimately requested from the government. What has the government got to hide when it comes to the impact of its Carbon Pollution Reduction Scheme on the economy, on jobs and on regional Australia? Why is the government not forthcoming in providing the information that it was properly requested to provide by a committee of the Senate? Commercial harm was claimed in relation to one aspect of it. But there was a whole range of other information that we asked for—information critically important for us to make a proper judgment about the impact of this scheme on the economy and on jobs.

The government was trying to bully us into dealing here with it now and, yet the handling of this process by the government has been a farce. Remember the announcement by the Treasurer on 12 February of a new inquiry by the House of Representatives Standing Committee on Economics into the choice of an ETS? That was obviously about the battle that was going on between Senator Wong and Minister Ferguson—between the believers and the realists in the cabinet. Those who heeded the comments by industry in January-February, given the worst economic crisis since the Great Depression, as the Prime Minister kept reminding us at that time, thought perhaps we should have another look at what is being proposed. So on 12 February there was the announcement of a new inquiry, into the choice of an emissions trading scheme. But on 19 February the inquiry was canned. They were all over the place. Then there was the announcement a couple of weeks ago: ‘We are going to delay it by a year.’ Anybody who suggested a year ago that it should be delayed by a year was a heretic, a non-believer, a climate change sceptic. This is beyond a joke. What we have been asked to consider today is a bad scheme and a flawed scheme. It will not reduce global greenhouse gas emissions. It will cost jobs. It will put pressure on the economy. It will put pressure on regional Australia. We should not support it if the government forces it to a vote now. We should wait for Copenhagen and see what the rest of the world is doing.

Senator WILLIAMS (New South Wales) (6.34 pm)—I rise to talk on the government’s Carbon Pollution Reduction Scheme Bill 2009 and related bills. Could I say, firstly, that carbon is not a pollutant. Carbon dioxide is an odourless, colourless, non-toxic gas. I want to make that quite clear. When we talk about carbon, remember that 18 per cent of your body weight is made up of carbon. Everything around us exists with carbon. Without carbon, we would not exist—CO2 is an odourless, colourless, non-toxic gas. When we inhale, Mr Acting Deputy President Bernardi, do you realise that we breathe in about 380 parts per million of carbon dioxide? When we exhale, we exhale 50,000 parts per million of carbon dioxide. I suppose that is an idea: the government could put a tax on breathing and they could call it the ‘breath tax’. Imagine the money they would raise from 21 million Australians breathing. Soil nutritionists refer to carbon as a cycle of life. Without carbon in the soil nothing grows. We need carbon dioxide in the atmosphere. Carbon dioxide is food for plants, crops, trees and all the things that grow by photosynthesis. Minister Wong prefers to refer to carbon dioxide as a pollutant. I disagree with that.
What is this whole debate about? What is this whole global issue of carbon dioxide about? It is about whether the increase of carbon dioxide levels in the atmosphere is causing global warming. That is the debate. We know for sure that there is more carbon dioxide in the air now than there was, say, in 1750. Ice samples have proved that. We are running, I think, at about 380 parts per million now and back in 1750 it was around 280 parts per million. History also shows that we have had atmospheric levels of some 2,000 parts per million.

I want to look at a few things here. If the increase in carbon dioxide and greenhouse gases in the atmosphere is definitely causing temperatures to rise then one thing would be for sure: sea temperatures would be rising. Let us have a look at what Lord Monckton has said in his report, which happened to come across my desk:

Since 2003, some 3300 automated bathythermograph buoys have been deployed throughout the world’s oceans in the ARGO program.

Of course there are thermometers with them, measuring and recording the temperature of the ocean.

These buoys have shown no oceanic warming in the five years since they were deployed, contrary to model predictions that pronounced warming would occur. This result is highly significant, because it is the oceans, far more than the atmosphere, that are the real bell-wether of climatic change. The oceans, some 1100 times denser than the atmosphere, would be expected to take up at least 80% of the excess heat generated by anthropogenic greenhouse-gas emissions: yet, despite continuing rapid increases in emissions, the oceans are not warming at all, and may even be cooling a little.

Surely, with the increase of greenhouse gases in the atmosphere, if the theory is right the oceans would be warming. That is not an opinion; those are the tests from those 3,300 thermometers that have been out there since 2003, delivering results.

We would also expect that sea levels would rise. Let us face it: if the theory is that the globe is warming, the first thing we would see is sea levels rising. I would like to talk about a man by the name of Dr Nils-Axel Morner. He is a doctor from Stockholm University and he has been measuring sea levels for 35 years. He has not forecast what is going to happen in the future; he has been out there measuring them in places like the Maldives, which they say is one of the places in the world most threatened by sea level rises. He says the ‘claim that sea level is rising is a total fraud’, because they simply are not. They did rise a couple of centimetres over 100 years but then started to reduce their levels again. This is a very good point that Dr Morner makes: if sea levels are rising, the diameter of the earth would increase. He says:

… because if the radius of the Earth increases, because sea level is rising, then immediately the Earth’s rate of rotation would slow down. That is a fact. I could give Senator O’Brien an example: when an ice skater is doing their performance and they have their hands out wide, when they bring them in they spin faster. It is a physical fact that if the global diameter is increasing it will not rotate as fast. That is not occurring. We are not being reduced to 20 hours a day. There is a second question on it.

Senator O’Brien— Might as well be, with the rate you blokes are going!

Senator Chris Evans— Is that an effect of daylight saving?

Senator Williams— I take Senator Evans’s interjection, but we will not get onto daylight saving, because that is a real issue that we who live away from the cities do not really enjoy.
I point to the IPCC. The IPCC has done its modelling on the expectation that the globe is warming and sea levels are rising, and that is simply wrong. The sea temperature is not rising, as those 3,300 thermometers have proved since 2003. The global diameter is not increasing. Let us go to the next thing: sea ice, of course. Let us have a look at the sea ice situation. Sea ice around Antarctica has been increasing at a rate of 100,000 square kilometres a decade since the 1970s, according to the British Antarctic Survey. Antarctica has 90 per cent of the world’s ice. While sea ice has been lost in western Antarctica and on the Antarctic Peninsula, sea ice cover over the Ross Sea has increased. So now we are getting the real facts and the truth about the ice. I am saying that there has been a lot of false information presented and the IPCC’s figures are being based on the modelling that CO2 will raise the temperature of the globe. That is where the figures come under question.

What is the government’s plan? The government is bringing in its Carbon Pollution Reduction Scheme. Part of that scheme is the emissions trading scheme, and the word ‘trading’ is what we in the Nationals are very afraid of, because when you get a trading scheme what do you have? You have screen jocks, people sitting in front of computers—buyers and sellers. I saw it for years with Australian dollar trading after it was floated. The screen jocks would be there, doing their job, taking their commissions, and the Australian dollar trading after it was floated. The screen jocks would be there, doing their job, taking their commissions, and the Australian dollar would be going in a very volatile fashion up and down a matter of cents a day as the traders came in buying and selling—and profiteering—on the dealing of the Australian dollar on the foreign exchange markets. Of course, the screen jocks were providing a service and taking their commissions. This word ‘trading’ is the real problem, as it goes in the plan the government is here to bring in.

The National Australia Bank has said that the price of carbon may trade as high as $100 a tonne. The government is obviously fearful of what it is going to trade at, because they have fixed it at $10 a tonne for the first year. We know the government has delayed the introduction of it. Their political plan would be to get an election out of the road before everyone starts losing their jobs. That is why they have delayed it. First it was that if we did not start it next year the world was going to disappear. All of a sudden we can delay it for 12 months and that is not a problem. They are saying, ‘We’ll just wait and try and squeeze an election in before people in the mining industry, people in the agricultural industry, people in the transport industry and all those people start losing their jobs, because they might just have a say at election time.’ That is why it has been delayed for 12 months.

Let us have a look at what the effect on Australian industry and those jobs will be if the government’s plan comes to fruition. I want to talk specifically about the cement industry. In Australia we produce 10 million tonnes of cement per year and we import two million tonnes as well, so we consume around 12 million tonnes of cement. The cement industry is a big producer of greenhouse gases; in fact, in Australia we produce 0.8 tonnes of greenhouse gas for every tonne of cement that we manufacture, so those 10 million tonnes of cement made here in Australia produce eight million tonnes of greenhouse gas.

Of course, the free permits and discounted permits will disappear as time goes on. Let us say the cement industry starts off at a 90 per cent discount—very generous. That means that on the eight million tonnes of greenhouse gas they produce they will only have to pay the permit on 8,000. As time goes on and the free permits expire—and if NAB is correct in its predictions that carbon
may go to $100 per tonne—for those eight million tonnes of greenhouse gases that the cement industry produces we are looking at $100 per tonne multiplied by eight million. We are looking at an $800 million cost to the cement industry. They will never survive. There are some 15 manufacturing sites around regional Australia employing around 1,870 people, let alone the transport and other jobs that rely on that industry. If they are forced out of business then no doubt we will import our cement from China.

China produces in excess of one billion tonnes of cement per year compared to about 10 million. But there is one catch: when China produces a tonne of cement it produces 1.1 tonnes of greenhouse gases. In Australia we produce 10 million tonnes of cement, producing eight million tonnes of greenhouse gases. Send Australian industry broke, shut down the jobs and we will import cement from China—so the 10 million tonnes they produce in China will produce 11 million tonnes of greenhouse gases. What is the result? The 15 plants are gone, the jobs are gone and we are importing 10 million tonnes of cement. So instead of producing eight million tonnes of greenhouse gases in Australia, we will be producing 11 million tonnes of greenhouse gases in China. How smart is that? This is the point that my colleague Senator Cormann made: if you shift the industries out of Australia, those countries who do not really care about the atmosphere or anything else they are doing, except making money, will take on the jobs and produce more greenhouse gases. The effect on the globe will be worse if that is what you do.

I refer to agricultural industries. They will suffer as well under these costs. ABARE predicts it could cost the dairy industry up to $9,000 per dairy farm. So we will send them broke. What are we going to do: import our fresh milk from China? We have had enough trouble importing food from China recently. Then there is the beef industry. What frightens me is that about 60 per cent of Australia’s greenhouse gases are produced through agriculture—around 70 million tonnes. When all the discounts go, when all the costs come on, that will be a $7 billion cost to Australia’s food producers. They cannot suffer that cost. That is where the jobs will go, and there is no doubt that that will happen if this flawed scheme is allowed to proceed.

The aluminium and steel industries are the same as the cement industry—they produce greenhouse gases. Shut them down here and they will move overseas to places like China and India where frankly they do not care. Recently I was talking to a person whose son is currently in China building a power station. He describes it as a 1940s model. The coal that is burnt there is filthy. What is more, China does not care. I am sure that when China, Indonesia and India get to Copenhagen they will play the tune and sing the song and say that everything will be all right but I have little or no confidence that they will be serious about reducing their emissions, because they will be taking over our industries.

Let us move on to the motor vehicle industry. Ford Australia says that the ETS could add millions to its costs and threaten jobs. In a submission to a Senate inquiry it said that additional energy costs would be in the vicinity of millions of dollars. I want to point to those energy costs. I was at Bayswater power station just a few weeks ago in the Hunter Valley of New South Wales. Bayswater produces 40 per cent of electricity in New South Wales. At Bayswater they pay $350 million per year for the coal supplied to power that plant. Under the emissions trading scheme the cost of that coal will go to $950 million.

Debate interrupted.
The ACTING DEPUTY PRESIDENT (Senator Bernardi)—Order! It being 6.50 pm the Senate will proceed to the consideration of government documents.

Consideration

Government documents tabled earlier today were called on but no motion was moved.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT—Order! There being no further consideration of government documents, I propose the question:

That the Senate do now adjourn.

Senator POLLEY (Tasmania) (6.50 pm)—I speak tonight of the unique circumstances and challenges that face the aged-care sector in my home state of Tasmania. After many months involved in an extensive inquiry into residential and community aged care in Australia, I am now more aware than ever of the particularly dire situation faced by Tasmania. This is largely due to the disproportionately large older population in our state, our isolation as an island and our smaller and more decentralised population.

No-one would argue that the aged-care sector across the nation has faced increased challenges over recent times, with changes to the country’s age demographics; increased costs for food, utilities and construction; and changing social expectations when it comes to the care of our elderly. However, Tasmania faces a situation very separate from that of other states, which makes the problem more severe and therefore more in need of assistance and change.

Tasmania has the second oldest population in Australia, with 14.8 per cent of its population over 65 years, as at June 2007. It also has the highest average age in the country. Combine this with the below average mean income for the state and the high rates of intergenerational welfare and you have a state with a considerable ageing population with lower incomes, lower asset bases and social infrastructure less able to provide for the needs of its elderly in the same way that mainland counterparts can.

Nearly 95 per cent of aged-care services in Tasmania are provided by the not-for-profit sector, meaning that the care of the client, rather than profit making for the shareholders, is at the core of the organisations’ ethos and operation. However, this also means that Tasmania’s aged-care providers are more susceptible to funding levels and other sources of income. At present, almost half the not-for-profit aged-care facilities in Tasmania are running at a deficit, compared with 40 per cent nationally. The current global economic conditions will only serve to make this situation worse.

It is clear that the costs associated with building and maintaining aged-care services have escalated in recent years, and many providers believe that funding has not kept pace with these costs. Building each new bed is estimated to cost $160,000 plus. The capacity to generate income for capital improvements outside of government funding is largely confined to accommodation bonds and daily contribution fees from residents—normally 85 per cent of the age pension. Accommodation bonds can, under the right circumstances, generate healthy sums through interest payments, and thereby offer a strong source of income for aged-care providers. This, in turn, allows for capital investment, asset maintenance and service improvements, but only to those providers who have access to reasonable bonds.

Compare the average bond for an inner Sydney resident, on average $520,000, to that of an Ulverstone resident in north-west...
Tasmania, which is $189,000. The disparate house prices—fuelled by disparate income levels, opportunities over a lifetime and different cost-of-living factors—can lead to vastly different bond amounts and, therefore, vastly different outcomes for the aged-care providers. The Sydney provider can make $20,000 more per annum based on that bond than the Ulverstone provider can, despite the fact that the resident is fundamentally the same person, with the same needs and the same, if not higher, costs for food and transport.

Tasmania may enjoy lower house prices—which is great when you are a first-time home buyer—but those lower house prices carry through the years, meaning Tasmanians have lower asset levels in later life, largely due to their diminished earning potential. Subsequently, Tasmanian aged-care providers have less access to bonds that would otherwise supplement income from government funding. This has a chain reaction effect—the less diversity of income streams, the fewer new beds that can be built and utilised; the less refurbishment of facilities as they age, the fewer efficiencies that can be gained through improvements to the facilities; the fewer beds that are available, the bigger the demand this creates for the system.

The age of Tasmania’s aged-care infrastructure is climbing, yet the capacity to rejuvenate it is limited. Tasmania runs the risk of losing a large component of affordable accommodation for older people as the independent living units are unable to be updated and maintained. Yet the building of new beds and other capital investments are often the last thing on a long list of spending priorities for aged-care providers. Before any organisation can consider expansion, they must first be able to meet the normal, day-to-day costs of operation. Nationwide, food prices, transport costs, fuel, electricity, other utilities and staff wages have all risen, and they all continue to rise at more than the CPI. Such costs simply cannot be avoided and must somehow be managed amidst other budgetary constraints.

Tasmania is unique as an island. The benefits that come from an easily accessible coastline, short travel distances and natural quarantining from numerous pests and diseases are often outweighed by the pure cost attached to our idyllic island existence. Isolation must be overcome and it is only overcome through additional costs. It costs more to transport food and other goods to Tasmania. It costs more to fill up your car, because of the need to freight in fuel. It costs more to meet most normal living costs, and this impacts further on the situation of the Tasmanian aged-care sector. Fuel prices have risen 50 per cent. In the last 18 months electricity prices in Tasmania have gone up approximately 24 per cent. From July 2009—next week—when Tasmania joins the contestable electricity market, prices will rise another 25 to 40 per cent. Given that electricity is one of the top three costs for providers, such dramatic increases are not easily accommodated.

Another unique issue for Tasmania is the smaller average size of our aged-care facilities. The regional and rural settings of these facilities and the decentralised nature of Tasmania’s population means that nearly half of our residential aged-care facilities have less than 60 beds—the benchmark for sustainability. This is largely due to the not-for-profit nature of these facilities, which reduces the capacity to expand or to operate on a larger scale. It is also due to the fact that Tasmania is largely decentralised—and Tasmanians are very much linked to their communities. An aged-care facility is seen as an integral part of these rural and regional areas and is important in keeping older Tasmanians not just close to their family and friends but close to their communities. With aged-care
centres being among the top three employers among some Tasmanian communities, their importance, regardless of their size, cannot be underestimated or understated. The benefits gained from economies of scale, as is realised by the consolidation of services and sites in larger areas, cannot be achieved in Tasmania. In fact, consolidation would potentially undermine the social fabric of Tasmanian communities if it were attempted.

Without sensible and realistic changes, the number of not-for-profit providers and aged-care places in Tasmania will fall. The recent Senate inquiry report into aged care made an overarching recommendation to review the current position and future needs of the sector and to examine these under the guidance of a stakeholder panel. The best way of ensuring that areas such as Tasmania are well represented and that their unique circumstances are properly considered is to have rural and regional representatives in this stakeholder mix. Perhaps then the unique challenges facing my home state and its aged-care sector can receive the unique solutions they require. In terms of all of the organisations that provide care for aged Tasmanians, I can say that they are of a very high standard, and I commend not only those in management but particularly those who work in this industry, who provide a much-needed and essential service to the Tasmanian community.

Workplace Relations

Senator FISHER (South Australia) (6.59 pm)—I rise to express my profound disappointment and deep concern at Labor’s inability to legislate its promises to Australian workers and Australian business that its award overhaul process would not cost jobs, would not increase costs for employers and would not disadvantage workers. The passage of the so-called fair work transitional bill through this place last week occurred in the absence of, in particular, the opposition amendment that would have required the government to legislate its promise and the opposition amendment that would have required the Deputy Prime Minister to require the Industrial Relations Commission to do just what she says she has required it to do in respect of the restaurant and catering sector—to do the same thing for each and every other industry that considers that they have the same, that they deserve the same and that the government should, at the very least, be entertaining the prospect of giving them the same. But the passage of the fair work legislation through this place and indeed through the other place shows that the government cares not for keeping its promise that its award overhaul will not cost jobs, will not increase costs for business and will not disadvantage workers. The opposition continues to get messages from business and concerned people about exactly that—the government’s failure to keep its promise and how the opposition’s amendment would have offered some help in the process.

It is interesting that during the recent debate the government wheeled in its ferocious attack dog in Senator Marshall. Senator Marshall, apart from his very constructive contribution in general, made a couple of pertinent comments. To highlight these comments I will quote Senator Marshall in addressing his comments to Senator Fielding, who, of course, had supported the key opposition amendment that was passed by the Senate for but some short period of time due to the alleged inability of a member of this place to attend the chamber for the division. Senator Fielding had supported the opposition amendment because he knew it kept the government’s promise. Senator Marshall said:

What the opposition wants to do, Senator Fielding—

with this amendment—
is sabotage this process … What they want to do is invite everybody to make that argument and to make that case, and all that will do is add chaos.

The two key words in Senator Marshall’s contribution were ‘sabotage’ and ‘chaos’. ‘All that will do is add chaos,’ said Senator Marshall. Implicit in that comment is a concession that there already is chaos—and, oh, dear, he is right. It is exactly to address the chaos in the restaurant and catering sector that the Deputy Prime Minister carved out special provisions for the sector. The government has no plan, no policy and no process for dealing with each and every other industry that considers they suffer from each and every factor that she cited as her grounds for carving out the restaurant and catering sector. They have the same; they deserve the same. The government has no plan, no policy and no process for delivering anything like the same. And they ran with Senator Marshall saying, ‘All it will do is add chaos’—yes, to your existing chaos, sir, and industry says that chaos is ruling.

What about Senator Arbib’s responses—well-intentioned, nonetheless—to my questions about the consultation process with industry, who have expressed key concerns? For example, wine grape growers—who are, Lord love ‘em, glorified farmers; they are primary producers—are to be lumped into the wine industry award together with people who package and sell wine. In response to my questions about consultation about that sector, Senator Arbib said:

We will also, Senator Fisher, engage with the wine growers, who have very recently written to the minister … given the AIRC is yet to consider their issues and on 22 May asked for submissions from them, the government strongly encourages those employers to engage with that process.

Minister, please! Presumably unbeknown to the minister at the time he informed the chamber of that, on 17 June, was the fact that the commission had already closed the time line for those consultations. The commission’s statement issued on 22 May forecast that:

Proposals, submissions and other material in relation to—what is known as round 3 draft awards in this process of chaos—are to be lodged with the Commission by 12 June. It says that parties should adhere to the timetable. That is already gone; it is already over. Senator Marshall said, ‘What the opposition wants to do, Senator Fielding, is sabotage this process.’ The only sabotage happening is the government sabotaging its promise and, in the process, sabotaging industry, sabotaging workers and sabotaging jobs—disappointingly, with the undoubtedly unwitting and unintentioned aiding and abetting from Senator Xenophon.

Senator Xenophon, in expressing his inability to support our key amendments in respect of award modernisation, said:

I indicate that I am not inclined to support the coalition’s amendment for a number of reasons … the amendment that has just been passed, which was about the likely effects on the relevant industry or industry sector of any modern award including on productivity, labour costs and regulatory burden on business, would cover the concerns of the coalition.

Well, Senator, no, it would not. That is why our amendment listed nine factors: potential for the modern award to impact upon continuing business viability, low profit margins, peak operating times, limited capacity to bear significant cost increases, different business models, different streams of revenue from other activities, the labour-intensive nature of the industry, high labour costs as a proportion of total expenses and high award reliance. No, Senator, it would not. That is exactly the reason why the Deputy Prime Minister cited those sorts of grounds in her
justification for carving out the restaurant and catering sector.

Industry says the same thing. I have had industry contacting me since this chamber’s consideration of the transitional to fair work legislation began. Geoff Penfold, Chair of Ausab Pty Ltd, a member of the abalone industry said:

Aquaculture is an extreme case. While most of the others listed—he is referring to other industries—are optional to some extent, caring for aquaculture stock is a 7 day operation and over long hours. We have no option.

As Senator Abetz said during the debate, the Deputy Prime Minister does not control the ins and outs of these industries; factors beyond human control control the ins and outs of these industries, and the commission has thus far demonstrated through the government’s process its inability to cope with those ins and outs.

Mr Anthony Williamson, proprietor of Just Uniforms, a uniform wholesale and manufacture outfit—pun not intended—based in Hutt Street, Adelaide, said:

Our industry is already decimated and to a point beyond repair as weekly there are suppliers and manufacturers closing their doors. I am referring to the textile industry which easily meets your criteria—actually it is the Deputy Prime Minister’s criteria, and our amendments focused only on her criteria—on exposed industries to the Labor changes. We are in a unique position as we vertically integrate … Even so, we have to compete …

There are more comments from the wine grape growing sector.

The only sabotage that has occurred thus far with the transition to fair work act is by Labor through its promise to not increase costs for business, to not disadvantage workers and to not cost jobs. The only sabotage to have occurred and to continue to occur is of industry, of workers and of their jobs. (Time expired)

Wheat: Single Desk Selling

Senator NASH (New South Wales) (7.09 pm)—I rise to make some comments tonight on what is the first anniversary of the end of the single desk wheat export marketing system. I do so with a great deal of sadness, because it was a very difficult time last year for growers around this country when Labor decided to deregulate the single desk.

For years and years, our wheat growers had relied upon the orderly marketing of wheat. They had relied upon the fact that there was a national pool in which they had confidence and which they knew was going to underpin not only the wheat market but also many others. Unfortunately, the Rudd government saw fit to end those marketing arrangements. I think it is quite extraordinary that they did so, given that they constantly talk about the ills of deregulation. Yet last year we saw exactly that—namely, the deregulation of the wheat industry.

We saw today dozens of wheat growers converge on Canberra to mark the anniversary of the end of the single desk. I find it extraordinary that, a whole year after the change in arrangements, these growers are still so incredibly and deeply concerned about the changes that have been made and the impact on their industry. People like Jock Munro and Mark Hoskinson have done an incredible job making sure that this issue stays front and centre, because it is such an enormously important issue for these growers.

What did the government do? It took away one of the few things that were underpinning confidence in the future of the industry. It completely disregarded it and took it away. The minister at the time, Minister Burke, actually said that it was a major eco-
nomic reform. I cannot think of anything more inaptly labelled than calling the deregulation of the wheat industry a major economic reform, because it simply was not. It has had the opposite effect of making things far worse for wheat growers.

It is very interesting, from a trade point of view, to look back to when we did have a single desk wheat export marketing system. We were constantly hearing from the United States that we had to get rid of this single desk system because it was unfair. Basically they were saying it was giving us an unfair advantage. What did the Rudd government do? It turned around and got rid of it—one of the few things that were giving some stability and sustainability to the wheat industry. It has resulted in the wheat growers carrying a great deal more risk. It used to be carried by the single desk national pool and the wheat marketing system but now that risk has been transferred to growers. These are growers that are dealing with years of drought and years of financial hardship and now this shift in risk is yet another thing they have to contend with.

It was obviously a very heated issue at the time. Growers are now paying the penalty for something that was not of their making. Around the time, there were some actions and inactions taken by staff at AWB that led to a whole chain of events, but growers are not the responsible party here. Growers are not the ones who should have to bear the brunt of this decision. The uncertainty that it is causing throughout the wheat industry is really significant.

Growers have now been placed in this position where the market stability and price security they had before are gone. With a national pool, that stability and security were there. There was the receiver of last resort. Growers knew that they were going to be able to get rid of their wheat. Now they are caught in this system where from one day to the next through a harvest there is absolutely no certainty whatsoever.

It is quite interesting that we have not yet seen a harvest that is going to cause a glut in the market. We have no idea of the impact this is going to have when we really have a big harvest across this country. If last September we had seen the rain we were hoping was going to come, from the Lachlan to the Eyre Peninsula, it would have been even more difficult for our growers to cope, because that flooding of the system would simply have made it even more difficult.

There have been a number of reports, as well, about wheat being wrongly graded by traders, and this comes back to the confidence in Australia being able to produce a consistently excellent grade of wheat. Our
longstanding reputation is diminishing. We are getting reports back that the quality of the wheat simply is not there, and there is no quality assurance. There are no guarantees. That reputation that was so hard won over decades and decades of hard work by our farmers and by the utilisation of the single-desk system is simply disappearing.

There are the issues with access to port that we have seen. In February, there were even international reports of Australian wheat exporters facing delays of up to five weeks at ports as 22 grain traders jostled for shipping bookings after the best harvest in three years. We had reports back of 16-hour queues for growers to have their grain unloaded. That cost is coming back to the farmers. It is not on the traders; it is coming back to the farmers and their ability to access port, which is completely diminishing and disintegrating.

The whole system is a mess, and it was entirely unnecessary. The Rudd Labor government did not have to make the decision to remove that single desk system. I have received a letter from a grower today, which I will just read for my colleagues in the chamber and which noted a number of areas:

The destruction of the national pool by the Rudd Labor government has resulted in approximately $1.2 billion missing from wheat cheques across the wheat belt of this nation. Supply chain dysfunction has included apparent third line forcing, leaving little or no meaningful competition at various sites and across some port zones. In the east wheat belt of this nation, this supply chain dysfunction has resulted in the east-west basis having inverted trade at a $30 to $45 discount to the same day grade in the west. It is not, as Min- ter Burke represented, that Western Australian wheat growers have achieved this much improvement in their wheat price, as in reality it is the eastern wheat growers being discounted by the dysfunctional supply chain, lacking the wholesale negotiator role previously provided by the national pool.

This is just a taste of the type of letters, emails and calls I have been getting from growers for a long time now.

The Rudd government is continuing to punish wheat growers—there is no doubt about that—and it was simply unnecessary. We had dozens and dozens of wheat growers here today because they know that this system needs to be changed, they know that deregulation is not working and they know that they need to have an orderly marketing system so that they can have some confidence and so that this industry can have some sustainability into the future. The Nationals will absolutely keep supporting those growers, as we did last year. It was a bit like David and Goliath, I have to say, because we were the only ones out there supporting these wheat growers. There are many people in this chamber and in the other place who know that the wrong decision was taken, and we will be working very closely with those wheat growers to do all we can to make sure that we have a sustainable future for the wheat industry in this country.

Cruise Industry

**Senator IAN MACDONALD** (Queensland) (7.19 pm)—Tonight I want to talk about an exciting Australian industry that I think practically everyone loves; that brings great enjoyment, pleasure and a sense of wellbeing; that employs many Australians and, indeed, many other people from around the world who would otherwise not be gainfully employed to support their families; and that promotes tourism and economic wealth for Australia and the Pacific island nations and, indeed, increasingly promotes tourist destinations in Queensland, Tasmania and other places around the coast of Australia. The industry I am talking about is, of course, the cruising industry. The largest industry operator in Australia is Carnival Australia, which operates branches such as P&O
Cruises, Princess Cruises and the Cunard Line.

An Access Economics report shows that the number of Australians on cruises grew by nearly 17 per cent a year from 2002 to 2007, and the industry leaders expect that 2008 figures will show similar growth. I want to speak on this industry tonight for a couple of reasons. One is to share with those who might be listening the magnificent trip which my wife and I had over last Christmas on the MV Pacific Dawn, a P&O ship built in 1991 which has a capacity of some 2,076 passengers and a crew of 710—that is one crew member to every three passengers. Our 10-day cruise saw us dock at Noumea, Ouvea, Port Vila, Mystery Island and the Isle of Pines. Cruising ships visiting Noumea and Port Vila obviously contribute significantly to the economies of New Caledonia and Vanuatu and provide employment for people in those nations who might otherwise not have the opportunity for gainful employment.

The contribution, however, that cruise ships make to smaller islands like Ouvea, Mystery Island and the Isle of Pines is very significant. I well remember our day at Mystery Island. Mystery Island is an uninhabited island, but local folk from an adjoining island visit the island to service the tourists landing there. In speaking to some of the locals at Ouvea, I was informed that the money that they raised from the feast of lobsters which they provided at a very reasonable price for passengers, and from the island trinkets which they had handcrafted, goes to support the education of their children. This in some way assuaged the guilt that I think many of us had in overindulging in fresh lobster, knowing that in some way we were providing an education for some young people of the South Pacific islands who perhaps might not otherwise have had the opportunity for a good education.

Mystery Island is the European name of an island called Inyueg, and it is very near a much larger, mountainous island called Aneityum. Aneityum once supported a thriving sandalwood and karri timber industry, and its present population numbers approximately 1,000 inhabitants. Inyueg was the site of a military airstrip during World War II. There is a long-held superstition of some local Ni-Vanuatu—that is the term for the people of Vanuatu—that the island is haunted at night, and that is why it has remained uninhabited.

The Isle of Pines was named by Captain James Cook on his second voyage through the Pacific, in 1774. In 1853 the Isle of Pines was annexed by France, and in 1872 the French deposited the first 3,000 convicts on the island. The island is now run by the Kunies people, and the main industries now are fruit growing, exporting of edible snails, sandalwood forestry and, of course, tourism.

The other reason I wanted to talk about the cruising industry tonight was to dispel some of the impressions which the media create unintentionally—and I hope that I am correct when I say ‘unintentionally’—about ships in the Australian cruising fleet. If you had heard the media at the height of the hysteria about swine flu, you would have thought that the Pacific Dawn was solely responsible for the introduction of swine flu to Australia and was indeed perhaps even the cause of the disease itself, so over the top was the reporting at that time involving the Pacific Dawn. News bulletin after news bulletin spoke of the Pacific Dawn in ways that could not help but cause concern to would-be passengers of the future.

I say to the Senate that the Pacific Dawn is a magnificent ship and very well run. Everywhere you went on the ship, there were people with hand-cleaning gel encouraging you to wash your hands regularly. The hand-
rails and other public areas of the vessel—and, indeed, all cruising ships—are continual scrupulously cleaned, and staff do everything possible to ensure a safe, happy and healthy experience for those on board. The extraordinary lengths to which P&O went recently, when it was discovered that some people on board had contracted swine flu, I think were typical of the care and effort put into the safety and comfort of passengers aboard P&O cruises.

A couple of years ago my wife and I and a couple of friends also travelled the South Pacific, on the MV Pacific Sun, a sister ship of the Pacific Dawn, and it was equally memorable and pleasurable. The Pacific Sun, senators might recall, had achieved some media attention because of a quite horrific rape and murder that occurred on board. Again, somehow it was suggested in the media that it was the fault of the Pacific Sun that this occurred rather than it being the actions of individuals you would find in any facet of life anywhere in the world. What people do in their own cabins in their own time is really a matter for them. I always think it is particularly unfair to suggest that the Pacific Sun was in any way at fault in what occurred on that particular occasion.

P&O has a very responsible policy on alcohol, and certainly alcohol on board ships is no longer cheap, as it was on the old Arcadia during the honeymoon cruise that my wife and I took to Fiji back in the 1970s. What I particularly noticed, on both the Pacific Sun and the Pacific Dawn, was the number of security people who abound at all times in every part of the ship. The work of the security guards is unobtrusive, and many passengers would not even notice that they were there, but, when you work around this place and around prime ministers, you can pick the security guards. I was very impressed with the extent to which P&O had taken action to ensure that the safety of all of its passengers was paramount. Sometimes I wonder if companies like P&O do not in fact go overboard in trying to protect people from themselves. I guess they do it to ensure that the vast majority of passengers are not discomfited by the actions of a very small minority of passengers.

In spite of the unwarranted bad publicity at times given to cruise ships, I want to assure all senators and any listeners that all would-be travellers on cruise ships generally around Australia and the South Pacific are safe and can be assured of a magnificent, exciting, relaxing and ‘do anything you want to do’ type of cruise. Everything that you might possibly want in the way of entertainment, relaxation, eating and drinking is all there.

As Captain Lorenzo Paoletti—who, curiously, captained both of the ships on which my wife and I have travelled in recent years—said: ‘A cruise is undoubtedly one of the best ways to travel in comfort and safety and at the same time provide an environment in which to enjoy the experience with compatible fellow travellers.’ My congratulations to P&O Australia, Carnival Australia, the captains of all the cruise ships operating around Australia, their deck crews and the hundreds of people from many nationalities who look after the ships, look after the people on board and make cruising an experience and an event to remember.

**Senate adjourned at 7.28 pm**

**DOCUMENTS**

**Tabling**

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

Airports Act—Select Legislative Instrument 2009 No. 118—Airports (Building...
Control) Amendment Regulations 2009 (No. 1) [F2009L02393]*.

Appropriation Act (No. 1) 2008-2009—Advance to the Finance Minister—
No. 5 of 2008-2009 [F2009L02450]*.
No. 6 of 2008-2009 [F2009L02491]*.

Australian Prudential Regulation Authority Act—Instrument Fixing Charges Nos—
1 of 2009—Internal models-based method for determining the minimum capital requirement for general insurers [F2009L02488]*.
2 of 2009—Models-based capital adequacy requirements for ADIs: 2008 - 09 [F2009L02467]*.

Civil Aviation Act—
Civil Aviation Regulations—
Civil Aviation Order 20.18 Amendment Order (No. 2) 2009 [F2009L02176]*.
Instrument No. CASA 251/09—Direction – number of cabin attendants [F2009L02275]*.

Civil Aviation Safety Regulations—
Airworthiness Directives—Part—
AD/FA-200/4—Main Fuel Tank Vent – Modification [F2009L02271]*.
AD/FA-200/10—Oil Cooler Lines – Modification [F2009L02272]*.
AD/R44/19—Main Rotor Clutch Drive Shafts [F2009L02354]*.
AD/SC7/2—Flying Controls – Inspection and Modification [F2009L02237]*.
AD/SM-205/26—Engine Air Induction Valve – Replacement [F2009L02351]*.
AD/TB10/13—Aircraft Wiring/Support Bracket Clearance [F2009L02352]*.
AD/ARTOUSTE/2—Oil and Fuel Lines – Replacement and Support [F2009L02250]*.
AD/ARTOUSTE/4—Micropump Valve Rod – Modification [F2009L02251]*.

Instrument No. CASA EX49/09—Exemption – firefighting vehicle colour [F2009L02312]*.

Classification (Publications, Films and Computer Games) Act—
Classification (Advertising of Unclassified Films and Computer Games Scheme) Determination 2009 [F2009L02479]*.
Classification (Markings for Films and Computer Games) Amendment Determination 2009 (No. 1) [F2009L02480]*.


Crimes (Overseas) Act—Select Legislative Instrument 2009 No. 111—Crimes (Overseas) (Declared Foreign Countries) Amendment Regulations 2009 (No. 1) [F2009L02430]*.

Defence Act—Determinations under section 58B—Defence Determinations—
2009/37—Post indexes – price review.
2009/38—Australian Defence Force Academy textbooks and storage of furniture and effects – amendment.
2009/40—Annual review of transitional rent ceilings.

Fair Work Act—Select Legislative Instrument 2009 No. 112—Fair Work Regulations 2009 [F2009L02356]*.
Family Law Act—Family Law (Superannuation) Regulations—Family Law (Superannuation) (Interest Rate for Adjustment Period) Determination 2009 [F2009L02414]*.

Food Standards Australia New Zealand Act—Australia New Zealand Food Standards Code—Amendment No. 109—2009 [F2009L02295]*.

Health Insurance Act—Select Legislative Instrument 2009 No. 114—Health Insurance (Pathology Services Table) Amendment Regulations 2009 (No. 2) [F2009L01726]*.

Migration Act—
Migration Regulations—Instrument IMMI 09/053—Access to movement records [F2009L02146]*.

Select Legislative Instrument 2009 No. 115—Migration Amendment Regulations 2009 (No. 5) [F2009L02373]*.


National Health Act—Instrument No. PB 58 of 2009—Amendment Special Arrangements—Botulinum Toxin Program [F2009L02408]*.

Social Security (Administration) Act—Social Security (Administration) (Declared relevant Northern Territory areas — Various) Determination 2009 (No. 6) [F2009L02446]*.


Governor-General’s Proclamation—Commencement of provisions of an Act

Migration Legislation Amendment (Worker Protection) Act 2008—Schedules 1 and 2—14 September 2009 [F2009L02375]*.

* Explanatory statement tabled with legislative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Caring for our Country Program
(Question No. 1545)

Senator Cormann asked the Minister representing the Minister for the Environment, Heritage and the Arts, upon notice, on 19 May 2009:

(1) What was/is the budget for the Caring for our Country program for each of the following financial years: (a) 2005-06; (b) 2006-07; (c) 2007-08; and (d) 2008-09.

(2) For each of the abovementioned financial years, how much was expended on Caring for our Country projects in Western Australia.

(3) Does the Caring for our Country funding take into account the area of land controlled by particular natural resource management groups.

(4) Do particular areas (e.g. the Murray-Darling Basin) receive priority funding under the Caring for our Country program; if so, how are particular areas assessed for priority funding.

(5) Has the Swan River catchment ever been assessed for priority funding; if not, why not.

Senator Wong—The Minister for the Environment, Heritage and the Arts has provided the following answer to the honourable senator’s question:

(1) No funds were expended under the Caring for our Country initiative for the financial years 2005-06, 2006-07 and 2007-08 as this natural resource management initiative commenced on 1 July 2008. The Caring for our Country budget for 2008-09 is $428.2 million.

(2) No funds were expended on Caring for our Country projects during the financial years 2005-06, 2006-07 and 2007-08.

During 2008-09, over $38.5 million has been allocated for Caring for our Country projects in Western Australia.

(3) No. Regional allocations were determined using the following principles:

(a) Regions need a minimum funding level to function effectively

(b) Regional funding is to be invested to achieve Caring for our Country priorities

(c) Allocations to regions will be based on their capacity to achieve priorities.

(4) No particular areas receive priority funding under the Caring for our Country program. Funding is allocated to achieve specific outcomes and targets within six national priority areas:

- The National Reserve System;
- Biodiversity and natural icons;
- Coastal environments and critical aquatic habitats;
- Sustainable farm practices;
- Natural resource management in northern and remote Australia; and
- Community skills, knowledge and engagement.

(5) The Swan River catchment has been identified as having a number of targets including: invasive species, Ramsar wetlands, improving land management practices, improving knowledge and skills of land managers. Funding has been allocated to the Swan Regional NRM organisation to address those targets.