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SITTING DAYS—2009

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RADIO BROADCASTS

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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
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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

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<tr>
<td>Prime Minister</td>
<td>Hon. Kevin Rudd</td>
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<td>Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion</td>
<td>Hon. Julia Gillard</td>
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<tr>
<td>Treasurer</td>
<td>Hon. Wayne Swan</td>
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<tr>
<td>Minister for Immigration and Citizenship and Leader of the Government in the Senate</td>
<td>Senator Hon. Chris Evans</td>
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<td>Minister for Defence and Vice President of the Executive Council</td>
<td>Senator Hon. John Faulkner</td>
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<td>Minister for Trade</td>
<td>Hon. Simon Crean</td>
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<td>Minister for Foreign Affairs and Deputy Leader of the House</td>
<td>Hon. Stephen Smith</td>
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<td>Minister for Health and Ageing</td>
<td>Hon. Nicola Roxon</td>
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<td>Minister for Families, Housing, Community Services and Indigenous Affairs</td>
<td>Hon. Jenny Macklin</td>
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<td>Minister for Finance and Deregulation</td>
<td>Hon. Lindsay Tanner</td>
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<td>Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House</td>
<td>Hon. Anthony Albanese</td>
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<td>Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate</td>
<td>Senator Hon. Stephen Conroy</td>
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<td>Minister for Innovation, Industry, Science and Research</td>
<td>Senator Hon. Kim Carr</td>
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<td>Minister for Climate Change and Water</td>
<td>Senator Hon. Penny Wong</td>
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<td>Minister for the Environment, Heritage and the Arts Attorney-General</td>
<td>Hon. Peter Garrett AM</td>
<td>MP</td>
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<tr>
<td>Cabinet Secretary, Special Minister of State and Manager of Government Business in the Senate</td>
<td>Hon. Robert McClelland</td>
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<td>Minister for Agriculture, Fisheries and Forestry</td>
<td>Hon. Tony Burke</td>
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<td>Minister for Resources and Energy and Minister for Tourism</td>
<td>Hon. Martin Ferguson AM</td>
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<td>Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services</td>
<td>Hon. Chris Bowen</td>
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[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 and Regional Services Delivery
Hon. Warren Snowdon MP
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
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]
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<td>Shadow Minister for Financial Services, Superannuation and Corporate Law</td>
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<td>Shadow Assistant Treasurer</td>
<td>The Hon. Tony Smith MP</td>
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<td>Shadow Minister for Sustainable Development and Cities</td>
<td>The Hon. Bruce Billson MP</td>
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<td>Shadow Minister for Competition Policy and Consumer Affairs and Deputy Manager of</td>
<td>Mr Luke Hartsuyker MP</td>
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<td>Opposition Business in the House</td>
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<td>Shadow Minister for Housing and Local Government</td>
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<td>Shadow Minister for Ageing</td>
<td>Mrs Margaret May MP</td>
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<tr>
<td>Shadow Minister for Defence Science and Personnel and Assisting Shadow Minister for</td>
<td>The Hon. Bob Baldwin MP</td>
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<td>Defence</td>
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<tr>
<td>Shadow Minister for Veterans’ Affairs</td>
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<td>Shadow Minister for Early Childhood Education, Childcare, Status of Women and Youth</td>
<td>Mrs Sophie Mirabella MP</td>
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The PRESIDENT (Senator the Hon. John Hogg) took the chair at 9.30 am and read prayers.

QUESTION TIME

The PRESIDENT (9.31 am) — During question time on 23 June 2009 I undertook to examine the transcript of two incidents in the chamber and come back to the Senate if need be.

The first incident occurred when Senator Macdonald, having been required to withdraw the word ‘dishonest’ in relation to Senator Wong, did so but substituted the term ‘duplicitous’. The latter term was not audible to me because of the noise in the chamber at the time. The word ‘duplicitous’ is simply a synonym for ‘dishonest’ and has not been accepted as parliamentary in the past. I ask senators not to use that term in relation to any other senator or other office holder protected by standing order 193.

In the second incident, Senator Abetz asked me to consider whether a supplementary question put by Senator Carol Brown to Senator Sherry was a hypothetical question. Senator Brown’s question asked the minister whether he was aware of any alternative strategies for addressing current economic conditions and what might have occurred to the Australian economy if the government had not taken its policy approach.

Questions in this form have been regularly accepted in the past. Asking the minister to refer to any alternative policies has become a stock-in-trade of question time. Asking a minister what the effects of government policy are. The question was therefore in order.

Senator IAN MACDONALD (Queensland) (9.32 am) — I seek leave to make a four-word statement.

Leave granted.

Senator IAN MACDONALD — I withdraw the word that was used. But, Mr President, while I am on my feet, can I raise with you a point of order?

The PRESIDENT — Proceed, Senator Macdonald.

Senator IAN MACDONALD — Mr President, the point of order relates to standing order 193(3), which says—and I precis—that ‘a senator shall not use offensive words against’ any other senator, and ‘all imputations of improper motives and all personal reflections on’ senators are ‘highly disorderly’. That is the standing order. I now refer you to question time yesterday, when I asked Senator Wong a question in these words:

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… 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?

To which Senator Wong then replied:

… I will seek advice from Minister Garrett and provide an answer … It is unfortunate that Senator Macdonald chooses to use question time to smear—

to smear—

members of the government who cannot stand up in response to his question …
Mr President, my point of order is that Senator Wong’s imputation that I was smearing a government member by simply asking whether he was telling the truth in indicating that the government wanted to help nurture Indigenous culture, when clearly the government was not because they had stopped funding, is, I suggest to you, an imputation on my integrity. I was not trying to smear Mr Turnour. I was simply asking the rhetorical question ‘Was he telling the truth in saying that the government wanted to do this, and if he was’—so I ask you, Mr President, to rule that Senator Wong’s imputation against me is, in accordance with standing order 193, highly disorderly. 

Senator Faulkner (New South Wales—Minister for Defence) (9.35 am)—Mr President, I would like to make a couple of points on the point of order. First of all, I would suggest to you respectfully that it is not a point of order that Senator Macdonald has taken. He may believe that he has reason to perhaps seek leave because he has been misrepresented and make a statement, but using the guise—using the device, if you like—of a point of order to make that statement I believe is inappropriate. Also, I would make the point, which I think is valid, that any such point of order, or alleged point of order, should be taken at the time—

Senator Ian Macdonald—Oh, rubbish.

Senator Faulkner—It is not ‘rubbish’ at all, Senator. In fact, it is perfectly appropriate to take a point of order if you believe the standing orders have been breached at any particular time. To come in a day later—after you have made a ruling, Mr President—I believe is inappropriate. But I would also say, in relation to the specific matter raised in the point of order, that what Senator Macdonald is complaining about, through the device of a point of order, is nothing other than the sort of argy-bargy that occurs all the time during debate in this place, and no-one—none of us—should be too sensitive about it. I heard what Senator Macdonald said, in relation to the matter that you have made a statement on this morning, Mr President: he repeated the word ‘dishonest’ in withdrawing, and then I heard him replace that with the word ‘duplicitous’. I did not take a point of order. No-one on this side—

Senator Ian Macdonald—I’m sorry—Senator Carr did.

Senator Faulkner—I’m sorry, Senator Macdonald—no-one after the President had made a ruling—

Senator Ian Macdonald—Senator Carr took a point of order.

The President—Order! This is now debating. If there is a point of order, what is the point of order?

Senator Faulkner—I am arguing strenuously, Mr President, that there is no point of order, and to use the device of a point of order, literally the best part of 20 hours after the alleged offence took place, is Senator Macdonald simply being far too sensitive about matters that are the sorts of matters that are subject to robust debate in this place every single day the Senate sits. And none of us—not you, Senator Macdonald, nor I, nor anybody else—should be so sensitive.

Senator Minchin—Mr President, on a point of order: the sensitivity rests with the Labor Party. The Labor Party were the ones catcalling when Senator Macdonald made his remarks upon which you have now ruled. I would ask you to ignore the interjection from Senator Faulkner and, in due course, make a ruling on the matter which Senator Macdonald has quite properly raised with you.

The President—I will review the full Hansard and I will get back to the chamber
with a considered statement. I think that is the best way.

NOTICES
Withdrawal

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.39 am)—I withdraw government business notice of motion No. 1 proposing exemption of the Rural Adjustment Amendment Bill 2009 from the bills cut-off order. It was given yesterday for the exemption of the bills, but the bill has now had passage overnight, so I no longer require the exemption.

TAX LAWS AMENDMENT (2009 BUDGET MEASURES No. 1) BILL 2009
Second Reading

Debate resumed from 15 June, on motion by Senator Faulkner:

That this bill be now read a second time.

Senator COONAN (New South Wales) (9.40 am)—I rise to speak to the Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009 on behalf of the coalition. This bill has three schedules.

Schedule 1 is a tax measure that addresses the existing tax exemption for foreign employment income. Currently there is a tax exemption for income that is earned by Australian residents working overseas for at least 91 continuous days. These rules were originally introduced to ensure that people would not be subject to double taxation on their foreign employment income. However, this tax exemption created inequities between people working overseas, particularly those working in low-tax countries, and people working in Australia paying our standard income-tax rates.

The new legislation now proposes that all Australian residents earning income from foreign employment will have their income taxed under the Australian income tax system. They will get a rebate for any tax they have paid on that income to other countries to ensure that they are not double-taxed. This exemption will remain in place for workers undertaking certain aid or charity work, certain government work, and other work that is deemed to be in the national interest.

Whilst I do understand that this measure reinforces the general principle that individuals who are Australian residents for tax purposes should be taxed on their worldwide income, the proposed changes may indeed have some unfortunate results. The measure will place a new compliance burden on the individuals and the companies affected. For example, in the mining industry, most employers are foreign entities, and they are not governed or bound by Australian law. Their accounts are not freely available, nor is information regarding individuals or foreign companies operating in developing countries. In pursuing such information, the Australian Taxation Office would be required to breach various privacy acts on foreign soil. And, given that we do have numerous Australians working offshore—in mines, and as engineers and all kinds of professionals all over the world—these types of compliance issues should not, in our view, be underestimated.

In addition, on a personal level, there is a risk that those Australians working offshore will simply become nonresidents to avoid this taxation change. This would mean that they would no longer bring their money back to Australia to spend. We could also, potentially, lose their talent and experience—a literal ‘brain drain’ could well occur as a result of this measure. The equally unpalatable alternative is that they would give up their work overseas and return to Australia immediately, which would only increase our existing pressures on unemployment, particularly in the mining and finance sectors—sectors already suffering high unemployment, having been heavily affected by the pressures of the global financial downturn.
So we would just pose the question to the government: are either of these solutions the outcome really being looked for here, given that there is a legitimate policy purpose to be addressed? The proposal to make this measure effective from 1 July has given the families and companies affected no time to look at existing contracts and make life-changing adjustments and decisions. So there are certainly some either unintended or unpalatable consequences in the schedule.

The bill, of course, has two other schedules. Schedule 2 and schedule 3 both deal with changes to superannuation. Schedule 2, to my great regret, amends the existing superannuation co-contribution scheme that was introduced by the former coalition government. In fact, in my role as the former Assistant Treasurer I had, I think, the great fortune to develop the original co-contribution policy. The scheme was designed to encourage low- and middle-income earners to set aside some of their earnings for their retirement by providing favourable conditions for contributing to their superannuation.

The existing scheme provides $1.50 for every dollar that a low- or middle-income earner puts aside to look after themselves in retirement and, of course, it has been a very significant success. Regrettably, this bill proposes to, as it is expressed, temporarily cut the superannuation co-contribution scheme to a dollar matched for every dollar contributed, a substantial diminution in the incentive in the co-contribution scheme. The maximum government contribution will be lowered from $1,500 to $1,000. The government will gradually phase the co-contribution rates back up to $1.50 by 2014.

This measure will have a significant impact on the 1½ million Australians who received the superannuation co-contribution in 2007-08. So that is 1½ million low- and medium-income earners who are now going to have superannuation ripped away from them by this government. They are certainly not going to be supported by the government of Australia as they were under the previous coalition government.

There is also a lot of focus on the word ‘temporary’. It is very difficult to accept that, when the Prime Minister and the government say ‘temporary’ they really mean temporary as in fleeting or certainly of very short duration. I do not think the length of time until 2014 is temporary. Do not forget that we heard that we were going to have a budget deficit for a temporary period of time, but we are going to have a budget deficit, as we now know, for years and years and years to come. The government has now used the word ‘temporary’ in relation to the wind back of this very positive superannuation co-contribution program. We certainly know that we cannot rely on the Rudd Labor government and I think we can take the word ‘temporary’ with a very big grain of salt. If I am passionate about the co-contribution scheme, so be it.

I do want to make the comment that this is a budget measure. It is a casualty, of course, of the mad scramble to make savings following the mad spendathon that this government has embarked upon—$124 billion of new spending since this government came into office. What this measure shows is that people, particularly low-income earners and families, are already paying the price. They are paying the price for Labor’s reckless spending and mounting debt.

The coalition are very proud of the co-contribution scheme that we introduced and in fact enhanced, and the sad fact is that this measure—introduced, they will no doubt say, as a matter of necessity to fill this burgeoning deficit in our finances and in our fiscal position—will reduce the capacity of low-
income people to save for their retirement. It is a direct consequence and a casualty of this Labor government’s spending and inability to plan for the global downturn with anything other than a reckless spending spree. Cuts to the co-contribution scheme are a clear example of the price being paid for Labor’s huge debt.

The reason that we have such a large debt and that very good policies and low-income people are being impacted by the scramble to try and fill this big gap in revenue is explained as ‘trying to deal with the fact that there has been a very big revision in revenue’. That is true, but the huge impact of spending $124 billion since this government got into office and a debt of at least $315 billion is that two-thirds of that is due to new spending. About $95 billion of that is in stimulus packages. Our quarrel about the stimulus packages, which have had such an impact on a measure such as the co-contribution scheme, is not that there was not a case for stimulating the economy in the light of the reduction in revenue and the impact of the global financial downturn. Our argument with the stimulus packages has been first of all about the magnitude of them and, second, that they are doing so little for the long-term productivity and benefit of this country.

We had the early stimulus packages with the sugar hits, the cash splashes, that have not done anything significant to save jobs. We know in fact that, notwithstanding this huge spending spree, 80,000 jobs have been lost over the past six months. If these stimulus packages have been so effectively targeted to save jobs, why is it that we still see unemployment rising and 80,000 jobs lost over the past six months? It just does not stack up with the government’s claims that the sugar hits were creating jobs.

Then over the past few days we have seen the extraordinary events surrounding the wanton waste and inefficiency of the $14.7 billion splash on schools—dressed up as ‘Building the Education Revolution’, a very Orwellian expression. Of course, what it does is give a lot of schools a lot of facilities that they have not particularly sought and absolutely no flexibility to design what they really need and want.

This massive spending and debt are certainly not justified as supporting jobs in the magnitude claimed by the government. As I said, the trouble with the argument is that 80,000 full-time jobs have been lost in the last six months, with more than 24,000 lost just in May. We are entitled to ask: with such massive spending, why is the number of jobless still increasing?

The point of my discussion with the Senate today about the impact of these stimulus packages and the wanton waste and inefficiencies that we have seen in the second stimulus package—and, in particular, the spending on schools—is that one casualty of this poor planning and indiscriminate spending is a good measure like the co-contribution scheme that directly impacts on the low-income earners of this country, who otherwise, without these sorts of measures, would have had no incentive to save for their retirement. In fact, the reduction in the co-contribution is a direct result of the Rudd Labor government being unable to properly deal with the obvious pressures that have been brought about by the impact of the decline in revenue and the pressures of the global financial downturn. These people are paying the price for Labor’s reckless spending and debt.

Schedule 3 is focused on the area of superannuation concessional contributions. In this particular policy area, the government announced in the budget that it will halve the
concessional contribution caps that currently exist for people to put aside superannuation contributions so that they can save for their future. The current provisions cap superannuation contributions at $50,000 for those aged 50 or lower and $100,000 for those aged 50 or older until 2011-12. The amendments propose to lower the cap to $25,000 for those aged under 50 and $50,000 for those over 50 until the financial year 2011-12. After this point, all Australians will be subject to annual contribution caps of $25,000. Of course, with this measure the government is undermining efforts to create self-sufficient retirees and provide retirement incomes for all Australians. It represents, I think, an assault on intergenerational responsibility for retirements. It is the first time in many years that the government has said to Australians, 'We're going to ensure that you can't set aside funds for your own retirement anymore.' For several years, there has been very much a bipartisan approach to superannuation and a real public policy interest in this nation that I think has been shared by both sides, by and large. But now I think that this measure very clearly says to people, 'Don't put aside as much; whatever you put aside, we're going to support you less for your efforts.'

The end result of these two things will be that Australians will put aside less for their retirements and there will be more Australians calling on the public purse in the future. It is very unclear just what the government sees as the intergenerational pressures on superannuation and what it ultimately proposes. I know that there are many reviews going on, but these kinds of piecemeal measures, where you pull apart some parts of the system without thinking through the consequences, seem to my way of thinking to be very poorly thought out. With respect to Senator Sherry's role in this, I am quite sure that he was not consulted—or, if he was, he probably did not have the ultimate say in these things—but that does not excuse the Rudd Labor government for not having a coherent approach before putting in place as part of a budget these measures which are so patently and obviously designed to just plug some revenue holes.

These changes, we think, are very short sighted. They may suit the government in the short term because they might claw back some $4.3 billion worth of tax savings for the government—which, of course, it desperately needs, given that it has got this country into such a terrible situation with debt. We are back on the debt treadmill, so we know that these measures are designed very much to try and get us off the treadmill at some stage, although we cannot be very confident as to when that will be and what consequences this is going to have both for these measures and no doubt for others as the government realises the consequences of this ill-thought-out debt binge. These measures might serve the government's short-term objectives; we acknowledge that. It is not that we are going to stand in the way of them, because we do understand that the government has created a big hole of its own making with debt, but in the long term it is going to mean that more people will end up dependent on the public purse—the public pension system—which is precisely what the government that I was a member of and a minister in for several years had very much sought to avoid. It is, I think, the first time that a government of Australia has sent such a negative signal to the people of Australia regarding savings for the future, and I am very surprised that the government was not able to find other ways to try to shore up its debt hole.

It is short-termist, I think. A grab of over $4.3 billion in these policy changes will no doubt help the government to rip back some savings from people seeking to provide for
their retirement and will no doubt help the government, in the short term, to repay some parts of the monstrous debt that we are all now facing. But you really have to ask yourself: what is it going to do in the long term? What is it going to do to our objectives in the national interest to make as many people as possible self-sufficient in retirement, and what is it going to do in terms of undermining Australians’ confidence in saving for their future—the incentive to make whatever provision you can for your own retirement rather than be a burden on taxpayers? Yet again the superannuation goalposts are being moved, and uncertainty in superannuation undermines the system’s credibility and safety. It is, I think, disappointing in the extreme to allow measures to pass which hamper the ability of low-, middle- and high-income earners to provide themselves with an adequate retirement income. However, the perilous state of the budget requires such action. Australians impacted by these measures should know that this is a direct result of Labor’s reckless spending, and it should not be excused.

Senator MILNE (Tasmania) (9.59 am)—I rise today to support the Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009 on the whole because it does provide for a more equitable sharing of the tax burden between all Australian taxpayers. We note that in recent years Australia has not done so well in terms of equity, and I think this is an important measure.

However, I just question the government in relation to one aspect of this. It is really about equitable income distribution and targeting high-income earners overseas, but one group of people that appears to be caught by this is young Australians backpacking in Europe. This is an important part of Australia’s culture, in my view. Many young Australians take the opportunity to go overseas for periods as long as 12 months—or sometimes six months—and help to support themselves while they are there by working.

I think it is incredibly important that young Australians do take this opportunity to expose themselves to different languages, arts, music, food and the whole cultural context. I put it to the minister that, if you were overseas for a year as a student or a young person, it would not be unrealistic to have three weeks in a ski field in Austria, a week as a waitress or waiter on a Greek island, three weeks working in a pub in London, three weeks fruit picking in Spain, a couple of weeks working in a vineyard in France and a week making beds in Ireland. If you did that, you would have worked for more than 90 days while you were overseas. I understand that, as this bill is written, if you work overseas for 90 days or more you would be caught by this particular legislation.

For high-income earners, there would be additional paperwork under this legislation but the compliance costs would be commensurate with the quantity of money that would be recouped by the government. But in the case of backpackers—young Australians who do undertake this kind of casual work while on an overseas cultural experience—the compliance costs relative to the income earned are likely to be much larger. I put it to the government that right now there would be thousands of young people overseas in this position, and they will be caught because it is unlikely that they will even be aware of this at this point and will not be doing the paperwork that is necessary in order to comply.

I would really like the government to address this issue and explain whether it has to be 90 consecutive working days—so you would need to work three months in one type of employment or with the one employer before this counts—or 90 days in a 12-month
period, in which case I think we run into all kinds of compliance difficulties. But even with 90 days in the one establishment, if you manage to spend three months or so working in London, you are still likely to be earning a relatively small amount and the compliance cost is likely to exceed the tax benefit that is likely to be recouped for the taxpayer.

I really want to defend the cultural tradition we have in Australia and defend the ability of young people to work in these circumstances. I do not know what the tax regimes in all the different European countries or the Americas or whatever are in terms of who pays tax and under what circumstances, but with casual work there is often a lack of compliance anyway, particularly with things like fruit picking. There is often a negotiated wage for the week and it is just paid in cash.

While I am on that subject, I might just say to the government what I think about the way this operates with backpackers in Australia at the moment, where the superannuation contribution is made by the employer at the time they employ the fruit pickers. Whether they be Swiss, Austrian, French, German or whatever, the problem is that very often they do understand that superannuation was paid on their behalf. They go home and they never claim it. It ends up being a windfall gain for the government, with the funds being transferred from employers in Australia to the government coffers. I really think we need to consider that in terms of how we deal with superannuation contributions. But that is another matter.

I am really concerned to make sure that we are not capturing a whole lot of young Australians, who are attempting to enjoy themselves, in a mass of paperwork in foreign languages and so on, in which case we would be making a mess of things. Whilst I support the government’s intent, there are always perverse outcomes if these things are not thought through. I would be very keen to hear the government explain how we are going to exempt young people who are in these kinds of arrangements working overseas.

I also want to ask the government for some sort of explanation pertaining to Senator Xenophon’s amendment and what appear to be, again, special arrangements being made for politicians and some public servants. That is in relation to the notional tax contribution in terms of schedule 3 and the concessional contributions cap for superannuation. It appears that, because the contribution will be assessed as a notional tax contribution, it will be interpreted as a concessional cap for these taxpayers for the purposes of the bill. And where the notional tax contribution is greater than $25,000, these taxpayers, as with politicians, will continue to be allowed to put more than this amount into superannuation at a concessional rate. Senator Xenophon has drawn the attention of the parliament to what appear to be special privileges for politicians and public servants as opposed to the rest of the population. As we are targeting equity and high-income earners, I would like to hear the government’s response to that particular criticism of the legislation. Could the minister also respond in relation to those thousands of young people whose parents and families I am sure are very concerned about what this legislation means in terms of capturing them.

**Senator XENOPHON** (South Australia) (10.06 am)—I indicate my support for the Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009. As Senator Milne indicated, I will confine my remarks largely to schedule 3 in terms of superannuation matters, although I would like to raise the changing of taxation arrangements for overseas workers—and I do not think Senator Sherry would mind if I say that I have raised this briefly with him. There has been some con-
cern raised that by changing the taxation arrangements for Australians working overseas there could be some quite significant unintended consequences, that firms would rather employ locals overseas than Australians overseas.

My questions to Senator Sherry are broadly along these lines. Firstly, to what extent do the tax gains in respect of this take into account that there will be a leakage, so to speak, whereby workers will lose their jobs or, alternatively, firms will use local workers overseas rather than Australian workers who are lured to these jobs to a large extent by virtue of the more favourable tax arrangements but are still Australians who have a job not here but overseas? Secondly, how would any exemptions work? What would the criteria be for any exemptions? Thirdly, further to the issue of exemptions, how will transitional arrangements be dealt with? For instance, how would an Australian worker who is working overseas with a contract for three or four years be caught up by this? Would that simply be a factor for the exemption or would that be a significantly material factor that would give comfort to those workers and firms who have arrangements in terms of working overseas? Whilst I understand the government’s policy intent in relation to this, what will the consequences be? Will it deliver as much in revenue as the government thinks it will, if it simply causes a shift from employing Australians with particular expertise on overseas projects, and result in Australians not getting a job at all and firms employing locals on these overseas projects? Senator Sherry is more than aware of this and I look forward to his response in respect of that.

I move the amendment standing in my name on sheet 5832:

Omit all words after “That”, substitute “this bill be withdrawn and redrafted in a form that does not protect politicians from the taxation implications of the superannuation changes the Government is imposing on the broader community”.

The amendment is self-explanatory. It essentially proposes that this legislation not be further considered unless and until it is re-drafted in respect of what I see as preferential treatment that politicians get in relation to these changes.

I will just go back a step. What the government is intending to do, and I think Senator Coonan outlined this well, is to make a change in the concessional contributions cap from $50,000 to $25,000 for those under 50 and from $100,000 to $50,000 for those over 50. The explanatory memorandum sets that out. It allows for contributions for those aged over 50 at any time between the financial years 2007-08 and 2011-12. The $100,000 cap will continue for the current financial year but will go down to $50,000. There has been a debate about the rationale for that. It will be a revenue saving measure. I think the government was concerned that it was unfair that that level of concessional contribution was as high as it was, and I know the philosophical debate between the coalition and the government in respect of that.

My concern is that those who are in a defined benefit scheme will be exempt from that. The most obvious example of a defined benefit scheme relates to politicians elected to this parliament before 2004 and also for politicians elected I think prior to 2004 in virtually every other state and territory. I should disclose that, since I was elected to the South Australian parliament in 1997, I have been in a defined benefit scheme. I have previously indicated publicly that I seek to opt out of that scheme to go into a scheme that is in line with community standards. So far, the government of South Australia has been unwilling to let me do that, but I will persist in relation to that because I think it is fundamentally unfair that the politicians’
scheme is so out of kilter with what the rest of the community gets. I think one of the reasons politicians are not held in high regard amongst some sections of the community is that people feel that they get a special deal.

We can have a debate at another time about what is an adequate level of remuneration for politicians and the like. The fact is that the arrangements for politicians’ superannuation prior to 2004 are extraordinarily generous and out of step with what the rest of the community can expect to get from their superannuation. There is an exception, of course, in terms of senior public servants and older schemes and other defined benefit schemes. I am grateful to the minister and his office and the officers of the Treasury for the briefing I received yesterday that set out very clearly the government’s position and concerns in relation to this. I believe it ought to be possible to note what the notional benefit is. Whilst defined benefit funds are a completely different creature from an ordinary superannuation fund, it is quite reasonable for there to be a deeming method to work out the notional level of the contribution. Whilst there is a different taxation arrangement for these defined benefit schemes, those in a defined benefit scheme are still much better off than anyone else in the rest of the community who is not in a defined benefit scheme.

The intent of this amendment is to say that politicians ought not be exempt from the effect of these changes in relation to contributions. That is what this amendment is about, insofar as it can be deemed that the notional contribution is in excess of $25,000 for those aged under 50. Who would that be in this parliament? The member for Sturt, I imagine. It is not a criticism of the member for Sturt; he just happened to be a very young man when he entered into federal politics. He is under the old scheme and he is well under 50, so to what extent is there a notional benefit there that is in excess of what this legislation is seeking to do?

Whilst defined benefit funds are quite different in the way that they are structured, it seems to me quite inconsistent that you would have a situation where the government is seeking to trim back what the concessional benefit is in terms of the cap but those in a defined benefit are exempt from that. I believe that with some political will it could be redrafted. The reason I have done it in this form is that I have been advised that I could not move an amendment on this because it would be seeking to impose a tax. The ball is really in the government’s court, but I hope the government can at least acknowledge that politicians in the pre-2004 scheme are a special case. They get benefits way above the rest of the community. Insofar as the government is seeking to tighten that up for the rest of the community, that should also apply to members in a defined benefit scheme—that is, members of parliament in the pre-2004 scheme.

To me it is about equity, it is about fairness and it is about some consistency with the intent of the government’s legislation in relation to the concessional contributions cap. I will not hold my breath on that amendment passing, but I think it is important that we have that debate and that the government explains why it is that there is no concomitant effort for there to be a tightening up of the defined benefit schemes when the rest of the community is facing a tightening up of their scheme in terms of the concessional contributions cap.

Senator FIELDING (Victoria—Leader of the Family First Party) (10.17 am)—The Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009 sets out changes to the tax system and superannuation system that will see the government pocket $675 million.
These changes will be felt by many families and will come as a blow to them. In particular, this bill will cause significant changes to the superannuation scheme and will have substantial consequences for future years. One such change is to the co-contribution arrangements which are presently available. Under the proposed changes the government will temporarily reduce the government’s superannuation co-contribution for eligible contributions made between 1 July 2009 and 30 June 2014. This will mean that low-to-middle-income earners who have in the past enjoyed government contributions of up to $1,500 to their superannuation will now be entitled to a maximum of $1,000 for voluntary contributions.

The contribution measures introduced under the Howard government were reforms which I believe put Australia on the correct path for dealing with the issue of our ageing population. It is no secret that in future years Australia will be faced with the problem of a larger non-working population and will need to find money to support them. A strong superannuation scheme will mean that more Australians will become self-sufficient and will not rely so much on pension payments from the government to get by. This will significantly reduce our future liabilities and leave more money to be invested in other important areas such as education, health and social services. The current reforms are therefore a step backwards from that design. They will reduce the incentives for low-income earners to save more money and invest in their future. They will ultimately result in greater costs to the government. However, I am mindful that these changes are only temporary and are necessary to help pull Australia out of the enormous debt which threatens to become a burden for future generations. Therefore, Family First will support these changes— with the understanding that they are not a reflection of the government’s long-term policy.

This bill will also see a reduction in the concessional contributions cap. These changes will have the greatest impact on high-income earners who currently use the generous superannuation rules to reduce their tax liability. Family First is not anti wealth. We do not believe in punishing the rich and taxing them so heavily that we reduce all incentive to achieve success. Family First believes that success ought to be applauded and rewarded. However, Family First also believes that those with a greater capacity to assist Australia should do so in times of need. And now is a time of need. When we are facing a massive deficit of $57 billion, we need to ask those who can afford to do a bit more to actually do a bit more. These changes will achieve some of this. The bill also contains changes to the taxation of income earned overseas by Australians. As it stands at the moment, Australian residents are exempt from paying tax in Australia on any income earned overseas where they have been engaged in continuous foreign service for a period of not less than 91 days. This is an important exemption which ensures that Australian firms can remain competitive when tendering for overseas projects that will involve the employment of Australian residents.

Australian firms, particularly in the mining and construction sectors, often employ workers for overseas projects on a net salary basis. This means that their wage is calculated after tax, with their expenses being paid for by the employer. Under the proposed changes, Australian employees will become more expensive to employ and, as a result, less attractive when compared to employees from other locations with lower tax rates or more generous exemptions for working abroad. This includes countries such as the US, the UK, New Zealand, Germany and
Family First is disappointed with these changes and believes they will have an unfair impact on Australians working for short periods of time overseas. As with the other changes to this bill, Family First also recognises, however, the need for tough decisions to secure our long-term future.

There are still two unintended consequences of this bill which Family First believes need to be rectified. As a result of the removal of this overseas income exemption, Australian workers employed overseas will have their tax automatically withheld by the Australian employer as well as by the country in which they are employed. In some cases this will lead to 85 per cent of their pay cheque going towards taxes. Withholding tax is currently payable in numerous countries within the Asia-Pacific region as well as in the United States and the United Kingdom. This means that Australian residents working in any of these countries will be affected. While these workers will be entitled to a refund for any tax paid overseas, they will only be able to recoup this money at the end of the financial year, in some cases a full 12 months later. Family First believes that this is grossly unfair and has included an amendment to that effect.

Under the amendment, the pay-as-you-go requirements would not apply to Australian workers overseas. This would mean that the tax would only be collected by the government where there is a shortfall at the end of the financial year when the tax return is lodged rather than taking up to 85 per cent of someone’s take-home pay. This will still result in the same amount of tax being collected by the Australian government but will ensure that workers living overseas are not double-taxed and then asked to wait 12 months to get their money back. The government has flagged to me that in such cases employers can apply to the Australian Taxation Office for an exemption to withhold this tax at a lower rate. However, this is not a good solution. This will create more red tape and additional administrative costs for businesses. Family First’s amendment therefore provides a more efficient and workable solution.

The government has also raised with me concerns that this amendment will affect what expenses will be taxable under the fringe benefits tax arrangements. This is correct. As it stands at the moment, an employee sent overseas by an Australian company and who has their medical insurance paid for by the employer is required to pay fringe benefits tax. This is paid by the employee in the country where the benefit is incurred. However, what the government is now seeking to do is double dip. It is asking employees to pay tax on their fringe benefits overseas and then asking the employer to pay the tax again on the benefit in Australia. This is unfair. No one likes paying tax but collectively as a nation we accept that this is important in order that our country can function properly. However, few people would accept that it is fair to pay tax on the same benefit twice. This is wrong.

The government itself has accepted that this is a significant issue and has suggested that the Australian Taxation Office address this concern. The Senate Standing Committee on Economics, which conducted an inquiry into this bill, also recommended that measures be adopted to prevent double taxation from occurring. Now we are being asked to vote on a bill in the chamber—one which by the government’s own admission contains flaws—without seeing the solution which it proposes to introduce. This is not how good decisions of such importance should be made. It is incumbent on the government to present a solution before it asks us to lend our support to its measures.
Family First’s amendment is that solution. Family First’s amendment will result in a far more equitable system and warrants the full support of the Senate. Family First will continue to support the government in its efforts to tackle the enormous debt we are facing as a country. However, we will not write the government a blank cheque. At the forefront of our mind will always be whether the government’s actions are giving Australian families and businesses a fair go.

Senator SHERRY (Tasmania—Assistant Treasurer) (10.28 am)—In my summing up and closing of the debate on the Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009 I will attempt, provided I have time, to deal with all of the issues that have been raised by the crossbenches. It may not be possible with all matters, but I certainly want to deal with the matter raised by Senator Xenophon because it goes to a second reading amendment that we will need to vote on at the conclusion of the debate. But firstly I would like to thank all the senators who participated in the debate: Senators Coonan, Milne, Fielding and Xenophon. I particularly make the observation that whatever the criticisms and concerns being raised by the crossbenches, they have looked at the package as a whole and identified correctly one of the overall reasons for the changes that are presented in this package. That is appreciated.

Schedule 1 to this bill limits the current income-tax exemption for foreign employment income to income earned as an aid worker or charitable worker or as a specified government employee, including defence and police force personnel. The amendments will mean that the exemption is better targeted and will remove some inequities which currently exist between Australians working overseas, particularly in low-tax countries, and those working in Australia. An Australian resident working overseas will be entitled to a foreign income tax offset for any income tax paid overseas in respect of any foreign income taxed in Australia. This will ensure that such income will not be subject to double taxation on their foreign employment income.

Senator Milne raised the issue of the impact on backpackers—that is, Australian backpackers working overseas. First of all, under the current law foreign employment income of backpackers is exempt provided they meet the relevant conditions—for example, continuous foreign service of 91 days or more. Backpackers currently have to report their foreign employment income in their Australian tax returns. So even though that income is exempt it is reportable. Thus compliance costs already exist. So there is a compliance cost in regard to backpackers.

The new law means that foreign employment income of backpackers will be taxable in Australia unless they are performing eligible activities—for example, aid or charitable work. Any foreign tax paid will be credited against Australian tax. Where comparable tax is paid overseas, the Australian tax liability would be significantly reduced, and that will obviously vary from country to country. The new law is consistent with the general principle that Australian residents for tax purposes should pay Australian tax on their worldwide income. Not taxing backpackers could create inequity between them and other Australian taxpayers who earn similar amounts of income in Australia. In respect to the question on the 91 days, which Senator Milne raised: yes, it must be continuous, but it may be undertaken with more than one employer. I would also point out that the clause 1(e) provision does allow exemption by regulation of those business entities on application, and that is determined by an executive council declaration. So it is possible for some business entities to obtain an exemption on application.
Schedules 2 and 3 provide necessary budget savings in light of the pension reform. This is an issue that no speaker, from either the opposition or the cross benches, have touched on. This package of changes in respect of the superannuation co-contribution and caps is part of the funding that is necessary to pay for the increase in the age pension. That has been missed so far in the debate. The cost of the increase in the pension, which will be dealt with in another bill, runs to $14.2 billion over four years. It is true that we are changing some of the superannuation arrangements in order to help pay for the increase in the age pension. It does not cover anywhere near the cost of increasing the age pension—which is, as I have mentioned, over $14 billion—but it makes a contribution and it should be seen in that light.

We have been through a debate about the adequacy of the age pension in this chamber, particularly over the last 18 months. Certainly the now opposition—the Liberal and National parties—have been advocating an increase in the age pension, having done nothing about it when they were in government. But of course they fail to indicate any way in which the cost of increasing the age pension could be paid for. So having done nothing for almost 12 years, they then argue that the age pension should be increased and say, ‘We can’t indicate how it will be paid for.’ And then they criticise us because the budget is in deficit. I just wanted to mention that on the way through.

On these specific superannuation matters, schedule 2 temporarily reduces the government’s superannuation contribution for contributions made in income years 2009-10 to 2013-14. The reduced government co-contribution will continue to provide a matching rate of at least 100 per cent on eligible contributions. It is still a very generous incentive: up to 100 per cent. People in the chamber will know that I am reasonably familiar with superannuation provisions, and I do not want to talk at excessive length—and I notice Senator Xenophon is smiling—but you would be hard-pressed to find anywhere in the world a superannuation incentive of up to 100 per cent. This is a guaranteed rate of return up to 100 per cent. I cannot find anything more generous than that anywhere in the world, and that is on the new reduced rate of co-contribution. That of course is temporary and the phase-in period for the co-contribution going back up to 150 per cent is contained in this legislation. It is true that that generates a budget saving of $1.4 billion over the forward estimates period.

Schedule 3 reduces the superannuation concessional contributions caps from 1 July 2009. The caps will remain generous. Like Senator Fielding, and I take his point, we are not against people at any income level being able to access, usually via salary sacrifice, the benefits of tax concessional treatment of superannuation. We are not against that. I think the debate really is what level of generosity and what level of tax concessionality should apply and whether, certainly in the current circumstances, the current caps are appropriate. I am pleased to acknowledge the contribution of Senator Fielding in this regard. The measure will provide greater equity in the system by targeting reductions in superannuation tax concessions at those with relatively more private resources. This action is consistent with the finding of the Australia’s Future Tax System review panel, commonly known as the Henry tax review, that superannuation tax concessions should be more fairly distributed.

At the recent inquiry into this legislation by the Senate Economics Legislation Committee, questions were raised in relation to the numbers affected by the reduction in the caps. This was also canvassed at Senate estimates committee hearings. I emphasise that some 1.8 per cent of those making conces-
sional contributions will be affected by this measure. So, of the millions of people making contributions via salary sacrifice, 1.8 per cent will be affected because they are predominantly high-income earners. More specifically, it is estimated that, of those affected in 2009-10 who are under age 50, 73 per cent will have a remuneration in excess of $100,000, as will 93 per cent of those aged 50 and over. The reduction in caps will generate budgetary savings of $2.8 billion over the forward estimates period.

Senator Fielding raised an important issue when he said that he was concerned about the impact this measure would have on future age pension claims. We do not expect it to be in any way significant, Senator Fielding, because the group of people who are contributing this level of superannuation are overwhelmingly excluded from the age pension anyway because of the means test. That is why we do not believe there is going to be any significant impact. Because of their current level of savings in super and the current generosity of the concessional tax treatment—and they may have investments in addition to their own home, which of course is not included—the means test takes them out of the age pension anyway. So it makes little difference, as I am told. I raise that because Senator Fielding raised it and I know it has been raised more broadly in the debate around this measure.

I want to go to the issue raised by Senator Xenophon, which is the claimed favourable treatment of some politicians, and to outline some background material in respect of the treatment of defined benefit funds, which some members of parliament are in—the funds are closed to new members. Of course, it is not just members of parliament who are in closed defined benefit funds. Certainly, judges and members of the military defence forces are in defined benefit funds—and theirs is not a closed scheme, by the way. So we are not just talking about politicians who are in the old defined benefit funds; we are talking about military personnel and we are talking about judges.

It is a much broader group of people, Senator Xenophon, if we look at defined benefit funds in the private sector. In the private sector, in total open and closed funds—and most are closed, other than that of the military; there are very few open defined benefit funds—we are talking about some 640,000 employees. I have mentioned those in the public sector, but in the private sector the ‘Xenophon principle’, if I may call it that, would apply to 640,000 workers. Among these hundreds of thousands of employees in the private sector who are in DBFs you are dealing with Qantas—so flight attendants, pilots, ground workers. In the hospital sector you are dealing with nurses and attendants. In the car industry you are dealing with auto workers. If Senator Xenophon were being consistent, he would apply his proposed change to all people in defined benefit funds, but he has confined his argument to politicians. If he were being consistent in his approach to caps he would apply it to the 640,000 workers. I know he would not do that, because if Senator Xenophon applied this principle to all the workers whom I have outlined he would, I suggest, have a somewhat strong reaction from car workers, doctors, flight attendants, nurses and the whole range of people I have outlined. Of course he will not do that; he is seeking to apply it just to members of parliament.

Members who were elected prior to October 2004, who are in the old parliamentary scheme, the PCSS, are in what is known as an untaxed scheme. As contributions are not made into such a scheme annually they cannot be subject to annual caps and hence cannot be subject to the reduced caps; rather, they are subject to benefits taxation. This is in contrast to members in schemes under...
which they receive tax-free benefits from age 60. Also, members of this scheme are not allowed to salary sacrifice into any super fund, so they have not been able to take advantage of the large salary sacrifice contributions which are the target of the changes.

Senator Williams—Poor devils.

Senator SHERRY—Well, they are simply not allowed to. These people are not allowed to take advantage of the concession. While the lump sum benefit cap in these schemes is just over a million dollars, it is worth noting that this roughly equates to some 40 years of $25,000 contributions.

Members elected after October 2004 have contributions made into an accumulation fund and they have the ability to salary sacrifice. However, they are subject to the caps and subject to the reduced caps, the same as anyone else. Older public servants are also in untaxed schemes, like the PCSS, and thus are subject not to annual contributions caps but, rather, to benefits tax. While the cap reduction thus does not affect their entitlement in the untaxed scheme to the extent that they salary sacrifice elsewhere into a private scheme, those contributions will now be limited by the reduced caps.

The grandfathering arrangements apply to private sector defined benefit funds. As contributions are made into these schemes regularly they are subject to the annual caps. Given that the nature of these schemes is that the contributions are pooled rather than made for individual members, an actuary determines an annual notional contribution each year. Also, private sector DB schemes often have contribution rates predetermined and these cannot be adjusted by the members. When contribution caps were first introduced, which was as a consequence of Better Super, it was decided by the previous government’s approach—that these schemes would be grandfathered.

So I say to Senator Xenophon that the exclusion, if you like, does not just apply to politicians schemes. The effective exclusion applies to all defined benefit funds. This means that they are still subject to caps but, to the extent they were predetermined contribution levels that exceeded the caps, they would have those contributions set as equal to the cap, whatever the cap is. For example, if their contributions were predetermined at $55,000, they were deemed to be $50,000. Similarly, under the new changes, if contributions had been predetermined prior to the budget announcement as being, say, $30,000, they would be deemed under the new grandfathering to be $25,000. This means they would not breach the caps by virtue of the predetermined defined benefit contributions. However, if they then in addition salary sacrifice to another fund, they would exceed the caps. They lose the grandfathering if they move to further increase benefits outside the grandfathered private sector fund. For that reason I would argue that the second reading amendment of Senator Xenophon is inappropriate.

I do not have the time to deal with Senator Fielding’s amendment, but we will deal with that in committee. I have taken the time at the conclusion of the second reading debate to outline our reasons for opposing Senator Xenophon’s amendment to the second reading and to provide some further information to Senator Milne with respect to current and new law, and the way in which it would apply to backpackers. I thank all senators for their contribution to the debate. This is important legislation and the government will be opposing the Xenophon second reading amendment.

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

The Senate divided. [10.51 am]

(The Acting Deputy President—Senator JM Troeth)

Ayes…………… 2
Noes…………… 43
Majority……… 41

AYES

Fielding, S. Xenophon, N. *

NOES

Adams, J. * Back, C.J.
Bernardi, C. Birmingham, S.
Bishop, T.M. Boyce, S.
Brown, B.J. Brown, C.L.
Bushby, D.C. Cameron, D.N.
Cash, M.C. Colbeck, R.
Conroy, S.M. Coonan, H.L.
Cormann, M.H.P. Crossin, P.M.
Farrell, D.E. Feeney, D.
Ferguson, A.B. Fifield, M.P.
Fisher, M.J. Forshaw, M.G.
Furner, M.L. Hanson-Young, S.C.
Hurley, A. Hutchins, S.P.
Ludlam, S. Macdonald, I.
Marshall, G. McEwen, A.
Milne, C. Moore, C.
Nash, F. Parry, S.
Pratt, L.C. Ryan, S.M.
Sherry, N.J. Siewert, R.
Sterle, G. Troeth, J.M.
Trood, R.B. Williams, J.R.
Wortley, D.

* denotes teller

Question negatived.

Original question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator FIELDING (Victoria—Leader of the Family First Party) (10.55 am)—I move amendment (1) on 5838:

(1) Schedule 1, page 4 (after line 3), at the end of Schedule 1, add:

3 Application of PAYG withholding tax rules

Division 12 of Schedule 1 of the Taxation Administration Act 1953 does not apply in relation to the foreign earnings of a person that would be exempt from tax but for the amendment made by this Schedule, so that the person’s employer is not required to withhold any amount of those earnings under that Division.

I will make some general comments before referring directly to the amendment. Firstly, regarding the vote on the second reading of the bill, I would be interested to know whether there may be any conflict of interest for those politicians within the defined benefit scheme through this legislation providing exemptions for them. They voted against Senator Xenophon’s amendment, so that is an important issue they need to consider.

During the second reading debate, the Assistant Treasurer referred to defined benefit programs and those people who would get some sort of special treatment. Senator Xenophon’s amendment related to politicians only—not Qantas or any other area but politicians and their superannuation entitlements. The question is whether, when you are voting for a bill, you should declare whether it assists you and therefore constitutes an interest. I will leave that for each senator to consider. Politicians’ superannuation is something the community is definitely concerned about.

The amendment I have just moved will prevent the double withholding of tax for Australians working temporarily overseas. I will give an example of how the bill as it stands would operate. A resident of Australia temporarily working overseas who earns $1,000 per week might be taxed at a rate of 30 per cent in the country they are working in and then taxed at the rate of 30 per cent under Australian law. That money would be taken from their pay and they would be left with a smaller amount to live on. Without this amendment, this person would be effec-
tively taxed at the rate of 60 per cent and take home only $400 in their pay packet each week. Quite clearly that is wrong. They will have to wait 12 months before they can reclaim the money at the end of the financial year. The government will claim that they can avoid this by having their Australian employer seek an exemption from the Australian Taxation Office—but that is the employer, not the employee. It is extra red tape and it will be a burden. We have been contacted by a number of people saying that this is going to cause a significant problem.

This amendment will stop the government from double dipping upfront rather than the reconciliation being done by default at the end. This is a bit of a mess that the government have created. They know it is a problem. It would lead to an outcome that is less than desirable and it is in their hands to fix it, which is what this amendment would do. The government have accepted that there is a problem here; the Senate Economics Legislation Committee, which conducted an inquiry into this bill, also accepted that this double dipping is a problem; yet no-one has presented a solution. It is very hard for the Senate to vote on a flawed bill without seeing a solution. I urge senators to support this amendment.

Senator SHERRY (Tasmania—Assistant Treasurer) (11.00 am)—I was going to touch on this issue in concluding the debate on the second reading but, as I think Senator Fielding would appreciate, I was running out of time so I covered the matters raised by Senator Xenophon.

The current law, the Taxation Administration Act 1953, permits the Commissioner of Taxation to vary the PAYG withholding amount to be withheld by an employer in order that the amounts withheld reflect an employee’s final Australian tax liability. So the existing law allows the commissioner to deal with the issue that Senator Xenophon is raising. A taxpayer who will be entitled to a foreign income tax offset in his or her Australian income tax assessment, because of foreign income tax paid, is able to ask the Commissioner of Taxation to vary the amount of PAYG withheld by his or her employer to reflect the foreign tax paid. So the current law allows adjustment. There is an administrative avenue available to taxpayers to seek to overcome the issue that Senator Fielding is raising—potential PAYG withholding issues—including taking into account the level of foreign tax withheld at source in the foreign country.

The proposed amendment that Senator Fielding has moved—and I appreciate his intentions—could affect the imposition of fringe benefits tax in Australia. It would create inequity between the tax treatment of fringe benefits paid to Australian based employees and foreign based employees. It could also result in a loss of potential revenue for the government and could encourage tax avoidance—for example, via the conversion of taxable salaries into non-taxable fringe benefits. The proposed amendment would remove an employer’s obligation to withhold PAYG withholding amounts from salaries and wages et cetera paid to their Australian residents and employees working overseas.

The PAYG withholding provisions are an integral part of Australia’s tax system, so the treatment proposed by Senator Fielding would be inconsistent with the PAYG treatment of Australian based employees and could create large end-of-year tax debts for some employees. So the government is mindful of the fact that some other countries tax fringe benefits from Australia. In this regard the government is examining the need for further work in that specific area to minimise the potential for double taxation of fringe benefits. The main thrust of Senator
Fielding’s amendment, we believe, can be dealt with under current tax law by the commissioner. Therefore, Senator Fielding’s amendment is not necessary and, unfortunately, opens up a range of consequences. For the reasons I have outlined, that would be inappropriate and undesirable.

Senator COONAN (New South Wales) (11.03 am)—I indicate on behalf of the coalition that, whilst we appreciate the sentiment behind Senator Fielding’s amendment, we are not disposed to support it, largely for the reasons that have been outlined by the minister. I have absolutely no reason to do anything other than accept the advice from the Australian Taxation Office that the problem identified here is dealt with and can be dealt with administratively by the tax office. The law is very clear that it is possible to vary PAYG withholding to reflect the liability of a taxpayer. But the second reason, apart from the fact that we are of the view that the existing law can deal with the issue raised, is that as with all of these matters, including Senator Xenophon’s second reading amendment, which I did not get a chance to speak to, one has to always be wary of unintended consequences in changing any part of the tax law. It is a bit like pulling a thread in a carpet, as I remarked to the minister during a conversation we had a little while ago. The complexities of the tax act are such that, if you change a bit of it, it usually means there are unintended consequences in other areas. The minister has referred to some of them, particularly in relation to complexities with the fringe benefits tax. It is a very good thing for us all to be vigilant if we come across what we perceive as inequities and difficulties and raise these matters in this place, so I certainly make no criticism of Senator Fielding for raising a legitimate issue. It is just that I am of the view that the advice from the Australian Taxation Office is in fact correct—that the legislation does enable this matter to be appropriately dealt with.

Question negatived.

Bill agreed to.

Bill reported without amendments; report adopted.

Third Reading

Senator SHERRY (Tasmania—Assistant Treasurer) (11.07 am)—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

HEALTH WORKFORCE AUSTRALIA BILL 2009

Second Reading

Debate resumed from 18 June, on motion by Senator Faulkner:

That this bill be now read a second time.

Senator ADAMS (Western Australia) (11.07 am)—I rise today to speak on the Health Workforce Australia Bill 2009. Health Workforce Australia is a new statutory agency which is being established as a body corporate. It will have $1.1 billion of Commonwealth funding and the state and territory funding amounts to $539.2 million. This is a total of $1.6 billion which will come under the authority of the Health Workforce Australia board. This bill needs to be passed by 1 July so it can commence operations by July 2010. This has come about through recommendations from the Coalition of Australian Governments, COAG.

The Senate Community Affairs Legislation Committee held an inquiry into the Health Workforce Australia Bill, and the concerns that were noted by the coalition senators were a lack of supporting regulations accompanying the bill, the potential for Health Workforce Australia to attempt to usurp the role of professional colleges and other organisations in accrediting clinical
education and training for health professionals, and the deliberate lack of involvement of medical and health professionals in the governance of Health Workforce Australia.

Before I move on to the composition of the Health Workforce Australia board, which our witnesses really had more concerns about than any other part of the bill, I would like to say what Health Workforce Australia will do. It will establish more effective, streamlined and integrated clinical training arrangements and support workforce policy and planning. Its responsibilities will include funding, planning and coordinating pre-professional entry clinical training across all health disciplines, supporting health workforce research and planning, including a national workforce planning statistical resource, and funding simulation training. The authority will also ensure best value for money for the workforce initiatives and a more rapid and substantive workforce planning and policy development environment, and will provide advice to health ministers on relevant health workforce issues.

We should look at the description of what health workforce is. It means the body of professionals who are providing or are employed to provide professional healthcare services to Australia in public and private hospitals, private practices and other government and non-government institutions. With that description, it covers an enormous amount of the workforce in Australia. Health is a huge industry and it is terribly important for Health Workforce Australia that all facets of the health workforce have an opportunity to provide advice to this board when it is established. That has really caused huge problems. A combination of factors which lead to difficulties with health include the fact that we have an ageing population requiring greater access to medical services, an ageing and changing medical workforce, lower working hours by health professionals, increasing chronic disease and increasing community expectations. I think the last of those, increasing community expectations, is very real. The community do expect to have world standard health services provided to them, and more and more as technology changes our health professionals are becoming very expert in the areas that they work in. But it also must be remembered that this is a hands-on profession; it is not an automated profession. Therefore our workforce is very important.

I would like to move to the composition of the board that will oversee Health Workforce Australia. Unfortunately, a number of our witnesses felt that it should be a board of management so that all areas were represented, but with the board having numerous members it really would not be able to complete its role in the way it should. So this board, as was finally explained to the committee by the Department of Health and Ageing, is a board of governance. Because of the funding put forward, the $539.2 million from states and territories, the board will have representatives from states and territories numbering eight. These people will be the health commissioners from each state and territory. There will be a chair appointed and a member from the Commonwealth. Then there are three other positions. This has led to a lot of debate because, as you can imagine, the medical fraternity wish to be represented, the nurses wish to be represented, the allied health people wish to be represented. Private hospitals, which do 40 per cent of our elective surgery, wish to be there, and I do not want to forget the aged-care industry, which is becoming more and more reliant upon a workforce and is having a lot of trouble trying to attract people to it. It was explained by the department to the committee that the board was a board of governance, not a board of day-to-day management. A CEO is to be appointed and this person’s job is de-
scribed in the Health Workforce Australia Bill.

Getting the right evidence and advice from all these different health workforce industries was definitely a problem we raised. The way that was explained by the department was that they would be looking for expert advice. But I note in the explanatory memoranda to the bill there is a clause that states that consultants can be employed. I do hope that the CEO of the board does not go employing consultants and leaving out the expert advisory committees, because having expert advisory committees will really improve the understanding of those board members.

Other questions were asked of how the up to three extra members of the board would be appointed, but we really could not find out whether there would be an advertisement for these three members. It is obviously going to be a board with a mix of skills. Questions I asked were to do with whether there would be financial expertise and legal expertise on the board and whether there would be any input by consumers, which I feel is very important. The CEO and the day-to-day management of the board really do need oversight. If the up to three extra members are not going to be representatives of any of the health workforce organisations, I believe we should have oversight, particularly with a budget of $1.6 billion, with someone on the board who has financial expertise.

These boards are very complex. I had the experience of being a member with rural health service expertise on the Metropolitan Health Service Board in Perth. I spent four years on that board. That covered all the teaching hospitals, the four secondary hospitals around Perth plus mental health services. That board had a budget of $2.4 billion. I know the complexities of being a member on a board like that, so I will certainly be watching the Health Workforce Australia board with great interest to ensure that they are doing the right thing by our huge health workforce. The lack of supporting regulations accompanying the bill was a great frustration to our committee because it is very difficult to pass a bill if we do not know what regulations underpin it.

We are only six days away from the end of June, and I note that the Prime Minister was actually going to fix the nation’s 750 public hospitals by now. I know that there has been some concern that this Health Workforce Australia Bill is the first part of a takeover of the states’ health services. Mr Rudd did promise that he would fix the public health system by mid-2009. I note that the Prime Minister’s website maintained the government’s promise to fix hospitals until December last year when the promise disappeared to be replaced by the wording that the Rudd government would ‘improve’ the hospitals. Mr Rudd told Australians when he went to the election that he had a long-term plan to fix health and that the buck stopped with him. Now he is saying that the National Health and Hospitals Reform Commission will formulate a long-term plan for the Australian health system. I am really very worried about how this is going to work. I do hope that Health Workforce Australia will be part of that plan to fix the health system, but this bill has to be passed by 1 July for Health Workforce Australia to start to do anything by January 2010. So I think the government probably has a question to answer in that respect.

Senator SHERRY (Tasmania—Assistant Treasurer) (11.19 am)—Thank you for the contributions to the debate, and thank you also to the Senate Community Affairs Legislation Committee for its work on the inquiry. I am very pleased today to have the opportunity to sum up the debate on the Health Workforce Australia Bill 2009, although it is
somewhat unexpected. There are existing workforce shortages and factors such as population ageing and increasing levels of chronic disease that will exacerbate pressures on Australia’s health system and its workforce in the near future. We know that improvements are needed to clinical training arrangements, along with strategies to maximise productivity and to improve the efficiency, effectiveness and responsiveness of the health workforce to ensure the health needs of Australians can be met in the future.

The Council of Australian Governments’s $1.6 billion health workforce package, which is the single largest investment in the health workforce ever made by an Australian government, was developed in recognition of these issues. A linchpin of the COAG package is the development of Health Workforce Australia, a national health workforce authority that will work with and across jurisdictions and the education and health sectors to produce more effective, streamlined and integrated clinical training arrangements and to support workforce planning and policy development.

Among other critically important functions, HWA will fund, plan and coordinate pre-professional-entry clinical training across the major health disciplines from 2010. It is not intended that this agency usurp the functions of accreditation agencies or universities in relation to clinical training accreditation. These bodies will remain responsible for the accreditation. I note the minority report of the community affairs inquiry recommended an amendment to clarify this in legislation, which we are happy to support.

The agency will finally allow for proper workforce planning so that we can fix the long-term issues of the health workforce across all Australian governments. The governance arrangements for HWA reflect the shared funding and policy interests of all jurisdictions and provide for directions from and reporting to Australia’s health ministers. The effective functioning and development of the agency will require ongoing consultation and involvement with a range of stakeholders. Passage of the bill is required to establish HWA and to ensure it is operational within the time frames agreed to in the COAG health workforce package. Essentially, passage of the bill will instigate the immediate activities needed to improve the health workforce and therefore the health system for the Australian population.

I would like to thank all those who have been involved directly or indirectly in the development of this package and important legislation. I have been delighted by the strong support of all governments and the health and education sectors, all of whom have recognised the significance of this package and the need to get on with the job of improving Australia’s health workforce.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator CORMANN (Western Australia) (11.24 am)—I move opposition amendment (1) on sheet 5836:

(1) Page 5 (after line 27), after clause 5, insert:

5A Functions do not include accreditation

(1) The functions of Health Workforce Australia do not include responsibility for accreditation of clinical education and training (for example, accreditation of individual health professional courses).

(2) The regulations must not confer on Health Workforce Australia responsibility for accreditation of clinical education and training.

This amendment is to make absolutely clear that through this legislation the functions of
Health Workforce Australia will not include responsibility for accreditation of clinical education and training including, for example, accreditation of individual health professional courses. The concern that the opposition flagged during the second reading debate is that this legislation does not have enough detail in it. It is an empty vessel that could well be filled up by a government in directions that the Senate is not able to envisage. In relation to this particular issue, some serious concerns have been raised with us by people across the industry that this legislation has the potential to cut across and interfere with, for example, the role of professional colleges and other organisations in accrediting clinical education and training for health professionals. Even the government members of the Senate Community Affairs Committee acknowledge that there are a range of outstanding issues. The government members of the committee took a very optimistic view as to what would happen in terms of consultation moving forward. They said, ‘If there is going to be consultation and these issues are properly, genuinely and constructively addressed, we cannot see any reason why this legislation cannot pass now.’ However, on this side of the chamber we are somewhat suspicious; if that consultation did not happen adequately before the legislation was introduced, what assurance can we have that once the legislation has passed through the Senate the quality of that consultation will improve?

We on this side acknowledge that there are some real health workforce issues that will need to be addressed, and we do hope that Health Workforce Australia will make a significant contribution in addressing them. But we do want to make sure that what is proposed in this legislation will not cut across the important work that is being done by professional colleges and other organisations across Australia.

Senator Adams and Senator Boyce also raised the issue of the composition of the Health Workforce Australia board, and I urge the government to seriously reflect on the comments that have been made by Senator Boyce and Senator Adams. I think the government would be well advised to consider what would be the most appropriate composition of that board in order to ensure that the approach to the governance arrangements for Health Workforce Australia are as inclusive as possible.

I am not going to hold the chamber much more. I put our position on the record during the second reading debate. As I understand it, the government will be supporting the opposition amendment and I am pleased that the Senate will be supporting our proposition that it be made absolutely clear that the responsibilities and functions of Health Workforce Australia do not include responsibility for accreditation of clinical education and training.

Senator SHERRY (Tasmania—Assistant Treasurer) (11.27 am)—The minority report of the Senate Community Affairs Legislation Committee inquiry into the bill recommended an amendment to clarify in legislation that Health Workforce Australia would not usurp the functions of accreditation agencies or universities in relation to clinical training accreditation. It is not the government’s intention that the agency usurp this function; accordingly, we are happy to support the amendment.

Question agreed to.

Bill, as amended, agreed to.

Bill reported with an amendment; report adopted.

Third Reading

Senator SHERRY (Tasmania—Assistant Treasurer) (11.29 am)—I move:

That this bill be now read a third time.
Question agreed to.

Bill read a third time.

BUSINESS
Rearrangement

Senator SHERRY (Tasmania—Assistant Treasurer) (11.29 am)—I move:

That government business order of the day no. 3 (Car Dealership Financing Guarantee Appropriation Bill 2009) be postponed till the next day of sitting.

Question agreed to.

RURAL ADJUSTMENT AMENDMENT BILL 2009
First Reading

Bill received from the House of Representatives.

Senator SHERRY (Tasmania—Assistant Treasurer) (11.29 am)—I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator SHERRY (Tasmania—Assistant Treasurer) (11.30 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

The Rural Adjustment Amendment Act 2009 amends clause 7 of the Rural Adjustment Act 1992 to allow for the re-appointment of National Rural Advisory Council (NRAC) members for two subsequent terms after their initial term.

The Rural Adjustment Act 1992 specifies that NRAC’s main role is to provide advice on rural adjustment and regional issues including whether areas should be assessed as being in Exceptional Circumstances (EC).

Four of the eight current serving NRAC members cease their second terms on 30 June 2009 and, without this legislative amendment being passed, would not be eligible to serve for a third term.

Passage of the Bill will ensure that members who have developed considerable expertise in undertaking EC assessments can continue to make significant contributions to NRAC by serving a third term.

This Bill in no way changes the current, long-standing EC arrangements and the assessment of the eligibility of farms in drought declared areas for EC assistance will remain unchanged.

Purpose of the Bill

The bill will amend the Rural Adjustment Act 1992 to allow for the re-appointment of a National Rural Advisory Council (NRAC) member for two subsequent terms after their initial term.

Conclusion

This Bill will assist in ensuring those members of NRAC who have developed considerable expertise are able to continue to contribute for a third term of up to three years.

Senator COLBECK (Tasmania) (11.30 am)—The bill before the chamber, the Rural Adjustment Amendment Bill 2009, amends clause 7 of the Rural Adjustment Act 1992 to allow for the appointment of National Rural Advisory Council members for three terms.

The proposed amendment will remove the current provision that a person may on only one occasion be reappointed as a member. The Rural Adjustment Act 1992 specifies that NRAC’s main role is to provide advice on rural adjustment and regional issues, including whether areas should be assessed as being in drought—or, as we have come to know it, exceptional circumstances or EC.

The bill will provide that current or previous members who have served two terms can serve an additional term.

The work of NRAC is often harrowing and difficult. Their decision on whether or not to extend drought exceptional circum-
stances declarations can be the difference between survival and economic ruin for many. They are at the coalface, dealing with drought affected farming families who, due to drought, are operating under extremely high levels of emotional and financial pressures. I would like to take this opportunity to thank the chair of the NRAC, Mr Keith Perrett, and his fellow members for their contribution to rural Australia. It is a significant one.

In January this year NRAC toured Tasmania, my home state, and met with farmers from the drought declared areas of the state—areas such as Flinders Island and Waterhouse in the north-east, the Midlands and Central Highlands, all large and traditionally productive areas of my home state of Tasmania.

Those who have not experienced the first-hand effects of drought can perhaps distance themselves from how devastating it can be. Unlike cyclones, fire and flood, which are often fast and furious, drought creeps up on you. After the initial media reports, the slow burn of natural disasters quickly becomes a dry argument. Agriculture is traditionally a very proud industry. To be reduced to begging for assistance is, sadly for some, the final straw. As an example of the financial and emotional stress I have been speaking about, I want to put on the record the story of one Tasmanian farmer I came into contact with last year. This family with generational ties to the land have reduced their livestock numbers by 75 per cent. They had 12,000 sheep on their property and they have cut that to 2,000. They killed all their newborn lambs last year bar 100 that they kept for breeding. They made that decision to support the 2,000 breeding ewes that they had left. They had 700-odd head of cattle and they are down to less than a dozen. The neighbours looked over the fences when they were making these extraordinarily difficult moves and asked: ‘What are you doing?’ This farmer was the first in the district, and the response was: ‘I’m trying to preserve myself into the long term. Be prepared to have to do the same thing yourself.’ Pastures were ruined. They got an infestation of bugs in the ground and it is going to take years, after they get rain, to restore the country. It is a completely demoralising process.

There are some very good organisations that do great work to support these people. Service clubs such as Rotary and Lions run successful fodder drives. Just in the last couple of weeks there was a fodder drive from the north-west of Tassie down into the Midlands to provide support for farmers who are still going through that process. Aussie Helpers, the Salvation Army and the CWA distribute funds to meet the immediate needs of farm families, often quietly, without fanfare. They are doing a great job. In my home state, the Tasmanian Farmers and Graziers Association have developed a very well-coordinated network to assist the drought affected farmers. The Tasmanian Women in Agriculture—who are obviously very close to all this—recently facilitated the highly successful Boot the Drought project. This project provided a valuable way for women to break the cycle of isolation and share the impact of drought on their families in a fun and informal way. And there are many other groups and individuals I have not individually mentioned here—and that goes right across the country, and I am sure that colleagues would have examples in their own patch—who have gone well beyond the call of duty to make a contribution and to lend a hand.

The current drought is like no other experienced. It is not a one-in-25-year drought like the EC processes were initially established for; it is more like a one-in-100-year drought. And I do not think even the best prepared farmers could have prepared for
this. I remind the chamber that many areas of Australia are facing their seventh year of drought. I recall four or five years ago reflecting on what one more year of drought might be like. Despite huge rainfalls in Northern Australia, the Murray-Darling Basin still records low water inflows. This region is described as Australia’s food bowl, providing not only valuable food security but also thousands of food manufacturing and processing jobs whilst generating billions of dollars of export revenue—and we saw the impact of that when the national account figures came out in the last couple of weeks. We saw the impact of the work that Australia’s farmers are doing despite the difficulties. With extremely low irrigation water entitlements and collapsing milk prices, rural communities who are reliant on agriculture are naturally wondering what they will be hit with next.

I think it is pertinent to take note at this point of some of the policy developments that the government is putting in place at the moment. In the budget it disbanded the highly acclaimed Land and Water Australia which would have to have been one of the most fundamental research and development corporations of the group that exists here in Australia. The government cut funding to the Rural Industries Research and Development Corporation which does research on new and emerging industries. It is proposing to raise export charges for our exporters through AQIS by 66 per cent by removing the 40 per cent rebate that existed on export charges. The impact of the proposed CPRS legislation on the agricultural sector is absolutely diabolical, as we found out during the hearings of the climate change inquiry. In fact, we did some calculations on the beef industry and we found that there will be an annual cost in excess of $100 billion a year in cumulative impacts from the policy decisions of this government. You really do wonder what the Minister for Agriculture, Fisheries and Forestry is up to.

A dairy farmer speaking at a breakfast this morning said that one of the greatest risks for agriculture in this country at the moment is government policy—and, heavens, wasn’t she right? What this government is doing at the moment is absolutely disgraceful. It has changed the eligibility rules to the youth allowance, making it almost impossible for young people in rural Australia to access higher education, and we heard discussion about that yesterday. Australia’s strong agriculture sector, the only bright light in our economy, was one of the only reasons that the economy did not go into technical recession and yet we have these impacts out of the budget. In fact, agriculture was the only sector to record any growth in the last quarter. The coalition supports this bill. It is a sensible amendment to the current processes, and again I commend the members of NRAC for the work that they do in support of the farmers of this country. It is significant work and, as I said in my contribution, it is quite trying. I indicate the opposition’s support of the legislation.

Senator SHERRY (Tasmania—Assistant Treasurer) (11.39 am)—in reply—The Rural Adjustment Amendment Bill 2009 amends clause 7 of the Rural Adjustment Act 1992 to allow for the reappointment of the National Rural Advisory Council, NRAC, members for two subsequent terms after their initial term. Four of the eight current serving NRAC members cease their second terms on 30 June 2009 and without this legislative amendment being passed would not be eligible to serve for a third term.
Passage of the bill will ensure that members who have developed considerable expertise in undertaking assessments can continue to make significant contributions to the NRAC by serving a third term. The bill in no way changes the current longstanding NRAC arrangements, and the assessment of the eligibility of farms in drought declared areas for EC assistance will remain unchanged. The purpose of the bill is to amend the Rural Adjustment Act 1992 to allow for the reappointment of a National Rural Advisory Council member for two subsequent terms after their initial term. The bill will assist in ensuring members of the NRAC who have developed considerable expertise are able to continue to contribute for a third term of up to three years.

Like Senator Colbeck, I acknowledge the expertise and contributions of the current members, led by the chair, Mr Keith Perrett. It is not an easy task. Some of the circumstances can be quite harrowing, as Senator Colbeck well outlined with reference to some direct experiences in my home state of Tasmania. So I thank Senator Colbeck for that contribution. I do not agree with some of his later criticisms about the impact of government policy, but I will leave that for debate another time due to time pressures. I do not intend to rebut that criticism, but I thank him for his other comments about the contribution of the NRAC members and the particular detailed circumstances of the impact of drought generally but with specific reference to Tasmania. I commend the bill to the chamber.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

COMMITTEES
Community Affairs Committee
Report

Senator FARRELL (South Australia) (11.43 am)—On behalf of the Chair of the Community Affairs Legislation Committee, Senator Moore, I present the report of the committee on the provisions of the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (PENSION REFORM AND OTHER 2009 BUDGET MEASURES) BILL 2009
Second Reading

Debate resumed from 17 June, on motion by Senator Carr:

That this bill be now read a second time.

Senator SCULLION (Northern Territory) (11.44 am)—The Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009 is legislation which implements the government’s budget pension measures. The keynote feature of this legislation is the increase in the base rate of the single pension of $30 a week. The opposition of course welcomes this increase, because it was the coalition who called for the increase by the same amount a year ago. Legislation was even carried by senators at the time to increase the pension. Although it took the Rudd Labor government a year to come on board, it is great to see that this pension increase will now be provided to pensioners. Had Labor increased this pension back when it was proposed by the coalition, eligible pensioners would have been over $1,000 better off.
The coalition also supports the changes proposed to the indexation arrangements for pensioners. Delivered through this legislation will be a new indexation arrangement under which pensions will be increased by whichever is the greater of the CPI or 27.7 per cent of MTAWE—not 25 per cent as in the past. This change builds upon the structural changes and regular improvements delivered to pensioners by the previous government. The third change to pensions that I would like to comment on is a consolidation of current pension supplements and allowances into a single payment. This simplifies the pension supplement scheme and provides an increased single payment. Two single pensions combined will increase by a little over $2 a week, and single pensioners will be $10 a week better off. I know that many pensioners welcomed the one-off lump sum bonus payments provided to pensioners by the previous government and no doubt will miss that money. As Labor has spent the budget surplus left by the previous coalition government many times over, I would suggest that pensioners will take some solace from the new increases placed in legislation so that they can budget with some certainty.

A further change proposed in this legislation is the abolition of the previous government’s Pension Bonus Scheme, replacing it with a new work bonus scheme. The coalition believes that it is beneficial to encourage people, where they are able, to remain in the workforce beyond notional retirement age. It provides both economic and personal benefit if people can continue to contribute their experience and expertise in the workplace. I concede that the take-up rate of the previous government’s lump sum of up to $30,000 to pension-eligible people who remained in the workforce was less than expected. We believe that it is good public policy to support people to work beyond retirement age and hope that measures proposed in this legislation will in fact achieve that goal. The coalition will certainly be monitoring the impact of the legislation in this area, and we certainly, in principle, support this measure.

While the measures outlined so far are the highlights of this legislation and certainly received a mention from the Treasurer on budget night, as with most legislation proposed by Labor, there are some items that were not widely publicised on budget night. Firstly, I refer to the changes to the pension taper rate. Under this legislation, pensions will be reduced by 50c for every dollar earned above the threshold. Under the previous coalition government the rate was 40c in the dollar. This change will certainly impact negatively on some pensioners, although I recognise that the government is proposing to grandfather it for existing pensioners. Apart from creating what I would expect to be an additional workload for Centrelink to manage this, I believe that the government is making such a change in what is perhaps the fairest way to implement the change without seeing existing pensioners experiencing a sudden decrease in their income.

The final issue I would like to make a comment on in relation to this legislation is the raising of the pension age to 67. This increase in the age of pension eligibility will begin in 2017 and conclude in 2023. It has been suggested that the reason the start of the implementation has been put back by some eight years is so that the current Prime Minister will be so long away from office that someone else will actually need to deliver the pain. Of course, this government is well known for giving out goodies today and being popular while delaying some sort of painful payback until some other time. I think we would all acknowledge that this is a fairly cynical ploy by a populist government which delivers political outcomes instead of sound policy outcomes. We hear all about the hard decisions that need to be made, yet
again we see a so-called decision delayed for so long that Labor are hoping that when it has to be delivered no-one will remember who put it in place.

Notwithstanding this particular political manipulation by the Labor government, it does attempt to address demographic changes that we as Australians have to acknowledge are being experienced. The previous government produced two international reports and found that we currently have approximately five workers for every one person dependent upon social security. By 2040, without some policy changes, it is predicted to be 2.5 workers. Something needs to be done to address this and remove any barriers for older workers remaining productive in the workforce for longer where they can. The measure of increasing the pension age will go some way to addressing the demographic challenges that we face, but we must also ensure that support is provided and any age based discrimination is eliminated to ensure that this change does not become a burden instead of a bonus for individuals and our economy.

Senator SIEWERT (Western Australia) (11.50 am)—The Greens of course welcome the move to increase the base rate of the age pension and a range of other pensions by $32.49 per week for singles and $10.14 for couples. The Greens have campaigned for many years on the issue of the inadequacy of these pension payments by comparison to community standards and in the face of rising living costs. We welcome the increase in the pension rate as a very important step in helping people address their standard of living and providing quality of life for those on the age pension. This increase in the base pension rate includes most but not all people receiving disability support pensions, as well as the carer payment, veterans pension, widow pension and wife pension recipients. However, it does not include the sole parent pension or those living on parenting payment single and it also excludes disability support pensioners who are under the age of 21 and do not have dependent children.

Why these groups are excluded from an increase in the base rate pension designed to deal with and address the rising cost of living makes absolutely no sense, as those groups face exactly the same cost-of-living pressures, if not greater ones when they are trying to raise children. In fact, in the case of single parents, they may have many mouths to feed. The increase does not extend to those on unemployment benefits or on Newstart, which includes those single parent families with school age children who are now forced onto Newstart allowance under Welfare to Work. The Greens remain extremely concerned that some groups have been excluded from the pension rise for no valid reason and that the disparity in the different types of income support payments continues to grow.

This bill represents, we believe, one of the most significant changes to Australia’s social security safety net since the Whitlam era. For the first time in our history, we have a Labor government deliberately making a distinction between different groups and types of pensioners. On the one hand we have a group, including those on the age pension, who are finally to receive a significant increase, which of course we support, as I said. But on the other hand we have those who are on the parenting payment single and the younger disability support pensioners. They will not receive the increase. There is absolutely no credible rationale for the distinction between these groups. In fact, it seems to us that the government has made a political decision about the deserving and the undeserving poor.

There is no evidence that can be presented to show that the impacts of the cost-of-living
pressures for one group are greater than for the other. There is absolutely none. The weak justification put forward by the government—that single parents receive other payments—is absolute nonsense. Not only that, and I will discuss that in a minute, but they have also effectively frozen the maximum rate of family tax benefit—the family tax benefit which they used to justify the fact that they are not raising the income support for single parents. They are using the FTB to justify it and then freezing the FTB—another go at single parents.

If the current pension rates cannot adequately sustain a single age pensioner—and of course we have demonstrated very clearly that they cannot—it is not at all clear to us, and again no rationale was presented, how they expect sole parents, those on unemployment support and their families to survive. Why doesn’t the same rationale apply? We know the cost of living has increased for those on age pensions, but that does not apply to sole parents? Pull the other one.

These significant structural changes have been introduced without proper opportunity for public consultation and debate. We had a very rushed one-day Senate inquiry. I think it was referred on the Tuesday and we had the inquiry on the Friday, so there was not extensive community consultation and debate. The government argues that there was an opportunity for consultation through the Harmer pension review and the Henry review of retirement incomes. However, both of these reviews are very narrow in their terms of reference. They do not consider the social security system as a whole. They do not look at the impact of the cost-of-living pressures on other groups of people on income support, including single parents, the unemployed and other low-income families.

We are now seeing a significant change to our social security system and yet another layer of complexity added to entitlements, apparently with no consideration given to others who have been excluded. There is no adequate opportunity to consider the implications and impacts of these changes before they will be made law. This policy, which excludes sole parents from any income support increases, is in fact without evidence base or rationale. We should not be making these major changes on the run without a full look at the impact that not raising the base rate for those on sole parent pensions and Newstart is going to have.

The Australian Greens share the view of all the community service organisations who presented to the very hastily convened Senate Community Affairs Legislation Committee inquiry, including the Australian Council of Social Service, Catholic Social Services, Family Relationship Services Australia, Uniting Care Australia, the St Vincent de Paul Society, the National Council for Single Mothers and Their Children, solo mums Australia, the Sole Parents Union and the ACTU. We believe that single parent pensioners and their families and young people on disability support pensions should not have been legislatively excluded from the increase in the base pension rate. The Greens are extremely concerned by the plight of the 600,000 or more children in 360,000 single-parent families who rely on the parenting payment single. There are at least 20,000 other single-parent families who have been moved onto the Newstart allowance under Welfare to Work. I do not think anybody in this chamber can be under any illusion about what the Greens think of Welfare to Work.

The decision to exclude this group from the pension increase flies in the face of the government’s own social inclusion policy. Now it should be called the social exclusion policy. Let me remind you that the Newstart allowance, which is now going to be $106 less per week than the single age pension,
was designed as a short-term payment for unemployed singles, to support and encourage them to transition into the workforce. It was not designed to provide long-term support to families. It is quite obvious that in this financial crisis we need to be doing all that we can—and I have stated this on numerous occasions—to help those on Newstart to manage to survive in good economic circumstances so that they can re-enter the workforce very quickly. As I have also articulated on numerous occasions, studies show that people on Newstart are at risk of falling into poverty, and once you are in poverty it is very hard to get out of poverty. So, from a purely economic perspective, let alone a social perspective, it is much better for a country’s economy to ensure people are able to be work ready as soon as possible.

In addition to being overlooked in the proposed pension increases, single-parent families have also been further disadvantaged in the legislation by changes to the family tax benefits and the way they are to be indexed. The change to indexation from MTAWE, the male total average weekly earnings, to CPI will see payments gradually fall behind the cost of living. CPI does not provide an accurate reflection of the cost of living for single-parent families, and the government has admitted this on many occasions. Many of them spend half their income on rent and the majority of the rest on food and utilities.

The Australian Greens are worried that there have been a number of recent legislative changes that have impacted on single-parent families, all of which have been made without due consideration of the cumulative effects of these changes and their ultimate impact on the children growing up in these families. As Therese Edwards of the National Council for Single Mothers and Their Children pointed out:

... this payment was not part of the scrutiny of the Harmer review. It was excluded. It is documented in the Harmer report that it is excluded. Here we have a significant part of our population and also our future population and we do not know what has happened. I talked about three almost invisible hammers coming over and hitting sole parents, one in the disguise of welfare to work, one in the disguise of family law reforms, one in disguise of the child support and now this one.

The Australian Greens are concerned about this series of far-reaching and interrelated reforms that have been pursued in isolation from each other without consideration of the cumulative impacts and despite the fact that they impact directly on a group who are particularly vulnerable to small changes in income and at extremely high risk of poverty. The linking of family payments to the average weekly earnings of a working male was a key plank of a deliberate strategy by a previous Labor government in 1987. Its aim was described by the Prime Minister at the time, Bob Hawke, as being that ‘by 1990 no Australian child will be living in poverty’. While this audacious goal has not been accomplished, research suggests that over the period from 1982 to 1996 there was a one-third decrease in child poverty—in other words, it was having an effect. The sole parent pension was introduced by another Labor government in 1974 and championed by Bill Hayden, who reportedly remains very proud of it. It appears that these proud, family-friendly, antipoverty policies are no longer a priority of the Rudd Labor government.

As Frank Quinlan, from Catholic Social Services, pointed out in their submission to the Senate inquiry, the exclusion of those on parenting payment (single) from receiving the increase is a retrograde step that severs the 30-year tie between the rate of age pension and that of sole parents. The only rationale for breaking this longstanding nexus between child payments and community standards and dismantling this anti child
poverty strategy is given by the Minister for Families, Housing, Community Services and Indigenous Affairs, Minister Macklin, in her second reading speech. She states:

The removal of the link to earnings ensures that Government expenditure on family assistance is more sustainable in the long term.

The minister goes on in fact to say:

In a tight fiscal environment, savings from reduced expenditure on family tax benefit can be directed to funding other priorities, such as the secure and sustainable pension reforms.

It is clear that in this context the term ‘sustainable’ is not used in the sense of being sustainable for families. In fact it is misused to refer narrowly to the economic sustainability of the budget rather than to the health and wellbeing of families, particularly children. The minister is effectively saying that money is being taken away from one group so that it can be given to another group who are considered a higher political priority. The fact that the first group, families receiving family tax benefit, includes those single-parent families that rely solely on income support—who are the greatest users of emergency support and the most likely to be living in poverty—is not addressed anywhere in the minister’s speech.

It is simply not appropriate for the government to trade off the wellbeing of one group in desperate circumstances against that of another group in desperate circumstances. The reason why Australia has relatively high rates of spending on family payments as a proportion of GDP by comparison to other OECD countries is entirely related to the manner in which family payments were extended by the previous government upward to middle-class families with other sources of income. It does not reflect the adequacy of the payments made to single-parent families reliant on either parenting payment (single) or Newstart who are receiving the maximum rate of family tax benefit. We are not opposed to the targeting and tightening of eligibility for family tax benefits but we believe that simply taking money from low-income families to give to other people in equally desperate circumstances is extremely poor policy. As Kate Beaumont, from the National Welfare Rights Network, put it, ‘over the next four years this one initiative will take $1 billion out of the mouths of children in our community’.

Given the challenges we face with our shifting population demographics, the Greens cannot understand how any measure that relies on taking money from one group and giving it to another can be considered sustainable. The Rudd government has both failed to address these critical issues of fundamental change to our social security system in a joined-up, holistic manner and failed to consider how these and other changes impact on other areas of government policy. This includes its commitment to social inclusion—which should now be termed ‘exclusion’—early childhood development and child protection. It has also shied away, we believe for reasons of political expediency, from dealing with and addressing the fraught issues of adequacy and equity across the system of social payments as a whole. By failing to tackle head-on middle- and upper-class welfare in both superannuation and family payments it is doing those on Newstart and those on parenting payment (single) a huge disservice.

This exclusion of single-parent families from pension increases could be summed up in one simple statement: ‘By 2020 no child of a single-parent family reliant on income support will not be living in poverty.’ This government is guaranteeing that the 600,000 or more children in single-parent families in this country who are reliant on income support will be living in poverty. There is no doubt about that.
The Australian Greens are also concerned by the decision to raise the pension qualification age from 65 to 67 years of age. This proposed legislative change has been made with little community consultation and little consideration of the varied circumstances of working Australians approaching retirement age. We support the position expressed by the Australian Council of Social Services and others, who argue that these measures are tackling the need to respond to changing population demographics from the wrong end. Efforts to increase the participation of older Australians in the workforce should focus on maintaining the participation of those with the greatest capacity to continue working. They should not come at the expense of the living standards and quality of life of the large proportion of elderly Australians who are unable to find work or to continue working.

The ACOSS submission highlighted the fact that there are a significant proportion of those between the ages of 60 and 65, about 50 per cent, who are already on income support. While we can see why the government is moving this measure, the Greens are concerned that it has not been adequately considered and that there has not been adequate consultation—and this needs to be done because of its ramifications for those currently in the workforce and what it means across-the-board for superannuation. So we will be moving to exclude that particular schedule from the legislation, believing there needs to be further community consultation. I will also be moving a second reading amendment to ensure that the increase that is going to those on the single age pension is also given to those on other forms of income support such as single parents and those who are on Newstart.

The Greens also looked at issues around taper rates and asked extensive questions during both estimates hearings and the community affairs committee inquiry and we were reassured by the department’s answer that nobody would be worse off under the taper rate—that under the changes to the taper rate system people will stay in the old system until they would be better off in the new system. I sought those reassurances during both estimates and the inquiry and I will seek them again during the committee stage—that is, that no-one, as is our understanding, will be worse off under these changes. In other words, you stay in the old system until you would be better off in the new system.

This issue has been of great concern to the community. I note that most of the people who made submissions to the inquiry in fact thought the new taper rate was okay because of the reassurances that they had had from government. The Association of Independent Retirees was a notable exception, but the National Seniors Association supported the taper rate changes because of those assurances. So I will again seek those assurances from government in the committee stage of this debate.

As I said, the Greens support the increase in the single age pension. We have been campaigning for it for years and we think it is good. What is bad is that the government is now dividing our community into the deserving poor and the undeserving poor. There is simply no justification for not providing an increase in the base payment for single parents, who struggle to pay the rent, who struggle to buy clothes for their families and who struggle to adequately feed their families. If you are trying to survive on parenting payment (single) and FTB you are doing it very tough. Those not already living in poverty will be through the lack of an increase in payments to single parents. How can this government look single parents in the eye—those 360,000 families, the 600,000 Australian children who are going to be growing up
in poverty—and say, ‘We could not afford to increase your income’? That is not true; it can. Senator Brown, in his budget reply, identified $35 billion in savings the government could make if it had the guts. It needs to have the guts to support children in this country. It needs to increase the base rate payment for single parents and those on Newstart. There is $106 difference between those on an age pension and those living on Newstart. If people cannot afford to live on the pension—and we know that pensioners have found it difficult—how are people on Newstart living? How are they managing to survive? How will they manage to survive when there is this $106 difference? They will not be able to. They will be living in poverty, just as single parents will be living in poverty. It is not good enough. I move:

At the end of the motion, add: but the Senate considers that:

(a) the pension rate increases in this bill should be extended to the parenting payment single rate and to all recipients of the disability support pension including those who are under age 21 without children, who have been excluded from the rate increase; and

(b) the rate of Newstart Allowance should be increased to equal the pension rate”.

Senator HUMPHRIES (Australian Capital Territory) (12.11 pm)—I want to contribute a little bit to this debate, particularly on account of the fact that I was able to participate in part of the all too brief inquiry by the Senate Community Affairs Legislation Committee into the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009.

My colleagues and I acknowledge a certain inevitability about aspects of this legislation. Certain elements of the legislation are welcome and represent the identification of issues within welfare policy which need to be updated. In other respects the bill represents a sad reflection on the changing nature of our society and our need to adjust our expectations as a society on account of, in particular, the ageing of that society. I will come to those issues in a moment.

As I indicated, there are a number of elements of this legislation which deserve to be supported and which reflect the way in which our system has worked. I am particularly happy to see the government’s decision to increase the base rate of the single pension by $30 per week and the increase in other pensions that accompany that increase, with the exception of the sole parent pension. It is a tribute to the former Leader of the Opposition, Dr Brendan Nelson, who campaigned so long and hard for there to be an increase in the age pension, particularly the single age pension, that the government has responded as it has to this issue.

Although senators in this place and others in other places during the course of this debate have criticised the coalition for its supposed lack of action in this area, I note that what the government has done in this area represents a relatively small step towards consolidating the financial position of those on an age pension, particularly single pensioners. Its funding increase for those on couple pensions, given the other adjustments made in the nature of the pension, could hardly be called much of an advance at all, to be frank. In the light of other budget measures, particularly those affecting private health insurance, on which so many senior Australians rely, one would have to wonder whether the net position of many people on an age pension has actually improved as a result of this measure. I nonetheless welcome it because we are at a point where the plight of older Australians and their relative lack of buying power compared with the past needs to be acknowledged. I have long argued that pensioners should be allocated better funding, and that was reflected in the work of the
report of the Senate Standing Committee on Community Affairs, brought down last year, on living standards among older Australians. In that report there is a pointer to other work that needs to be done by the government to address the issue of poverty in later years in life.

As recently as September last year, the coalition called very consistently for recognition of the plight of the single pensioner, and in fact it put forward legislation in this chamber to do just that. The government did not proceed with that legislation at that time. It preferred its own approach to this question. While the coalition welcomes the long-overdue changes to pension rates, I note how bitterly the previous bill was opposed by the Labor government, even though its objective was very similar to this aspect of the present legislation. Had that bill passed, many senior Australians would have already received over $1,000 in additional income. It is unfortunate that, in order to take its own approach to this matter, that benefit to older Australians has had to be denied. So, better late than never, but this is not the end of the exercise that we need to undertake to address poverty amongst older Australians.

As of later this year, the pension income test taper rate will increase from 40c to 50c for each dollar of income over the income-test-free area. Under the new rules, where a pensioner has ordinary income over the income-test-free area, their rate of pension will reduce by 50c for each dollar of income above the free area. The legislation consolidates the various existing supplements and allowances paid to pensioners—that is why it is not always easy to discern what is going on in this respect—and then it increases them to some degree. It increases them by a little over $2 in the case of single pensioners and by over $10 in the case of couple pensioners. Any measure to reduce complexity and improve efficiency is certainly welcomed, particularly where it concerns pensioners, who often have to deal with multiple departments and services in order to conduct their day-to-day affairs.

I do reserve some concern for the replacement of the former government’s Pension Bonus Scheme with a new work bonus scheme. As a matter of course and necessity, it has been part of the public discourse to create options for those at retirement age to continue to participate in the workforce. The former coalition government scheme provided a lump sum of up to $30,000 to pension eligible people who opted to delay their retirement. Mr Abbott, in the other place, pointed out on Tuesday that the former scheme was not as widely used as originally anticipated, so there is some basis to look at reform. My hope is that the arrangements proposed by the government are more widely accepted and used by those who are willing and wanting to work past what might otherwise be their retirement age. Of note is that the bill is providing for an immediate rather than deferred benefit, which, particularly in today’s economic climate, may provide more of an incentive to older people to continue working.

Where my concern arises is the potential to perceive this scheme as a way to force continued employment rather than encourage or incentivise it. This goes hand in hand with the other, perhaps most problematic, part of the legislation, which is the decision to raise the pension eligibility age from 65 to 67, phased in from 2017 to 2023. The arguments in favour of this have been well rehearsed and I think do provide a certain demographic compulsion to go down this path. The pension age was set at 65 back in 1908, when life expectancy at birth was under 60 years. Today life expectancy at birth is over 80 years. In 1908 someone who was 65 years old could expect to live a further 11 years. Today someone who is 65 years old can ex-
pect to live for a further 19 years. It is antici-
pated that life expectancies will continue to rise in the immediate future.

Having said that, there are a number of comments that need to be made about this reform. First of all, it needs to be recorded that the government sprang this policy on the Australian community without any warning. It is a major change—a change that you could argue is necessary to engineer but one that you would think a government that wants to engineer a program like Operation Sunlight would care to put in its published election policies. Some might say, 'Well, the government is facing dire economic times and needs to make some hard decisions.' We on this side of the chamber have certainly agreed with that assumption to some degree, but we also point out that the changes the government has engineered to the age pension do not begin to have an effect on the financial bottom line of the government until 2017, when I think we would all hope the global financial crisis will have ended. Certainly, we hope that it will have ended by 2023. So this is not the product of the immediate financial crisis that the government faces and that the world faces. This is a piece of engineering which the government could and should have forecast and put up in black and white before the last federal election. It has not been honest and open with the Aus-
talian people on this issue. At the very least, it should certainly have released the Harmer pension review report well before the budget to enable proper public consultation and discussion to occur about changes of this kind.

Our primary concern, obviously the government's primary concern as well, should be to ensure that there is a strong safety net for those who are unable to continue to remain in the workforce. It was confirmed at budget estimates on 2 June that around 130,000 people each year will have to work longer in a workforce that is hardly suited—at the present time at least—or equipped to provide for senior Australians. It is always difficult for people over the age of 60 to make transitions in the workforce from one kind of job to an-
other or to find a new job if one disappears. Notwithstanding legislation to ban age dis-

rimination, it is true that older Australians face many barriers. Yet we are expecting 130,000 more people to be out in the work-

The second comment that needs to be made is that I suppose Australians have been conditioned to an inevitable and irresistible uplift in standards of living. We have cer-
tainly experienced that almost continuously and without break from at least the time of the Second World War. The older generation of Australians who lived before that time were used to a measure of privation and hardship but, through their hard work, they have been able to bequeath to younger Aus-
tralians a growth in their standard of living. There is a little irony here that that will be in some way compromised because of this de-

Having said all of that, we acknowledge that there is a demographic irresistibility about this change. The intergenerational re-
ports commissioned by the former coalition government identified the ageing workforce and the potential issues it would raise in the near future. At this time there are approxi-
mately five workers for every one person dependent upon social security. By 2040, without policy change, there will be just 2½ workers for every one person dependent on the taxpayer. That is an issue that we simply cannot walk away from. We need to encourage, facilitate and incentivise older Austra-
lions to see themselves as having a role to play in the workforce—certainly, if not in the paid workforce, as volunteers if they are ca-

able of doing that. I would like to have seen more carrots than sticks in these arrange-
ments, but that is apparently not to be.
I might add that I am very pleased that the government has also decided not to proceed with the measure announced, I think, in last year’s budget to include gross tax-free superannuation pension income in the income test for the Commonwealth seniors health card. That was widely seen as a retrograde step that attacked the living standards of self-funded retirees. Thanks to the pressure placed by my coalition colleagues and me and by seniors groups and other increasingly forceful advocates for this part of the electorate, the government has accepted that its proposals were wrong and has now quietly withdrawn them in this year’s budget. Now only income that is salary-sacrificed into superannuation will be included in the income test for the Commonwealth seniors health card. There are a number of downstream issues arising from the government’s decisions on the eligibility age for the pension as far as superannuation is concerned which the government has not, I think, fully addressed as yet, but on this side of the chamber we will be more than willing to draw those issues to its attention and see that they are addressed in a comprehensive way that does not disadvantage those Australians who fund their own retirement.

I want to close by acknowledging that we need to engineer a strong and vital dialogue with older Australians, including those on pensions, and to try to bring them into our confidence with changes that we in this place and in the parliament see as necessary to engineer to reflect the changing demographics of Australian society. It is unfortunate in the extreme that, on budget night, many Australians in their mid-50s and younger were told, without any previous telegraphing of this decision, that they would be expected to work longer. It is suggested that some can make new arrangements based on the fact that they have been given this advance warning about the increase in the age pension age, but that will be more theoretical than real for many older Australians. It is a necessary decision but one that, I would have to say, all of us would have to support with some misgivings. I hope that we can engineer other changes affecting older Australians in the future with a great deal more consultation and inclusion as part of the democratic process.

**Senator FIELDING** (Victoria—Leader of the Family First Party) (12.25 pm)—In almost all cultures across the globe, there is an enormous emphasis placed on respecting the elderly. The younger generations understand that the benefits and luxuries which they presently enjoy and take for granted are built on the hard work of, and sacrifices made by, those older than them. As the Chinese saying goes, ‘Raise your children to care for the elderly.’ Just as the younger generations were cared for by the older generations when they were young, so too is it incumbent on them to care for the elderly when they grow old. But, for all of our great achievements as a nation, we fall hopelessly short on looking after our pensioners. All too often in our country, those who cease to be productive members of the workforce are considered to be a costly and burdensome expense rather than a wealth of knowledge and wisdom to be treasured.

Nowhere is this more evident than in the pension reforms announced by the Rudd government in this year’s budget and contained in the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009. Australian pensioners asked for a tiny increase of $30 a week, hardly an outrageous request by anyone’s standards. Certainly this did not seem unreasonable when the government had no issue in granting its politicians a $90 per week increase in the electoral allowance. However, the government has come up hopelessly short. While this bill
does go some way towards fulfilling a promise to Australia’s long-suffering pensioners that their dire position will improve, it is really only single pensioners who have been looked after. Married pensioners have missed out yet again. They have been given a token increase of $5.07 each a week. That will barely get them a loaf of bread and a litre of milk. It will do nothing to alleviate their financial stress or go towards helping them make ends meet. What this really is is hush money. It is a pathetic $5.07 per week in hush money so that our nation’s elderly do not rally again publicly, as they did last year, and demand proper treatment from the government of the day. It is pathetic, and we owe it to our pensioners to call this $5.07 per week what it really is: pathetic.

There seems to be a misconception with this government that married pensioners share a home so living for them must be easier or cheaper. Is it cheaper to shop for two? Is it cheaper to cook for two? Try telling that to Vin and Shirley Grant, a married couple from Glenroy who rely on the government pension to survive. I have spoken with them on numerous occasions and even protested together with them in the Melbourne CBD. I have heard firsthand how tough it is to live off the married pension. They are just one example amongst hundreds of thousands across Australia who are forced to scrape together every cent just to pay the bills each month. Perhaps the Treasurer should have spoken to them before he hurriedly threw together a bill which ignored their plight.

The Rudd government is sending pensioners a clear message here, and it is a disgraceful message, that you are better off getting divorced and becoming a single pensioner if you want to survive under this budget. Stay together as a husband and wife and get an extra $5.07 per week or get divorced and collect six times that amount—$32.49 per week each. For a government that boasts how well it supports working families, this is the most antifamily policy there could be. It is all the more disgraceful given that this is the same government that refuses to put an end to the excessive superannuation entitlements of our politicians—a rort which costs our country millions of dollars in taxpayers’ money each year. So, while the Treasurer will walk away from parliament one day with a pension of more than $100,000 per year for the rest of his life, he asks our married pensioners to get by on a tiny pension that now includes a measly $5.07 extra per week.

Last year, in May, the Treasurer stood before parliament and declared that the new budget would deliver Australia a $21.7 billion surplus. Instead, one year later, Australians were left to digest the shocking news that this forecast budget surplus had been replaced with a $57 billion budget deficit. I do not blame the Treasurer entirely for the sharp turnaround of events. I understand that this deficit was largely a result of matters outside the government’s control. However, I do want to highlight one point. One year ago, when everything was looking rosy, when businesses were booming and tax revenues were flowing into the government’s coffers, one group was still missing out: our pensioners. At a time when Australia looked set to reap in $21.7 billion, the government could not even find the money then to help Australia’s ageing population. Our pensioners were forced to stand outside Flinders Street Station and take their tops off in front of everyone just to have their voices heard. I think this sums up quite clearly where our pensioners sit in the eyes of the Rudd government—way down at the bottom of the list. This is the same government which in the very same budget speech declared:

Foremost in our considerations are the Australians who work hard, pay their taxes, and demand little more than a fair go.
Mr Prime Minister, our pensioners are these very people that your government speaks of. They are the ones who have worked hard over the years, paid their taxes to support each and every one of us and now stand before us and ask us to treat them with the decency which they deserve. A higher pension payment is, therefore, not simply a monetary question. It is a question of morality. It is about what is right and what is fair. How we treat our pensioners sends a message to our children about how we expect to be treated one day. It sends a message of how much we value our older Australians. Let me tell you, the message we are sending at the moment is not good. Family First want the government to deliver on its promise of real pension reform—pension reform which goes towards helping everyone, both single and married pensioners. Of course Family First will support this bill, but we will keep on fighting for our married pensioners until this message is heard loud and clear by the government.

Senator BOYCE (Queensland) (12.34 pm)—On behalf of the coalition, I welcome this excellent but belated increase in pension rates. I think we could safely say that we have had sufficient evidence through a number of the inquiries that the Senate Standing Committee on Community Affairs has been involved in that the costs for a single pensioner are not 50 per cent of the costs for a pensioner couple. There are all manner of costs such as rent and rates which are not a straight halving of what it costs a pensioner couple to survive. I certainly think that the increases in the single pensioner rate are long overdue. In fact, we in the coalition tried to get the government to see the sense of doing this in the middle of last year. The Senate accepted our changes but the House of Representatives of course rejected them.

As at December 2008 there were 2,070,300 recipients of the age pension, and 64 per cent of those people aged between 65 and 69 received a full or part age pension. This increase has been campaigned for long and hard and it has finally and belatedly arrived. The coalition is very pleased to see that this has happened. However, we do have some concerns about the legislation that is being put through, the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009. We were told by Ms Clare Martin from the Australian Council of Social Service, for instance, that the scheme now proposed is less equitable and more complex than it was before. So much for the use of the word reform in terms of the pension—we get an increase but we get a mess. Ms Martin said: What we have got now in terms of a social security system is four levels of payment.

We have a level of payment for the pensioners, who are getting the terrific increase of $32.50 a week. That is for the aged, carers, and disability support and veterans affairs recipients. They will be roughly on a level of about $330 a week, including the supplements that they get. But that leaves sole parents $47 behind, it leaves your average Newstart recipient $106 behind and it leaves those on youth allowance or Austudy $147 a week behind. So much for reform.

We are particularly concerned that sole parents have been left off this list of pensioners. It is the first time that the connection has been broken between pensions available to sole parents and pensions available to age pensioners. It is very concerning that perhaps this nexus will remain broken, that single parents are about to fall well behind. The National Welfare Rights Network has said: This exclusion is perhaps the most significant assault on the payment conditions for sole parents in the last 35 years. NWRN was shocked at the decision to exclude sole parents and cannot see any justification for the government to sever the tie between the rates paid to age pensioners and those on parenting payments.
They point out that this snub undermines the financial security of hundreds of thousands of Australia’s poorest families, which include 400,000 sole parents and their 600,000 children. These people now must wait, as age pensioners had to wait, for the government to make their next move. But how long will they have to wait? It is not reasonable that the single parents, who are among the most vulnerable groups in our community and the ones who can most easily fall through the cracks into homelessness, are the ones who are being forced now to wait.

I would also like to mention briefly the government’s change to the pension age. This is supported pragmatically by the coalition. The pension age must increase simply because of the ageing of the community. There is no option on this. But the never-never scheme to start in 2017, completing the exercise by 2023, leaves the current Prime Minister and others well away from being ever called to account for how this pans out. We have had a number of comments from many working groups, including some unions, about the difficulties faced by people, particularly those who have done hard physical work all their life, needing to work for two more years until age 67. It was interesting to note during the inquiry that we conducted on this that we heard that half the people who go onto age pensions are coming from some other form of income support. So it is quite likely that people who have worked hard physically all their life are, by the time they get to 65, working part time; or they may be on workers comp; unfortunately, some of them might even be on disability support pension because of the way their bodies reacted to their very hard working life.

During the inquiry the community affairs committee conducted into this legislation we received one witness in person from the liquor and hospitality union and we received one submission from the ACTU, which consists of about 1½ pages. Admittedly this inquiry was called very quickly, but many of the groups, such as ACOSS, Uniting Care, National Seniors and Australian Independent Retirees, managed to put in substantial submissions setting out their case for how things should be improved in the areas of their concern. From the ACTU we received 1½ pages. It mentions the reality of the diversity of the workforce experience of Australian working men and women, meaning that many workers are unable to continue working until retirement age. I appreciate that there is a group that we certainly need to develop some flexibility for in this area, the people who have worked hard manually all their lives, but I have yet to see support in any meaningful way for that given the very minor submissions presented to the inquiry on this legislation by the ACTU and others.

I would also like to raise the question of the changes to the taper rate that were proposed in this legislation. As you may be aware, Madam Acting Deputy President Troeth, this legislation would increase the pension income test taper rate from 40c to 50c for every dollar of income earned over the threshold of $138 per fortnight for single pensioners and $240 per fortnight for pensioner couples. If you listened to the government, you would think that everything is hunky-dory because there is a grandfathering clause included in this, suggesting that people who currently are subject to the 40c taper rate will not be adversely affected and will be allowed to stay on that until they get to the situation of being better off under the 50c taper rate. The suggestion is that this might go on for years and years. However, when you look at the evidence given to the Senate Community Affairs Committee inquiry into this, it tells a different story. It points out that many people are on part pensions; that this will be indexed only according to CPI, not
according to CPI and MTAWE, as other pensions and the pension supplements are, so that people will gradually fall behind; and that it does not take into account also the fact that people are moving on and off pensions—particularly part pensions, of course—at a fairly consistent rate. Because of investments, people continue to need to either top up their income with a part pension or, because their investments improve—

Debate interrupted.

MATTERS OF PUBLIC INTEREST

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

Colombia: Human Rights

Senator CAMERON (New South Wales) (12.45 pm)—I rise on a matter of public interest concerning the murder of trade unionists in Colombia and the violation of the human rights of Colombian trade unionists. The International Trade Union Confederation has recently published its 2009 annual survey of trade union violations. The survey makes some grim reading. It is worth quoting from the executive summary of the survey. The survey is one of the International Trade Union Confederation’s ways of highlighting and documenting the continuous and fundamental breaches of trade union rights around the world. It reads:

As you open this year’s Annual Survey of Trade Union Violations, you may be thinking of the terrifying impact of the global financial and economic crisis which hit millions of working women and men around the world in both industrialised and developing countries in 2008.

The crisis emphasises the need to develop a global economy based on decent jobs and social justice and it underlines the need for a better distribution of wealth. Instead workers everywhere have begun to feel the full impact of surging unemployment on their lives and that of their families and communities as decent work and decent jobs disappear. They have also begun to see the growing impact on their rights at work.

Trade union rights are universally-recognised human rights at work. Two key International Labour Organisation (ILO) conventions which define and guarantee them (conventions 87 and 98) have been ratified by 149 and 159 Member States of the ILO, respectively, out of a total of 182 worldwide.

Despite this formal recognition by governments, the ITUC is, this year again, documenting the continuous and often massive and harsh violations of fundamental trade union rights. This Survey is one of the ITUC’s means to expose and denounce those violations through its overview of the trade union rights situation in the world in 2008.

Countries where widespread and grave anti-union practices have unfortunately continued include: Colombia, Burma, Belarus, Sudan, Zimbabwe, Swaziland, Iran, Pakistan and the Philippines. Countries such as Honduras and Guatemala should this year be added to this list. In many other countries, where violations are not as outrageous, there is an overall growing tendency to undermine workers’ rights. Interference in trade union activities has been reported in Iraq, Kuwait, Latvia, Kyrgyzstan, the Russian Federation, Turkey and Venezuela, among others. Despite some legislative proposals or measures in some Middle East countries and Gulf States, migrant workers are still denied trade union rights in many countries. In addition to that, companies continued to take advantage of poor legislation and weak implementation to undermine workers’ rights.

Worldwide in 2008, at least 76 labour activists were killed as a result of their actions for workers’ rights.

Seventy-six unionists were killed. It continues:

Latin America remains the deadliest continent for trade unionists with over 66 murdered in 2008. 49 Colombian trade unionists lost their lives (including 16 union leaders, 4 of whom were women), a 25% increase over 2007. Trade unionists were also killed in Guatemala (9), Honduras (3) and Venezuela (4) among others. In Asia, at least 6
murders were reported … as well as 3 in Africa … and 1 in the Middle East …

In countries in every region, trade unions continue to be banned, or their establishment restricted. China still bans independent trade unions. Those attempting to unionise groups of workers or organise protests are often arrested, with some given prison sentences and others condemned to ‘re-education through work’.

Certain categories of workers also continue to be excluded. This includes public servants, agricultural workers, migrant and domestic workers … The right to strike is often unduly limited, with lists of public services in which strike action is restricted going far beyond the ILO definition.

Again this year, several thousand trade unionists and workers were dismissed for participating in strike actions or protests; thousands more were harassed or discriminated against and hundreds arrested. The situation of domestic workers, mostly women and migrant workers in the Middle East and the Gulf States as well as some African and Asian countries, is also disturbing. Outright denial and other violations of labour and trade union rights were common in export processing zones, for example in Costa Rica, El Salvador, Guatemala, Honduras, Swaziland, Bangladesh, Kenya, Mauritius and Pakistan.

Furthermore, the ongoing globalisation of the world economy coupled with the global financial and economic crisis put inordinate pressure on labour markets, working conditions and workers’ rights everywhere. Workers continue to be threatened by employers with relocation, outsourcing and downsizing, with inevitable negative consequences for the effective exercise of their trade union rights.

New forms of employment relationships are also affecting fundamental rights. The use of bogus self-employment as well as subcontractors or labour agencies is increasing in industrialised and developing countries. This report documents cases in Korea, Croatia, Poland, Montenegro, Georgia, the Dominican Republic, El Salvador, Peru, Malaysia, Vietnam, South Africa, Chad and Morocco, amongst others. Sadly, we can only fear that next year’s Survey will paint a worsening picture.

It is a matter of grave concern that, worldwide in 2008, 76 labour activists were killed as a result of their actions for workers rights. Latin America remains the deadliest region for trade unionists, with over 66 murdered in 2008. The most dangerous country in the world in which to be a trade union activist remains Colombia—and we have a Colombian delegation in parliament today, and we have had the Colombian trade minister here recently. In Colombia, 49 unionists were murdered, including 16 union leaders, four of whom were women. This is an increase of 25 per cent over what happened in 2007.

My former union, the AMWU, has had an interest in the situation in Colombia for many years. The AMWU has led two ACTU delegations to Colombia, in October 2003 and November 2005. The leader of those delegations, former national organiser Pat Johnson, has reported on the huge challenges facing the trade union movement in Colombia. The assassination of union activists in Colombia required the ACTU delegations to be escorted by armed bodyguards in armoured vehicles. When the delegations moved around Colombia they also had a police escort. That is the reality of trade unionism in Colombia, which, as I have indicated, is the most dangerous place to be a unionist in the world.

The US Department of State in its 2008 human rights report on Colombia noted that the government’s respect for human rights continues to improve, particularly with progress in implementing the Justice and Peace Law. Despite this, the report identifies continuing governmental human rights abuses, including:

… unlawful and extrajudicial killings; forced disappearances; insubordinate military collaboration with new illegal groups and paramilitaries who refused to demobilize; torture and mistreatment of detainees; overcrowded and insecure prisons; arbitrary arrest; high number of pretrial
detainees, some of whom were held with convicted prisoners; impunity; an inefficient judiciary subject to intimidation; harassment and intimidation of journalists; unhygienic conditions at settlements for displaced persons, with limited access to health care, education, or employment; corruption; harassment of human rights groups; violence against women, including rape; child abuse and child prostitution; trafficking in women and children for the purpose of sexual exploitation; societal discrimination against women, indigenous persons, and minorities; and illegal child labor.

Figures from the Colombian National Labor School show that 2,694 union workers between January 1986 and December 2008 were killed—one victim every three days. There were 9,911 violations against the 'life, liberty and physical integrity' of unionists over the same period. Thirty-five per cent of these were during the Uribe administration—that is, since August 2002. Such violations include illegal searches, kidnapping, murder and arbitrary arrest. Murders of trade unionists rose from 39 in 2007 to 49 in 2008. There were 485 threats against trade unionists in 2008, up from 246 a year before. Only three million of Colombia’s 18 million workers are legally able to join a union. Between 1996-97 and 2006-07, the number of workers covered by collective agreements declined by 62 per cent.

There is a concern that the Uribe government continues to undermine unionists who speak out against threats to their lives, and even those who are murdered. In 2004, Vice President Francisco Santos, when told of the deaths of three union leaders in Arauca, publicly stated that they were guerrillas killed in combat. A subsequent investigation found that Colombian army soldiers had executed the unionists, even though they had no links with any illegal armed groups. President Uribe stated in 2007 that a murdered unionist was a terrorist, and has this year denounced academics and unionists who have criticised Colombia’s human rights as an ‘intellectual bloc’ of FARC guerrillas motivated by political hatred.

As at 9 May 2009, 19 trade unionists had been killed since 1 January. Pablo Rodriguez Garavito and Jorge Humberto Echaverri Garro, teachers affiliated to the Arauca teachers association, were brutally murdered by unknown gunmen just two weeks ago. The ITUC has joined with its regional organisation the TUCA in condemning these murders. The Colombian government has once again been questioned by the ILO Conference Committee on the Application of Standards over the lack of guarantees for the exercise of trade union rights.

The chain of impunity prevailing in Colombia against trade unionists being killed and intimidated must stop. In a statement on 15 March 2009, the Minister for Trade, the Hon. Simon Crean, said that, as a result of domestic economic reform in Colombia, there are growing trade and investment links between Australia and Colombia, warranting talks between the two countries aimed at building bilateral trade and investment opportunities, including the possibility of a free trade agreement.

Both Norway and the United States have withdrawn from free trade negotiations with Colombia because of the escalation of violence and the impunity granted to its perpetrators. The US Secretary of State, Hillary Clinton, said on 14 January 2009: … continued violence and impunity in Colombia directed at labor and other civic leaders makes labor protections impossible to guarantee in Colombia today.

Colombia must improve its efforts. Australia should join the United States and Norway in withdrawing from any negotiations on a free trade agreement until the violence against trade unionists is stopped. I have just outlined the statistics, but these are
dead human beings whose families are left to deal with what has been dealt to them. In my view it is absolutely essential that we welcome the Colombian delegation here but we send a message to them that it is unacceptable— *(Time expired)*

**Bushfires**

Senator BACK (Western Australia) (1.00 pm)—I rise on a matter of significant concern to all Australians in the aftermath of the tragic Victorian bushfires in February this year. I am concerned that failed land management practices and inadequate preparation have contributed not only to the extent of those losses but, more importantly, to the fact that elsewhere in Australia these disasters have occurred and will continue to occur unless action is taken. I am indebted to several committed and competent authorities around Australia for their contribution in preparing this matter of public interest.

Under our Constitution, land management is the responsibility of the states, and bushfire acts and similar legislation are implemented by local governments. Of course it is appropriate that local bushfire protection is practised within the local communities where the risk must be managed. I do not propose a role for the Commonwealth in delivering local bushfire protection. However, I strongly recommend a proactive role for the federal government in the prevention and control of wildfires in Australia. There is a role for the Senate to examine and provide leadership in the following areas: development of a national bushfire policy, bushfire research in Australia, auditing and public accounting of the implementation of commissions of inquiry, and community education and public awareness.

Those of us involved in this industry recognise a bushfire cycle. The cycle simply is this: disaster followed by inquiry, followed by apathy, followed by another wildfire disaster. We need to break that cycle. We regrettably saw stage 1 in February—that is, a disastrous bushfire. Stage 2 occurs quickly with a flurry of inquiries, commissions of inquiry, a degree of concern by the community and the expenditure of money. A lot of the recommendations are implemented. We see upgrading of evidence and importance, expenditure on equipment and renewed commitment to reducing fuel levels.

But, unfortunately, we move all too quickly to stage 3 of the cycle, and that is apathy. Why apathy? Because, generally speaking, we are successful in the work that is done, the level of interest declines, those who would speak against the concept of fuel reduction and prescribed burning get their voice and we often see people go back into those same communities and build with much the same materials because of planning difficulties. The fourth stage is a return to another major wildfire disaster following that period of apathy. I plead that we must develop policy at the national level so that we can cut the cycle of bushfire disaster, expenditure and apathy followed by further disaster.

Bushfire in this country is a natural phenomenon. It is essential for the health of our woodland and our bush environment. However, by contrast, wildfires are a natural disaster with a similar effect on communities to tsunamis, cyclones and earthquakes. The difference between wildfires and these other natural disasters is that they can be prevented or their effect can be minimised. The tragedy of recent fire events around Australia—including here in Canberra and its hinterland, in the hinterland of Sydney and the Victorian fires—is that their intensity could have been minimised or even eliminated with proper land management over time. That is my matter of public interest.
Under Australian conditions, if we fail to manage fire as part of overall land management then everything else is a waste of time. This means the management of biodiversity, including plant, animal and bird species. The one and only key tool is prescribed burning to reduce the level of flammable fuels. Those who say prescribed burning should be banned to protect biodiversity in bushfire prone areas need only visit the recently burnt areas of Victoria to see the scorched earth effect as a result of those fires.

We also hear people speak against prescribed burning because of the risk to water catchments. Of course, the opposite is the case. There is little if any negative impact of prescribed burning around catchment areas during the cool springtime of the year. So important is this, in fact, that in Western Australia our water authority pays the Department of Environment and Conservation to undertake prescribed burning in the cool season to protect our potable water reserves.

It is important for the chamber to understand Australia’s pre-eminent role in the bushfire area. I refer to internationally acclaimed research into bushfire behaviour that has only recently been completed here in Australia. Project Vesta, led by CSIRO scientists from Canberra with the very active involvement of the Western Australian Department of Environment and Conservation, was very strongly supported by all fire organisations in this country as well as New Zealand and Canada. For the first time in Australia, we have the outcome of definitive research into fire behaviour in dry eucalypt forests reporting on fuel structure, dynamics and behaviour. More importantly, this work endorsed the long-established view that prescribed burning is critical in land management.

I recommend the executive summary of Project Vesta to all of my Senate colleagues. The research largely confirmed the wealth of knowledge gained over time on the importance of reducing fuel levels in eucalypt forests, but it did yield vital new information on estimating hazards, predicting fire spread through eucalypt forests, fire spotting ahead of the fire front and, of course, enhancing the safety of firefighters. I make the point that with most of our summer bushfires we would expect fire spotting out from 800 metres to one kilometre. In the Victorian fires on 7 February we saw fire spotting 20 kilometres ahead of the fire fronts.

To understand the impact of wildfires on the environment, it is important to know that the greenhouse gases that were created by the fires on 7 February were the equivalent of 12 months of greenhouse gas emissions by all of Australia’s industries—one full year. All of this points to the need for a nationally coordinated bushfire research program so that we can identify, expand and benefit from the excellent knowledge base that exists in this country.

What Project Vesta did, of course, was to validate what Aboriginal people have known for thousands of years and what modern fire managers have observed over time—that is, the intensity of major wildfires can be controlled or even prevented. It is critically important for us to understand that. The conclusion we end up with is that uncontrolled major disastrous fires can actually be reduced or at least minimised.

There are three principal drivers of severe wildfires: the level of fuel on the forest floor, its level of dryness and the behaviour of wind. People speak of temperature, the slope of the ground and humidity. Of course these things have an effect, but it is not as great as that of the other three. On the fire ground we cannot control moisture levels or wind strength and direction, but we can control the
level of fuel not only on the forest floor but in other at-risk environments.

It is a regrettable fact that in recent years we have seen grossly inadequate prescribed burning as part of land management in many areas of Australia, especially in the hinterlands of our major residential centres, where probably the greatest risk exists, certainly to people. This has occurred partially because of the pressure of keeping smoke away from urban communities. Land managers now tell me that they are facing the threat of litigation in the event that there is an adverse reaction to a fire that gets away. Of course, what is most important is the protection of the human community, our natural community and our forests.

I want to give two examples from Western Australia in the last few years. The first was in the outer suburbs of Perth on a January morning in 2005. The temperature got up to 45 degrees, with howling northerly and north-easterly winds. Seven fires were deliberately lit that day. The fire commenced in an area that had not been burnt for some 16 to 20 years and, obviously, that fire could not be controlled. It burnt out 30,000 hectares whilst it was moving towards suburbs east of the city and then burnt itself into an area that had been burnt two years earlier. Within hours the firefighters were able to get on top of that fire and contain it, with no loss of life or major loss of property. Subsequent independent CSIRO research into that fire suggested that, had that area not been burnt two years previously, it would have become the subject of the conflagration, and the fire would have trebled and burnt out 100,000 hectares with a loss of somewhere between 200 and 300 homes and the possible loss of life. By contrast, down at Bridgetown, in the south of the state, in the summer of 2007 we had a fire in an area that had not been burnt for years. It was heading straight for the town. Any effort to actually contain the fire had already been given up, and it was only a change of wind that saved that particular town and its community.

In most areas of southern Australia, which is dominated by eucalypt forests, the collective wisdom is that we need to be burning some seven to 10 per cent of our forested areas each year. In many areas around Australia, regrettably, we are burning not seven or 10 per cent but less than half of one per cent of our forests. This is unacceptable. Prevention and preparedness is always a wiser strategy than response and recovery.

We know as a community that, when there is a major event like this, we have an outpouring of community and government support. That will always be the case, and thus should it ever be. The risk, of course, is that this actually sends the wrong signal. It may in fact be rewarding the failure of state and local authorities to implement what I say are well-known, essential and long-established fire and land management practices while waiting for these events to take place.

In the aftermath of disastrous wildfires, should we be spending more on fire suppression technologies, including aerial water bombing, rather than fire prevention? As the person who introduced water-bombing aircraft into Western Australia in the 1990s and saw it develop into a highly effective component of fire suppression, I am the last person to oppose expenditure in these areas. But I do say that we have to look at the problem and we have to look at prevention.

Fire suppression should not come at the expense of land management practices which are proven to reduce the likelihood of bushfires in the first place, and I believe there is a role here for the Commonwealth. We already invest heavily in areas associated with fire mitigation in tertiary education and community awareness. I certainly believe we have a legitimate role to develop bushfire policy at a
national level in association with the states and local government.

I mentioned prescribed burning, which is only one means of reducing fuel on the forest floor, but we should not overlook the impact of livestock grazing. Since 1990 we have seen a halving of the number of sheep in Australia, including in Victoria. At a national level we should be channelling more funding into bushfire management. We should be scrutinising the recommendations that have come out of major inquiries such as the royal commission into the Victorian fires and the Nairn report into the fires here in Canberra.

I believe that the Australian community would be well served if we were to report annually on the progress of implementing those sorts of recommendations—the ones that have been funded, the ones that have not and the degree of success or otherwise of those recommendations. In my view we need an annual audit from this place and we should report to the wider community on where those funds have been spent and the success or otherwise of those recommendations.

I commenced by saying that land management should remain the responsibility of the states and that bushfire management on private land, where appropriate, should remain firmly with the local authorities who are closest to the affected communities. I do not resile from this. This is not in the province of the Commonwealth. Our Constitution accords this to the states, and so it should remain.

I do, however, support a more strategic role for the Commonwealth in wildfire prevention and management and I seek to actively participate in the Senate Select Committee Inquiry on Agriculture and Related Industries, which is going to look at wildfire mitigation. Specifically, I seek a role for the Commonwealth in national bushfire policy, in auditing and reporting on the implementation of recommendations, in research and in public awareness.

May I conclude with the vision that I originally had for my own organisation, which was that Western Australia should be free of the impact of devastating wildfires. I extend that vision to the country. (Time expired)

Wielangta State Forest
Ms Anne Lynch AM

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (1.15 pm)—Wielangta State Forest on the east coast of Tasmania is a very special 10,000 to 15,000 hectares of forest which contains a great range of ecosystems and wildlife. Seeing it being rapidly eroded and targeted for logging, and because the local residents did not have the wherewithal to take legal action, I took legal action against Forestry Tasmania because of the absurdity of rare and endangered species like the giant Tasmanian wedge-tailed eagle, the swift parrot and the Wielangta stag beetle being pushed towards extinction. I took that action in 2006.

In the event, the arguments before Justice Marshall in the court over 35 days led to him banning logging and effectively ruling that logging was impacting upon these species, which are nationally listed as rare and vulnerable and should have a management plan in place to improve, not worsen, their plight. But subsequently the then Prime Minister, John Howard, and the then Premier of Tasmania, Paul Lennon, signed a change to the Regional Forest Agreement to say that the logging was not impacting on these species.

In a consequent appeal by Forestry Tasmania to the full bench of the Federal Court and the High Court, Justice Marshall’s ruling preventing logging— but not his findings on the impact of the logging—was reversed and costs were awarded against me. As you
would know, Madam Acting Deputy President, I went to the public. Very rapidly, two weeks ago, thanks to an amazing and very inspiring response from the public, I was able to pay the $240,000 costs, and Forestry Tasmania has now been paid.

In this place the other night, Senator Abetz, the then minister for forests through most of that court action, criticised that response from the public and my process in appealing to the public. What he did not say was that he and the former minister for forests in the Howard government, Senator Macdonald, joined in that case without, I think, cogent warrant or reason and without effect on the case. They employed very costly barristers for what was, I think, a politically determined intervention, one which in no way threatened costs for Senator Abetz, Senator Macdonald or, indeed, the forest industries that they were backing. In the event, that cost the taxpayers of Australia $436,000.

The Senate and the government need to have a look at the licence for ministers to intervene in such cases in the courts, with political advantage in mind, at the expense of taxpayers. My belief is that Senator Abetz and Senator Macdonald, who were then ministers, owe that $436,000 to the Australian public, who paid for their unnecessary intervention. If they do not have it, they might seek a public appeal and see how they get on in a response from the Australian public to that intervention they took. I think the result might be different.

The more important matter that I want to speak on today, with a great deal of warm recollection, is the passing of the former Deputy Clerk of the Senate, Anne Lynch. She was here from when I arrived in 1996 until she retired in July 2005. She died on 24 April this year. There was a very moving memorial service for her, which I could not attend but which many senators and members of this and other parliaments and members of the public did attend.

I am indebted to the current Deputy Clerk of the Senate, Rosemary Laing, for letting me quote from a homily from Anne Lynch which she had printed in the Department of the Senate Procedural information bulletin. I might preface this by saying that Deputy Clerk Lynch had a very feisty and strong regard for probity and the dignity of the Senate. She defended that in every way that she could, with great logic and great power of argument. But there was one thing that particularly worried her in this place, and that was bogong moths. She had an extraordinary phobia of them. I do not think I will ever see bogong moths in their annual intrusion into this parliament, attracted by the lights of this parliament, without my mind flying immediately to Anne Lynch and the very warm regard in which I and all senators held her and in which I reflect upon her great service to the Senate.

Returning to Deputy Clerk Rosemary Laing’s recollections, she said:

Anne joined the Senate in early 1973 as a research officer to the then Clerk, J.R. Odgers. She became a Clerk Assistant in 1984 and Deputy Clerk in 1988. She was known throughout the parliamentary world as secretary of the ‘powerful Senate Privileges Committee’ and faithfully attended presiding officers’ and clerks’ conferences in the most remote Pacific locations to show solidarity and support. Anne’s heart was probably always in Old Parliament House but she exercised her networking skills in the new building to bring people together. Her sense of commitment to the institution of Parliament, and to the Senate in particular, was infectious. Her door was always open to senators and staff alike, and there she would sit, enshrined behind Odgers’ old desk, usually with a fan-heater going at full blast, ready to lend a sympathetic ear and offer well-informed, realistic and always wise advice. More often than not in the late afternoons, her counsel would be...
lubricated by gin and tonic (medicinal of course), in recognition of which, a former senator placed a miniature bottle of gin on her coffin, alongside Anne’s Order of Australia (AM) medal.

Anne was of the old school, and there is nothing wrong with that. I learned so much from her about the Senate, both arcane and fundamental, and her tutelage of novice clerks at the table may have been brutal but it was effective. We learned never to make the same mistake twice! Above all, I valued her support, encouragement and friendship. To me and, I suspect, to many others, she remains the ‘real’ Deputy Clerk. May she rest in peace, knowing that she will not be forgotten.

Rosemary Laing

I want to add two more two things. First, I capitalised ‘Indigenous’ in the Hansard of a speech I gave. She was quite taken aback by this innovation; it was not how the dictionary rendered it. I think I did not concede, but we had a very useful talk about whether it should be capitalised or lower case. Second, on another occasion in this chamber—in the morning and in summer—that occasional beam of sunlight that comes through the roof was highlighting Deputy Clerk Anne Lynch at the table. I went across to her and noted how fitting it was that she had a halo above her head and that it was lighting up her presence in the chamber. She loved that, and a number of times afterwards she mentioned that comment being made.

Further on Anne Lynch, Rosemary Laing noted:

Both musically and professionally, she saw her role as that of an accompanist, supporting the main event but not in the limelight.

True. But Anne Lynch was a very great champion of the Senate, and in that she was no accompanist; she was a virtuoso.

Child Abandonment

Senator POLLEY (Tasmania) (1.25 pm)—I rise today to speak on an important matter of public interest: the ongoing issue of baby abandonment in Australia. In September last year, I spoke to the Senate on the urgent need to adopt national baby safe haven laws in this country as a means of immediately addressing the harm that can result to babies abandoned by their parents. At present, baby abandonment is treated as a criminal offence, with the mother or father able to be prosecuted for this action. A national system of laws would allow for the creation of baby safe havens across the country in pre-established, fully staffed community buildings such as fire stations, police stations and hospitals. Here, a parent could legally abandon a baby up to a certain age without fear of criminal prosecution. At the same time, they would be able to leave their newborn in a safe environment where the child could receive proper care and medical treatment if required. The mother or father would also be offered, without undue pressure, referrals for counselling or assistance. This may in some instances be the open door that would allow them to access the help they need but are too afraid to ask for.

A safe haven would be a place of safety, a place of security, a place of complete anonymity and tolerance and free of intimidation or reprisal. It is this environment that would ultimately encourage mothers to leave their newborns here, as opposed to a rubbish tip, a back alley, a park or a toilet block. These sorts of places expose an already fragile new baby to the harsh elements, with no guarantee of being found soon or by someone who can offer them safety and proper care. It is having to resort to places such as these that ultimately leads to the child being found dead rather than alive.

Anyone would agree that it is never ideal for a mother or father to abandon their child. Whatever life circumstances lead to a parent making this decision, it would always be preferable for a child to be raised by its parents in a loving and safe home environment, and if the parents were experiencing difficul-
ties in life they could and would receive assistance to overcome them. This is the idealistic scenario that we would all prefer, but it is not grounded in reality. No matter which services or programs you offer before or after birth, how the services are targeted or funded or how heavily they are promoted, it is a simple, undeniable fact that some mothers will choose to abandon their newborn babies. This may be due to fear, shock, denial, addiction, poverty or pressure from others. It may have to do with a lack of support or a feeling of helplessness. It could be for any number of reasons. And, yes, most of these issues could be overcome with the right assistance. They will act out of fear and they will abandon their baby as a result. It is this reality that we as a nation must accept and plan for, because the one who has the most to lose in this scenario is the baby—and the loss is often his or her very chance of life.

Since I first spoke to the Senate in September last year, there have been three more reported abandonments of babies, the most recent being only weeks ago in South Australia and involving a teenage mother. One baby was abandoned on a stranger’s doorstep, one was found at a tip after being dumped in a rubbish bin and one was found in the grounds of a high school. Only one of these babies was found alive. Please ask yourselves honestly: if those three mothers had access to a legal and safe option for abandoning their baby and if they felt supported in making the decision that they, for whatever reason, felt they had to make, would they still have abandoned them where they did? Would those babies in fact have had a better chance for survival if the options were at least there? Do we really want to be the kind of society that denies the problem, focuses solely on assistance services and treats scared and fragile mothers as criminals?

What are we saying about the value of human life when we know that some people will abandon their babies yet we do not give them any alternative but a cardboard box on a winter’s night?

How many babies will need to be saved as a result of the establishment of safe havens to justify their need? Just one. One child would have a chance to grow up and grow old, however imperfect that upbringing might be, all because we allowed pre-existing buildings and pre-established staff to receive those babies from their mothers. We are not talking about significant new infrastructure, additional demands on staff in already stretched workplaces, staggering amounts of funding or a dramatic change to the Criminal Code. We are talking about removing an act as a criminal offence and promoting the use of certain sites for an additional purpose. It is about as simple and effective as any possible new proposal could be, yet still we shy away from that change because the issue is simply too ugly and confronting to accept. It is as though legalising it somehow condones it or makes it suddenly real. It is real and it is looking for us to condone it. It happens without warning in any state or territory at any time of the year and it happens largely because frightened mothers feel that we do anything but condone them. They act out of fear—fear of this newborn life they cannot cope with and fear of what others will say and do if they hand the child over.

After speaking on the issue in the Senate last year, I wrote to all federal, state and territory attorneys-general in an attempt to coordinate a nationally consistent and agreed approach to the establishment of baby safe havens. In my letters I pointed out the success achieved in the United States of America, where 46 states have enacted safe haven legislation under enormous support from the general public. I stressed the need to have
uniform laws regarding baby abandonment across Australia and how possible it was to achieve this. Two of the attorneys-general did not respond to my letter in any way, one acknowledged my letter but never provided a response and six more acknowledged my letter and provided responses. Some responses talked about how a state would never actually prosecute a mother who abandoned their child—because that would be too harsh—but they did not acknowledge that the next logical step would be to remove this as a criminal offence. Others fell back on the same old line that it is better to provide support services for parents—as though the parent is going to be rational enough to ask for help or perhaps leave their name and address when they do abandon their child—so the right services may later be offered. Another effectively told the Commonwealth to butt out of what is a state jurisdiction. Yet another responded without actually rendering an option.

But I am not disheartened. This only makes me more aware that I will have to deepen my education campaign so that they may better understand the reality, practicality and necessity of baby safe haven laws. I have also pressed on with the collection of signatures for petitions calling for the establishment of baby safe havens. One of the petitions was presented to the Tasmanian House of Assembly by the Tasmanian parliamentarian Heather Butler, the member for Lyons, in March of this year. Another was presented to the Senate in May. These petitions continue to attract attention and support, and the signatures keep coming in. They keep coming in because more and more people are beginning to understand, with each new abandonment—and especially with each new death—how tragic and how avoidable these situations are. I remind my colleagues here that these are only about the abandonments where the babies are found. We do not know how many more babies in this country are abandoned and never found.

We can offer more than we are at present. We can provide a more real and more secure alternative. We can come together and coordinate a truly national approach to this issue with relative ease and minimal cost. We can face the ugly truth of abandonment in Australia and act out of common sense and rationality rather than out of a sense of idealism and denial. Indeed, we must do this. We cannot have one more infant death under such circumstances and accept it as just a fact of life. We can act, we must act and I will continue my campaign tirelessly, repetitively and indefatigably so that we can have public debate on what I see as a very important issue in the fabric of our society.

Wheat Exports

Senator BOSWELL (Queensland) (1.35 pm)—I associate myself with the remarks of Senator Polley on baby abandonment. Yesterday marked the first anniversary of the deregulation of the wheat industry in Australia. Usually when an anniversary of an event occurs it is time for a celebration. But for the wheat industry there is very little to celebrate. The Australian wheat industry has found it difficult to adapt to the deleterious changes that deregulation has brought with it. The National Party warned the government of the problems that deregulation would bring and, while we were berated as merchants of doom, our worst fears, unfortunately, are coming true. The cracks have started to appear in the fundamental structure of the industry. Systemic problems are creeping into the supply chain and marketing and quality control—aspects of the industry that were never an issue under the single desk. Which part of the industry is suffering the most? Of course, we find the cost of deregulation is being shifted to the grower. With the loss of the AWB National Pool and hedging
programs, we have seen lower prices for producers. The stress on infrastructure and the disarray caused by a dysfunctional supply chain have seen lower prices for eastern Australian producers in comparison to their western counterparts.

There is also a concerning trend in quality control measures for export wheat. The irony is that, until two years ago, the single desk had bipartisan support in Australia, particularly from the then Leader of the Opposition, Kevin Rudd, who wrote to a constituent on 8 February 2007 saying:

The Australian Labor Party has supported the single desk wheat marketing arrangements for over 65 years since 1939. During that period Labor has been a strong supporter of the current single desk marketing arrangements and it remains Labor policy that the single desk should remain in place while ever these arrangements have support from the growers and the community as well as delivering a benefit to Australian wheat growers.

Mr Rudd even quoted a study from Econtech which stated:

... on the benchmark of Australian premium white grade of wheat, the single desk captures a premium of between $15 and $30 a tonne.

The report stated:

The total annual value to Australian growers of this premium on Australian premium white is $80 million. On all grades the average premium attributed to the single desk is $13 a tonne and the total annual value of the premium on all grades is $200 million.

If only the Prime Minister had read his own letter. If he had only believed in it, we would still have a single desk. Prime Minister Rudd said it was worth between $80 million and $200 million in premium prices for the growers.

However, despite support from the growers and the community and despite proven benefits to the industry, the Rudd government deregulated the industry and, a year down the track, it is the growers and the industry that are suffering the price of bad policy. The Labor Party deceived the industry into thinking the single desk was safe prior to the election. When they came to power they decided to throw the wheat producers to the wolves of deregulation. A year ago there was a protest outside this parliament by wheat growers. A year ago the Wheat Growers Association, which represents 90 per cent of Western Australian wheat growers, voiced their objections to dismantling the single desk. A year is a long time for the industry to contemplate what they have lost.

Wheat industry leader Bob Iffla described the government’s action by saying:

The Government is breaking up the industry in a way that the Australian wheat grower will be hung out to dry. The Bill represents the divide and conquer approach traders and our international competitors have been wanting for years …

Today his words are prophetic, because we are seeing huge cracks in the industry’s very strong reputation through the loss of the stability that single-desk marketing gave to the industry. Under a single desk, the industry had a secure supply chain, the strongest quality control measures of any industry and the flexibility to market any type of wheat that Australian farmers produced or buyers wanted. Today there is no financial security for growers at the point of sale or thereafter. There is no buyer of last resort—something that is necessary in years of large production or back-to-back good harvests or where quality is outside the normal receivable standards. There is no ability to officially blend grains to bring them up to a higher quality on a national scale and thus produce a better price for the growers. There is nobody to handle and pay for the delays in shipments and delays because of customer complaints on quality. The loss of the Golden Rewards program, which was worth upwards of $30 a tonne, has both lowered gross returns and
removed an incentive to grow better wheat. The industry has lost the countervailing power against bulk handlers and freight providers, which has meant an immediate rise in transport costs from regional grain-handling monopolies.

We predicted these issues a year ago and they are now headline articles for the wheat industry. The Minister for Agriculture, Fisheries and Forestry, Mr Burke, misled the public into thinking that things had never been better when, on 4 June, he said:

... since growers were given a choice as to whom they wanted to sell to, first of all you find that on the east coast of Australia prices have gone up to close to parity with the Chicago price.

Unfortunately the reality of wheat prices is completely different. Mr Burke neglected to mention the huge loss to growers' returns from the loss of the national pool hedging program. The loss of income from the 2008-09 pool has been estimated at $1.25 billion, which comes directly out of the pockets of wheat growers. The national pool under the single desk would have hedged the crop at historically high Chicago prices. The standard pool hedging, pre sowing, in February-March, was two million tonnes. At sowing, in April-May, it was five million tonnes. In early spring—August-September—it is estimated at eight million tonnes. Therefore, for the 2008-09 pool, eight million tonnes of wheat would have been locked in at over $400 per tonne. This equates to over $1 billion in value spread over the total pool tonnage and would have meant a significant increase in value per tonne.

We are also seeing discrepancies in prices between the east coast and west coast markets, with the east receiving $35 less per tonne due to the dysfunction of the supply chain because the infrastructure was not ready for multiple sellers. An article in the *Land* dated 6 February, with the headline 'Grain off the rails', says:

Truck drivers were forced to wait as long as 16 hours to unload at GrainCorp's export terminal at Newcastle on Tuesday as trucks queued with grain for a ship taking 20,000 tonnes of wheat delivered almost entirely by road rather than rail.

The situation was aggravated by the fact three grain ships failed survey at the port this week, delaying loading by at least a day until they were cleaned.

The article goes on to say that:

... the incident highlighted the increasing frustration and logistic nightmares newly accredited wheat exporters are experiencing in their first year of exporting bulk wheat since AWB Ltd lost its single desk wheat export powers.

The cost burden of delays at port would firstly be borne by the transport operators, but these costs ultimately are passed on to the growers.

State based regional monopolies are controlling grain from farm gate to port as buyers in the market but also as rail transport owners. They own the rails and the silos—the lot. The new world of deregulation also has worrying signs for our export markets with a loss of confidence in our industry from international customers. The *Australian Financial Review* article dated 24 March 2009, 'Logjam forces wheat customers into arms of rivals', details how:

Asian customers are threatening to abandon Australia as a long-term wheat supplier.

The article states:

Australia's three biggest wheat markets—Indonesia, South Korea and Japan—have each raised concerns that ships are being forced to wait for several weeks to load grain at four ports in Western Australia, the biggest grain-producing state.

Some Asian flour mills have turned to the United States and Canada to secure wheat at higher prices …

The article says:
The bottlenecks have been compounded by the deregulation of the wheat export market last year, which led to 23 exporters attempting to ship grain to Western Australia’s ports immediately after the recent harvest, the second-biggest recorded.

Under the old system, AWB held a monopoly over wheat exports and was able to better coordinate the timing of shipments.

The article quotes several customers on their experience with deregulation, but the saddest indictment on the state of our supply chain is delivered by the chairman of Indonesia’s Wheat Flour Association, Francis Welirang, who states that:

… his mills were being forced to secure supplies from Canada due to the long delays in Australia. He expected total imports from Australia this year to be far lower than the 2.7 million tonnes originally forecast.

“The first experience of deregulation has been very bad for us,” Mr Welirang said. “The infrastructure in Australia is just not enough.”

Mr Welirang, who is a director of Indonesia’s biggest flour mill, Bogasari, estimated that Australia had lost up to 150,000 tonnes in wheat sales to Indonesia, worth about $50 million at current prices.

“It is upsetting. We will see if it improves, but if this happens again our confidence in Australia will be less,” he said. “Clearly the preparations before deregulation were not good. We have never experienced delays like this before. We are used to continuous delivery.”

This year has also seen concerns from customers over wheat quality. It was reported on 3 June that Egypt had quarantined 11,000 tonnes of Ukrainian and Australian wheat over quality concerns because it was ‘spoiled and not fit for human consumption’. Historically, quality control would have been the responsibility of the single desk; however, under deregulation our reputation as a wheat-producing country is at the whim of short cuts and exporters who are rarely audited.

These are the issues that the industry has confronted during the first year of deregulation. The good news is that it is not too late to unscramble the eggs of deregulation. The AusWheat plan developed by the Wheat Export Marketing Alliance is still as relevant today as it was when it was created. This plan proposed the creation of a:

… grower owned, single share class, special purpose company … with a charter to maximise national wheat pool returns … with full and direct accountability to shareholders.

AusWheat would have taken over the functions of the single desk as a low-cost industry focused on maximising grower returns. The AusWheat option may not have been perfect; however, it would have been better than the current system, which sees cracks starting to appear in our export reputation.

I would like to conclude by giving you an idea of how a young grower has been affected by the new world of deregulation. He wrote to me:

It seems to me that growers have been badly disappointed by the new ‘deregulated’ industry. I would have liked to have seen it work in the interest of growers.

I fear what will happen if all production areas have a good year—will cash buyers just shut their books, and growers be left with mediocre pooling options that don’t reward them properly for quality and provide high percentages up front?

The first year of deregulation has seen cracks form in the fine reputation of the wheat industry. The cracks are appearing in quality, supply and reliability, which ultimately result in lower returns to the grower. Let us hope that this worrying trend can be reversed in the years to come.

Now is the time for the government to review the wheat industry marketing arrangements. I will be putting a question to the minister today asking the government to commission research to review the impacts of deregulation on the costs to wheat growers, the impacts on quality control, supply to export markets, the loss of reputation as a
reliable supplier and the infrastructure needs for the industry in the future.

Public Hospitals

Senator NASH (New South Wales) (1.50 pm)—I rise today to make a contribution on a matter of public interest. I think this matter is of particular interest to the more than 20 million people around the country—and that is health and our hospital system.

Senator Mason—Hear, hear!

Senator NASH—Thank you, Senator Mason. I know that you indeed will agree that this is a very important issue for people right around Australia.

Let me just take my colleagues and the people of Australia back to the last election campaign. One of the issues that our now Prime Minister, Kevin Rudd, was campaigning on then was the issue of health and hospitals. I do not know that there is a person around Australia who at that time was not very well aware of the current Prime Minister saying, ‘When it comes to health, the buck stops with me.’ That is what he said. He also campaigned very strongly, I note, in the North Coast seat of Richmond, where the local member, Justine Elliot, was seen on the front of the paper in a huge front-page advertisement with the then Leader of the Opposition and now Prime Minister, Kevin Rudd. What did that say? It said: ‘Kevin Rudd will fix our hospitals.’ Very serious promises were made by the Prime Minister that he would fix our hospitals.

Yet what have we seen? I do not think that I have been to a community in New South Wales where the primary issue that is talked about is not health and hospitals—and the fact that those hospitals are by no means improving whatsoever. Not only are they not improving but people are saying to me that they are actually getting worse. This is in no way an indication of the job that our doctors and nurses do; I do want to take a moment to congratulate them for the incredible work they do and the long hours they put in in very, very difficult circumstances. What we have seen in New South Wales is a system that has been completely let down by the state Labor government, and the promises that the federal Labor government have made to fix it are nowhere to be seen. Let me give a couple of examples. If we go out to, say, Dubbo hospital in the centre of New South Wales, this is a hospital that has had to go to the local vet to borrow bandages. If you go a bit further north in the state you come to a hospital where, for a while—I hope it has been fixed now—they were not giving their patients meat, because the Labor government simply had not been paying the local butcher.

We have the extraordinary situation where the Minister for Health and Ageing said, on 24 May, that there were ‘positive signs’ of improvement in public hospitals. Despite continued signs of long waiting lists and hospital strains, the Minister for Health and Ageing, Ms Roxon, said there had been ‘significant developments’ in hospitals, and state governments had agreed to sign on to ‘improved outcomes’. What a load of rubbish. There has not been any improvement in our hospital system whatsoever.

The Prime Minister promised to fix our hospitals. If the best he can do is to come up with a health minister who says there are signs of improvement, and on that basis they are not going to keep the promise that they put forward at the last election, that is a very, very sad indictment of this government. This is a government that is continually saying to us on this side, ‘We are going to keep all our election promises. We are going to honour all our election promises.’

Senator Mason interjecting—

Senator NASH—It seems that the only problem, Senator Mason, is that they are
picking and choosing which ones they want to keep and which ones they want to honour. Senator Conroy constantly says, ‘We’re going to honour all our election commitments.’ His voracity in saying that knows no bounds. And yet what do we have? We have a key election commitment being broken. The Prime Minister promised to fix our hospitals if there had been no improvement. For the health minister to stand there a few weeks ago and say that there had been an improvement is ‘fairies in the bottom of the garden’ stuff.

Senator Mason—It’s getting worse!

Senator NASH—Thank you, Senator Mason. All I can say is that she has not been out to any of those communities and seen the hospitals, which are actually getting worse. I would like to know how many of our regional hospitals in New South Wales the health minister has actually visited. I would ask the health minister to come forward and tell us and the people of Australia how many of the hospitals in regional New South Wales she has actually visited. I hope she would come back and say, ‘I’ve visited lots of them.’ I am imagining, though, that she may well not have visited many at all. If she had, I do not see how she could have come to the conclusion that there had been an improvement in hospitals. It is yet another example of the complete disconnect that the Rudd Labor government have with regional Australia. We see it in hospitals; they have got no understanding. Obviously they think they have improved, but they have not. We see it in the millions of dollars that have been ripped out of agricultural research and development. We see it in the millions of dollars that have been ripped out of the Department of Agriculture, Fisheries and Forestry. We have seen it in the changes to the Youth Allowance program that are going to significantly disadvantage regional students. These are all examples of how, time and time again, the Rudd Labor government are absolutely ripping the heart out of regional communities—and there is no place better to see where this is occurring than in the area of health.

For the health minister to say that there has been an improvement in public hospitals when we have got hospitals borrowing bandages from local vets and hospitals not being able to feed meat to their patients because they cannot pay the butcher’s bills is appalling. This government made a serious commitment to the Australian people, through the Prime Minister, Kevin Rudd, that they would fix our hospitals. Nothing has improved, nothing has got any better, and we are still seeing that nothing is being done. As I say—and Senator Conroy might come to my assistance, because he knows—on that side of the chamber they are constantly saying that all of those election commitments should be met. If that is true, and if they are absolutely, 100 per cent behind that, then they should be honouring the election commitment to fix our hospitals, because I can tell you that people in the North Coast seat of Richmond are saying to me: ‘Our hospital system is in disarray. We cannot get in.’ They have got a hospital up there with 30 new beds that they cannot utilise because there is no money to pay the staff. If that is an improvement, I am a monkey’s uncle, because I do not think it is.

Senator Cormann—And you’re not!

Senator Fifield interjecting—

Senator NASH—Thank you, colleagues! This is ‘fairies at the bottom of the garden’ stuff if the Rudd Labor government think there has been an improvement in health, because there simply has not. The Prime Minister should come clean, acknowledge there has not been an improvement in the hospital system, and make sure that he honours his election commitment and moves to
take over those 750 hospitals and give the people of Australia the outcome that he promised—that he would fix the hospitals. He should do what he said he was going to do.

QUESTIONS WITHOUT NOTICE

Economy

Senator COONAN (2.00 pm)—My question is to the Minister representing the Treasurer, Senator Sherry. Given that the 2009-10 budget reveals a $210 billion fall in revenue over the forward estimates, will the minister advise the Senate what the major areas of revenue decline are?

Senator SHERRY—Thank you for the question. Quite rightly, as has not been pointed out by those opposite on too many occasions, there is a significant fall in revenue of about $210 billion over the forward estimates and projections, and that has been brought about by—

Senator Ian Macdonald—A lack of business confidence in your leader.

Senator SHERRY—What a silly interjection!

The PRESIDENT—Senator Sherry, ignore interjections.

Senator SHERRY—What a silly interjection from Senator Macdonald. He claims it has been brought about by the Prime Minister, Mr Rudd. That is simply not true. As is well known—though perhaps not well known by some in the Liberal and National parties—the world has entered a significant financial and economic recession. We are seeing a significant decline in growth in every comparable economy around the world. In fact, I think Australia is one of two countries that is not in an official recession.

Senator Coonan—Mr President, I rise on a point of order. The reasons for the $210 billion fall in revenue are all very interesting, but the question, and the relevance of the question, was that we simply want to know what the major areas of revenue decline are—not the reasons for it; the major areas of revenue decline.

Senator Chris Evans—Mr President, on the point of order: I think Senator Coonan actually made the point in taking the point of order that Senator Sherry is directly answering the question as to the impacts of the recession on revenue and the impact on government budgets. I think in taking her point of order, she made the case that Senator Sherry is exactly trying to deal with what is a serious question and he is giving it a very serious answer.

The PRESIDENT—Senator Sherry, you have 56 seconds left to answer the question.

Senator SHERRY—The global recession obviously has an impact on the Australian economy and in turn has an impact on government revenue. Let me give you some examples, which Senator Coonan has asked for. They are on page 5-46 of Budget Paper No.1, Senator Coonan, if you would care to look. Company tax declines from $61.7 billion to $58.8 billion; superannuation fund tax receipts decline from just over $12 billion to $9.14 billion; fringe benefits tax declines from almost $3.9 billion to $3.4 billion—(Time expired)

Senator COONAN—Mr President, my supplementary question, which Senator Sherry touched on in his answer to the primary question, is: how does Australia’s decline in revenue compare with revenue levels in comparable jurisdictions—for example, Canada, Sweden or the United States?

Senator SHERRY—Thank you for the question. Obviously, given that we are facing a global recession, the depths of which we have not seen since the Great Depression, other countries in similar ways will be impacted in terms of revenue right across the types of areas that I have indicated. Obvi-
ously there will be a reduction in comparable taxes in other countries, depending on the nature and the structure of the various taxes they would have. Certainly with respect to individual income tax, for example, given the significant rise in unemployment that is occurring in other advanced economies—far worse than in Australia, I might say—that will have an impact on revenue from income tax, because receipts from income tax will go down.

Senator COONAN—Mr President, I have another supplementary for Senator Sherry, because I am intrigued by this. Given the strong budgetary position that this government inherited from the Howard government—not in similar ways to other jurisdictions, as Senator Sherry alluded to—why have our budget revenue estimates declined so dramatically?

Senator SHERRY—I think it would be a good idea if Senator Coonan did read the budget paper and the page that I have referred to. I do find it amazing that the opposition, in Senator Coonan, would ask a question like this. I have indicated and it is well known—unfortunately not by some opposite—that we are in a world economic recession of great depth which has impacted on revenues to the budget to the tune of over $210 billion. As Senator Coonan asked, I went to three specific examples on page 5-46 of Budget Paper No.1—

Senator Coonan interjecting—

Senator SHERRY—I am very happy to give you an answer, Senator Coonan. I have given you an answer in detail. In fact, I ask my own colleagues to draft me questions like this, but they do not seem to be particularly forthcoming; so I am happy to give you the response I have, Senator Coonan. (Time expired)

Economy

Senator POLLEY (2.06 pm)—My question is to the Assistant Treasurer, Senator Sherry. Can the Assistant Treasurer confirm that the last 12 months have taken their toll on working families in Australia? With the worst global recession in the last 75 years impacting across the world economy, what action is being taken to protect working families from the impact of mortgage stress? Can the Assistant Treasurer advise the Senate of any new information which will assist those Australians currently paying off a mortgage? In particular, is there any further information on how those Australians can expect to be treated by their lenders? Given that Australia is not immune from the effects of the global economy, what will the tangible impact of these initiatives be for Australian families during this time of economic instability?

Senator SHERRY—Thank you, Senator Polley. The question is very good—not quite as good as the question I got from Senator Coonan, but nevertheless I have a response for you, Senator Polley, and I thank you for your interest in this very important issue. As I have noted a number of times in the Senate chamber, although unfortunately some members in the Liberal opposition do not yet seem to comprehend or understand the impact of the world financial and economic crisis, the Australian economy is not immune from the deep and widespread recession we have seen—the worst recession since the Great Depression. That is why the Rudd government has taken early and decisive measures—and I have mentioned some of these on occasion in the Senate—to cushion the Australian economy, to protect the Australian economy and to support jobs.

Indeed, I indicated earlier in the week that the latest Treasury estimates are that some 200,000 jobs have been protected in Austra-
lia as a consequence of the decisive actions of the Rudd Labor government—200,000 jobs that would otherwise have disappeared in the face of this global recession. Importantly, another decisive action that the Treasurer, Mr Swan, took was to over the weekend announce that all 144 retail banks, building societies and credit unions with a focus in the mortgage market have signed up to the government’s principles to assist borrowers who are experiencing financial difficulty as a result of the global depression. These principles will ensure that families finding it tough to pay off their mortgage in the face of the global recession will be treated more fairly by their bank, building society or credit union. There are a number of options available to borrowers in distress, including postponement for up to 12 months of the dates on which payments are due under a mortgage contract. (Time expired)

Senator POLLEY—Mr President, I ask a supplementary question. Can the Assistant Treasurer confirm that the government is working hard with industry to protect Australian families from the impacts of the global recession? Are there any alternative views to tackling the economic impact of the global recession on Australia? Why is it important to address this issue from a place of decisiveness and action rather than to apply a negative, do-nothing attitude? Can the Assistant Treasurer point to any other examples of where the negative, do-nothing attitude has been applied, and has it worked in protecting jobs?

Senator SHERRY—There was a comment from the Liberal-National Party during that very good supplementary question that this was waffle. It is not waffle to outline measures taken under the leadership of a very fine Treasurer, Mr Swan, and to outline initiatives to protect Australians who are being affected by the global economic crisis. It is very important that the leadership and the decisive action as illustrated by the Treasurer, Mr Swan, in a range of areas should be indicated to the Australian community. As I was saying, to assist borrowers in distress—and I would have thought that the Liberal-National Party would be interested in this—the options include a postponement of up to 12 months, an extension of the period of the contract, a reduction in the amount of each payment due under the contract, interest-only breaks on loan repayments and fee waivers. (Time expired)

Senator POLLEY—Mr President, I ask a further supplementary question. Can the Assistant Treasurer elaborate on the need for a solid policy position on tackling the economic impact of the global recession on Australia? Why is it important to address this issue from a place of decisiveness and action rather than to apply a negative, do-nothing attitude? Can the Assistant Treasurer point to any other examples of where the negative, do-nothing attitude has been applied, and has it worked in protecting jobs?

Senator SHERRY—I have just run through the government’s practical measures assisting Australians who are in mortgage distress, but unfortunately the Liberal-National Party opposite have no positive policy ideas in this area. They have not outlined anything. Their approach has been throughout this financial and economic crisis to sit back, sit on their hands and do nothing. They believe that the full impact of the world’s financial and economic crisis should be allowed to crash down on the Australian economy without any of the decisive actions needed to cushion the Australian economy. It is even worse: even in areas where they have some policy, they are badly split. There is a split on climate change. They have deferred the legislation because they cannot agree. The only thing they can agree on is to defer the legislation. They are split on alcopops; they have done a backflip. They are now
supporting the alcopops tax, but at the same time four or five of them have crossed the floor in the House of Representatives. They have nothing to offer. (Time expired)

Australian Building and Construction Commission

Senator FISHER (2.13 pm)—My question is to Senator Arbib, the Minister representing the Minister for Employment and Workplace Relations. Why is the Rudd Labor government neutering the Australian Building and Construction Commission?

Senator ARBIB—I have to say that I have been waiting for this question for the past week, wondering when Senator Fisher would actually raise it, because we did make the announcement well over a week ago. So I am very pleased to have the opportunity to present our policy. First of all—and I am sure Senator Fisher is aware of this—we are honouring an election commitment, an election commitment that was made when we were in opposition. We are getting the balance right: keeping a tough cop on the beat while at the same time protecting the legal rights of workers.

Can I say from the outset that the vast majority of building workers are hardworking and decent people. There are a small microcosm at work which are undertaking unlawful activities. The government finds these activities unacceptable. That is why we will maintain the tough cop on the beat. There has been a long process in coming to this point. It started with the policy but then we initiated the Wilcox report, which looked at the ABCC in detail and looked at its powers. It came back with a number of recommendations and the government is adopting the recommendations, abolishing the ABCC but replacing it with the Fair Work Building Industry Inspectorate.

One of our commitments was to put in place a switch-off power that actually rewards good behaviour in the industry. While I am sure the next question from Senator Fisher will say that it is a watering down, there will be an independent assessor who can switch the power on and switch it off. (Time expired)

Senator FISHER—Mr President, I ask a supplementary question. Of course I have a supplementary, and the minister will not presume. Can the minister guarantee—

Government senators interjecting—

The PRESIDENT—Order! Senator Fisher, ignore the interjections and address the chair.

Senator FISHER—Thank you, Mr President.

Government senators interjecting—

The PRESIDENT—On my right, interjections are disorderly. Senator Fisher is entitled to be heard in silence.

Senator FISHER—As is the industry. Can the minister guarantee the Senate that lawlessness and thuggery will not increase across the nation’s building sites as a result of the—

Government senators interjecting—

The PRESIDENT—On my right, Senator Fisher is entitled to be heard in silence.

Senator FISHER—Can the minister guarantee that thuggery and lawlessness will not increase across the nation’s building sites as a result of the ministerial direction issued today by the Deputy Prime Minister to crimp the coercive powers of the ABCC in some five weeks time?

Senator ARBIB—It is no surprise that those on the opposite side of the chamber want at any opportunity to hark back to the past. They want to persecute workers, persecute union members. We have had the scare campaigns, and the Australian electorate voted. They did not believe the scare cam-
campaigns, but you can always leave it to the Liberal Party to come back to their true state of Work Choices. In relation to Senator Fisher’s question, I can guarantee that there will be a tough cop on the beat in the construction industry, and I can guarantee that the coercive powers will still be in place. But, at the same time as that, there must be procedural fairness. At the same time as that we can also guarantee some procedural fairness for workers, something that the Liberal Party do not understand and really have never cared about. (Time expired)

Senator FISHER—Mr President, I ask a further supplementary question. Why has the government broken the Prime Minister’s unequivocal election promise that:
The current Australian Building and Construction Commission arrangements will remain in place until the 31st of January 2010. Specifically the ABCC will retain all its current powers.

Senator ARBIB—As I started to say, we have kept our commitment to the Australian people to abolish the ABCC and replace it with a new inspectorate. At the same time as that we have kept our commitment to put in place procedural fairness. Why should a worker who is compelled to attend a hearing not be able to take a lawyer with them to the hearing? Why should a worker not have legal rights? Why should a worker not be able to tell their family, their friends and their union about the interview? Some of the provisions were completely over the top. What we are doing is putting balance back into the system while at the same time ensuring that there is a tough cop on the beat. Activity that is unlawful on those work sites is unacceptable; we stand by that. (Time expired)

Swine Influenza

Senator SIEWERT (2.20 pm)—My question is to Senator Ludwig, the Minister representing the Minister for Health and Ageing. Overnight the number of cases of swine flu, H1N1, in the Northern Territory has risen to 78. The Australian Medical Association is warning that there could be many deaths in remote Aboriginal communities if governments do not take a more proactive approach to dealing with swine flu. Given that we know that Aboriginal people, particularly in remote communities, are among the highest health risk group in the world and that Aboriginal people have a much higher rate of hospitalisation and death caused by seasonal flu, does the government agree that there is a much higher risk of a disproportionate impact of a swine flu pandemic on Aboriginal communities?

Senator LUDWIG—I thank Senator Siewert for her question. I do understand that the swine flu is an important issue for all of the community. The government does have a robust plan in place to deal with influenza outbreaks for all Australians. The government introduced and announced a new Australian phase of response known as ‘protect’ on 17 June 2009. The government’s response to swine flu is now to target and treat those most vulnerable to severe complications from swine flu, and those can include groups of Indigenous people, who can often have high levels of chronic disease and therefore are more vulnerable to the severe effects of the disease.

It has been advised that a 26-year-old Indigenous man who had a number of serious medical conditions and had tested positive to the H1N1 influenza 09 died in hospital in South Australia last week. The man was a resident of a remote community in Western Australia of about 3,000 people, close to the Northern Territory border. On behalf of the Australian government, I want to take the opportunity to offer sincere condolences to the man’s family.

I am advised that WA Health is sending a public health team to these remote communi-
ties to support local health staff to assess the situation, undertake surveillance and testing for H1N1 influenza 09 and of course promote infection control and social distancing while minimising unnecessary community anxiety. Antivirals and personal protective equipment have also been deployed in those regions. Australian government staff in the Northern Territory have also undergone hygiene training and all precautions are being taken to limit the spread of the virus in those remote communities. (Time expired)

Senator SIEWERT—Mr President, I ask a supplementary question. Perhaps the minister was coming to the point, but my specific question is: is the government prepared to acknowledge that those in remote communities, particularly remote Aboriginal communities, are in fact more vulnerable? Instead of waiting for the symptoms of swine flu to turn up, are they prepared to treat people in Aboriginal communities as a separate group that are highly vulnerable and alter the current plan?

Senator LUDWIG—Thank you, Senator Siewert. I do understand that the question relates to vulnerability. The government is focused on identifying, targeting and treating those most vulnerable to severe complications from swine flu. Swine flu remains mild in the vast majority of cases, but those with existing conditions—and those are people who have respiratory conditions or morbid obesity and pregnant women—are more vulnerable to the severe effects of the disease. Specifically in relation to Indigenous communities, governments—that is, both state and territory governments and the Commonwealth—are working to ensure that people vulnerable to severe complications are protected. Of course, as I indicated, antivirals and personal protective equipment have been deployed in these regions to address those concerns. The Indigenous health sector has been included in all aspects of national and jurisdictional planning— (Time expired)

Senator SIEWERT—Mr President, I ask a further supplementary question. What I specifically want to know is: given the exceptional living conditions of Aboriginal communities—for example, crowded living conditions and the health burden they already have—is the government prepared to put extra resources into the Northern Territory to make sure that remote communities have access to the resources and the vaccines to deal with this issue now, before it gets out of hand? On top of that, what resources are going into the NT now, and will you increase them?

Senator LUDWIG—I thank Senator Siewert. What I have been referring to is that the government has accepted there are risks and we are working to minimise those risks and deal with remote communities and those most vulnerable in the community. In addition, as I have indicated, the Indigenous health sector has been included in all aspects of national and jurisdictional planning and response, and that is to ensure timely and appropriate support is provided to Indigenous communities. To give you an example of that, all Aboriginal medical services have been included in the national planning. They will have access to antivirals and personal protective equipment. The Aboriginal medical service health staff will have access to appropriate training in case management and infection control procedures so that we can ensure that they are trained and can work with this virus. (Time expired)

Building the Education Revolution Program

Senator MASON (2.26 pm)—My question is to the Minister representing the Minister for Education, Senator Carr. Given that in question time yesterday the minister refused to guarantee that all projects funded under
the Building the Education Revolution program were subject to a competitive tender process, will the minister now confirm that in fact hundreds of contracts for construction at state schools have been awarded to state government contractors without any competitive tender process?

Senator CARR—I indicated yesterday the process for tendering arrangements for Building the Education Revolution. I also indicated that the number of—

Senator Ferguson interjecting—

Senator CARR—Sorry?

The PRESIDENT—Order! Ignore the interjections, Senator Carr.

Senator CARR—Building the Education Revolution is a program which actually provides support to schools right across the country—some 9½ thousand schools. A quarter of a million teachers will be able to benefit from this program by being able to do their job more effectively, and 3½ million primary and secondary students will directly benefit from this program. There is a situation where the Commonwealth is now funding some 20,000 infrastructure projects.

It was, of course, necessary for the Commonwealth to work closely with the states to ensure that the states and territories and block grant authorities actually deliver that program to the individual schools. We are working very closely with the schools and with the states and territories to ensure that the largest single modernisation program in the nation’s history was delivered and that the tendering process involved in this multi-billion dollar stimulus program was a competitive one which drives the process of ensuring value for money.

I have also indicated to the Senate on numerous occasions that the Building the Education Revolution guidelines outline the fact that the states, territories and block grant authorities are required to report monthly on the activities that they have undertaken in their projects, and that the schools and local communities are able to obtain maximum benefit from these important infrastructure investments by working with the states and territories and, if necessary, directly with the Commonwealth. The implementation of the Building the Education Revolution—(Time expired)

Senator MASON—Mr President, I ask a supplementary question. Can the minister also confirm that, as a result of the project management of the BER projects not being put out to tender, some state governments are skimming off as much as 11 per cent or $330,000 per project with no questions asked?

Senator CARR—We have had repeated allegations of this type being made through the Australian and I have indicated on every occasion that has been brought to the attention of the Commonwealth that these cases have yet to be sustained.

Senator Abetz—Nonsense.

Senator CARR—I know Senator Abetz is only too happy to rely on bodgie emails, but we do not rely on bodgie emails. We rely on the facts and we rely on proper and sound public administration. If you are making a specific allegation then make it and let us then examine the facts rather than relying on bodgie, fabricated documents or the rumours and innuendoes that you are trying to peddle around this country about the largest single school modernisation program we have ever seen. Tell the schools, tell each and every one of the schools, that you oppose these programs. (Time expired)

Senator MASON—Mr President, I ask a further supplementary question. Given that even the Australian Education Union has called for a review and given that the Commonwealth has no interest in ensuring the
work and management of the BER is cost effective, efficient and gives value for money, will the minister now admit that this program is little more than the biggest pork-barrelling exercise in Australia’s history?

Senator CARR—I have indicated to the Senate that this is a program of immense value to the children, the parents and the future of this country. This is a program that not only actually provides jobs immediately but also builds capacity—

Opposition senators interjecting—

The PRESIDENT—Order! When there is silence then we will continue.

Senator CARR—I have indicated that for the 3½ million students of this country this program is of immense value. I have also asked: will the opposition come clean here? Will they go to these individual school communities and explain that they actually opposed this spending? Will Senator Abetz rely yet again on false documentation to make an assertion rather than coming clean, telling the truth and explaining what your position is? You voted against these projects yet you turn up for the photo opportunities. (Time expired)

Climate Change

Senator MOORE (2.33 pm)—My question is to Senator Wong, the Minister for Climate Change and Water. Can the minister advise the Senate on recent developments in our understanding of climate change? Is it the case that climate change is accelerating, and isn’t that because our carbon pollution is also accelerating? Is it the case that it is not just the earth’s air temperatures that are warming but also that recent estimates indicate ocean warming is about 50 per cent greater than had previously been reported by the Intergovernmental Panel on Climate Change? Also, Minister, are there any other particular signs that are of concern for our community and our nation?

Senator WONG—I thank Senator Moore for that excellent question and for her continued interest in the science of climate change—unlike those opposite. I regret that I can advise the chamber that there are developments in our understanding of the science of climate change and that the signs are not good. In fact the signs are that climate change is accelerating. This should not come as a surprise because climate change is accelerating at the same time as carbon pollution continues to accelerate. Senator Moore is correct in saying that current estimates indicate that ocean warming is about 50 per cent greater than that which had previously been reported by the Intergovernmental Panel on Climate Change. Those opposite do not want to hear this because they ignored this in government and they are governed by those inside their own party who are sceptics and who, even now when we discuss climate change science in this chamber, continue to deny the reality. I remind them that these recent warnings have been repeated from the past.

Sir Nicholas Stern, who will be known to most senators in this chamber, followed up his groundbreaking 2006 report with the statement:

The simple fact is that all senators have to face up to the fact that climate change is accelerating. It will get worse within the lives of our children. We cannot ask climate change to wait while we delay. The Liberal Party cannot ask climate change to wait while they delay endlessly. (Time expired)

Senator MOORE—Mr President, I ask a supplementary question. Minister, doesn’t
the recent Copenhagen synthesis report state that the key to tackling climate change is to create stable price signals, and that if ambitious mitigation goals are to be achieved then we need to implement carbon pricing as quickly as possible? Isn’t it the case that the report says ‘inaction is inexcusable’? Does the minister agree with the chair of the report-writing team, Professor Katherine Richardson, who said at the report’s launch: Society has all the tools necessary to respond to climate change. The major ingredient missing is political will.

Senator Wong—I think many of us would agree with that statement, particularly as it applies to Mr Turnbull and his divided party, who have demonstrated no political will on this issue. The only political will is the will to consider issues of the party room. All they want to do is deal with party room internal politics. The fact is that Mr Turnbull has run and is trying to hide from the division in his own party room, but we cannot run and hide from climate change. Those opposite may think they can delay a decision but they cannot run and they cannot hide. Climate change is not going away, and the Australian people expect this parliament to take action. So I say to the other side: if Mr Turnbull cannot overcome the division in your own party room to take action on climate change perhaps it is time you found a leader who can and will. (Time expired)

Senator Moore—Mr President, I ask a further supplementary question. Minister, isn’t it the case that, while climate change is having a big impact around the world, Australia is particularly vulnerable? Hasn’t it been projected that river flow in the Murray-Darling Basin may decline by 10 to 25 per cent by 2050 and that by 2100, without global mitigation of atmospheric carbon, the value of production from irrigated agriculture in the basin may decline by as much as 97 per cent? Isn’t it also the case that the most recent drought update from the Murray-Darling Basin Authority showed how badly we are really tracking, with May inflows into the River Murray the third lowest on record, at only 90 billion litres, well below the long-term May average of 390 billion litres? Doesn’t it say that the Murray-Darling Basin has experienced its ninth consecutive autumn with below average rainfall?

Senator Cash—Maybe you could do a rain dance.

Senator Wong—Senator Moore is correct. As she has pointed out, the Murray has been doing it tough and climate change is compounding the problem. Those opposite should take note of the facts that Senator Moore referred to about the impact on the Murray-Darling Basin that is projected from climate change. The reality is that climate change is not some abstract, pie-in-the-sky issue but an issue that will have serious impacts on this country, and people who claim to be leaders in this country cannot run and they cannot hide. They cannot avoid making a decision in their own party just to avoid more splits.

I will take the interjection about a rain dance from those opposite, because it seems that Mr Turnbull’s answer to climate change so far may well have been only to fund a rainmaker. That seems to be the way he is approaching these issues. Let me remind you: you went to the election with a commitment to act on climate change; you are swimming in it. (Time expired)

DISTINGUISHED VISITORS

The President—Order! I draw the attention of honourable senators to the presence in the chamber of a parliamentary delegation from Colombia, led by Senator Antonio Guerra de la Espriella. On behalf of all senators, I wish you a warm welcome to Australia and, in particular, to the Senate.

Honourable senators—Hear, hear!
QUESTIONS WITHOUT NOTICE
Pulp and Paper Industry Strategy Group

Senator COLBECK (2.41 pm)—My question is to the Minister for Innovation, Industry, Science and Research, Senator Carr. With the future of Tasmania’s two north-west paper mills to be decided next week, why did it take until last Friday—over three months from the initial announcement—to finalise and announce the terms of reference and membership of the Pulp and Paper Industry Strategy Group announced by the minister on 6 March?

Senator CARR—I thank Senator Colbeck for his question. He has actually helped me quite a lot with this. The pulp and paper manufacturing industry in Australia employs some 19,000 people. Much of the industry, of course, is located in rural and regional areas and it contributes some $1.3 billion per year to regional communities. Because PaperlinX are a major international manufacturer, marketer and distributor of packaging and office paper, the actions that they have taken in recent times in the restructure of that business have meant there has been some speculation as to the future of the particular mills in northern Tasmania.

The government has no intention whatsoever to continue or encourage speculation with regard to the future of those mills. There is, however, an obligation as far as the government is concerned to ensure that we are able to look at all the policy options that are available in ensuring that, in a period of rationalisation and particularly in a time when we are faced with considerable stresses as a result of the global recession, all possible action is taken to ensure the sustainability of the industry in Australia.

Senator Colbeck—Mr President, I raise a point of order. The question was specifically as to why it took three months from the date of the initial announcement. That is the point of the question. I understand the minister is giving the chamber information, most of which we actually understand, but I am specifically interested in why it took three months to make the final announcement.

The PRESIDENT—I draw the minister’s attention to the fact there are 23 seconds remaining in which to answer the question.

Senator CARR—I have indicated that the industry is facing considerable challenges at the moment and that we as a government are determined to ensure there is a full and frank assessment of those challenges and the opportunities that are available in the sector. There has to be a proper discussion with the industry about the terms of reference and the personnel involved with the— (Time expired)

Senator COLBECK—Mr President, I ask a supplementary question. Given my initial question, why then did the minister’s office say on 20 March that the terms of reference would be announced in a couple of weeks and on 15 May that the terms of reference would be announced in a couple of weeks, and why did Mr Sidebottom, the member for Braddon, on the date of the announcement, 6 March, say: The strategy group will run in parallel with—Australian Paper’s—current company review …

The review and the strategy group report will give government, the North-West Coast community and the industry a clearer understanding of where things are at and what the industry may need to sustain its future.

Senator CARR—I thank Senator Colbeck for his question. The point remains that the terms of reference had to be properly assessed and agreed. The personnel involved on the panel had to be properly representative of the industry and we had to ensure that the time was taken to do this right. We have not changed our view that this process does
run parallel to the assessments that are being made by the company with regard to its due diligence. This review is not an inquiry into the company. The company is entitled to undertake its own due diligence, which is exactly what it is doing. We are determined to identify strategies to overcome the impediments and to capitalise on the opportunities that this industry is now able to enjoy in terms of taking a more innovative approach and ensuring that new investment is attracted to pulp and paper manufacturing in Australia. We want to build on this country’s competitive strengths. (Time expired)

Senator COLBECK—Mr President, I ask a further supplementary question. The point remains that the government said that these processes would run concurrently. The decision with respect to the future of these mills will be made next Wednesday. If, as the minister now appears to be saying, there is no link between the two processes, what are the minister and the government doing to protect the workers at these two mills, whose fate will be decided next Wednesday?

Senator CARR—I do not know where Senator Colbeck gets his information. (Time expired)

Senator CARR—My colleagues are asking me, ‘Does he get it from Senator Abetz?’ Perhaps he does. But you should make sure you rely on genuine documents when it comes to this sort of advice. What time lines the company is working to are matters for the company. I am not aware that the company intends to make a decision next week. We have not been advised of that. Senator, I suggest you go back to your sources and check your facts.

Senator Colbeck—On a point of order—

Senator Conroy—Can you please investigate the email from Eric?

Senator Colbeck—I do not need to check any emails. I actually do talk to the company and I do know what their time frame is. I can tell the minister that the decision will be made next Wednesday.

The PRESIDENT—There is no point of order.

Senator CARR—I am not aware that the company is intending to make a decision next week.

Senator CARR—I would suggest, Senator Colbeck, you do not spread false and malicious rumours on these issues. If you actually cared about the workers of this industry, instead of propagating the sort of Work Choices attitude that you do, you would know that this industry is under considerable strain. You have an obligation to your constituents. (Time expired)

Australian Made Campaign Ltd

Senator XENOPHON (2.49 pm)—My question is to Senator Sherry, representing the Minister for Agriculture, Fisheries and Forestry. It relates to the government’s financial support for Australian Made Campaign Ltd, a not-for-profit public company established by the Australian Chamber of Commerce and Industry and its network state and territory chambers, and the recent extensive advertising campaign they have been promoting. The campaign receives partial funding from the department. It is designed to assist consumers to identify Australian made and Australian grown produce as well as Australian owned companies. But the definitions of what constitutes an Australian product could arguably cause more confusion to consumers. For example, under the definitions endorsed—

Senator Colbeck—On a point of order—

Senator Conroy—Can you please investigate the email from Eric?

The PRESIDENT—Is there a question, Senator Xenophon?

Senator XENOPHON—Yes, there is.
The PRESIDENT—You might come to the question.

Senator XENOPHON—Very well. Given that this campaign can easily create confusion amongst consumers, given that a product can be labelled ‘made in Australia’ even if 50 per cent of its production has occurred overseas, can the minister reveal what level of taxpayer funding is being provided to it?

Senator SHERRY—Thank you, Senator Xenophon. I think the questions are getting better as question time goes on. Senator Xenophon, you did give me some notice and I think you raise an important issue in the context of the Australian Made Campaign and food labelling laws in this country. Firstly, the department provided some $1.69 million in seed funding to 30 June for the start-up marketing and promotion of the Australian Grown campaign. In your question—your long and detailed question—you did pose a number of I think quite reasonable issues that—

Honourable senators interjecting—

Senator SHERRY—No, seriously—they were perfectly reasonable issues that the minister I represent, Mr Burke, has been giving some consideration to. I note the minister was recently interviewed by Leon Byner—I think he is familiar to you, Senator Xenophon—on 5AA in Adelaide. In fact he interviewed the minister I represent, Mr Burke, on the matters that you raise. That followed, of course, the publication in, I think, the Adelaide Advertiser, which I must confess I do read, even on the north-west coast of Tasmania. It is as impressive a paper as the Advocate. The minister went through a range of issues. To start with, the minister acknowledged that the bureaucratic and ministerial oversight in determining the food labelling laws in this country usually, as represented by the health minister, the agriculture minister—(Time expired)

Senator XENOPHON—Mr President, I ask a supplementary question. Given that a product can be called ‘Australian grown’ even if some of the production processes have occurred overseas and that a company can call itself ‘Australian owned’ even if all of its products are manufactured overseas, and given the taxpayer support for this campaign, why hasn’t the government demanded stricter definitions for Australian made and Australian grown products in order to protect consumers and Australian producers?

Senator SHERRY—In going on—I am reading the interview—I note the minister did refer to this issue. In fact, he referred to the example of a cake that is labelled a fruitcake. It is not that famous GST cake—some of us remember that GST cake back in ‘93—but a fruitcake labelled—

Opposition senators interjecting—

Senator SHERRY—There are very unparliamentary interjections about fruitcakes coming across the chamber.

The PRESIDENT—Senator Sherry, ignore interjections and answer the question that has been asked.

Senator SHERRY—The minister acknowledged, for example, that a fruitcake that is labelled ‘made in Australia’ can be made of imported fruit, and he rightly pointed out that, in the context of the ‘grown in Australia’ label, the cake perhaps should indicate where the food itself is grown. So there is certainly an issue here that the minister has acknowledged. He also acknowledged that the council—(Time expired)

Senator XENOPHON—Mr President, I ask a further supplementary question. Given the anomalies referred to by the minister, will the government withhold taxpayer funding for this campaign until the definitions of
‘Australian made’ and ‘Australian grown’ are changed to mean that labelled products are completely made in Australia and completely grown in Australia?

Senator Boswell—What are you going to do about Cadbury and Campbell?

Senator SHERRY—I do notice it is Senator Xenophon asking questions about this, not those doormats down there in the National Party. Senator Boswell is finally alive to something on this issue. Anyway, the Australian government and the minister recognise that consumers are confused by these food-labelling laws. The government is committed to simplifying and strengthening the food-labelling laws, and the minister indicated this during a radio interview. The department is investigating options to simplify and strengthen food-labelling laws in the Food Standards Code and the Trade Practices Act, and the government will do so through this ministerial council. In terms of the funding, as I have indicated in my first response, the moneys provided were seed funding. My assumption is that they—(Time expired)

Emissions Trading Scheme

Senator BOSWELL (2.55 pm)—My question is to the Minister representing the Minister for Small Business, Independent Contractors and the Service Economy, Senator Carr. Has the minister seen the statement from the Australian Chamber of Commerce and Industry concerning the impact of the CPRS on small and medium sized enterprises? Specifically, it says:

… trade-exposed SMEs … are not eligible for assistance—

and that it would erode profitability by four to seven per cent on average. What action has the minister taken on behalf of small business to ensure viability of small business under the CPRS?

Senator CARR—The ACCI report is only a partial analysis, Senator Boswell. It is based on a sample of just 11 businesses in only a small range of small and medium sized enterprise sectors. It also assumes that small businesses have already implemented all energy-saving and efficiency measures available to them, which means that it has a tendency to underestimate savings from energy efficiency opportunities and overestimate the costs.

All Australian businesses will benefit from the measures that the government has already announced, on 4 May—that is, a one-year delay to the start of the scheme and a $10 fixed price. The energy efficiency and other complementary measures are also built in to a whole range of budget measures across a range of portfolios. It is also important to appreciate that the government is providing some $2.7 billion for a Climate Change Action Fund which will support industries, small businesses and community groups. The government is also providing some $200 million this financial year through the CCAF to help businesses and other community groups actually prepare for the introduction of the scheme, and there will be a range of measures to underpin that. It is a pity that the coalition feel that they can run and hide from these issues by failing to pass this legislation. It is a pity that the coalition think that they can avoid their responsibilities by constantly adjourning discussion of these issues. (Time expired)

Honourable senators interjecting—

The PRESIDENT—Order! Senator Boswell, wait until I give you the call. I need to hear your question.

Senator BOSWELL—Mr President, I ask a supplementary question. Given that the ACCI study found that firms would likely need to reduce labour costs by between 4.4 per cent and 12.9 per cent, has the govern-
ment talked to the unions about the certainty of even higher unemployment under the CPRS?

Senator CARR—I find it highly amusing when Senator Boswell seeks to lecture us about our relationships with the trade union movement. I find it extraordinary that the group in that corner—including of course Senator Boswell with his long interest in the meat industry, and in particular his direct involvement with trying to undermine workers’ conditions in the meat industry and his direct involvement in pursuing the Work Choices options that he has throughout the last 12 years of the previous government—would now seek to lecture a Labor government on its relationship with the trade union movement. What I do know is simply this: every trade unionist in this country understands the importance of climate change and is concerned to ensure that appropriate action is taken to mitigate the costs of climate change. Every decent trade unionist in this country understands the costs of climate change. (Time expired)

Honourable senators interjecting—

Senator BOSWELL—Mr President, I ask a further supplementary question.

The PRESIDENT—Senator Boswell, I will give you the call when there is silence and it can be heard. You are entitled to be heard in silence—from both sides.

Senator BOSWELL—Given that small business is the engine room of the Australian economy, employing approximately 64 per cent of Australia’s private sector labour force and producing nearly 50 per cent of Australia’s domestic output, why has the minister not done more to prepare small business for the CPRS trauma of reduced profits and reduction in labour, especially when they are already struggling in the global economic crisis?

Senator CARR—Senator Boswell, again, has got it all wrong. This is a government, a government of which I am very proud to belong, which has provided some $2.75 billion to assist industry to deal with issues relating to climate change. The costs of inaction are much much greater than the costs of action, Senator Boswell—a simple proposition you have failed to understand. The costs of inaction will be much greater in terms of the impact on jobs and on business opportunities, on the economy and on the prosperity of this nation. In particular, the persons who will most bear that burden will be the weakest and the poorest members of our community. The failure of the coalition to face up to their social responsibilities means that the workers and small business people are the ones who will carry the burden of your failure. (Time expired)

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

QUESTION TIME

The PRESIDENT (3.02 pm)—When I made a statement earlier today about remarks used during question time on 23 June 2009, Senator Macdonald raised a point of order to the effect that Senator Wong made an improper imputation against him in responding to his question.

If standing order 193 were applied in the strictness of its terms, many comments would be ruled out of order on the basis that they contained improper imputations. A question to the effect of, ‘Was a member telling the truth?’ which was contained in Senator Macdonald’s question, could be taken to be an improper imputation.

The difficulty could be avoided at question time if questions and answers were confined to questions and answers, and did not contain statements, arguments and debating
points. I ask senators to observe the standing order in all of their contributions

Senator Ian Macdonald—Thank you for that, Mr President. However, my point of order was on the inference that Senator Wong made about me, not about the inference I might have made about Mr Turnour—which I explained was not an inference.

The President—There is no point of order.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS
Laura Aboriginal Dance and Cultural Festival

Senator Wong (South Australia—Minister for Climate Change and Water) (3.04 pm)—Yesterday in question time Senator Macdonald asked me a question in my capacity as Minister representing the Minister for the Environment, Heritage and the Arts. I am happy to provide the following additional information. I am advised that the Australian government through the Australia Council has provided the Quinkan and Region Cultural Centre a total of $305,306 in project grants and strategic initiatives funding for the Laura Aboriginal Dance and Cultural Festival from 2005 through to 2010. The Australia Council has advised that for 2008-10 it has a three-year funding agreement with the QRCC to provide $205,306 to the Laura dance festival through the Celebrations initiative administered by the Aboriginal and Torres Strait Islander Arts Board. The Australia Council has advised that the QRCC has recently withdrawn as the auspicing body to the festival, and consequently has not provided an invoice for payment of the 2009 grant.

Senator Ian Macdonald—So they got nothing.

Senator Wong—The Australia Council is assisting the Laura dance festival in securing an alternative sourcing arrangement. Senator Macdonald, I suggest you listen, as you might want to hear the rest of the answer. QRCC previously received project funding of $50,000 in 2006-07 for the dance festival through the Indigenous Culture Support program.

Senator Ian Macdonald—Yes, under the coalition government.

Senator Wong—Be careful about intercepting before the answer is concluded, Senator Macdonald. The ICS program is an Australian government program administered by the Department of the Environment, Water, Heritage and the Arts. I am advised that the QRCC has not since applied for funding through the ICS program.

PULP AND PAPER MANUFACTURING INDUSTRY

Senator Bob Brown (Tasmania—Leader of the Australian Greens) (3.06 pm)—by leave—Mr Deputy President, I would like to seek an explanation for the absence of an answer from a minister to a question verbally given on notice. On Monday I asked Senator Carr, the Minister for Innovation, Industry, Science and Research, about government assistance given to the promotion of Gunns pulp mill and the foreign investment involved in that through embassies and international outreach. He told the Senate that he would ask the Minister for Trade and come back to the Senate. He has not done that. It may be that he has not yet had time to do it. I just want the Senate to note that I will be pursuing the matter of the minister not responding to that question.
QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS
Australian Building and Construction Commission

Senator ABETZ (Tasmania) (3.07 pm)—I move:

That the Senate take note of the answer given by the Minister for Employment Participation (Senator Arbib) to a question without notice asked by Senator Fisher today relating to the Australian Building and Construction Commission.

I want the Senate to take note of the dissembling, inept answer given by Senator Arbib to the excellent question without notice asked by Senator Fisher today, relating to the Australian Building and Construction Commission. Let us be absolutely clear on this: when the minister was asked, he had the audacity to say, publicly broadcasting, that this is an implementation of Labor’s policy honouring their election promise. In case the honourable minister has not read Labor’s Forward with Fairness policy announced in August 2007, on page 24 his leader and deputy leader said this to the Australian people: “The current Australian Building and Construction Commission arrangements will remain in place until the 31st of January 2010. Specifically the ABCC will retain all its current powers and its full resources for this period, as outlined in the forward budget estimates.”

How can he come into this chamber and then say that neutering this organisation a full six months earlier, in breach of his election promise, is somehow honouring the Labor Party’s election promise to the Australian people?

This is another gross example of the Australian Labor Party’s spin. You promise one thing before the election and you then do something completely different afterwards. Remember the words of the member for Kingsford Smith, Mr Peter Garrett? Exactly what he said would happen is now happening yet again. Indeed, this election promise was made when ‘Hi, I’m Kevin from Queensland’ was an economic conservative. Today, ‘Hi, I’m Kevin from Queensland’ is no longer the economic conservative. He is no longer the person that said to the Australian people: ‘We need a cop on the beat. We need to keep the construction industry clean.’ That was the big, solemn promise made to the Australian people and it is now completely gutted. In the other place the minister, the Deputy Prime Minister, has now tabled a document which is her letter to the Hon. John Lloyd, which I would seek leave to table in relation to this debate.

Leave granted.

Senator ABETZ—I thank the Senate. It is quite clear that this has been a breach. So the Minister for Employment Participation had to come into this place and say why he has broken this election promise six months early. Were there industry demands for this change? No, there were not. Is there an economic imperative for this change? No, there is not. Is there a jobs imperative for this? No, there is not. But is there a union imperative? You betcha. And that is the only reason that it is being done. And another: is it an ideological imperative? You betcha. You’ve got it again. So, despite a solemn promise to the Australian people, that is out the door in favour of increased trade union power and in favour of their extreme ideology in relation to the Australian building unions.

It is very interesting, isn’t it, that this gentleman from Queensland said: ‘Hi, I’m Kevin from Queensland. I’m an economic conservative.’ But today in 2009 he says: ‘Hi, I’m Kevin from the unions. Those bonza blokes gave a fair shake of the sauce bottle to our funds for the election campaign and we now owe them and we owe them big-time, and that is why we will break our promise in exchange for the funding that we got from
them.’ It is funny, isn’t it? Who will benefit from Mr Kevin Rudd’s change in relation to this? Another Kevin, Kevin Reynolds from Western Australia, and another Kevin, from our home state of Tasmania, Kevin Harkins. These three Kevins are peas in a trade union pod assisting trade union extremism. The minister has shown that Labor have broken an election promise and they stand condemned for it.

Senator HUTCHINS (New South Wales) (3.12 pm)—I was not going to speak this afternoon, Mr Deputy President, but when I heard the contribution of the Deputy Leader of the Opposition in the Senate I thought it was only right that I do. As we have seen in the last week, one cannot rely on Eric to read the details.

The DEPUTY PRESIDENT—Order, Senator Hutchins!

Senator HUTCHINS—Senator Abetz. We cannot rely on ‘Email Eric’ to read the details.

The DEPUTY PRESIDENT—Senator Hutchins!

Senator HUTCHINS—I said Senator Abetz.

The DEPUTY PRESIDENT—Yes, and you should continue to refer to him as Senator Abetz.

Senator HUTCHINS—Senator Abetz, known in some circles as Email Eric. As I said, if we had to rely on Email Eric, as he is referred to in some circles, we would be in a lot more trouble than we are. I find it interesting that we get this sanctimoniousness from the opposition. These are the same people that were behind the Australian Wheat Board scandal, and Senator Fisher knows about it and so does Senator Cash. These are the same people behind the scandal in ‘children overboard’, and of course Senator Fisher worked for Minister Reith when they absolutely stuffed up the situation on the waterfront. The same people who are responsible for this are trying to work themselves up into a frenzy about the abolition of the Australian Building and Construction Commission and its referral to the industrial inspectorate. What is wrong with that? As former Justice Wilcox found—

Senator Ludwig interjecting—

The DEPUTY PRESIDENT—Order! Senator Ludwig, there are certain standing orders that should be observed.

Senator HUTCHINS—Former Justice Wilcox found in his inquiry into the building industry that substantially there were men and women in the industry who worked in accordance with their awards and their agreements and who acted honourably and obviously vigorously in conducting their campaigns to improve their wages and conditions. But there were elements who did not. In fact, Mr Wilcox made recommendations in relation to those elements who did not. What is wrong with that? That is what the minister outlined this afternoon. In the legislation that the Deputy Prime Minister has put forward in the House of Representatives, the elements who do not act conscientiously, consistently and honourably will have to go before this inspectorate and be dealt with that way. I do not see that there is anything particularly wrong with that. Whether in Victoria or Western Australia, if these men and women act in a reprehensible way and bring shame and dishonour on the trade union movement, they should have to go under different guidelines to any other man or woman in the building and construction industry, the transport industry, the liquor industry or any other industry. If these men and women act in a reprehensible way then they should be dealt with in a different way. That is what our legislation says. I do not see how Senator Fisher or any of the other speakers...
who are going to follow me can fault that, because, as Mr Wilcox said in his inquiry, there are men and women who do act in an honourable way and why should they be subject to the same sort of scrutiny as those who do not? I would be interested in their contributions to tell me why that should be the case.

We in the Australian Labor Party have always believed that men and women have an entitlement to collectively bargain. That is something they do not accept on the other side, but we do. Some employers prefer to have a collective bargain rather than individual ones. That is an entitlement that they were able to exploit individually under the previous government.

All I would say to the coalition is this: it is about time they understood that they are in opposition and that it is a long, hard road to get back into government rather than acting like they are a government in absentia. That is exactly what we have seen in the last few weeks and months from the coalition. Be constructive. The Australian people will respond to you if you are constructive. But if you continue to be negative and try to look for little points that do not mean anything except to selected groups of people then you will find yourselves in the wilderness for longer than you think.

Senator FISHER (South Australia) (3.18 pm)—I rise to take note of the answers given in question time today by Senator Arbib in respect of the Australian building and construction industry and, in particular, Senator Arbib’s repeated attempts to reassure the Australian electorate and this parliament that the Rudd Labor government is keeping its election commitment to the Australian building and construction industry for a ‘tough cop’ on the building and construction industry beat and to retain the current powers of the Australian Building and Construction Commission until 31 January 2010.

Minister Arbib repeated his reassurance and promise, as if saying it once, twice, if not three times, made it true. Every time he said it just demonstrated how untrue it is. How can the Rudd Labor government be keeping a ‘tough cop’ on the construction industry beat when the Deputy Prime Minister indicated in every second sentence in her speech introducing the bill in the other place that it will be a cutback cop with cutback powers? In fact, the only ‘tough cop’ on the building and construction industry beat will be the CFMEU, because that is the election commitment and promise that the Rudd Labor government is keeping.

The Deputy Prime Minister says that the new so-called ‘tough cop’ on the construction industry beat come January 2010 will be able to switch off and switch on. She said in her second reading speech:

In the event that a project where the coercive powers have been switched off experiences industrial unlawfulness the Independent Assessor may rescind or revoke the original decision, thereby switching the powers back on. Hang on. If the guys have been good then the reason they have been good will get switched off. But when the guys—and I mean that in a gender neutral sense—are bad again, as they will be, the powers will get switched back on. How is that keeping a ‘tough cop’ on the construction industry beat?

The Prime Minister explicitly said pre election, ‘The current ABCC powers will stay in place to January 2010.’ How is the Deputy Prime Minister’s ministerial direction issued today to the Australian Building and Construction Commission to take effect from 3 August—in some five weeks time—to curtail the coercive powers of the Australian Building and Construction Commission ensuring that ‘the current ABCC powers stay
in place until January 2010’? How is that keeping that part of the election promise? No, no, no—the only election promise being kept is the one to the union movement to make the so-called tough cop on the construction industry beat the CFMEU. The CFMEU will be the construction industry cop.

This confected fight, this fake fight, between the Rudd Labor government and the union movement enables the Prime Minister to say: ‘We must have got this bill right, because we have got a fight with the unions and we have got a fight with the employer movement as well. So we must have got the balance right.’ Australians are tired of that refrain. The government tried to use it with the Fair Work legislation. It is a tired, untrue refrain. It is a fake fight with the union movement, and do you know what demonstrates that, Mr Acting Deputy President? What demonstrates that is the visit to this parliament today by the CFMEU. If the CFMEU were so outraged by this Rudd Labor government’s reforms for the building and construction sector, don’t you think they would have been the CFMEU cop going up and down the parliamentary corridors, expressing their dissatisfaction? But no—their silent presence today demonstrates that they are pretty happy. They are pretty happy with the Rudd Labor government’s delivery of its election promise—the one made to the CFMEU that they, the CFMEU, will become the cop on the construction industry beat come January 2010.

Senator McEWEN (South Australia) (3.23 pm)—I would also like to take note of the answers given by Senator Arbib today to the questions from Senator Fisher with regard to the Building and Construction Commission and its proposed replacement by the Rudd Labor government. I was intrigued to hear Senator Fisher talking about election promises and election commitments. Could we please remind the people of Australia that the coalition did not introduce Work Choices until they had the numbers in the Senate. It was not an election commitment to the people of Australia by the coalition to introduce Work Choices. In fact, they said nothing about it at all until they found themselves in the situation of having the numbers in the Senate, and they foisted it on the people of Australia—who did not want it.

I have known Senator Fisher for quite a long time. We do know that she has worked for Mr Peter Reith. Back in those days, Senator Fisher worked for Peter Reith and she was fully supportive of the actions of the previous government in trying to destroy working people on Australia’s wharves by attempting to take their jobs away from them—and doing it by using balaclava-wearing thugs accompanied by dogs. If anybody wants to remember the attitude of the opposition to Australia’s working people, they only have to think about those visions of people being attacked by thugs and dogs on wharves. It is just hypocritical for Senator Fisher to get up here today and pretend that she is anything other than a tireless and life-long campaigner to destroy the rights of working people in Australia.

Senator Arbib is an excellent new minister, and I am very pleased that he has got responsibility for this particular portfolio, as Minister for Employment Participation, because he also has long experience in industrial relations. He knows what it is to have a fair workplace. Senator Fisher does tend to live in the past a bit, as we know. If she wants to continue to do that, we will be more than happy to run another election campaign on industrial relations. We will be more than happy to run another campaign on industrial relations, because do you know what? The people of Australia rejected your ridiculous industrial relations policies last time and they would do it again, because the people of
Australia want their workplaces to be fair. They want to have a voice in the workplace, they want workplaces to be fair for employers, they want workplaces to be fair for workers, and they will not cop the kind of industrial relations laissez-faire legislation that you would like to introduce. In fact, Senator Fisher, you would prefer to have no legislation in the workplace at all. You would like for there to be absolute free range for unscrupulous employers to dud workers. That is your agenda. That has been your agenda ever since I have known you, and here you are again—despite having lost the last election on industrial relations issues—trying to re-establish the kind of workplace system that the Howard government brought in. Bring it on, Senator Fisher. I cannot wait to run another election on the opposition’s industrial relations policies, because you will lose.

The DEPUTY PRESIDENT—Order! Senator McEwen, address the chair, please.

Senator McEwen—I am sorry. My apologies, Mr Deputy President.

Senator Fisher interjecting—

The DEPUTY PRESIDENT—Order on my left! You have been heard in silence on my left. Senator McEwen has a right to be heard.

Senator McEwen—Thank you very much, Mr Deputy President. We were talking about election commitments. The Rudd Labor government has, with its new legislation, honoured its election commitments to the people of Australia. Its commitment to the people of Australia was to abolish the Australian Building and Construction Commission, the ABCC, and to replace it with the Fair Work Building Industry Inspectorate, and that is exactly what we are doing. We are introducing another inspectorate that will operate within the building and construction industry—

Senator Fisher—No change until January 2010!

The DEPUTY PRESIDENT—Order! Senator Fisher, it is disorderly to shout across the chamber. You were heard in silence. I ask that you give Senator McEwen the same opportunity.

Senator McEwen—Thank you very much, Mr Deputy President. I would also add that, in introducing this new inspectorate, the government is paying heed to the very reasonable recommendations made by the Hon. Murray Wilcox QC in his report into this matter. The government has taken instruction from Mr Wilcox on this matter. As we should, we got an independent authority in to investigate the situation in Australia’s building and construction industry. A very welcome report was prepared and the government, as a responsible government, took those recommendations on board. (Time expired)

Senator Ryan—(Victoria) (3.30 pm)—I rise to speak in support of Senator Abetz’s motion to take note of an answer by Senator Arbib regarding the Australian Building and Construction Commission. The senators opposite might like to focus more on what Senator Abetz is doing, rather than just making accusations. When Senator Abetz sought and was granted leave to table the ministerial letter, I understand that subjected the letter and the ministerial direction to debate and disallowance by this chamber. So maybe you should listen just a little bit more carefully.

The case about this being a Labor broken promise is clear cut, but I suppose that in light of the events of the last 12 months we should be getting used to this sort of thing. It is the same as their promise about keeping budget surpluses, about keeping low government debt and about keeping low taxes. It will make people feel the same, I imagine, as many of our regional students felt when La-
bor did not flag any of the changes that are disenfranchising so many of them from study and plans they had made after they left high school. But this is a truly craven manoeuvre by the government, and that is because of its motivation. This is motivated by payback to mates and to bankers.

The truth is that the construction sector is not like any other sector of the economy. I come from Victoria, and the stories from Victoria are truly extraordinary and they have been that way for many years. When I was working at Safeway I did not have Mick Gatto or Tom Domican as an industrial relations consultant coming in to help out. This is a sector that has been rife with unlawfulness and rife with wildcat actions that have made the rest of the community pay.

Senator McEwen has referred to the rights of workers, but I note that in her speech just prior to my own there was very little discussion of the ABCC; there were merely accusations made about the previous government and about one of my colleagues, Senator Fisher. But the truth is that the first right of a worker is to have a job. There is absolutely no point in having pages and pages of legislation and claiming there are volumes of workers’ protections when there is no-one in a job. The truth is that the construction sector is a very different sector, particularly in my home state of Victoria and particularly in Western Australia. The ABCC addressed very real issues. For those who doubt it, I urge them to read the report of the royal commission, because it makes absolutely shocking reading. It outlines in its public volumes organised and systemic misbehaviour—to be just a little bit polite about it.

Labor has always opposed actions to restrain rogue union activity. It has never understood that policies like this are a way to protect the true national interest, to protect the four out of five workers who choose not to join a union and, at the same time, to make sure that those fewer than one in five workers who do join a union get a fair go and that the rest of the community does not have to pay for that through increased costs, through illegality and through wildcat actions. Some of those opposite actually talk about how scared a worker might be when they are being questioned about alleged activity. I urge them to go back through the many media reports—some of which I will not mention because they are the subject of proceedings—where workers and officials have been threatened with physical intimidation and violence. The threat of physical violence goes way beyond anything that should happen in a workplace and it goes way beyond the idea that you can be compelled to answer a question, because sometimes those questions are actually about physical intimidation. That is how we protect people in our society.

We know who the Labor Party represent in this place. As I mentioned earlier, 80 per cent of Australian workers are not in trade unions, but the ALP is the political wing of the labour movement in this country. It is not something it chooses to hide. What it is doing with this particular ministerial direction, with this broken promise and with the change in the legislation is letting loose the most rogue elements in the Australian trade union movement. This is not the shoppies—

Senator Cameron—You would not know. You would not know anything about the construction industry, mate.

Senator Ryan—Senator Cameron, this is not the shoppies. For those who have any questions, I urge them to go and visit the West Gate Bridge in Melbourne, where union disruption has been preventing necessary safety work being undertaken and people’s lives have been put at risk because of it.
The truth about this is that Labor never wanted to do this. I note that in May 2007 their national conference promised to going to rid of the ABCC and then Dean Mighell made certain comments and put the now Prime Minister under a bit of political pressure—and, to use the example Senator Abetz gave, he was Kevin from Queensland, the economic conservative, and all of a sudden Labor were going to become the tough cop on the beat. That same month they announced this policy, which today they have gone back on. They have gone back on this policy which said that the arrangements, resources and funding for the ABCC would stay in place. They stand condemned for it, and the workers and the community of Australia will pay for it.

Question agreed to.

PETITIONS

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

Renewable Energy

To the Parliament assembled:

Re: Renewable Energy Feed In Tariffs

We, the undersigned, request that Parliament implement a nationalised, simple and uniform renewable energy gross feed in tariff of $0.80 per kWh as soon as possible, rather than relying on individual states to develop and maintain their own systems, most of which offer far below what is required to encourage the uptake of renewable energy systems.

It is crucial that Australia implement a gross feed in tariff model over a net feed in tariff scheme. A net system will only pay on surplus electricity produced, which provides little incentive for home owners and business to make the substantial investment in solar and wind power equipment.

A gross feed in tariff program should pay a minimum of 80c per kilowatt hour of electricity generation which is fair compensation for the production of clean electricity by privately funded installations. The program should operate for at least 15 years and include an initial 6 month period whereby rebates currently in place are still available to allow the solar industry time to adjust and to stimulate uptake in these troubled economic times.

This rate and commitment will give a much needed boost to investment in and uptake of technologies much cleaner than low-emissions coal, with the added benefit of generating thousands of new jobs in the clean energy sector.

Countries such as Germany, a nation with far less solar resources than Australia, have proved the effectiveness of the gross feed in tariff model for many years. Germany now has the greatest solar power capacity in the world and has generated hundreds of thousands of renewable energy sector jobs due largely to their gross feed in tariff program. Australia is lagging far behind and as a consequence, our greenhouse gas emissions are increasing.

Australia has extensive solar resources and we should be making better use of those rather than focusing energies and investment on the long term viability of environmentally destructive coal-fired power generation. Emissions controls such as Carbon Capture and Storage require as much as 20 percent of the electricity a power plant generates and the long term safety of such processes is still unproven.

It is only with the full support of the voting public of Australia that the Government will meet its goals of lowering greenhouse gas emissions and the people are ready to play their part if given the proper support and tools to do so. It is far better, safer and more economically viable not to produce emissions in the first place, and solar energy and wind power offer proven emissions free power generation.

by Senator Milne (from 14,008 citizens)

Petition received.

Senator MILNE (Tasmania) (3.35 pm)—I seek leave to make a short statement of two minutes regarding the petition that was just tabled.

Leave granted.
Senator MILNE—I thank the Senate for their indulgence and wish to draw the Senate’s attention to the petition that was just tabled. It is a petition of approximately 17,000 confirmed signatures for a gross feed-in tariff in Australia. It is a petition that was gathered online at a website that was set up specifically for the purpose and it says:

We, the undersigned, request that Parliament implement a nationalised, simple and uniform renewable energy gross feed in tariff of $0.80 per kWh as soon as possible, rather than relying on individual states to develop and maintain their own systems, most of which offer far below what is required to encourage the uptake of renewable energy systems.

The petition was organised on a public website and put online by Energy Matters—a company based in Victoria that has branches throughout the country and is interested in renewable energy.

Mr Deputy President and Senate colleagues, it demonstrates just how much community support there is for adopting a uniform system throughout Australia—a national feed-in tariff system, but a national gross feed-in tariff system. The COAG performance with net systems is not something that is supported in the community. What we need to get going is a national gross feed-in tariff, and I thank the 17,000 signatories for bringing to the attention of the parliament their commitment to see a national gross feed-in tariff brought in in Australia.

NOTICES

Presentation

Senator Xenophon to move on the next day of sitting:

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 11 August 2009:

That the following bill be introduced: A Bill for an Act to provide for accurate labelling of food, and for related purposes. Food Standards Amendment (Truth in Labelling Laws) Bill 2009.

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

That standing order 18 establishing the Committee of Privileges be amended by omitting paragraph (3), and substituting:

(3) The committee shall consist of 7 senators, 3 nominated by the Leader of the Government in the Senate, 3 nominated by the Leader of the Opposition in the Senate and 1 nominated by other parties and independent senators.

Senator Chris Evans to move on the next day of sitting:

That the following bill be introduced: A Bill for an Act to amend the Australian Citizenship Act 2007, and for related purposes. Australian Citizenship Amendment (Citizenship Test Review and Other Measures) Bill 2009.

Senator Chris Evans to move on the next day of sitting:

That the following bill be introduced: A Bill for an Act to amend the Migration Act 1958, and for related purposes. Migration Amendment (Immigration Detention Reform) Bill 2009.

Senator Conroy to move on the next day of sitting:
That the following bill be introduced: A Bill for an Act to amend legislation relating to telecommunications, and for related purposes. Telecommunications Legislation Amendment (National Broadband Network Measures No. 1) Bill 2009.

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

That the Senate notes:

(a) that 21 July 2009 is the 40th anniversary of the first successful moonwalk, as part of the Apollo 11 mission;
(b) the critical role played by Australian scientists and the Parkes Observatory in supporting this mission; and
(c) in particular, the fact that the majority of the broadcast of the first moonwalk was beamed around the globe to more than 600 million people courtesy of the pictures provided by the Parkes Observatory and its staff.

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

That the Senate notes:

(a) that 21 July 2009 is the 40th anniversary of the first successful moonwalk, as part of the Apollo 11 mission;
(b) the critical role played by Australian scientists and the Parkes Observatory in supporting this mission; and
(c) in particular, the fact that the majority of the broadcast of the first moonwalk was beamed around the globe to more than 600 million people courtesy of the pictures provided by the Parkes Observatory and its staff.

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

That the Senate notes:

(a) that 21 July 2009 is the 40th anniversary of the first successful moonwalk, as part of the Apollo 11 mission;
(b) the critical role played by Australian scientists and the Parkes Observatory in supporting this mission; and
(c) in particular, the fact that the majority of the broadcast of the first moonwalk was beamed around the globe to more than 600 million people courtesy of the pictures provided by the Parkes Observatory and its staff.

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

That the Senate—

(a) condemns the recent violent attacks on Indian students in Australia; and
(b) calls on the Government to continue working with the Indian High Commission, to ensure the safety and welfare of Indian students while studying in Australia.

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

That the Directions in Relation to Coercive Powers, made on 17 June 2009 under section 11 of the Building and Construction Industry Improvement Act 2005, be disallowed. [F2009L02483]

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

**Senators Mason** and **Williams** to move on the next day of sitting:

(1) That the Senate requests the Auditor-General to undertake an urgent investigation of waste and mismanagement of the Building the Education Revolution (BER) program, with regard to:

(a) whether value for money is being achieved in both the program’s job creation and education aspirations, particularly as demonstrated by examples of:

(i) schools being prevented from using local builders, in favour of government-preferred contractors who are charging significantly more for comparable projects,

(ii) tenderers being offered the opportunity to bid for projects outside of their local area, but prevented from bidding for projects in their local area,

(iii) construction costs incurred under the tender program being substan-
(iv) significant consultancy fees being levied by project managers over and above the 1.5 per cent limit that state and territory departments may take for administration costs,

(v) schools receiving funds for maintenance and infrastructure in 2009 when the school will cease to exist in 2010,

(vi) schools being forced by state education departments to accept prefabricated demountable halls that do not meet the needs of the local school community, and

(vii) schools being forced to duplicate existing facilities rather than provide new infrastructure that the school community needs;

(b) whether the Commonwealth Government is exercising sufficient supervision over state and territory governments and block grant authorities in the administration and implementation of the BER in order to prevent mismanagement and minimise waste;

(c) whether the Commonwealth’s guidelines for the program are appropriate where:

(i) certain categories of school (for example, distance education schools and secondary campuses of multi-campus schools) are ineligible for funding irrespective of their comparative level of need or ability to deliver projects,

(ii) schools wishing to spend School Pride maintenance funds on energy-efficient air-conditioning or heating are explicitly prevented from doing so, and

(iii) principals and governing council members feel they are prevented from raising concerns about BER projects for fear of losing funding for their school; and

(d) any other examples of waste and mismanagement by either Commonwealth, state or territory governments in relation to this program that the Auditor-General deems relevant.

(2) That the Auditor-General is requested to respond in a timely manner in order for the public to be fully informed of the program in advance of further parliamentary scrutiny of the issue.

Senator Siewert to move on the next day of sitting:

That the Senate notes that:

(a) the cruel slaughter of Namibian cape fur seals is due to commence on 1 July 2009, with a quota of 91,000 seals set to be killed;

(b) the market for Namibian cape fur seal skins has collapsed over recent years due to lack of demand and import bans in the European Union, the United States, Mexico and South Africa because of the cruelty involved in the sealing methods; and

(c) the continued involvement of Australian-based fur and skins company, Hatem Yayuz, as the last remaining buyer of the skins.

Senator Ludwig (Queensland—Manager of Government Business in the Senate) (3.37 pm)—I give notice that, on the next day of sitting, I shall move:

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

Coordinator-General for Remote Indigenous Services Bill 2009

Migration Amendment (Abolishing Detention Debt) Bill 2009

National Greenhouse and Energy Reporting Amendment Bill 2009

Private Health Insurance Legislation Amendment Bill 2009.

I also table statements of reasons justifying the need for these bills to be considered dur-
ing these sittings and seek leave to have the statements incorporated in Hansard.

Leave granted.

The statements read as follows—

STATEMENT OF REASONS FOR PASSAGE IN THE 2009 WINTER SITTINGS
COORDINATOR-GENERAL FOR REMOTE INDIGENOUS SERVICES BILL 2009

Purpose of the Bill
The bill establishes the new statutory position of Coordinator-General for Remote Indigenous Services, providing a single contact point to oversight and coordinate the delivery of housing, health, early childhood, welfare and education services to designated priority communities in remote Australia.

Reasons for Urgency
The role of the Coordinator-General for Remote Indigenous Services will drive the implementation of the Council of Australian Governments (COAG) Remote Service Delivery strategy, particularly at the Commonwealth level. The COAG strategy was agreed in December 2008 and the Prime Minister announced in his Closing the Gap report to the Parliament on 26 February 2009 that the position of Coordinator-General would be established. Implementation plans are currently being settled with each jurisdiction, with action to proceed from July 2009.

The legislation establishing the position of Coordinator-General is urgently required to provide the strategic central leadership and coordination needed to drive the overall strategy and address the major challenges involved, which include:

- having the authority to work across agencies to cut through bureaucratic blockages and red tape;
- ensuring that new COAG investments, particularly for housing and infrastructure, employment and early childhood services, are progressed in the targeted communities as soon as practicable; and
- ensuring that services are being developed and delivered consistently with the methodology agreed by COAG.

The Coordinator-General position is also needed quickly to establish critical monitoring and reporting mechanisms underpinning greater transparency and accountability, and to establish strong working relationships with heads of agencies at both Commonwealth and State level.

The outcome of the selection process for the position was announced on 18 June 2009.

It is critical that requisite statutory powers are in place to equip the selected applicant with the necessary authority to fulfil the requirements of the position.

(Migrated by authority of the Minister for Families, Housing, Community Services and Indigenous Affairs)

MIGRATION AMENDMENT (ABOLISHING DETENTION DEBT) BILL 2009

Purpose of the Bill
The Migration Amendment (Abolishing Detention Debt) Bill 2009 (the "Bill") amends the Migration Act 1958 (the "Act") to remove the liability for immigration detention and related costs for certain persons and liable third parties and extinguish all outstanding immigration detention debts.

Reasons for Urgency
This Bill needs to be considered and passed before the end of the 2009 Winter sittings because it contains significant measures that are of high government priority.

The Joint Standing Committee on Migration recommended in December 2008 that the Australian Government, as a priority, introduce legislation to repeal the liability of immigration detention costs and waive existing detention debts. This recommendation was based on a range of criticisms about the inequalities and inefficiencies of the current regime, with a consensus of opinion condemning the policy as punitive and discriminatory. To ensure the Joint Standing Committee on Migration’s recommendation is actioned, this Bill needs to be considered and passed before the end of the 2009 Winter sittings.

The objective of the detention debt policy was to minimise the costs to the Australian community of detention, maintenance and removal or deportation of unlawful non-citizens by ensuring that
all unlawful non-citizens bear primary responsibility for the costs associated with their detention, deportation or removal. A second objective was to prevent the return of repatriated ex-detainees by requiring them to repay their debt to the Commonwealth (or make suitable arrangements for repayment) as a condition for the grant of a visa for re-entry to Australia. The deterrent objective has not been successful, as only about 3.3 percent of the detention cost has been recovered.

The costs involved in administering this debt regime are a continuing burden on the Commonwealth with no real benefit or deterrence. This Bill must be passed before the end of the 2009 Winter sittings to avoid further costs associated in administering the policy.

(Circulated by authority of the Minister for Immigration and Citizenship)

NATIONAL GREENHOUSE AND ENERGY REPORTING AMENDMENT BILL 2009

Purpose of the Bill
The National Greenhouse and Energy Reporting Amendment Bill 2009 will amend the National Greenhouse and Energy Reporting Act 2007 (the Act) to introduce new provisions to increase flexibility in establishing reporting arrangements under the NGER System prior to the first reporting deadline for the 2008-2009 reporting year; enhance the National Greenhouse and Energy Reporting (NGER) legislative framework for auditing registered entities’ compliance with the Act; and amend requirements relating to the public disclosure of corporate energy information.

Reasons for Urgency
Passage of the National Greenhouse and Energy Reporting Amendment Bill 2009 through Senate during the Winter Sitting period is urgent. The ‘Reporting Transfer Certificate’ provisions increase flexibility in reporting arrangements under the NGER System reduce administration and economic costs on industry for the 2008-2009 year. These provisions need to be established urgently to:

• ensure that industry stakeholders who choose to utilise the new provisions will not have to unnecessarily register with the Regulator (by 31 August) and meet reporting obligations (at some cost), even if a Reporting Transfer certificate is issued at a later date;
• allow adequate time for industry stakeholders to negotiate with concerned parties to transfer reporting obligations, apply to the NGER Regulator (the GEDO) for a ‘Reporting Transfer Certificate’ (RTC) and implement the required systems for gathering data; and
• ensure industry stakeholders that utilise the new provisions the first NGER reporting year (2008-2009) will not have to amend their reporting arrangements (at some cost), prior to the commencement of the CPRS in July 2011.

The NGER external audit legislative framework must to be in place by September 2009. Passage in the Winter Sitting period would:

• ensure potential NGER auditors have adequate lead time to prepare and register with the Regulator to undertake audits;
• enable the Regulator to establish the required processes and systems to commence audits immediately following the submission of Year One NGER reports (mandated by 31 October 2009); and
• allow time prepare, consult and finalise the subordinate legislation.

(Circulated by the authority of the Minister for Climate Change and Water, Senator the Hon Penny Wong)

PRIVATE HEALTH INSURANCE LEGISLATION AMENDMENT BILL 2009

Purpose of the Bill
The bill amends the Private Health Insurance Act 2007 to allow insurers to offer extended family policies that cover non-student children between the ages of 18 and 25 for an additional premium cost. The bill also contains consequential amendments to the Private Health Insurance Act 2007 in relation to the National Joint Replacement Register Levy.

Reasons for Urgency
National Joint Replacement Registry

CHAMBER
The bill includes consequential amendments to the Private Health Insurance Act 2007 in relation to the administration of the National Joint Replacement Register Levy which is proposed by the Private Health Insurance (National Joint Replacement Register Levy) Bill 2009, which was passed on 18 June 2009.

The purpose of the levy is to enable the recovery of the costs of operating the National Joint Replacement Register. Sponsors cannot be levied until both bills are passed and receive Royal Assent.

Extended Family Policies

In 2007, at the request of insurers, extended family policies (which allow insurers to charge a higher premium for family policies that cover adult children aged 18 to 25 with no partner, who are not full-time students) were introduced on a transitional basis. The premium charged for this type of family policy is higher than the premium for a family policy covering dependent children, but lower than the cost of an additional separate policy for the adult child. In December 2008, the transitional arrangements were extended to 31 December 2009 to enable continuity until the policy could be made permanent by amendments to the Private Health Insurance Act 2007. The bill will allow insurers to offer these extended family policies on a permanent basis.

If the bill does not progress, the transitional arrangements for extended family policies will not be able to be made permanent. A discontinuation of the policies would lead to increased private health insurance costs for such families and may lead to a reduction in private health insurance coverage for people aged 18 to 25.

(Circulated by authority of the Minister for Health and Ageing)

Senator Milne to move on the next day of sitting:

That there be laid on the table by 4 pm on 11 August 2009:

(a) any documents or advice prepared by or for the Department of Foreign Affairs and Trade (DFAT) or the Department of Agriculture, Fisheries and Forestry (DAFF) since the Government came to power, relating to legal and policy issues surrounding illegal timber imports and options for addressing such imports;

(b) all material provided to the Centre for International Economics relating to the development of the Regulatory Impact Statement for illegal timber legislation options; and

(c) any correspondence from or to DAFF or DFAT, relating to illegal timber imports since the Government came to power, including but not limited to correspondence from other departments.

Senators Ian Macdonald and Boswell to move on the next day of sitting:

That the Senate calls on the Government to fix by Proclamation, a day, not later than 31 July 2009, on which the provisions inserted into the Great Barrier Reef Marine Park Act 1975 which treat as spent, certain convictions relating to offences against former section 38C of that Act which were passed through the Senate on 11 November 2008 and adopted unanimously by the House of Representatives on 12 November 2008, commence.

Senator Milne to move on the next day of sitting:

That the Senate calls on the Government to implement its policy to insert a greenhouse trigger into the Environment Protection and Biodiversity Conservation Act 1999.

Postponement

The following items of business were postponed:

Business of the Senate notice of motion no. 1 standing in the name of Senator Xenophon for today, proposing a reference to the Standing Committee of Senators’ Interests, postponed till 25 June 2009.

Business of the Senate notice of motion no. 2 standing in the name of Senator Colbeck for today, proposing the disallowance of the Export Control (Fees) Amendment Orders 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...

General business notice of motion no. 479 standing in the name of Senator Xenophon for today, relating to the consideration of legislation and the hours of meeting and routine of business for 13 August 2009, postponed till 25 June 2009. General business notice of motion no. 480 standing in the name of Senator Xenophon for today, proposing an order for the production of documents by the Productivity Commission, postponed till 25 June 2009.

COMMITTEES
Privileges Committee
Reference
Senator HEFFERNAN (New South Wales) (3.41 pm)—I move:
That the following matter be referred to the Committee of Privileges:

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.

Question agreed to.

The DEPUTY PRESIDENT—I have from the President some letters that require tabling in relation to the motion moved by Senator Heffernan to the Privileges Committee and so in connection with that matter I complete the documentation by tabling the two letters from Senator Heffernan in which he raised the matter under standing order 81.

SUDAN
Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (3.44 pm)—I seek leave to amend general business notice of motion No. 478 standing in my name.

Leave granted.

Senator BOB BROWN—I move the motion as amended:

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; and
(c) calls on the Australian Government to prioritise humanitarian funding to Sudan.

Question agreed to.

COMMITTEES
Education, Employment and Workplace Relations Legislation Committee
Extension of Time
Senator MARSHALL (Victoria) (3.45 pm)—I move:

Question agreed to.

Finance and Public Administration References Committee
Extension of Time
Senator BERNARDI (South Australia) (3.45 pm)—I move:
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.

Question agreed to.

CLIMATE CHANGE
Senator MILNE (Tasmania) (3.46 pm)—I move:
That the Senate calls on the Government to task the Department of the Treasury with modelling the cost of achieving greenhouse gas emis-
sion cuts of 40 per cent below 1990 levels by 2020 and to present the information to the Senate by 11 August 2009.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (3.45 pm)—by leave—The Rudd government has already undertaken the largest economic modelling exercise in Australia’s history. Given that fact, the government does not intend to undertake further modelling and believes it is now time to get on with the huge job of reducing Australia’s emissions.

Question agreed to.

Senator O’BRIEN (Tasmania) (3.47 pm)—by leave—The government would and did vote against this motion. We recognise that the Greens and the opposition together are voting it for and therefore the numbers go with the motion.

PARTHENON MARBLES

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (3.48 pm)—I move:

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 XENOPHON (South Australia) (3.48 pm)—by leave—I move:

Omit the words “so-called ‘Elgin Marbles’” substitute “the Parthenon Marbles”.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (3.48 pm)—by leave—I note this very reasonable amendment and Senator Xenophon’s Grecian earnestness. I am very happy to accept the amendment.

Senator Joyce—I just want to say that I feel wonderful about the whole day!

The DEPUTY PRESIDENT—You need to seek leave to say anything, Senator Joyce, so let us not confuse the issue. The question is that the amendment moved by Senator Xenophon be agreed to.

Question agreed to.

The DEPUTY PRESIDENT—The question now is that the motion moved by Senator Bob Brown, as amended, be agreed to.

Question agreed to.

DIGITAL BROADCASTING

Senator LUDLAM (Western Australia) (3.50 pm)—I move:

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

(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.

Question agreed to.

Senator O’BRIEN (Tasmania) (3.50 pm)—by leave—The government oppose this motion. We did not call the division, recognising that the opposition and the Greens together voting for it gave it a majority.
TRADE PRACTICES AMENDMENT (GUARANTEED LOWEST PRICES—BLACKTOWN AMENDMENT) BILL 2009

First Reading

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (3.51 pm)—I move:

That the following bill be introduced: A Bill for an Act to amend the Trade Practice Act 1974 to reduce predatory pricing by requiring corporations to offer and supply products at consistent prices across adjacent markets and for related purposes.

Question agreed to.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (3.51 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 JOYCE (Queensland—Leader of the Nationals in the Senate) (3.52 pm)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

Small business in this nation has been under a sustained and carefully orchestrated attack for years, where larger, often retail giants, put ever increasing pressure to bear on smaller independents—who are mostly “mum and dad” businesses.

These mum and dad businesses are the lifeblood of the community, especially in rural and regional Australia. They are the forgotten people considered to be dispensable by the free marketeers.

This pressure is exerted in two ways.

Big business will engage in relentless predatory practices where they deliberately under cut the price of the small business so that over time one of them is driven out of business.

Such an example is the petrol retailer Marie El-Khoury located in the western Sydney suburb of Blacktown, where Marie must pay a terminal gate price for her fuel which is higher than that sold at the retail level by the larger company owned service stations. The oil companies and the major supermarket chains can sell fuel at a retail price which is often below terminal gate price at which petrol is sold by the oil companies to independents.

Such a practice ultimately leads to the demise of full competition and that leads to higher prices to consumers and the market is taken over by retail giants. This anti-competitive practice does not serve the interest of small business or consumers such as motorists. But it does allow the retail giants to profiteer over time.

Through the efforts of Senator Nick Xenophon and myself, the phenomenon known as Geographic price discrimination is widely recognised as a further pressure tactic used to diminish competition between independents and retail giants.

This occurs where big business charges a lower price where competition from independents exists in a given area, but charge higher prices in adjacent areas where there is no independent operator. Over time, geographic price discrimination will lead to the demise of competition and the independent operator, allowing the retail giant to then set prices without any competitive pressure from those independents. The inevitable result is that consumers pay more once the independents are driven from the market.

It is a courageous step indeed when new independent operators seek to enter the geographical area, marketing lower prices and heralding the return of competition. However, the retail giants simply return to the practice of geographic price discrimination—squeezing the cash flow of the new independent business and driving them from the market.

This creates an entrepreneurial wasteland—rarely will an independent be willing to suffer such losses and worse the banks are unwilling to support those willing to take the risk.
Therefore, irrespective of whether it is predatory practices or geographic price discrimination that is applied against small independent operators, the result will be the same, no competition, a bad deal for consumers and a greater opportunity for the big business to profit at the expense of consumers.

I am therefore rising today to co-sponsor the Trade Practices Amendment (Guaranteed Lower Prices-Blacktown Amendment) Bill 2009. This is known as the Blacktown Amendment, in reference to not only the suffering of Marie El-Khoury in Blacktown, Sydney, but all long suffering small businesses across this country.

The Blacktown Amendment is designed to curb the anti-competitive practice of geographic price discrimination. The Blacktown Amendment proposes to ensure that big businesses will charge the same price for the same product in the same geographic region, which is within 35km radius of adjacent retail outlets operated under the same trading name by a corporation or related entity. Same price includes any offer based on a discount, rebate, credit or allowance offered to customers.

By way of example, the oil company owned service stations must charge the same price in a geographical area, stopping the practice of targeting the independents to drive them out of business so that the oil company or the retail giants can then control the retail market in that area to the detriment of motorists.

This will encourage competition, where consumers can win by getting the benefit of lower prices across the same geographic area.

Those who are sceptical of the success of this Bill should note that there are exemptions to accommodate perishable goods, end of line or “deleted” items and of course franchised operations where the franchisee operates 5 outlets or less with the 35km radius.

The Blacktown Amendment will send a strong message to the oil companies and the retail giants that they must not play games or take consumers and small businesses for granted.

Senator JOYCE—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MARRIAGE EQUALITY AMENDMENT BILL 2009

First Reading

Senator HANSON-YOUNG (South Australia) (3.52 pm)—I move:

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.

Question agreed to.

Senator HANSON-YOUNG (South Australia) (3.53 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 HANSON-YOUNG (South Australia) (3.53 pm)—I seek leave to table an explanatory memorandum relating to the bill and a petitioning document entitled Equal rights for all: support same-sex marriage, end legal discrimination, signed by over 30,000 petitioners.

Leave granted.

Senator HANSON-YOUNG—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

The Marriage Equality Amendment Bill 2009 will remove all discrimination from the Marriage Act 1961 on the basis of sexuality and gender identity, to permit marriage regardless of sex, sexuality and gender identity.

The Australian Greens believe that discrimination such as that espoused by the current Marriage Act 1961 must be overturned to ensure that freedom
of sexuality and gender identity are recognised as fundamental human rights, and that acceptance and celebration of diversity are essential components for genuine social justice and equality to exist.

Only last week, a new poll, commissioned by Australian Marriage Equality, and conducted by Galaxy, highlighted that three in five Australians are in support of the right of same-sex couples to marry, with 58 per cent arguing that Australian law should recognise same-sex marriages that are legal in other countries.

Surely the argument espoused by many that marriage equality does not have the support of the majority of Australian’s is now redundant.

It is clear that it is time for the federal parliament to catch up with public opinion and move to make same-sex marriage legal.

Forward thinking companies, such as Westpac, Telstra, the Commonwealth Bank, Qantas, IBM and Seek have all extended benefits and entitlements to all employees, regardless of their partner’s gender, including the recognition of same-sex marriage.

So why the delay from a Government who should be leading the progression of social policy, not floundering well behind?

Two years ago, former Greens Senator Kerry Nettle, introduced the Marriage (Relationships Equality) Amendment Bill 2007, on which this Bill is based, aiming to remove from the Marriage Act 1961 discrimination on the basis of sexuality and gender identity, and to permit marriage regardless of sexuality and gender identity.

The purpose of the Marriage Equality Amendment Bill is to recognise that freedom of sexuality and gender identity are fundamental human rights, as well as promoting acceptance and the celebration of diversity.

Those opposed to same-sex unions argue that it would destroy the ‘sanctity’ of the institution. In countries which have recognised same-sex unions for a reasonable period of time, heterosexual marriage still exists and the institution has not fallen into disarray.

Despite some old-style criticism based on discrimination, the sky has not fallen in.

Many other Western countries, such as Canada, the Netherlands, Sweden, Belgium, Norway, Spain, South Africa, and many states in the United States already recognise same-sex marriage as a reality, proving that Australia would not be the first to take this step, instead we would be following a global trend in ensuring that marriage is available to all—regardless of one’s sexuality.

It is outrageous to think that someone who was legally married in Canada can step off the plane at Sydney International Airport and no longer be considered married under Australian law.

Recently a couple from Victoria, who have been together for nine years, wrote to my office in support of the Greens’ moves to introduce a Bill to remove discrimination from the Marriage Act, highlighting the importance of being able to marry here in Australia.

The following is an excerpt from Rodney and Jeff’s story:

“We will marry. That we are certain of. Unfortunately, it won’t be in Australia. Unfortunately, it won’t be recognised by our Government. Marriage equality is needed in Australia to meet the obligation that all members of Parliament claim, that is equality.

I urge that you pass this message on to your colleagues in the House and Senate, and remind them that we are real people, with real families, we pay real taxes and contribute to our community … and we deserve equality.’’

Jen and Julia have also expressed their support for the Greens pursuing marriage equality, voicing their distress at not being legally recognised as a couple in their home country.

“In Canada, we will be legal spouses, but once we return to Australia our marriage ceases to be acknowledged for all legalities as defined in the Australian Marriage Act.

Canada and Australia are as rich as they are culturally diverse. It is our hope that Australia follows Canada’s Civil Marriage Act and redefines civil marriage rights to same-sex couples living in this country, so our marriage can be celebrated and recognised in Australian law, as it is in our second home ‘Canada’.”
These two stories, along with thousands of others, highlight just how discriminatory the Marriage Act can be for those same-sex couples who are engaged in a loving and committed relationship, voluntarily entered into for life, and denied the basic right afforded to married heterosexual couples.

While in the past year there have been some historic leaps forward in terms of removing discrimination against same-sex couples in Australian law, there remains one glaring omission from those advances—marriage.

It is time for the Government to start sending the message that all Australians are to be treated fairly and equally, regardless of their sexual orientation.

The community are streets ahead of the legislature in recognising the rights of same-sex couples to marry, and it is time for the major parties to listen to the voters of Australia, and finally extend the legal right to marry to all.

I commend the Bill to the Senate.

Senator HANSON-YOUNG—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MATTERS OF PUBLIC IMPORTANCE

Economy

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

The inability of the Rudd Government to control spending and manage bad debt.

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 WILLIAMS (New South Wales) (3.55 pm)—It is with pleasure that I rise to speak about the debt that this nation is being plunged into. I spoke some months back about Labor’s traditional management of money. I look back on the history at a federal level; when have the Labor Party in government ever reduced a debt before they were thrown out of government? I look back at the Whitlam era and I see the outrageous borrowing and spending back in the seventies. Of course the Whitlam government was thrown out by a huge majority. Then I look at the Hawke-Keating government. Mr Keating was the so-called world’s greatest Treasurer at the time, the very same time when I was paying 25.25 per cent interest rates along with my brother and our families on the land.

I believe the debt was around $36 billion in 1983, when the Hawke government was elected, and by the time Labor was thrown out 13 years later that debt had grown to a massive $96 billion, growing at a rate of $10 billion a year.

I referred to this growing of debt, mortgaging our children’s futures away, in my maiden speech to the Senate on 15 September last year. I drew an analogy between running the family farm and running our country. I said that if a family farm carries too much debt then when the tough times come it cannot survive financially. That is what is happening now. We have seen this government in this current financial year budget for a surplus of $22.5 billion, but the reality is that when this financial year concludes in only a few days time there is going to be around $30 billion of debt—a turnaround of more than $52 billion in the 12 months of this current financial year.

In the following financial year the budget forecast is for a deficit of $58 billion, so we
are going to see $112 billion or $113 billion in government debt within 12 months. It took the previous government 10 years to pay off the $96 billion debt, and the forecasts are that the gross debt of this government will rise to a massive $315 billion. Let us look at an interest rate of just six per cent. Six per cent interest on $300 billion is $18 billion a year, and we will be looking at another $900 million for the extra $15 billion, so we are going to be looking at about $19 billion a year if this is allowed to proceed—to pay interest only. The point I make is that, in the future, when a government sets a budget it will have to take out almost $19 billion—assuming interest rates are not above six per cent—before they pay one nurse in an aged-care facility, before they put one bullet in the rifle of one of our soldiers. Before they pay anything at all, they have to find $19 billion, and that is without paying even one cent of principal off the debt. These are frightening figures.

The alarming thing about all this is that, when the whole economy turns around—and hopefully that will be soon—the recovery is going to be very slow. Because we will have such a huge debt, no doubt taxes will have to rise. Because the government is borrowing up to $3 billion a week, that in itself is putting enormous upward pressure on interest rates. Money is like any other commodity: when demand exceeds supply, its price rises. We have seen the government causing huge demand for money through its outrageous spending. But you can see that is nothing new if you look back to state governments in the eighties and nineties. I remember well when Victoria basically went bankrupt with a $60 billion debt. South Australia was the same, Western Australia was the same and Tasmania is also included—of course, all under the careful financial management of the Labor Party. As the debt continues to build, the big question is: who is going to pay it off?

I want to make a point about where this money is being spent. There have been questions during question time about Building the Education Revolution and where the money is going. I am not going to name anyone, but I am going to give an example of how Building the Education Revolution is a farce. We have all read and heard about schools getting facilities they do not need because there is nothing wrong with the existing ones. What about the inflated prices being tendered and accepted? I can give one instance in north-west New South Wales where a reputable licensed builder tendered for a covered outdoor learning area, a COLA, at a particular school. His tender for this COLA, with walkways included, was $60,000. But his quote was not in the ballpark of the accepted tender.

A Sydney firm came in with a price of $228,000, and that did not include the walkways. Guess who won the tender? It was not the local builder in north-west New South Wales, with a tender of $60,000 to build the COLA, including the walkways. It was a Sydney firm, whose tender excluded the construction of walkways, with a tender of $228,000—four times the price. The small builder was a reputable licensed builder who I believe had done substantial work for the public sector prior to applying for this tender. This scenario has been played out in many schools in north-west New South Wales. This Sydney firm is getting many of the school contracts, so how is the Australian taxpayer getting value for money? This Sydney firm is winning these contracts with hugely expensive quotes, far above local builders’ quotes. That, to me, is a blatant waste of not only taxpayers’ money but borrowed money as well.
Surely, if the government were going to plunge our future generations into debt, they would spend the money wisely. They would put it into infrastructure—rail, road, ports and all the things we need to give us a more efficient economy—so we can earn more later and have some hope of paying the interest and principal on this debt. But, no, it is being wasted on things like school buildings, where builders tender $60,000 to build a project, including walkways, and the company that gets the tender charges $228,000. That is a disgrace, and I can assure you, Madam Acting Deputy President, that when we return in August you are going to hear many more of these cases. It is time that the Senate had a good look and an inquiry into why these sorts of tenders are being accepted and why money is simply being wasted, with people who tender at four times the value actually winning the tender. To me, that is disgraceful. As I said, you will not see the money going into useful things. Do you notice where this money is being spent?

Senator Bernardi—Poker machines.

Senator WILLIAMS—I have no doubt, Senator Bernardi, that with the cash splashes much of it went into poker machines at the Inverell RSM Club—an extra $47,000, I think, over a fortnight. Of course it went in there, but that is what they call 'stimulating the economy'. When we are spending and borrowing this amount of money and not spending it wisely, I ask: what are we doing to our children’s future? It is our children who will have to pay for this. What legacy are we going to leave them? We have school constructions that cost four times the price that they could have been built at. That is why I find this so wrong. No doubt when we return in August more will be said about this as we get more details feeding in to us, and we will highlight how good the government are at wasting money.

Senator O’BRIEN (Tasmania) (4.04 pm)—I thought the National Party would be the last party to come in here about the need to spend and invest to save an asset. The asset that Labor is prepared to invest in and spend on is the Australian people. A farmer with dying sheep because of a lack of fodder in a drought borrows money to feed them. It might be that they are imposing debt on those who come behind, but Senator Williams would tell me—

Senator Williams—They don’t pay four times the price for their fodder.

Senator O’BRIEN—Let me say this: Senator Williams would be the first to defend those farmers who have borrowed against the equity of their property to keep their heads above water. The Australian government is borrowing money at the moment because we are in an income drought caused by the global financial crisis. A $210 billion fall in income—that is the sort of income drought that this government is facing. This government is prepared to invest in the Australian people to make sure that hundreds of thousands of people do not end up on the unemployment scrapheap, that families are able to pay their mortgages, that families are able to keep food on the table, that people are kept in jobs and that there is investment in our schools, which apparently Senator Williams does not support.

Senator Williams—Four times the investment?

Senator O’BRIEN—At least he is being honest in here, saying he does not support the investment in Australia’s schools. But, for the photo opportunities, his colleagues are going to school after school where projects are opening because of these investments. They voted against the measures in this place and the other place, but they want to be associated with them when they are being given effect out there in the commu-
nity, because they know that the Australian community support them.

I said that this government faces lost income of $210 billion. This is unprecedented. If we were to do what those opposite suggest and not borrow, then what would we do? Would we cut our defence budget? Would we cut our education budget? Would we cut our health budget? Would we do all of those things? Is that what those opposite are really suggesting? Are they suggesting that we should stop the services to the country? Are they suggesting that we should stop those incomes? We would have to put a lot of people out of work. We could stop those incomes going out to those communities that Senator Williams represents. Would those people stop spending at the businesses that support those communities? Would those businesses then close? Well, of course they would! But those opposite do not give a toss about the outcome of such a very callous approach to the Australian economy.

Frankly, when Senator Williams stood up and said, ‘It is with pleasure that I rise to speak about the debt Australia is experiencing,’ I thought, ‘That says it all.’ This is political opportunism by those opposite. They see this as an opportunity to talk about the debt but not about the reasons why it has to be incurred and not about the impact on Australians if we do not incur it. That is the dishonesty of the position of those opposite. They want to tell the Australians, ‘Oh yes, you’re experiencing some debt, and this is profligate; this is terrible.’ They are not prepared to say that the cost of not going into debt would be thousands upon thousands of people being out of work, people losing their houses and businesses closing down right across the country, particularly in regional Australia.

There has been some talk about the impact of the stimulus measures. We have seen the figures on retail spending around the country and there are all sorts of apocryphal tales about money going into poker machines. I am sure some people spent the money that way—I am sure some people will always spend money that way—but the facts show that all comparable economies experienced a fall in retail spending late last year and early this year, while Australia saw an increase. There are hundreds and thousands of shop assistants who depend on retail spending for their jobs. Those opposite are content to see them out of work. Those opposite are content for people in the retail sector to lose their jobs, because it suits their political argument. What they would like to say is: ‘Let’s forget about what is happening around the world. Let’s forget about the millions of people who’ve lost their jobs because of the global financial crisis. It’s all Labor’s fault.’

Senator Bernardi—It is!

Senator O’BRIEN—They do it all the time! That is their mantra. Senator Williams says it again: ‘It is all Labor’s fault.’

Senator Williams—It was someone behind me!

Senator O’BRIEN—According to those opposite, there is no global financial crisis. Let us be frank: they live in their own thought bubble. All they are thinking about is the interests of the coalition and how they can position themselves for the next election—nothing to do with the good of the people they purport to represent, nothing to do with the farmers who, frankly, are getting the benefit of the investment allowances. People out there are spending and they are prepared to borrow because they can see this will end. They can see the advantages that are going to come. And who is benefiting from that? Of course, there are all the dealers in rural Australia and all the people they employ. They are getting the benefit as well. There are more people staying in jobs be-
cause of this stimulus. And then, for heaven’s sake, we are spending on schools—which, of course, Senator Williams says he does not support.

**Senator Williams**—You are wasting the support!

**Senator O’BRIEN**—Frankly, millions of dollars of spending on schools is needed because Senator Williams’s side of politics, when in government, refused to do it. Millions and millions of dollars need to be spent in these areas. We will come back to your proposition about waste, Senator Williams. We have heard a lot of things being said here and we have heard allegations that certain prices have been quoted that are somehow better than the quotes that have been accepted. Well, watch this space, because I can say that there is going to be an awful lot of egg on Senator Williams’s face when all the facts come out.

In terms of the proposition that Australia has unmanageable debt, we have a deficit of just 4.9 per cent of GDP, the lowest among the economies we are being compared to. The United States is at 13.6 per cent of GDP, Japan is at 9.9 per cent and the UK is at 9.8 per cent. If we are doing a bad thing then the rest of the world is about to go under, according to Senator Williams. We are talking about a government in this country which has a clear fiscal strategy to return the budget to surplus once the economy begins to recover. It allows for revenues to recover naturally. One of the main problems, as I said earlier, is that we face lost income of $210 billion. As the revenues recover, the ability of the economy to return to surplus is great. If we hold spending growth at two per cent per year until the budget returns to surplus, we will do it even quicker.

**Senator Williams**—We will never see it while you are there!

**Senator Bernardi**—You like the sound of your own rhetoric!

**Senator O’BRIEN**—Let us forget about the doomsayers over there, because all they are about is a political argument which is seeking to position them for the next election. As I said, they have no regard for the mothers and fathers of Australia, the kids, their schools, the businesses right across the country and regional economies—none of that. They would be very content if we were prepared to do what they espouse, which is to sit on our hands and do nothing. Let us admit it: Treasury’s forecast is that, if we did not spend the stimulus package, the equivalent of two MCGs full of people—or even more—would be unemployed. In effect, two MCGs full of people would be added to the unemployment queue. That is what they want, and the reason they want it is so they can go to the next election claiming that unemployment has gone up and say that it is all Labor’s fault.

Senator Williams wants us to put blinkers on. I have got horses. They wear blinkers, but they are not as big as the ones that Senator Williams wants us to wear. He wants us to put a blindfold on. He wants us to say, ‘There is nothing happening outside Australian shores, there is no reason for income to have fallen and there is no reason for people to be concerned about the money that they are spending.’ All we need to do is blame it on Labor—that is the proposition that lies behind this ridiculous matter of public importance. The fact of the matter is that the coalition should be ashamed—and, every time they turn up to a photo opportunity, we will remind them.

**Senator BERNARDI** (South Australia) (4.15 pm)—May I start my contribution by offering my congratulations to you, Madam Acting Deputy President Brown, for staying awake during what was a less than spirited
defence of this government’s terrible, terrible spending pattern. The matter of public importance we are discussing is:

The inability of the Rudd Government to control spending and manage debt.

When I read that, I wondered if it was worthy of debate, because it is so obvious to the Australian people—the men and women, the parents and the children—that this country is being mismanaged and is sinking into a quagmire of debt. But then it occurred to me that there is no need to reinforce the message, because the message is already resonating with the good people of Australia; it is already sinking in. However, we do need to awaken the slumbering, former economic conservatives on the other side of the chamber who refuse to see the peril into which they are placing this country. The peril is stark. We cannot dismiss the facts. The government are already getting into debt of $315 billion. At least they acknowledge that. We also know that they are full of hyperbole, and so we suspect the ultimate debt will be much larger than that, but we will have to leave that to posterity.

Our nation is facing a record deficit of $58 billion. The Rudd Labor government are spending $58 billion more than they take from the people. What do they have to show for it? Not much thus far, let me tell you. They have sent out $900 cheques right across Australia to people who are alive or dead, to pets, to people who are in Australia or have departed Australia. That is a shameful act. Senator O’Brien was earlier boasting about his horses. I suspect they might have got a $900 cheque if other pets have been getting them. They would probably earn you more money that way than if you had a bet on them. But that is another thing altogether.

What we have here is a government that is plunging Australia into record levels of debt. Frankly, I was quite happy to oppose the $42 billion cash splash because it is misspent money. It is misallocated money. Fourteen million dollars went to 15,934 deceased people and their pets. Nearly 16,000 people who are no longer alive, or their pets, got $900 from the Rudd government. That does not seem a very good way to spend money to me. But what about the $25 million of taxpayers’ money—dollars that children and their parents such as those in the gallery are going to have to pay back—that went to 27,000 people who live overseas? Hardly stimulating the Australian economy, is it? There is not much defence of that. The lukewarm contribution from Senator O’Brien was less than spectacular, less than inspiring. We can only hope that the great firecrackers, the firebrands of the Senate—Senator Sterle and Senator Cameron—will not disappoint us. But I suspect, once again, there will be more fire and very little cracker when we hear from them.

The Rudd government are accumulating $300 billion-plus in debt—and they tried to average it away by saying it is net debt. All these technical things aside, let me put some facts on the table. The 10-year bond rate is 5.7 per cent or thereabouts. If the government can be believed—and it is a big if—they are going to have all this debt repaid by 2022. At a rate of 5.7 per cent, principal and interest repayments will result in an interest bill of $83.6 billion over the next 13 years—$83.6 billion will be taken from the taxpayer just so the government can try and guarantee their re-election. I hope that does not work, because the Australian people are actually waking up to the sham that is the government’s economic management.

To pay back this debt, every single Australian taxpayer will have to pay $1,569 every year for the next 13 years because of this government’s spendthrift ways. Yet the government is trumpeting that it has taken some
principled action. Let me tell you this: anyone can borrow more money than they can afford to repay if they are not prepared to accept the consequences. Every man, woman and child in this country, whether or not they are a taxpayer—such as the children in the gallery—are going to have to pay $1,000 a year over the next 13 years to pay back the government’s debt. By the time those children finish university, they will still be paying back the government’s debt. It is that debt that will keep them paying into the government’s coffers. It is the wrong move. The government has sacrificed the future of the Australian economy for immediate gratification. Anyone with an ounce of common sense, anyone who has an understanding of economics or household budgeting, knows that you have to delay gratification in order to build a solid base and provide for the future. Unfortunately, the government is not prepared to do that.

What else are the government doing? Not only are they throwing money around that they do not have to people who will have to repay it three or fourfold—

Senator Williams—Or who live overseas.

Senator BERNARDI—Yes, to people who live overseas and who cannot spend it here. The government are also cutting the opportunities for young people. They are cutting opportunities with the youth allowance changes. They are making it much more difficult for people to pursue their education or to enjoy a gap year. Why is it that the government are happy to send money to people who do not even live in this country, but those who take a gap year and want to work in this country before they go to university are no longer worthy of receiving the government largess? My goodness, the government’s priorities are all wrong. Their priorities are all wrong, and they know it. I can see those on the other side skulking and squirming. Senator Sterle, you put on a brave face but we know you are not happy about disadvantaging country people.

The government are also spending millions of dollars to boost Mr Rudd’s ego by sending envoys around the world to try and obtain him a seat on the United Nations Security Council. He is obviously planning his departure—as are some others in the Labor Party, I might add. The Gillard forces are also planning Mr Rudd’s departure. The government are wasting millions of Australian dollars on fuelling one man’s ego so that he can travel around the world, complaining about meals, complaining that his hair dryer is not ready and talking about how he is the most important person.

Government senators interjecting—

Senator BERNARDI—Madam Acting Deputy President, I know that you, like me, must be disappointed by the quality of the interjections—because they have not really got much substance to them. We are going to hear enormous rhetoric, we are going to hear confected outrage, but the facts are absolutely clear: this government is all about spin. It is a government that is not concerned with the balance sheet of the Australian people. It is concerned about its own balance sheet: how many it has on the front bench and how many can take on ministerial office. Let me tell you, the Australian people are not concerned about that. They are concerned about what the government is doing to unemployment in this country. They are concerned that, after 18 months, this government is so arrogant, so conceited and so formulaic in its self-defence that it has completely lost touch with reality. It is a very disappointing thing for the Australian people.

One of the great challenges, of course, will be for the government to detail to the
Australian people what will happen when the immediate stimulus has worn off, the government and the Australian people are mired in debt and the government have run out of options. It will not have any more triggers to pull, because the Australian economy will be bubbling along the bottom. Do not take my word for it; I am referring to a number of prominent economists who recognise and identify that the Treasury growth forecasts are based on some mythological nirvana and on unprecedented recovery that is unlikely to happen. We know that because eminent people talk about it. When there is a problem in the future and there is no option for this government—nowhere to go—we will be left with its poisonous legacy for decades to come. It took us 10 years of good financial management to pay back only $96 billion of Labor’s terrible debt. There was a $10 billion black hole. And what have we got now? We are sentenced to another ‘intergenerational debt’. The government has sentenced every man, woman and child in this country to a debt burden they do not deserve. It has placed a yoke around their necks and asked them to pull a plough behind them for decades—to salvage its own conscience and to fuel one man’s ego and desire to be an international statesman. It is a fraud. It is a sham and members of the government should be ashamed. *(Time expired)*

**Senator STERLE** (Western Australia) *(4.25 pm)—*I am happy to get up, because one of the last words I think I heard come out of Senator Bernardi’s mouth was ‘fraud’. That is a very strong word for you lot on that side of the chamber to throw around. On a more serious note, I am happy to stand up and contribute to this debate. Before I do, I note that it is quite frustrating and annoying that those on the opposite side of this chamber and the other chamber are doing absolutely everything they can—crossing their fingers—in the hope that Australia does not come out of this global financial crisis, the worst financial crisis the world has seen since the 1930s. They are in absolute denial. The global financial crisis is all over every newspaper and every television station. It is not something you can hide, yet they have their heads in the sand.

The most important thing about the Rudd government’s stimulus packages and their spending was to save jobs. I know ‘jobs’ is a four-letter word that that lot over there have a problem with, but I am proud to be part of a government that will do whatever it can to save any number of jobs it can for working men and women in this country. I really welcome the opportunity for one of that lot on the other side to interject on me now when I start talking about jobs—

**Senator Bernardi**—Unemployment’s going up. What’s your joke on that?

**Senator STERLE**—because in my past life I was proudly not only a truck driver delivering freight around this fantastic country for 11 years as an owner-driver and for four years as a company driver before that; I was organising with the Transport Workers Union. But it was not only me; it was also other great representatives of working people such as Senator Cameron, Senator Evans and, of course, Senator McEwen. There are wonderful things to be said for the opportunity to represent workers, but I have to tell you there is a damn downside. It is when a man or a woman comes up to a union organiser and says, ‘I have just lost my job.’

To the children up there in the galleries: there is no greater pain than to see a parent—a grown man—cry because he has lost his job through absolutely no fault of his own. I use the word ‘he’ a lot because the trucking industry is predominantly male, but I have had it from females as well. To have a grown man come into my office and break down in tears because he has lost his job through ab-
Absolutely no fault of his own is demoralising, Senator Bernardi. Those of you who are born with silver spoons in your mouths have never had to sit there and watch a grown man cry because his job is gone. This is what the whole thing is about. You lot over there have no conscience. You are quite happy to see jobs go. As Senator O’Brien has made very clear, two MCGs full—200,000 workers—have had their jobs saved. Do not make me feel any sicker than I feel listening to the rhetoric and the rubbish that come out of you lot over on that side when we start talking about jobs and employment. You are an absolute disgrace. You are a disgrace to the people of South Australia, Bernardi, and you, Senator Williams, should hang your head in shame. I am waiting for your contribution from that great state of Tasmania, Senator Bushby; that will be very interesting. You won’t say a word, will you?

Opposition senators interjecting—

Senator STERLE—Get out there and tell people that you voted against every chance for Australian jobs to be saved. To have to listen to that rubbish—you sicken me.

I want to talk about the spending. As Senator O’Brien said, half of the spending is going into schools. That lot on the other side do not want to see one single cent spent in a school, but they have their boofheads in every photo they can. They cannot wait for the opportunities to get to the ribbon cuttings. I can just imagine the ‘Bernardi Bugle’ or the ‘Wacky Williams Weekly’. If we see some photos of you anywhere near a school, look out. And do not take that lightly; it will be in this chamber that quickly. It is absolutely shocking opportunism.

What you should be out there doing is going to all those schools in that fine state of South Australia, Senator Bernardi, or New South Wales, Senator Williams, and saying, ‘Ladies and gentlemen, boys and girls, I voted against you having this gymnasium. I voted against you having this library. I voted against you having this undercover area.’ You wouldn’t do that would you? You would not go to one school and own up to that. You are all heroes in here. Take 30 steps out to your right and make those statements. They are disgraceful, that is what they are. I want also to touch on some of the figures that have been bandied around, apart from the 200,000 jobs that have been saved so far—and I hope there will be a heck of a lot more. We are talking about $14.7 million—and if that saves jobs we should be crucified! We should be embarrassed because we have saved jobs!

Another wonderful initiative I want to talk about that is part of the stimulus is the $22 billion national building infrastructure plan.

Senator Williams interjecting—

Senator STERLE—Senator Williams, pull your fingers out of your ears and listen very carefully. If you miss a bit, I will send you an email. But mine you can show. Feel free to flash it around. And I will write it myself; I do not need any moles to write it or flash it around for me. I will actually write it and send it to you, Senator Williams. Part of our national building infrastructure plan goes out to rural and regional Australia. This is where I also have a lot of frustration because in this chamber there is a little war that goes on all the time. You get the doormats in that corner there who stand up and say, ‘We are the ones that represent regional Australia.’ Then you get the other side, their coalition partners, who have been tickling their tummies every time they need something, saying, ‘Don’t worry about the doormats. We represent regional Australia.’ So you can come in here and listen to the rubbish that gets put out, but I want to talk about what a wonderful opportunity this nation building infrastructure package will be to save jobs in rural and regional Australia.
This government knows only too well the fine contribution rural and regional Australia make to Australia’s economy, and I am happy to say that, despite all the gloom and doom in the last 12 months, the agricultural industry is heading upwards. The National Farmers Federation told me the other night in Brisbane just how happy they are that agriculture is on the rise. They are making a wonderful contribution. We are helping them too, because $26 billion will be spent over six years in rural and regional Australia. It is going to be spent on some really worthwhile projects that, lo and behold, will even save jobs—projects like the interstate transport network. For 11 long years that lot on that side did everything they could to ignore the valuable infrastructure of ports, hospitals, roads and railways. What did they do? They did one railway line, and unfortunately it is losing a lot of money. They did nothing else. They sat on the greatest commodity boom in history, with billions and billions of dollars coming from those mines and commodities, and they did nothing with it. They did absolutely not a thing. They call themselves fiscal conservatives, and they are very happy to come in here and lecture us, because we are doing our best to save Australian jobs. We should be applauded for it—not like you lot. Put your head back in the sand; that is the best place for it.

In 2008-09 and 2009-10, $800 million will be going into the Community Infrastructure Program. This will provide critical local infrastructure such as community centres, town halls, parks, playgrounds, pools and sports facilities, and a lot of them will be in rural and regional Australia. That lot over there, the tummy ticklers and the doormats, between them pretend to represent rural and regional Australia. What an absolute joke. In fact, it is not a joke; jokes are normally funny. This is not funny. This is disgraceful. There is $650 million in the Jobs Fund. There is that four letter word again that I keep repeating: jobs. I am sorry, but that is what it is all about: jobs. It is about keeping Australians employed. Not only that, but there is broadband—$43 billion over eight years. How many jobs will that create in rural and regional Australia? How many small businesses in rural and regional Australia will still be able to keep their doors open?

Senator Williams interjecting—

Senator STERLE—Come on, Senator Williams. You tell us you come from a small country town. I know from when I was truck driving that if the grader driver who had four kids left town—and this happened once—the school closed down. What did the baker do when the school closed down? The baker struggled and the roadhouse struggled. So don’t come in here, Senator Williams, with you and your lot pretending to be the saviours of the bush. Don’t come in here and condemn us for saving jobs—(Time expired)

Senator BUSHBY (Tasmania) (4.35 pm)—Senator O’Brien earlier adverts to the fact that he believed that our whole approach over on this side is related to politicking and that we are all about winning the next election. But I can tell you that our approach to this is the responsible approach. If any one party is approaching the issue of addressing the global financial crisis with a view to the next election it is the government. It is the Labor Party, and that is absolutely clear. By borrowing from the future to try and prop up the figures that we see now—to try to keep things looking as good as they possibly can till the next election—they are the only party that is actually making decisions with a view to trying to win the next election. And at what cost to future Australians?

Let us have a bit of a look at that. Treasurer Wayne Swan has told us that he will have balanced the budget in just seven years.
This is unlikely to happen. It is about as likely as him bringing about the enormous surpluses that will be required to pay the $315 billion of gross debt that we will have accumulated and paying that off by the early 2020s. The unprecedented spending cuts that would be required to achieve this fantastical and utterly impossible result would be a standout first for any Labor government in Australia’s history. When Labor is in government, government spends up big, and that is a proven fact. Under Whitlam, spending increased to such an extent that the Commonwealth’s share of GDP went from 19 per cent to 24 per cent. The Commonwealth’s share of the gross domestic product of the whole nation went up by 5 per cent. Thirteen years of Hawke and Keating saw that figure increased to 26 per cent, a figure that was much reduced in subsequent years under the Howard coalition government.

The Howard years saw the rolling back of the Commonwealth’s share of GDP as Costello fought to balance the budget, after Labor left a massive $96 billion worth of debt, and then brought us back into surplus and paid that debt off over the ensuing eight or nine years. We paid it off a couple of years before we lost government. When I arrived in this place in August 2007, in my first speech I said how proud I was to be part of a government that had achieved that. I made mention of the fact that, in 1996, left-wing commentators were saying that it was not so bad to be considered a Third World country—and I think an ex-parliamentary secretary in the Hawke-Keating years compared our economy favourably to the economies of Malawi and Burundi. This was before we were re-elected in 1996; it was before the Howard Liberal years. Over the next 11 years we took Australia from a position where commentators were saying our economy compared well with Third World countries like Malawi and Burundi to a position where we are world leaders.

Senator Chris Evans—What have you got against Burundi?

Senator BUSHBY—Burundi is a fine country but, unfortunately, they do not enjoy the same standard of living as Australians enjoyed under the Howard years. If you want to take our economy back to that state, that is fine, but we will be fighting against it. Here we are, in 2009, under a Rudd Labor government, and all the work that was done under the Howard coalition years has been undone. Commonwealth spending is sitting at a phenomenal 28 per cent of GDP. At $56 billion, or almost five per cent of GDP, next year’s budget is forecast to be our biggest since World War II. But remember that new spending accounts for two-thirds of the projected net debt. Two-thirds of the projected new debt is accounted for by discretionary new spending. More than $124 billion of spending has been added to the bottom line by decisions this government has made which it did not have to make. That needs to be remembered whenever these interjectors raise the points they have raised today.

The thing to remember in terms of where we are currently at and how different it would be if the Labor Party had not won the last election is the conduct of the government during the first 10 months of their term. What was the first thing they did when they got in? Basically they said: ‘Okay, we’ve inherited a great economy. What do we do to label the coalition as poor economic managers? What can we find? Where’s the hole?’ They found one little thing, and that was that there was inflationary pressure—because we had an economy that was going so well. There were small inflationary pressures, but they had found something that they could use. What did they do as a result of that?
They spent the next 10 months talking the economy down.

*Senator Sterle interjecting—*

*Senator BUSHBY—* You deny it now, but go back and look at the comments made in this place during question time all through last year up until October. Look at what Senator Conroy was saying. Look at what was said in the other place about the economy and inflation, and how it was overheating and how we needed to talk it down and how we need interest rates to go up to dampen the economy. What effect has that had? In estimates it became clear. In February last year, the severity of this downturn was made clear. There was a meeting with Dr Henry and the Treasurer at which they discussed what they might need to do. In fact, from memory they were talking about stimulus packages. That is what is on the *Hansard*. That was in February last year, yet for the following seven or eight months they continued to talk down the economy and talk up inflation. They continued to talk about how we needed to deal with the inflationary mess and put the inflation genie back in the bottle, as a result of the Howard years.

What effect did that have on Australia’s economy—that 10 months of talking the economy down? There was 10 months of talking about inflation and interest rate hikes to try and dampen the economy. What effect has that had on government revenues? What effect has that had on jobs? Where would we be today if the government had not spent so much time last year on a political ruse trying to talk down the economy just so it could stick something to the previous government? We are so much worse off now than we would have been if the government had taken a responsible attitude when it first got into power and tried to talk things up and pat us on the back for the good things we had done.

But where are we going now? A simple calculation on a bank debt calculator shows that, over a 20-year loan life, a debt of $300 billion would require repayment of principal and interest of about $25 billion, assuming an interest rate of 4.5 per cent. Let me restate that: over 20 years, with a debt of $300 billion and an interest rate of 4.5 per cent, you would need to pay at least $25 billion a year. So, every year, $25 billion of taxpayers’ money has to be found to repay that debt, assuming you are going to pay it off over 20 years. But the government is not claiming it can pay it off in 20 years. No, the government says it can pay it off in less than 15 years. Even more unbelievable, it says it can achieve this outstanding result without starting to make repayments for a number of years.

The Australian people are expected to believe that a debt of more than $300 billion can be repaid in around 10 years, which would require an annual repayment of over $40 billion a year once repayments start. Even if this were believable, it all rests on future growth projections that are just as fanciful. I ask the government: what if those projections do not eventuate? What if Australia does not get the predicted 4.5 growth for year after year—an unprecedented period? What impact will this have on the government’s ability to repay the $10,000 debt that Labor has racked up against every man, woman and child in Australia? What impact will it have on projected revenues that are earmarked to repay the debt? Even more importantly, what impact will it have on the government’s ability to continue its reckless spending?

As mentioned, Labor governments in this country do not have a great record on fiscal discipline. If these projections do not eventuate, the reality is that they will be borrowing far more than the $315 billion gross debt that has already been disclosed. We have a Prime
Minister who believes that spending, debt and deficit are the answer to the global financial crisis. We have a Prime Minister who would send us into debt, the likes of which has not been seen in this great country’s history. When did Keynesian economics become fashionable again?

Senator Cameron interjecting—

Senator BUSHBY—I know it has been fashionable with Senator Cameron since he was a little boy—when Keynes was around—but when did it become fashionable again? Where is the proof that it works? Which countries has it lifted out of recession? The accelerator theory demand injection approach to fixing the economic slowdown, in the epic proportions that it is being carried out by the Labor government in Australia, is going to leave us with a crippling debt that will dramatically reduce the productive capacity of the economy in the long run and leave us far more vulnerable to any aftershocks that the global financial crisis may introduce down the track.

There are two ways of creating demand: either you can print money or you can borrow it. If you print it, you will end up with inflation—something we will end up with eventually anyway—and if you borrow it then you severely reduce the availability of, and severely increase the cost of, funds for private investment. In the first week of June, 21 economists endorsed the government’s spending program. Some 364 economists gave Margaret Thatcher the same sort of advice in 1981. Fortunately she disregarded all 364 of them and the British economic downturn was subsequently reversed. It is a great shame that Kevin Rudd has not disregarded this advice, as then we would see a reversal on the way. (Time expired)

Senator CAMERON (New South Wales) (4.45 pm)—We have just had half an hour of the coalition economic A-team—Senator Williams, Senator Bernardi and Senator Bushby. And what have we heard from them? Nothing of any intellectual substance. Nothing on any economic position that will take this country forward—absolutely nothing. I will turn first to the contribution by Senator Williams. I see that he has now gone. No wonder he left the chamber after that performance he put in. You know it is typical of the coalition. They do not want to talk about jobs for these kids up here in the gallery. They do not want to talk about the future; they want to talk about the past and they want to talk about scare campaigns. They just want to go back to where they were when they were in government—a bunch of no-hopers with no vision and no plan for this country. When they are in trouble, they always go back to the scare campaigns. Remember children overboard? That is where they go: children overboard. They go back to terrorism when they are in trouble. They go back to refugees when they are in trouble. Recently they went to emails when they were in trouble. But those emails were fakes and forgeries, and they have been caught out in the same way they were caught out with children overboard.

Senator Williams came in here and tried to give us a lecture on rural economics—an economic lecture from the National Party. Senator O’Brien spoke about Senator Williams having blinkers, and we had the horse analogy. Well, let me tell you, when Senator Williams goes back to Inverell, goes back to Armidale, goes back to Wee Waa, or goes back to Tamworth and tells people that he does not want any money spent on the schools in those regional areas, then he will come back not as a horse with blinkers but as a gelding. He will be an absolute gelding. Senator Williams has got an absolute hide coming in here and talking about economics.

I went onto the National Party website. I thought, ‘Let’s have a look at the National
Party’s achievements.’ You know what I got? A list of the National Party’s economic achievements which could not even make three A4 pages—it went for 2½ pages.

Senator Sterle—And that is after 11 years in government.

Senator CAMERON—No, it was not just for the past 11 years—it went from January 22, 1920. In all that time the National Party can only list 2½ pages of achievements. Let me tell you what their big achievements were. Their big achievement is that the National Party has ‘been a stunning success’. We will not need any renovations or any extensions to the parliamentary chambers for their ‘stunning success’, as their numbers diminish week by week out in the bush. They list one of their stunning successes as being that Earle Page remained the second longest serving member of the House of Representatives for the 42 years he was here. That is their economic success: they had somebody here for 42 years. They had Black Jack McEwen here for 36 years and five months. If you want to go and look for their successes, it is about how long their backsides were in parliament. That is their success. Ian Sinclair was here for 34 years and nine months. He is the eighth longest serving member. So those are the economic successes of the National Party. Give us a break! And you come in here and lecture us about economics—lecturing the Labor Party which is doing everything we can to save jobs and to keep this economy strong for the future. Do not come and lecture us when you have got no record of success yourself.

To be honest, I am not one who follows the argument that we should be nice to Peter Costello because this is the week that he has announced he is going. Peter Costello was a stunning failure. Peter Costello was the worst treasurer this country has ever had, because, in a period when this country should have been building the skills of the future, should have been building the infrastructure of the future, and should have been building the roads and railways of the future, what did Peter Costello do? He looked over at Western Australia and Queensland at the resources boom, jumped into his hammock and swung in the breeze for 11½ years doing absolutely nothing. And in that period what did we have? We had a failure of investment in this country. Less than two-thirds of the massive profits that were made in this country during that boom were reinvested for the future. Peter Costello just stood back and said: ‘Everything’s going okay. We’re balancing the budget. You don’t have to invest.’ We had a failure of innovation in this country. We were the fourth lowest country of the OECD in terms of innovation—the fourth lowest of modern countries. That was Peter Costello and the coalition at work.

We had a failure of productivity, even with Work Choices. This lot are so incompetent they could have put slavery in and productivity would not have increased. After Work Choices—after simply trying to force workers to work harder and work longer hours—we still could not increase productivity under this useless mob that is called the coalition. We were amongst the lowest in the OECD in productivity under the Costello leadership. We had a failure of development. Our manufacturing industry was starved of support. Our manufacturing industry went from a position under Labor where we exported 23½ per cent of our elaborately transformed manufactures down to 17½ per cent. The coalition in government were an absolute failure at economics. Do not come here lecturing the Labor Party about economics. You are absolute economic incompetents.

We had a failure of competitiveness, a failure of balance and a huge move of wages to big business, their mates at the big end of town. Take money from workers and give it
to the big end of town, who do not invest—that is Peter Costello. And we had a failure of sustainability when we never took the opportunity, when we should have, to do something about our position on greenhouse gases. We talked about it and did nothing. So nobody from the coalition should come here and try to lecture the Labor Party about economics. You are economic incompetents. You were a failure and you delivered nothing for this country when you had the opportunity to build this country for those kids’ future. You stood back and did absolutely nothing.

What do we do? We reject the neoliberal approach that says you simply have to balance the books, because we understand that you have to invest now and again for the future of the country. We do not make an apology for one cent that we are spending in the schools of Australia. We do not make an apology for one cent that we are spending on the roads of Australia. We do not apologise for one cent that we are spending in our hospitals. We do not apologise for those things, because this is the future of our country. What would you do? You would shut the door, turn the lights off and do nothing. You would do the same as you did for 11½ years: demonstrate your economic incompetence. It was economic incompetence of the highest level that left this country ill-prepared for the global financial crisis. It has been left to Labor to pick up the pieces and build a plan and a strategy for jobs, infrastructure and education. Do not come here whingeing and moaning with your scare campaigns against this government, because we are a good government and we will deliver.

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—Order! The time for consideration of this matter has concluded.

COMMITTEES
Scrutiny of Bills Committee
Report

Ordered that the report be printed.

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

I seek leave to have Senator Coonan’s tabling statement incorporated in Hansard.

Leave granted.

The statement read as follows—
In tabling the Committee’s alert digest No. 8 of 2009 and seventh report of 2009, I draw the senators’ attention to various provisions in the following bills:
• Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2009;
• Renewable Energy (Electricity) Amendment Bill 2009;
• Renewable Energy (Electricity) (Charge) Amendment Bill 2009; and
• Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009.

In relation to the Building and Construction Improvement Bill, the Committee has raised the issue of the independence of the Administrative Appeals Tribunal (AAT). Under proposed new section 45 of the Building and Construction Improvement Act 2005, the Director of the Office of the Fair Work Building Inspectorate may apply to a presidential member of the AAT for an examination notice. Examination notices are provided for under the bill to regulate the Director’s conduct of certain examinations relevant to investigations.
Proposed new subsection 44(1) provides that ‘(t)he Minister may, by writing, nominate an AAT presidential member to issue examination notices under this Division’. The explanatory memorandum and the second reading speech provide no explanation for this variation from the usual practice of the President of the AAT constituting members of the tribunal to hear applications to the tribunal.

However, the second reading speech cites the report by the Hon Justice Murray Wilcox QC, Transition to Fair Work Australia for the Building and Construction Industry (March 2009) (Wilcox Report). The Committee has noted that the Wilcox Report refers (at paragraph 6.9) to the Ministerial nomination of members of the AAT to determine whether to issue telecommunications interceptions warrants that allow specific investigative powers. Justice Wilcox also lists the President of the AAT as a person he consulted in preparing his report.

Nevertheless, the Administrative Appeals Tribunal Amendment Act 2005 repealed a number of special constitution provisions in various Acts requiring the tribunal to be constituted in a particular way, which enhanced the tribunal’s independence. The Committee has therefore sought the Minister’s comments in relation to the reasons for the departure in the bill from the usual practice of allowing the President of the AAT to allocate the work of the tribunal.

The Committee has also commented upon several provisions in the Renewable Energy (Electricity) Amendment Bill, particularly drawing attention to the fact that many elements of the new Renewable Energy Target (RET) scheme are to be regulated in delegated legislation.

The Committee has noted that the RET scheme has been designed in cooperation with the states and territories through COAG. While the Committee recognises the importance of giving effect to national regulatory schemes, it does not regard passage through the COAG process as a sufficient reason to bypass legislative scrutiny. While it is appropriate to include technical and procedural matters in regulations – such as forms (for example, proposed new paragraph 46A(2)(b) of the Renewable Energy (Electricity) Act 2000, to be inserted by item 14 of Schedule 2 of the bill) – the Committee regards substantive changes to the law as a matter for the relevant primary legislation.

For example, proposed new subsection 23B(2) of the Renewable Energy (Electricity) Act, to be inserted by item 6 of Schedule 1 of the bill, provides that ‘(t)he regulations may provide that, in the circumstances specified by the regulations’, the number of certificates created in relation to a small generation unit may be multiplied. The Committee has formed the view that this represents an unduly broad delegation of legislative power and has sought the Minister’s advice on the reasons for delegating the power to determine criteria for issuing certificates.

A similar issue arises with respect to the complementary Renewable Energy (Electricity) (Charge) Amendment Bill 2009 which increases the level of shortfall charge under the expanded RET scheme to encourage compliance with the scheme. Item 1 of Schedule 1 of the bill increases the charge from $40 to $65, and subitem 2(1) provides that the charge ends on 31 December 2030. This has the effect of fixing a long term rate of charge.

Again, while the Committee recognises that the bill gives effect to a national co-operative scheme, the Federal Parliament is not automatically obliged to pass the bill, or regulations made pursuant to it, without giving them due consideration in accordance with federal legislative standards. In the circumstances, therefore, the Committee has left any consideration and determination of this matter to the Senate as a whole.

The Committee has also sought further information from the relevant Minister in relation to the Social Security Pension Reform Bill. Schedule 13 of the bill provides for adjusted taxable income for the Commonwealth seniors health card to include income salary sacrificed to superannuation. Items 2 and 4 of Schedule 13 provide that the substantive amendments in Schedule 13 apply in relation to seniors health cards granted ‘before, on or after the commencement’ of the relevant amendments but do not affect a person’s qualification for a seniors health card before that commencement.

Under principle (1)(a)(i) of its terms of reference, the Committee is required to consider whether
legislation trespasses unduly on personal rights and liberties. A person’s legitimate expectation that government and its agencies will honour expectations that it has created in relation to property is regarded as a human right in many jurisdictions, although approaches to its application vary. The Committee looks to extrinsic materials, including explanatory memoranda and second reading speeches, to understand the balancing of human rights that has produced the outcome in the proposed legislation.

While the explanatory memorandum states that the amendments will have no adverse retrospective effect, the Committee remains concerned about the impact of these provisions on people’s legitimate expectations that government will honour its commitments, especially when those expectations would be affected by legislation having retrospective effect. Therefore, the Committee has written to the Minister to seek advice as to whether further explanation for the retrospective application of the changes might be provided.

I commend the Committee’s Alert Digest No. 8 of 2009 and Seventh Report of 2009 to the Senate.

Question agreed to.

**Senators’ Interests Committee Report**

**Senator ABETZ** (Tasmania) (4.56 pm)—On behalf of Senator Johnston, the Chair of the Standing Committee of Senators’ Interests, and in accordance with the Senate resolution of 17 March 1994 on the declaration of senators’ interests, I present declarations of interests and notifications of alterations of interests in the Register of Senators’ Interests lodged between 2 December 2008 and 22 June 2009 and move:

That the Senate take note of the document.

The Register of Senators’ Interests was introduced, rightly or wrongly, for senators to disclose money, gifts et cetera that they have received. It seems to me, reading the document that has just been tabled, that it would make good sense if there were to be a requirement that actual details be provided. We now have in this place a senator who has been the beneficiary of, on my estimation, over three-quarters of a million dollars in a personal account of which he is the sole signatory—$739,000, but nothing disclosed for about 10 months. The so-called disclosures that we get, making up that $739,000, include such things as ‘anonymous donation, $10,000’, ‘another anonymous donation, $5,000’, and so it goes on. The account is in Senator Bob Brown’s sole name.

If any political party leader in this country, be it Mr Rudd, Mr Turnbull or Mr Truss, had a slush fund of this nature, I know what our friends in the media would do. That man or woman would be pilloried for not having accountability—

**Senator Milne**—Madam Acting Deputy President, I raise a point of order. Senator Abetz just cast a slur on my colleague by referring to his declaration of interests as something to do with a slush fund. I ask that he withdraw that.

**Senator ABETZ**—I am happy to withdraw the term ‘slush fund’. Let it be known that these so-called anonymous donations are being made into an account that stands in the name of RJ Brown and that he is the sole signatory for it. He has now received over three-quarters of a million dollars, which he uses as he deems appropriate. Whether that can be described in the terms that I have just used is, I think, for listeners and others to determine for themselves, and that is why I have been willing to withdraw the comment.

Accountability has been asserted and demanded time and time again in this place and elsewhere, especially by the Leader of the Australian Greens, yet Senator Bob Brown has shown a complete lack of accountability in relation to his own finances. If any other parliamentary leader in this country had processed over three-quarters of a million dollars through his own personal accounts through donations—many of the large ones
just being described as anonymous—there would be an outrage, as there should be. It seems to me that, if we, in this day and age, are saying it is appropriate for parliamentary leaders or indeed any parliamentarian to personally be the beneficiary of such sums and the sole dispenser of those funds, it really does make a mockery of the so-called disclosure laws. Rather than donating to a political party, you are just giving an anonymous donation to a parliamentarian, who will then use the money as he or she deems appropriate. There are other issues of course with Senator Brown’s fundraising. Those matters are, I think, of genuine and great concern, and I have spoken about that in this place before.

It also seems to me that, if somebody makes a so-called disclosure in this place and provides a list of names, it is singularly unhelpful just to provide that list of names without providing the addresses so that those people can in fact be verified. Might I add that those that have been provided to us were only flushed out because I raised this matter in this place some time ago and, as a result, Senator Brown felt compelled to disclose a list of donors. When you have donors like ‘D Smith’ or something like that, it is singularly unhelpful to know whether that is in fact a true person or whether that person resides in Australia or indeed the United States. We do not know where these funds are coming from. And the most glaring and outrageous so-called declaration is when you simply put in ‘Anonymous, $10,000’.

It reminds me of that little activity that the current Treasurer of this country undertook when he was formerly the secretary of the Labor Party in Queensland, trotting around with a paper bag to the Australian Democrats. That is very much on the public record.

Senator Arbib—Be very careful, Eric.

Senator ABETZ—That is very much on the public record, Senator Arbib. Somebody from the New South Wales Right should not be surprised at that.

Senator Arbib—You should really be careful.

Senator ABETZ—Senator Arbib, are you denying that occurred? Of course you are not, because Mr Swan has been in the game of looking after mates for a long, long time. Having said that, let me return to the subject of the matter, and that is Senator Brown and the Australian Greens. This is a matter that I believe Senator Brown now has to come clean on, and any of his so-called anonymous donations should be handed over to consolidated revenue or some other fund and a full disclosure should be made. Sure, the rules allow you to say, ‘I got an anonymous donation of $10,000’ or ‘I got a donation from D Smith’, who just might happen to live in the United States of America. But that is not disclosure in any sense of the word or within the spirit of what is actually being proposed here.

I can understand that people get small gifts. I am the beneficiary of them from time to time. You declare them and say who it was without actually putting a value on them, because you do not necessarily know how much they are worth. But when you are dealing in cash and money you know the exact amount and you know the person who it has come from, unless of course it, very conveniently, is anonymous. If we continue to allow members of this place to say that they have received anonymous donations and, as a result, to escape the Register of Senators’ Interests requirements, or to simply put down names that cannot be verified by way of an address, it seems to me that we are not getting to the situation that this register of interests was in fact designed to get us to.
I call on Senator Brown and the Australian Greens to indicate and say to us that it is not acceptable to put in a list, ‘amount donated through bank, name not disclosed, $10,000’. It must be traceable. You must be able to ask your bank, ‘Where did this money come from?’, and a full and clean declaration of it should be made. Scattered throughout this document are huge numbers of donations. In relation to the report that has just been tabled, I happen to note that about 10 months worth of donations to this personal fund for Senator Brown’s sole use has not been disclosed to us. There is a requirement, as I understand it, to indicate your gifts within a certain period of time, and it is not 10 months.

Given the publicity that he personally sought and gained in relation to this particular fund—trying to get more money—it seems to me that it is vitally important that full disclosure be made by Senator Bob Brown and the Australian Greens, because three-quarters of a million dollars in anybody’s language is big money, huge money. For one parliamentarian to personally deal with those sorts of sums of money rather than deal with them through his or her party’s organisation or through a trust account in a legal firm or an accounting firm, where it can be audited and publicly made available, is something which falls below the threshold of accountability that the Australian Greens so regularly demand of everybody else. But, of course, that is what we know about the Australian Greens—one rule applies to them and another to everybody else, and that is the duplicity which I seek to expose this evening. *(Time expired)*

**Senator MILNE** (Tasmania) *(5.07 pm)*—I rise to comment on the report of the Standing Committee of Senators’ Interests. I preface my remarks by saying that cowardice is not something I admire. I find it cowardly in the extreme that Senator Abetz should use the parliament as cowards’ castle and make all kinds of innuendo and reflections when he knows full well that what he was tabling on behalf of the chair, the declaration of interests, was the information that is being made public for people to consider. I have to reflect that the only paper bag that I know of in Australian politics in recent times was the one that was received by the former Premier of Tasmania—the Liberal Premier of Tasmania—Robin Gray, who accepted—

**Senator Colbeck**—Who’s in cowards’ castle now?

**Senator MILNE**—I am not, because this is a matter of the public record in the Carter royal commission report. I would urge members—

**Senator Abetz**—It’s bad for Robin Gray but it’s good for Bob Brown!

**The ACTING DEPUTY PRESIDENT** *(Senator Crossin)*—Order! Senator Milne has the call.

**Senator MILNE**—Thank you, Madam Acting Deputy President. As I was saying, in the Carter royal commission report, which was a judicial inquiry established after an attempt to bribe a member of parliament to cross the floor, it was revealed in the public interest and on the public record that a paper bag containing approximately $10,000 was handed to the then Liberal Premier of Tasmania, Robin Gray. There was a whole inquiry into the kinds of transactions that took place—including, might I say, those involving the company called Gunns Kilndried Timber at the time and also Examiner-Northern Television. It so happened that the chair of both, Edmund Rouse, kept in the company a cash box of unmarked notes, undeclared, which was revealed in the Carter royal commission. He used that money for matters to advance the companies’ interests, including—and I think this is of extreme interest in the Senate here—for the purposes
of trying to bribe a member of parliament to cross the floor because, as Edmund Rouse said at the time, his companies’ interests in Gunns Kilndried would be adversely affected by the coming to power of the Labor-Green accord, because at the time he was trying to effect a takeover of Kemp and Denning in the forest industry.

So let us not have this kind of innuendo. What is being tabled here is a record of senators’ interests, and in those interests my colleague Senator Brown has declared the interests that he has and, indeed, the donations. Furthermore, as Senator Abetz knows full well, those donations were to pay the legal costs associated with a court case which was brought about because Senator Abetz, when he was the forest minister, was facilitating the logging of the habitat of threatened species—namely, the wedge-tailed eagle, the swift parrot and the stag beetle. The Federal Court found that the Commonwealth was failing to protect those threatened species, and it was then that the Commonwealth—I believe it was Senator Abetz—with the Premier of Tasmania at the time, Paul Lennon, changed the Regional Forest Agreement to undermine what the Federal Court had said. They changed it to say that the Regional Forest Agreement protects threatened species, when the Federal Court had shown that in fact it does not. Once they had changed it retrospectively, it was then Forestry Tasmania that appealed, with the support of the Commonwealth and the Tasmanian Government—Labor and Liberal in there using taxpayers’ money—having retrospectively changed the RFAs, to appeal against the Federal Court decision and have it overturned. Senator Brown’s court expenses were incurred by him in trying to protect the forests’ threatened species because the Commonwealth, under Senator Abetz as the forest minister, was failing to do so.

Furthermore, the Auditor-General found that the forest minister—namely, Senator Abetz—in overseeing the disbursement of Commonwealth funds, had not taken particular care with his own department. It was found that DAFF, the Department of Agriculture, Fisheries and Forestry, had completely mismanaged the disbursement of those funds. The Auditor-General said that they did not disburse those funds in an accountable way and brought in a whole lot of reforms. Senator Abetz was the minister, and apparently he did not take that much interest in what his department was doing, or he would know that there was no proper oversight. The Auditor-General found that there was no proper oversight. So let us not come in here listening to all this innuendo that Senator Abetz is trying to spread in this chamber. In fact, if anyone needs to be accountable, it is Senator Abetz for having spent all that taxpayers’ money in an appeal—the Commonwealth intervention in that case cost the taxpayers $436,000—in order to guarantee that the Wielangta habitat was destroyed and that the Commonwealth sent the wedge-tailed eagle, the stag beetle and the swift parrot closer to extinction.

History will show and the record will show that that money was raised to pay for court cases in the public interest, and the community knows and understands that. That is why the community came forward with such generosity to make sure that those court costs were covered so that Senator Brown and the Greens could continue to do what we do in this place, and that is stand-up for Australia’s natural environment, our threatened species; stand-up to protect ecosystems against the chainsaws in the hands of senators like Senator Abetz and our current forests minister. I will come to that shortly in relation to another statement.

I want to make it very clear that the whole purpose of this register of interests is to have
senators register their interests. That is what my colleague Senator Brown did. The register of interests is there for public scrutiny. It is available publicly. It is disgraceful that Senator Johnston has abrogated his responsibility as the chair to Senator Abetz in the tabling of this report in order for Senator Abetz to make the slurs that he is currently making. If the chair wants to table the report, so be it, but I do not believe that the report contains the kind of innuendo and disgraceful accusations that Senator Abetz is making. I want to make it clear to the Senate that the report does not say any of those things; they are simply the words of Senator Abetz, who cost the taxpayer $436,000 in order to drive threatened species to extinction. It is he who ought to be fundraising to pay taxpayers back, because they do not elect members of parliament to drive their threatened species to extinction.

The ACTING DEPUTY PRESIDENT—Before I call Senator Parry, I want to remind the chamber that we are taking note of a motion in respect of an update to the Register of Senators’ Interests. That is the debate before the chair and the chamber at this point in time.

Senator PARRY (Tasmania) (5.16 pm)—Thank you for the reminder, Madam Acting Deputy President. Senator Milne did stray far and wide from senators’ interests. We got a spray on a variety of issues. Senator Milne indicated that we are talking about a register of senators’ interests. That is correct. The Register of Senators’ Interests is to register what moneys, donations or gifts you have received. How can the public of Australia ascertain that, when you have ‘anonymous, anonymous, anonymous’ and large amounts? There is no indication of what person is donating to what senator if the details are not completed. A question I pose is whether the Register of Senators’ Interests should be more firm. Maybe this is a matter that should be addressed to the committee chair, and the committee chair can look at tightening up some of those provisions—if in fact there is a gap. And what does happen to senators who do not register their interests within the required period of time? Is there a penalty? Is there some recourse? Is 10 months too late? Many questions have been asked in this debate.

Senator Milne raised the issue of Senator Brown’s legal costs—the $239,000. Those legal costs were incurred because a matter was challenged in a court and that court has determined that matter and found that costs should be awarded. I am sure that Senator Brown would like costs awarded to him if he were found in the right, if things were the other way around. That is exactly how the legal process works. Senator Brown has to accept the valid position of the courts when the courts award costs. Where has the surplus gone? I believe Senator Brown has indicated publicly that the surplus funds that Senator Brown has publicly called for are going to other people who have committed offences, such as damaging contractors’ equipment and delaying the lawful processes of people in private enterprise. That is where the surplus funds will be going. I wonder whether the people donating these funds realise that.

Senator Milne—Madam Acting Deputy President, I rise on a point of order. I note with interest that Senator Parry says that money has gone to people who have committed crimes.

Senator PARRY—I didn’t say the word ‘crime’ at all.

Senator Milne—He said, ‘in damaging contractors’ equipment’. That is a crime, and I ask Senator Parry to provide that information to the police. The Greens have asked that people responsible for destroying contractors’ equipment be named to the police,
and I would ask Senator Parry to name those people to the police.

The ACTING DEPUTY PRESIDENT—My ruling is that I believe that that is a debating point. I ask Senator Parry perhaps to be mindful of the examples he uses in this debate.

Senator PARRY—Thank you, Madam Acting Deputy President. I deliberately did not use the word ‘crime’, because I understand the difference between a crime and an offence.

Senator Abetz—Interesting that the Greens used it, though.

Senator PARRY—Yes, it is. There was also an allegation made that Senator Abetz was not exonerated. The Auditor-General completed an inquiry into the matter that Senator Milne raised, and Senator Abetz was exonerated. This is now a spurious allegation made in the chamber which would have gone unanswered, so it is important to correct the record on that matter.

It is rather curious that we end up with a Register of Senators’ Interests that has gaps, and I am sure that if a senator from the opposition left gaps this big it would be pointed out to us and there would be shouts from on high. Senators on our side tend to complete their register of interests in the spirit of what they should do. I understand there are guidelines written for senators, indicating how they should complete their returns, and I do believe that Senator Brown complies with the guidelines written in the spirit of the register of interests. I think Senator Brown owes it to the Australian people to complete the Register of Senators’ Interests to indicate where the money comes from and how much comes to him, and possibly indicate that in a timely manner, which is certainly less than 10 months.

Senator BOB BROWN—I thank Senator Milne and the other speakers in this debate. I mentioned this matter at lunchtime, and it seems to have rankled with Senator Abetz. I have listed all the information that I have, except of course names and addresses, which Senator Abetz wants, but I am not going to have good citizens of Australia hectored by this man who is driven by hate for the people who—

Senator Abetz—Madam Acting Deputy President, on a point of order: I think you know what the point of order is, and I should not have been required to rise to my feet in relation to it.

The ACTING DEPUTY PRESIDENT—What is your point of order, Senator Abetz?

Senator Abetz—In anybody’s language it is a reflection on a senator to say that they are driven by hate, and it clearly has to be withdrawn. That a senator has to get up to defend themselves against that is regrettable.

The ACTING DEPUTY PRESIDENT—Senator Brown, you are impugning the reputation of a senator here, and I do ask you to withdraw.

Senator BOB BROWN—I am very happy to do so and to say instead that Senator Abetz is driven by a love of the greensies and the folk who defend his forests in his state and the beauty of those forests and wildlife, which he champions in the way we have just witnessed. His concern for them is new and is heart-warming!

Let me get serious on this again. The fact is that Senator Abetz, as minister for forests, intervened in the Wielangta Forest case quite unnecessarily in a politically driven move at the expense of the Australian taxpayers. His QCs were employed on taxpayers’ money; he did not have to raise money like I did, he just went and plundered the public purse. The difference between me and him is that I have asked the public, on behalf of the residents and other people of Wielangta, to support
this case, and thank goodness they have. Thousands of good-hearted Tasmanians and other Australians and some people from overseas, very few of them, have wished to donate, and they have. Let me say that it is something that Senator Abetz would never get a response to, because he is an agent of destruction of forests. Take a point of order on that, if you will, Senator Abetz. I repeat it: he was the minister for forests—

Senator Abetz—Madam Acting Deputy President, I have been invited by the speaker to take a point of order to object to the term that I am an ‘agent of destruction of forests’. In accepting that challenge, can I indicate that, as a member of the Howard government, I saw hundreds of thousands of extra hectares added to World Heritage listed areas and the reserves in my home state of Tasmania.

The ACTING DEPUTY PRESIDENT— Senator Abetz, that is a debating point rather than a point of order.

Senator BOB BROWN—And quite false—there was no such addition to the World Heritage areas in Tasmania under the Howard government. Though the minister was minister for forests, I ask him to go back and look at that, because he will find that he is quite wrong. What I wanted to point out and underline here is that thousands of people did generously donate to the court costs over the four or five years. It was proven in the courts, and logging was stopped because of the disruption of forests and the habitats of rare and endangered Australian species.

Senator Abetz interjecting—

Senator BOB BROWN—That finding still stands. The interjecting Senator Abetz knows that. And it was on a technical point in a higher court of law that the costs were awarded at the end of the day. The fact is that the public response—because of Australians’ love of forests and wildlife—has enabled that bill to be paid to Forestry Tasmania. What I also should say here and make very clear is that we announced that that money was being raised much more rapidly than I could have believed, within three days. Had we not put a stop to it, the funds raised would have been multiples of that quarter of a million dollars for forests and wildlife in Australia. It was absolutely stunning and heart-warming to see the response of the Australian people against the decisions made by those in power who should know better, like Senator Abetz. What I was explaining before his last lot of interjections was that he took, in his own self-interest as well as that of his party and the then Howard government, a political decision to have highly paid QCs and others sit in a court where they were not able to take part in the debate on evidence before the Federal Court but ran up huge bills. The minister did this knowingly right down the line, and at the end of the day the cost to the public has been $436,000—double the amount of costs that I had to pay. You note that there is no quibble from Senator Abetz on this score. What I repeat here today is that Senator Abetz is morally obliged and ethically obliged to repay that money to the Australian people which he plundered out of their funds when he was minister, for a partisan political purpose, to foster the logging of Wielangta.

Senator Abetz interjecting—

Senator BOB BROWN—The difference between Senator Abetz and me is that I stayed quiet while he was speaking but he is not prepared to do the same, because he is very embarrassed by this. He knows he is a loser when it comes to this debate and he knows he did the wrong thing. What I say to Senator Abetz is: you go out and ask the public to raise money on your behalf and give to you through your good offices the $436,000 that you owe the people of Australia for your
mistaken and politically partisan and antiforest decision to take that course of action.

Senator Abetz interjecting—

Senator BOB BROWN—There you go, Madam Acting Deputy President. He is yelling and enraged in here because he cannot defend that position. He owes an apology to the people of Tasmania and the people of Australia for that misbehaviour when he was minister for forests.

Senator Abetz—I raise a point of order, Madam Acting Deputy President. It is a reflection to suggest that somebody in ministerial office has misbehaved and it should be withdrawn.

The ACTING DEPUTY PRESIDENT—Senator Abetz, I am advised that ministerial staff are not protected persons, so there is no need to withdraw that.

Senator Abetz—On the point of order: it is not ministerial staff. He said that whilst I was minister I misbehaved. It was ministerial misbehaviour. I was the minister. Therefore, suggesting that somebody is engaged in ministerial misbehaviour is clearly a reflection and needs to be withdrawn.

The ACTING DEPUTY PRESIDENT—Senator Brown, reflection on a senator in this place needs to be withdrawn, if in fact that was said.

Senator BOB BROWN—I withdraw. He should apologise to the people of Australia—

Senator Parry—Madam Acting Deputy President, I wish to add to the point of order. During the last contribution by Senator Brown—

The ACTING DEPUTY PRESIDENT—Senator Brown has withdrawn those comments. Do you have a further point of order?

Senator Parry—Yes, I do. I have a further point of order. We are on broadcast and Senator Brown indicated clearly that Senator Abetz is sitting here enraged. That is not correct. He is not enraged and I think that is a misrepresentation. People who cannot see the chamber hear Senator Brown saying that Senator Abetz is enraged, and that is incorrect.

Honourable senators interjecting—

Senator BOB BROWN—There is no point of order. Other senators are interjecting to say that he looks enraged to them, and that is how it seems to me. The senator should apologise for his behaviour as minister for forests, because it was wrong, unacceptable, presumptive and without communication with the Australian people that he plundered their purse to pay $436,000 for his wasted contribution to the courts on this occasion.

I want to finish by saying this: the decisions being made by serial governments at national and state levels to destroy much more of Australia’s great forests, the inspiration they give us as Australians, the habitat they give to our fellow creatures, the amazing beauty of them and the adventure and creativity that they provide for Australians—setting aside their role as the biggest carbon banks on earth, hedging against the onrush of cataclysmic climate change—are something that I and my fellow Greens senators and many, many more Australians will stand and defend against through this period of wanton destruction at the behest of people like Senator Abetz. If he thinks that in some way or other he is pressing a reverse button, he is very mistaken yet again. He makes lots of mistakes but on this one where there is a commitment to protecting Australia’s forest heritage, its wildlife and its rare and endangered species the campaign is simply going to increase until the right decision is made that that unnecessary destruction must come to an end and we as a nation can rest proud that, as with the end of whaling under a more enlightened Liberal government in 1978, we have been able to do the right thing by this
national heirloom and what should be, but are not, World Heritage status forests.

Question agreed to.

Public Accounts and Audit Committee Report

Senator FARRELL (South Australia) (5.32 pm)—On behalf of the Joint Committee of Public Accounts and Audit, I present the report of the committee, Review of Auditor-General’s reports tabled between August 2007 and August 2008, and 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—

The Joint Committee of Public Accounts and Audit, as prescribed by the Public Accounts and Audit Committee Act 1951, examines all reports of the Auditor-General, and reports the results of the Committee’s deliberations to the Parliament.

This report details the findings of the Committee’s examination of five performance audits tabled in 2007 and 2008. These five reports were selected for further scrutiny from the fifty-four audit reports presented to the Parliament between 7 August 2007 and 26 August 2008.

As usual, these reports cover a range of agencies and highlight a number of areas of concern. Two themes which repeatedly recur are the need to document processes and procedures to better understand and manage risk and the need for staff training to ensure more effective and efficient use of existing systems.

The Committee reviewed an Audit Report assessing how four departments are implementing the change to a whole-of-government approach to the delivery of Indigenous services. While the Committee was satisfied overall with the progress being made we feel that the process can be improved. Accordingly we recommend that the risks and challenges identified be documented and that staff training programs be developed to increase awareness of these risks. Further, the Committee would like to see an action plan developed and published to track improvements in Indigenous life expectancy.

As a result of the investigation into the Australian Government’s two natural resource management programs, we have identified the need for a clear set of procedures to ensure State and Territory compliance with bilateral agreements. The Committee acknowledges the difficulties inherent in operating these diverse programs but is concerned with ongoing and recurring problems in monitoring and reporting. We are therefore requesting a progress report from the relevant departments detailing implementation of both the ANAO and Committee recommendations.

The Committee reviewed the completeness and reliability of the estimates reported in the Taxation Expenditure Statement 2006. To improve the quality of the Tax Expenditure Statement, we recommend that Treasury include two additional pieces of information: calculations regarding the twenty largest tax expenditures using both the revenue foregone and revenue gained methods to allow comparison with the Budget Papers, and information on the extent to which tax expenditure reporting has improved through the receipt of reliable data from other agencies. We also suggest that Treasury investigate the Canadian model of taxation expenditure reporting to determine if it provides a more complete picture for public and Parliamentary scrutiny.

In this batch of reports, we followed up on the previous examination of Centrelink’s management of customer debt undertaken in 2004-05. We were pleased to see that the Audit Report found that Centrelink had successfully implemented the majority of the recommendations from both the previous ANAO report and the subsequent JCPAA inquiry. However, there are still inconsistencies across the network and the Committee recommends that Centrelink identify regions that have been particularly successful in managing debt, examine their processes and implement best practice methods across the network. Of primary concern to the Committee was Centrelink’s ageing debt base. We have asked Centrelink to conduct a review to determine the reasons why the debt base continues to age and report back to the Committee.
Finally the Committee looked at the Audit Report assessing the regulatory function of the Australian Communications and Media Authority under the Australian Communications and Media Authority Act 2005. We found that ACMA’s complaint handling process is ad hoc and unsystematic and recommend that ACMA reform its complaint handling processes to ensure a more efficient and faster handling of complaints. We urge ACMA to complete development of a complaints handling manual and recommend the introduction of a formal training program for all staff handling complaints which would incorporate effective use of the ACMA Information Management System database.

I would like to acknowledge the valuable work of the Auditor-General and the staff at the Australian National Audit Office. We look forward to continuing reviews of the Auditor-General’s reports.

Mr President, I commend the Report to the Senate.

Question agreed to.

Foreign Affairs, Defence and Trade Committee: Joint Report

Senator FARRELL (South Australia) (5.33 pm)—On behalf of the Chair of the Joint Standing Committee on Foreign Affairs, Defence and Trade, Senator Forshaw, I present the report of the committee Inquiry into Australia’s relationship with ASEAN. 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 Joint Standing Committee on Foreign Affairs, Defence and Trade, I wish to table the Committee’s report: Australia’s relationship with ASEAN.

ASEAN has become an important trading partner for Australia. ASEAN is now the sixth most important export destination for Australian goods and services, and Australia is the eighth most important source of imports for ASEAN. This relationship has been recognized by the recent signing of the ASEAN–Australia–New Zealand free-trade agreement.

The countries of ASEAN are also of a strategic importance to Australia. Political stability in the region and good international relations with ASEAN countries are therefore integral to Australia’s security and prosperity.

Over the years ASEAN has expanded its engagement with the region through its dialogue partners, the creation of the ASEAN Regional Forum, and the East Asia Summit. This trend culminated in the 2003 Bali Concord II and the 2008 ASEAN Charter which formalised ASEAN as a legal entity and inter-government organisation.

Australia’s relationship with ASEAN is multifaceted and operates on different levels. The report discusses the nature of those interactions which occur at government and non-government level and with ASEAN as a discrete entity or with individual member countries. Often that relationship proceeds through different avenues and levels simultaneously.

In reviewing the outcomes of Australia’s current FTAs with Singapore and Thailand, the Committee has concluded that the policy of applying a greater focus on tariff barriers in trade negotiations, leaving a ‘tail’ of negotiation for non-tariff barriers, has not always appeared to work to Australia’s immediate advantage.

Better information about the cost of non-tariff barriers would greatly assist Australia’s trade negotiators. To this end the Committee has recommended that the Department of Foreign Affairs and Trade develop a single method of costing non-tariff barriers, to assist Australian FTA negotiators to identify, evaluate and target barriers to trade. As well, there should be annual reports to the Parliament on the impacts of individual trade agreements.

The Committee is convinced that telecommunications should be an important component of FTAs being negotiated with other countries and has recommended that DFAT ensure future FTAs contain effective telecommunications chapters.
As well, the recognition of professional qualifications is an important aspect of Australia’s ability to trade with ASEAN member countries. The more widely Australian professional qualifications are recognised, the better Australia’s position to cater to emergent demand in the region. The Committee has therefore made recommendations concerning the recognition of professional qualifications and that FTAs should include a professional services working group to assist in creating professional linkages, including mutual recognition agreements.

The Committee has reviewed various aspects of Australia’s cooperation with ASEAN in the security arena including: the defence relationship; combating insurgency, terrorism and transnational crime; enhancing biosecurity and health; and securing radioactive materials.

The Committee recognises the wide ranging and comprehensive contribution of various Australian agencies to the security of the ASEAN region. The security status is bound to fluctuate, but the Committee is confident that the level of cooperation will ensure long-term success.

The Committee welcomes the development of the ASEAN Charter and the creation of an ASEAN human rights body. The new body will raise the profile of human rights and will create an opportunity to bring human rights issues before ASEAN Ministers.

In addition, the Committee believes there is an opportunity for Australia to progress human rights through its relationship with the Asian Development Bank by using its influence to ensure that adherence to core labour standards become a precondition for loans from that bank.

Regarding human rights issues, Mr President, I note that the Committee’s Human Rights Subcommittee is currently reviewing international and regional human rights mechanisms to identify possible models that may be suitable for the Asia-Pacific region.

The Committee is satisfied with the provision of aid to Burma, and involvement of the AFP with the Burmese police force. Nevertheless, there needs to be constant awareness of the possibility that the Burmese authorities will misuse the Australian assistance provided, and a willingness to withdraw this assistance should such evidence come to light.

The continuing detention of the Burmese opposition leader Aung San Suu Kyi continues to be of concern. The Committee endorses the recent statement on the issue by the Minister for Foreign Affairs and calls for Aung San Suu Kyi’s immediate and unconditional release.

Turning to the challenges created by climate change, the Committee believes there are significant opportunities for Australia to offer leadership and technical assistance to ASEAN member countries. In the Committee’s view, Australia’s present climate change engagements in the region, both government and non-government, are a good basis for meeting these challenges. They contribute to positive relationships in the region and, by enhancing capacity within ASEAN member states, build a foundation upon which future collaborations can occur.

Arising from its review of human rights issues and environment issues, the Committee considers that human rights including core labour standards and the environment should be pursued in future FTAs. Australia should also take the opportunity to introduce such issues (if they are not already included) when current FTAs are reviewed.

In closing, Mr President, I would like to thank all those who provided submissions and gave evidence at the public hearings. Finally, I thank my colleagues on the Foreign Affairs Subcommittee, and the secretariat.

Mr President, I commend the report to the Senate.

**Senator TROOD** (Queensland) (5.34 pm)—I would like to make some remarks on this report of the Joint Standing Committee on Foreign Affairs, Defence and Trade, *Inquiry into Australia’s relationship with ASEAN*. Madam Acting Deputy President Crossin, you will be aware, as many senators are, that ASEAN was formed in 1967 through the coming together of the countries of Singapore, Malaysia, Thailand, the Philippines and Indonesia. Since that time it has expanded to 10 members. In 1984 Brunei joined ASEAN and in the mid- to late-nineties four other countries became part of...
the ASEAN group. In that time it has become one of the most significant regional organisations certainly in East Asia but also around the world.

From the very beginning, Australia has had a very close relationship with ASEAN. I think it is true to say that it was the coalition government, not long after the organisation was formed in 1967, that began a dialogue with ASEAN and since that time it has continued to develop a very close relationship with not only the individual countries but the organisation itself. Throughout this period of time, 42 years, the Australian parliament has paid very close attention to the way in which this relationship has actually evolved. My recollection is that there have been several reports of the parliament—through the Joint Standing Committee on Foreign Affairs, Defence and Trade and the Senate Standing Committee on Foreign Affairs, Defence and Trade—which have looked into various aspects of the relationship between ASEAN and Australia.

This report from the Foreign Affairs Sub-committee of the Joint Standing Committee on Foreign Affairs, Defence and Trade is yet another report on the progress of informing Australians about the nature of this relationship with ASEAN. It has become a relationship which is extremely diverse. As the report demonstrates, it deals with the trade between our two entities, security, aspects of human rights and political affairs between Australia and ASEAN. Over a period of 42 years, this has become a very rich and textured relationship. I think the report conveys the extent to which that texture and richness exists between our two entities.

The committee focused on some of the progress that has been made particularly in trade relations. ASEAN is now the sixth most important export destination for Australia in relation to goods and services, and Australia is the eighth most important source of imports for ASEAN. This is a very important trade relationship for Australia, and the evidence the committee received demonstrates that very convincingly. During the course of the hearings, ASEAN and Australia signed a free trade agreement. This was the first multicountry free trade agreement that Australia has signed, and it is additional to the complexity of the free trade arrangements that Australia already has with ASEAN countries. We have free trade agreements already with Singapore and with Thailand, and the free trade agreement with ASEAN builds on those existing bilateral free trade arrangements. The committee looked closely at this. It took evidence from the Department of Foreign Affairs and Trade and from other organisations and businesses who are interested in the trade relationship between our countries and came to the view that this was a very important and very significant development in the trade relations between Australia and ASEAN. The conclusion by the committee was that the free trade agreement laid a platform for the further liberalisation of trade between Australia and this important group of countries.

When the ASEAN economic community comes into being in 2015, as it is expected to do, Australia will be in a position to take advantage of the opportunities which are presented within the context of that economic community. Concerns were raised in relation to trade and services. The committee noted that there is still quite a high level of protectionism among the ASEAN countries with regard to services, particularly in relation to legal services. The committee looks forward to the possibility that there will be some liberalisation of those legal services over time. The committee also noted that there is an opportunity, as a result of the free trade agreement, to develop the services through telecommunications. The advantage of that,
as the committee saw it, is the opportunity to broaden the extent of the services relationship which already exists between Australia and the countries of ASEAN, expanding beyond the narrow focus of tourism and the narrow focus of education into a much more rich and diverse relationship. In that context, we also look forward to the possibility that there will be some liberalisation of professional services within the ASEAN grouping.

One aspect of the relationship that the committee paid close attention to was the regional security relationship. The regional security relationship has its foundation in the Five Power Defence Arrangements which were concluded between Australia, New Zealand, Singapore and Malaysia during the period of the Cold War. That has been the foundation of our bilateral and multilateral defence relationships with the region over a very long period of time—over half a century. I think it is. This relationship has expanded and become much richer over a period of time, and there have been additions to the architecture of the defence relationship, including the formation of the ASEAN Regional Forum. The Shangri-La Dialogue, which takes place on an annual basis, was noted by the committee, and it forms part of the very important foundation of the security relationships we have with ASEAN.

We have very close bilateral relationships with many of the countries of ASEAN, and those relationships have expanded well beyond the foundations of the Five Power Defence Arrangements. They now cover things like insurgency, terrorism, transnational crime, biosecurity concerns, health and security, and the protection of radioactive materials. There is a process of military modernisation taking place within the region, and the committee noted that. The committee also noted that this was occurring in the context of the increasing economic development taking place among ASEAN countries, so the committee looked at that and saw no particular cause for concern as a result of that military modernisation.

The relationship will, I think, continue to expand in the security areas. There are some very notable successes. The progress that has been made with regard to counter-terrorism activities, particularly with Indonesia and the Philippines, is something of which the committee took note, and I think it looks forward to the further expansion of the security relationship across these very wide and numerous dimensions.

Finally, a very interesting development and one that we all regard as very important is the creation of an ASEAN human rights body, particularly in the context of the abuses of human rights that continue to take place in Burma. The committee saw the development of this ASEAN human rights body as a particularly significant sign of progress towards the protection of human rights and something that would encourage the countries of ASEAN to pay close attention to the progress that has been made with regard to human rights, particularly in Burma and particularly with regard to the incarceration of Aung San Suu Kyi, whose release from detention the committee has called for. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

PERSONAL EXPLANATIONS

Senator COLBECK (Tasmania) (5.44 pm)—I seek leave to make a personal explanation.

Leave granted.

Senator COLBECK—At question time today I asked Senator Carr a question about the paper industry strategy group that was being established, its time frame and the decision proposed to be made by the owners of two paper mills on the north-west coast of Tasmania by the end of the month. During
his response to my question, Senator Carr suggested that I was spreading false and malicious rumours with respect to this matter. He also said:

I am not aware that the company intends to make a decision next week. We have not been advised of that. Senator, I suggest you go back to your sources and check your facts.

He also said:

... you should make sure you rely on genuine documents when it comes to this sort of advice.

In my view, that was a deliberate attempt to make the assertion that I was relying on false documents with respect to the question and the supplementary questions that I asked Senator Carr. I would like to suggest that Senator Carr might like to reconsider those remarks when he reflects on the Hansard.

To reinforce my views and perspective on this, I would like to source the documents that I have used in putting my questions to Senator Carr at question time today. The first is a press release from Mr Sid Sidebottom MP, the federal member for Braddon. A comment attributed to Senator Carr by Mr Sidebottom in that press release reads:

The strategy group will run in parallel with the current company review, which is intended to be completed by the end of June—

And that is next week. I also refer to an Australian Stock Exchange release by PaperlinX, who, in speaking about the sale of PaperlinX’s business to Nippon Paper, said:

As previously reported, the sale excludes the two Tasmanian mills at Burnie and Wesley Vale ...

... ... ...

A detailed review of these operations is expected to be completed by the end of June 2009.

I also cite an answer given by Senator Carr on Monday, 22 June in response to a question from Senator Brown. Senator Carr said:

The future of the Burnie and Wesley Vale mills is currently under consideration by Tas Paper, or PaperlinX, and I understand a decision may be made by the end of June.

That is next week.

I was not spreading false and malicious rumours about these issues, and I am perplexed by Senator Carr’s assertion that I was. But I do note that this week Senator Carr has two quite contrary versions of an answer to this question on the public record, on Hansard. Today he says:

I am not aware that the company intends to make a decision next week—

that is, at the end of June. And on Monday, 22 June he said:

The future of the Burnie and Wesley Vale mills is currently under consideration by Tas Paper, or PaperlinX, and I understand a decision may be made by the end of June.

I would like Senator Carr to perhaps reconsider his remarks with respect to me. But he may also need to consider the remarks he made to the chamber with respect to the two questions he has answered this week.

MINISTERIAL STATEMENTS

Forestry

Senator ARBIB (New South Wales—Minister for Employment Participation and Minister Assisting the Prime Minister for Government Service Delivery) (5.48 pm)—On behalf of the Minister for Agriculture, Fisheries and Forestry, Mr Burke, I table a ministerial statement on preparing our forest industries for the future.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (5.48 pm)—by leave—I move:

That the Senate take note of the document.

This statement is a commitment by the Rudd government, after 11 years of Howard government commitment, to the continued destruction of Australia’s native forests and woodlands and, with them, the habitat of the wildlife that they contain through the unnec-
ecessary process of providing export wood-
chips—with Gunns Ltd, the world’s biggest
hardwood export woodchipper, being the big
driver in Tasmania—to make wrapping paper
and ultimately greenhouse gases, in Japan,
and for other purposes, when the two million
hectares of plantations which the Minister
for Agriculture, Fisheries and Forestry in his
statement notes that there are now estab-
lished in Australia can provide all the wood
needs of the nation for house building, paper
and all other uses combined.

It is also an enthusiastic endorsement from
the Prime Minister, Kevin Rudd, and his
cabinet of the proposed Gunns pulp mill in
Tasmania. There is no doubt that the 100,000
people of the Tamar Valley will be shudder-
ing at the way in which this has been
pitched, nearly at the end of June, to prop up
the faltering expectations by Gunns Ltd that
they can get investment on the international
markets. The CEO of Gunns, John Gay, an-
nounced for the third or fourth time—I do
not know how many times, but not for the
first time—a couple of months ago that fi-
nance would be forthcoming and he would
be making a statement by the end of June.
Once again, we are very close to that date
and that statement has not been made. But
one wonders, in reading this document of
enthusiastic support for John Gay and his
board—which does include the former Lib-
eral Premier of Tasmania who Senator Milne
referred to a short while ago—whether the
department has some knowledge about that
financial situation. We will wait and see.

I also know, however, that the statement
completely leaves blank the negative impact
of this vastly polluting and destructive pulp
mill on both the farmlands and the economy
of many small businesses in the Tamar Val-
ley which is estimated to be between $2 bil-
lion and $3 billion per annum and the impact
that this gargantuan consumer of forests,
with its attached forest furnace, would make
on 200,000 hectares of Tasmania’s native
forest if it were to proceed. We know that in
recent months some of the machinery needed
to establish the forest furnace has been
landed from international ships at Bell Bay at
the site of the proposed pulp mill, and there
is no doubt that Gunns, if it does not get the
go-ahead for the pulp mill, still intends to
build the forest furnace which would pro-
duce as much electricity as the Franklin Dam
by burning wood from the native forests of
Tasmania with a plantation component as
well.

As stated in their prospectus for the pulp
mill, the intention of Gunns is to sell the
electricity as green energy onto the market.
That means the Melbourne market. People
in Melbourne would be deceived into believ-
ing that the electricity which was heating up
their toasters in the morning and warming
their houses at night was coming as an envi-
ronmental bonus. Indeed, that deception
would be enhanced under the laws being
promulgated by the Rudd government. In
fact, where it would actually be destroying
the forests in Tasmania and the habitats of
wildlife, the electricity would be marketed as
green and, presumably, under the rubric of
‘Green is good’. It is a Faustian line of pres-
etation and part of the deception which
covers a villainous attitude towards forests
by the people making money out of them—
and they are a very small group of people.
Much of the money flows out through the
Sydney and Melbourne stock exchanges to
overseas interests. It does not stay in this
country, and just as is largely currently the
case with the woodchip export industry it
will be the same for the pulp mill: any profit
coming from it will flow out of Tasmania
whereas the small businesses in the Tamar
Valley put their money back into the com-
community, thereby keeping jobs and sustain-
ing the local economy.
That has not stopped a process in Tasmania of authorisation of this pulp mill. Serial Labor premiers have ignored the public concern. For example, the former Premier Jim Bacon conducted the biggest community consultation process with the people of Australia to protect the Tasmanian wild forests, but he abandoned it, totally ignored it and proceeded to authorise the continuation of woodchip exports out of the state. In the 2004 election both Mr Howard and Mr Latham offered similar packages to Tasmania, but Mr Latham offered a more generous financial package. Then Tasmanian Premier Paul Lennon gave his endorsement in the run-up to the election, as the public understood it, to John Howard and helped him win the next election. He was in league with the then Liberal Prime Minister of Australia, John Howard, and let down the prospective Labor leader, Mark Latham. The CFMEU, with red flags flying in the Albert Hall in Tasmania, came to the aid of Prime Minister Howard to dump a prospective Labor government. In a twist of political fortune and allegiance that many people will never, ever forget, the people of the logging industry were manipulated through a union and through a failed Tasmanian Premier. There was so much public misinformation that Mark Latham’s offer was lost and with it a potential $700 million of investment in Tasmania which we will never see. That is the way it went and that is the way it continues to go.

I went and saw the Minister for Agriculture, Fisheries and Forestry, Mr Burke, some months ago in his office. He had a great array of people from his department outside and asked if I wanted them to come in. I said, ‘No, I don’t, I want to talk to you.’ I am not going to comment on anything he said, but he listened intently for the best part of half an hour while I told him about the important other values of the wild forests of Australia, not least those of Tasmania, and invited him to come down and see them. I told him the massive value the forests have as carbon banks, as a hedge against climate change, which is discounted to zero. He mentioned it once in the statement, but it is seen as a zero. In the mention he gave in the statement, he indicated that cutting down trees and turning them into other produce is a good way to save carbon. It is part of this colossal spin and deception upon which this industry is based these days. The minister and the Prime Minister turned down my offer—and it was a heartfelt offer—to go to Tasmania without the media just to look at the other side of the coin and see forests such as the Upper Florentine Forest, where good-hearted Australian citizens are at the moment camped out in wintry weather trying to defend the forest against this Rudd government and the Labor government in Tasmania.

Of course the minister did not accept my offer. He flew down before Christmas after his appointment—and no doubt has done so many times since—to communicate with the logging industry and be totally taken into their camp. As the minister for forests, I suppose one cannot cavil too much with that, but then one has to ask where is the Minister for the Environment, Heritage and the Arts, whose job is to go in and advocate for the forests, not against them. He refuses to come and talk to the community groups who want to take him out to the forests in Tasmania. He has also turned down my repeated requests for him to come and do what he is beholden to do as duty minister for the environment—that is, to go and see these forests and the wildlife and the alternatives, because I repeat that this is a totally unnecessary industry, as was whaling before Malcolm Fraser put a stop to that in 1978. (Time expired)

Senator MILNE (Tasmania) (5.59 pm)—This ministerial statement from the Hon. Tony Burke, the Minister for Agriculture,
Fisheries and Forestry, is entitled ‘Preparing our forest industries for the future’. The title in itself is misleading; it should be ‘Sandbagging our forest industries and keeping them on corporate welfare’, because that is precisely what this ministerial statement does. I just cannot understand why there is not any movement from either the Labor Party or the Liberal Party at the federal level or the state level to move to protect forests when everybody knows that we are losing those forests at a faster and faster rate and that we are losing species that are being driven closer and closer to extinction—and it is being funded by the public purse.

These native forest industries have not stood on their own two feet for generations. Forestry Tasmania loses money every year. Forestry Tasmania runs up massive debts, and the legislation that has gone through here to guarantee state governments’ ability to borrow will see Forestry Tasmania sending Tasmania bankrupt. We have rescued them time and time again, and this forest industry keeps on saying, ‘Give us more Commonwealth money and we will make the transition out of native forests.’ And, year in, year out, the Commonwealth provides multimillions—$45 million to $50 million in recent years—for this transition out of native forests, and all that happens is that it entrenches the industry in native forests.

The industry go out and buy equipment to keep on logging native forests. They keep on putting people into jobs logging native forests. There is barely even an attempt to make a transition, and there is never any performance assessment of this Commonwealth money that is ploughed in in corporate welfare to keep on logging forests. There is never any assessment of how effective the move has been. Nobody will forget the CFMEU outside the Albert Hall with the former Prime Minister John Howard, encouraging people to vote for the coalition because they would see to the logging of more forests than former leader of the Labor Party Mark Latham was prepared to see happen. Prime Minister Howard stood up there and said that the Florentine would be protected—and it was not; that was misleading. They went ahead and let it be logged.

We are now seeing a minister making a statement to the parliament saying that there will be no more native forests logged for the pulp mill than are currently logged. The Wilderness Society assesses that 200,000 hectares of native forests will be logged for the pulp mill. That is apparently what Minister Burke thinks is fine. That is the end of some kind of transition out of native forests. If there is a transition out of native forests to plantations, why did Gunns require a 30-year agreement to log native forests? It is because they want to log native forests, they want to send woodchips overseas and they want to have the native forest woodchips that they cannot sell overseas—the ones that are poorer quality—so that they can burn them in their forest furnace.

This Rudd government is going to declare that green energy under the renewable energy target legislation and allow people to think they are buying renewable energy when they are seeing the burning of Tasmania’s precious forests, our carbon stores. It might occur to people that Minister Burke is now saying, ‘We are going to count the carbon in furniture, in forest products’. Less than 10 per cent of the carbon from a forest that is logged ever makes it into a durable piece of furniture or a wood product. The rest goes, and a huge amount goes to atmosphere. One of the biggest sleights of hand is this notion that we are somehow getting a net benefit by logging native forests. What we need to do is separate out the emissions from the logging of native forests from the soil carbon, from the burning of native forests, and at the same time look at the uptake from
native forests, look at the carbon store and then at the flux.

We need to look at this thing properly, not at this sleight of hand that is here. Minister Burke’s statement several times mentions balance, and every time you hear the word ‘balance’ you know it is a socioeconomic political construct that will see destruction of forests or the environment. It is part of the view that all that Australia is good for is digging up, cutting down and shipping overseas. The minister makes all sorts of claims about jobs, and the wildest claim in his ministerial statement suggests that there will be 8,000 direct and indirect jobs created during its operation. Gunns itself says that 292 jobs will be in the factory and that there will be 1,600 jobs during construction, so it does not even pretend that these thousands of jobs are out there.

Furthermore, there have been studies about the jobs that will be lost to the fishing industry and the tourism industry. But the horror for people in the Tamar Valley is the statement in the minister’s statement that is about setting up the forest industry leaders ministerial roundtable which will have the job of securing industry investment, a government and industry collaboration to secure investment—code for: ‘Stock market, listen. The federal government is coming to the rescue of Gunns.’ The second thing is that Minister Carr has another group, the Pulp and Paper Industry Strategy Group. What is its job? It is to develop a plan to encourage innovation and attract investment in pulp and paper manufacturing in Australia—code for: ‘We are going to use taxpayers’ money to bring the heads of the logging industry to Canberra and we are going to work with them to use our embassies around the world to do whatever it takes to try and get investment in logging native forests.’

It is not going to work, because the investment community knows that they cannot afford to compromise their social responsibility and their environmental codes of practice by getting involved in this disgraceful, polluting pulp mill that will log native forests, that will have a wood-supplying agreement of 30 years, that will pollute the atmospheres of the Tamar Valley and Bass Strait, that will diminish housing values in the Tamar and that is not wanted by the Tasmanian community. I think it is important for Tasmanians to realise that they have got Jodie Campbell, Sid Sidebottom, Dick Adams, Duncan Kerr and Julie Collins, who are all Labor members, in the five Tasmanian electorates, and they are standing there with the Minister for Agriculture, Fisheries and Forestry, who has said: I want to see the Gunns Bell Bay Pulp Mill built.

He went on to say: The Bell Bay pulp mill will be good for jobs, good for industry and good for Australia. Interestingly, he does not mention the environment, because it will be bad for the environment, and bad for the environment is actually bad for Australia. It will not be good for jobs. It is a net jobs loser. You cannot promote yourself as a natural destination and go and log your native forests.

Let me also add that in the assessment process the impact of this pulp mill on the forests was not assessed at the federal level. Why not? Because Liberal and Labor collaborated in this place to make sure that in the assessment conditions under the EPBC Act they excluded the assessment of the impact of this project on the forests. So nobody has looked at the impact on the forests. Nobody has calculated it. In fact, the greenhouse gas ramifications of logging a native forest coupe have been excluded. Nobody will be counting the greenhouse gas emissions from the native forest burning furnace,
because under their accounting practices it does not count.

This is a disgraceful effort, and I will tell you why it is here. It is here because the Tasmanian industry is in a state of collapse; $620 million of taxpayers’ money has been thrown at them and they are still in a state of collapse. They are losing money hand over fist. They are losing jobs hand over fist, and so they are asking to get on the public welfare system, on the taxpayer dollar. We are told there is no money to do all sorts of things around Australia, including looking after our horticultural industries and every other industry. We do not have money for that, but apparently we have millions more to give to the logging industry to destroy our forests. This is an opportunity to restructure logging outside of native forests, while the industry is in a state of collapse, while the mills on the north-west coast are about to close. That is what the government should do, not just give another sop and a huge bucketload of Commonwealth taxpayers’ money to this industry.

Senator COLBECK (Tasmania) (6.09 pm)—I welcome Minister Burke’s first ministerial statement on forestry since he was appointed as minister. It has taken 18 months for it to arrive and I would have to say, disappointingly, it does not actually say all that much.

Senator O’Brien interjecting—

Senator COLBECK—I take the interjection from Senator O’Brien. We all understand the hyperbole from the Greens with respect to forestry and all of us understand that their objective is to close the forest industry down. That is their sole objective.

Senator Hutchins—We’ll live by candles!

Senator O’Brien interjecting—

Senator COLBECK—that may be the case. I should not be distracted by the interjections, but I am afraid I cannot help myself because I can only agree with them. The frenetic nature of Senator Milne’s last presentation gave it away. It was quite out there. The false, misleading and hyperbolic statements that Senator Milne and Senator Brown put on the record as part of their presentations were extraordinary. Senator Milne made a reference to balance, and I would have to say that is one thing you will not find from the Greens, particularly when it comes to forestry.

I am pleased to say that, on most forestry issues, there is largely a bipartisan approach. There have been some famous moments, which again Senator Milne referred to, where there has been a divergence, but I think it is important that the community understand that the reason that the Labor Party and the Liberal Party generally agree with respect to forestry is that we take a balanced view of it. We take a considered view of what is a very important industry for our country and for jobs within our communities, particularly rural communities. It is a very important issue.

I might take up one of Senator Milne’s points. In respect of the debate on climate change, forestry, as she said, can play a very important part. But she seeks to deny one of the things that can assist people to understand much better how forestry can play an important part. In Europe, energy generated from wood waste is seen as a good thing. It shows how far behind the Greens here in Australia are when it comes to this issue. They are in the prehistoric age. They are not up with the latest thinking with respect to forestry. They are way behind, and there are real opportunities for the forest industry in Australia to move forward.
The concept of considering carbon stored in furniture and timber products is a very important step forward for the forest industry and an opportunity for the industry in this country. Senator Milne seeks to deny that, but it is only reasonable to consider that your timber kitchen table is in fact a carbon sink. It stores carbon and locks it away. The research now shows that a properly sustained and maintained forest that is harvested over a reasonably long cycle will in fact sequester more carbon over time if it is properly managed and harvested than it would if it were just left to grow on its own.

The Greens talk about these highly carbon dense forests that exist within some of our native forest areas, but they completely disregard the fact that those same features exist in some of our regrowth native forests. So you will find the same carbon density characteristics in regrowth native forests, not just the old growth native forests. It is a very important point to remember but something that the Greens continue to deny.

Can I just make a few comments with respect to the minister’s performance in the portfolio. I have to say it has been very disappointing to this point in time. When we investigated the progress of election commitments at estimates, we found it has been extremely slow. Back in November, after 12 months, nothing had actually been commenced. It was all in review and for decision by the minister. Some of it now remains at ministerial council but without too much underway.

I welcome the minister’s statements with respect to the pulp mill. I think it is fantastic that the government, through Minister Burke, is talking about support for the pulp mill. I do remain, however, concerned about statements that are being made as part of the approval process by the Minister for the Environment, Heritage and the Arts. It appears that, at every occasion, he seeks to enhance his environmental credentials by talking down the pulp mill at Bell Bay. It does send shockwaves and shivers through the markets when they hear the person who has the last stroke of the pen with respect to this project making negative comments. Reports back to me from industry with respect to the skills training programs are very positive, and I congratulate the government on those programs. They have been very well received. The companies undertaking them are very proactive. I think that is good news. It is also assisting with encouraging people into the forest sector.

I have to say, though, that there are some things that are missing out of this report. Minister Burke talks about the possibilities for forestry and climate change, but one thing that he does miss out—and one thing that nobody has been able to get answers on to date—is the fact that forest contractors are left out of the fuel rebate scheme under the CPRS. I cannot understand why that is the case. Farmers get it and heavy transport gets it, but forest contractors do not get it. I had a forest contractor in my office this morning. When we were talking to him he said: ‘I run a farm. I run a forest contracting business and I run a transport business. How do I deal with the red tape involved in separating all of that out.’ There has been absolutely no satisfactory explanation from the government to anybody—the forest industry, the contractors or anybody—with respect to what might be going on and why the decision was made to exclude forest contractors from the fuel rebate scheme under the CPRS.

We saw again with the review of the EPBC Act coming through—and I note that the minister has referred to the review of the EPBC Act in his statement today—the report from Green and Labor senators on the EPBC Act. It is very concerning that that report cast doubt on the future of the RFAs. The minis-
ter says he is committed to the RFAs into the future but he places a caveat on that. I can recall, going back to the early nineties, when there were huge debates about sovereign risk of investment into forestry and the RFAs were part of that process. Again, it was a bipartisan process. It took a long time to get them into place. But they are the foundation upon which investment in the forest industries is built, and companies, contractors and people working in the industry have confidence in the security of the resource. The reference in the minister’s statement to that is extremely concerning. When you put it alongside the recommendation in the Senate report, that really does cast doubt on the future of the RFAs. I congratulate coalition senators on their recommendation that put the coalition perspective on the table well and truly—that we would continue to support the RFAs.

Again, it is pleasing to see some activity from the minister with respect to his portfolio responsibilities for forestry. As I said, there are some pluses and minuses in what really is a pretty bland statement, but at least he has put something on the record. I would urge him, however, to double his efforts to ensure that the RFA process is protected—that is absolutely vital. And I would like him to stand up for his portfolio constituents, particularly the forest contractors, with respect to the development of the CPRS and include them in the fuel rebate scheme as part of that process.

Question agreed to.

DOCUMENTS
Registrar of Senate Senior Executive Officers’ Interests

The ACTING DEPUTY PRESIDENT (Senator Humphries) (6.19 pm)—I present the Register of Senate Senior Executive Officers’ Interests incorporating statements of registrable interests and notifications of alterations of interests of Senate senior executive officers lodged between 2 December 2008 and 22 June 2009.

AUDITOR-GENERAL’S REPORTS
Report No. 45 of 2008-09

The ACTING DEPUTY PRESIDENT—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Report No. 45 of 2008-09: Performance audit—Funding for non-government schools: Department of Education, Employment and Workplace Relations.

DOCUMENTS
Tabling

The ACTING DEPUTY PRESIDENT—I present a report on access to documents of the Joint Select Committee on Electoral Reform.

COMMITTEES
Reports: Government Responses

Senator CONROY (Victoria—Deputy Leader of the Government in the Senate) (6.20 pm)—I present the government’s response to the President’s report of 4 December 2008 on government responses outstanding to parliamentary committee reports and seek leave to have the document incorporated in Hansard.

Leave granted.

The document read as follows—
GOVERNMENT RESPONSES TO PARLIAMENTARY COMMITTEE REPORTS
RESPONSE TO THE SCHEDULE TABLED BY THE PRESIDENT OF THE SENATE ON 4 DECEMBER 2008

Proposed to be Circulated by the Leader of the Government in the Senate

A Certain Maritime Incident (Senate Select)
Report on a Certain Maritime Incident
The government response is being considered.

Administration of Indigenous Affairs (Senate Select)
After ATSIC—Life in the mainstream?
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Australian Crime Commission (Joint Statutory)
Review of the Australian Crime Commission Act 2002
The government response is being considered and will be tabled in due course.

Examination of the annual report for 2004-05 of the Australian Crime Commission
The government response is being considered and will be tabled in due course.

Inquiry into the manufacture, importation and use of amphetamines and other synthetic drugs (AOSD) in Australia
The government response is being considered and will be tabled in due course.

Inquiry into the future impact of serious and organised crime on Australian society
The government response is being considered and will be tabled in due course.

Examination of the Australian Crime Commission annual report 2006-07
The government response is being considered and will be tabled in due course.

Inquiry into the Australian Crime Commission Amendment Act 2007
The government response is being considered and will be tabled in due course.

Community Affairs Legislation

Tobacco advertising prohibition
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Therapeutic Goods Amendment (Repeal of Ministerial responsibility for approval of RU486) Bill 2005
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Community Affairs References

Beyond petrol sniffing; renewing hope for Indigenous communities
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Community Affairs Standing

Funding and operation of the Commonwealth State/Territory Disability Agreement
Response being considered following development and commencement of the new National Disability Agreement on 1 January 2009.
National Health Amendment (Pharmaceutical Benefits Scheme) Bill 2007 [Provisions]
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

National Health Amendment (Pharmaceutical and Other Benefits—Cost Recovery) Bill 2008
The Minister for Health and Ageing is seeking to have the Bill re-listed for debate in the Senate in the Winter session.

Health Insurance Amendment (Medicare Dental Services) Bill 2007 [Provisions]
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Highway to health: better access for rural, regional and remote patients
The government response is being considered and will be tabled in due course.

Alcohol Toll Reduction Bill 2007 [2008]
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Towards recovery: Mental health services in Australia
Government response is being considered and will be tabled in due course. (Due consideration is being given to the Report and the Response is being developed in partnership with a range of government agencies to ensure the Response provides the most current update on the Australian Government’s progress on its priorities for Mental Health, including new budget initiatives).

Building trust: Supporting families through disability trusts
Government response was tabled on 14 May 2009.

Social Security and Veterans’ Entitlements Legislation Amendment (Schooling Requirements) Bill 2008 [Provisions]
The recommendations were dealt with in the context of parliamentary debate on the bill in both the House of Representatives and the Senate. No further response is required.

Corporations and Financial Services (Joint Statutory)
Report on the regulations and ASIC policy statements made under the Financial Services Reform Act 2001
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Review of the Managed Investments Act 1998
The Government is continuing to consider the recommendations in this report.

Inquiry into Regulation 7.1.29 in Corporations Amendment Regulations 2003 (No. 3), Statutory Rules 2003 No. 85
The Government is continuing to consider the recommendations in this report.

Money matters in the bush: Inquiry into the level of banking and financial services in rural, regional and remote areas of Australia
Due to recent developments in policy, the Government is updating its response.

Report on the ATM fee structure
Due to recent developments in policy, the Government is updating its response.
Corporations Amendment Regulations 2003 (Batch 6); Draft Regulations: Corporations Amendment Regulations 2003/04 (Batch 7); and Draft Regulations: Corporations Amendment Regulations 2004 (Batch 8)
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Corporations Amendment Regulations 7.1.29A, 7.1.35A and 7.1.40(h)
The Government is continuing to consider the recommendations in this report.

Property investment - Safe as houses?
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Statutory oversight of the Australian Securities and Investments Commission, December 2005
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Corporate responsibility: Managing risk and creating value
The Government is continuing to consider the recommendations in this report.

Statutory oversight of the Australian Securities and Investments Commission, August 2006
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Corporations Amendment (Takeovers) Bill 2006 [Exposure Draft]
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Statutory oversight of the Australian Securities and Investments Commission, March 2007
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Corporations Amendment (Insolvency) Bill 2007 [Exposure draft]; Corporations and Australian Securities and Investments Commission Amendment Regulations 2007 [Exposure draft]
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Corporations Legislation Amendment (Simpler Regulatory System) Bill 2007 and related bills
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

The structure and operation of the superannuation industry
The Government is developing its response in light of a proposed review of superannuation and will table in due course.

Statutory oversight of the Australian Securities and Investments Commission, August 2008
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.
Better shareholders - better company—Shareholder engagement and participation in Australia
The Government response is being considered and will be tabled in due course.

Opportunity not opportunism: improving conduct in Australian franchising
The government response is being considered and will be tabled in due course.

Corporations and Securities (Joint Statutory)
Report on aspects of the regulation of proprietary companies
The government response is being considered and will be tabled in due course.

Economics Legislation
Annual reports (No. 1 of 2006)
The recommendations have been overtaken by recommendations in the Standing Committee on Finance and Public Administration report – Annual Reports (No. 1 of 2009) to which PM&C are preparing a response. No response is required.

Economics References
Consenting adults deficits and household debt—Links between Australia’s current account deficit, the demand for imported goods and household debt
The government response is being considered and will be tabled in due course.

Economics Standing
Private equity investment in Australia
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Reserve Bank Amendment (Enhanced Independence) Bill 2008 [Provisions]
The Government is considering its position on the Bill, and will respond to the report once this position has been determined.

Tax Laws Amendment (Budget Measures) Bill 2008
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Excise Legislation Amendment (Condensate) Bill 2008 and the Excise Tariff Amendment (Condensate) Bill 2008
The Bills were passed by the Senate on 25 September 2008 and received Royal Assent on 18 October 2008. Consequently, no Government response is required.

Unit Pricing (Easy comparison of grocery prices) Bill 2008
On 8 January 2008, the Government announced that it would introduce a mandatory nationally consistent unit pricing scheme, to be implemented as an industry code of conduct under Part IVB of the Trade Practices Act 1974. The Government announced several key features of the Code, including that it would apply from 1 December 2009. The Government does not propose to respond further to this report.

Australian Securities and Investments Commission (Fair Bank and Credit Card Fees) Amendment Bill 2008
The government response is being considered and will be tabled in due course.

The Bill Provisions were passed on 21 November 2008 and came into effect immediately.

The Government gave its response as part of the debate of the Bill in Senate in the close of second reading speech on 10 November 2008. Consequently, the Department of Resources, Energy and Tourism advised that no further Government response is required.

Subsequently, there is a need for amendments to correct inadvertent oversights in the Greenhouse Gas Provisions. The Offshore Petroleum and Greenhouse Gas Storage Legislation Amendment Bill 2009 was introduced into Parliament on the 19 March 2009 and is yet to be debated.

National Fuelwatch (Empowering Consumers) Bill 2008 and the National Fuelwatch (Empowering Consumers) (Consequential Amendments) Bill 2008

The Government’s response to the Committee’s report was provided in the context of the Senate debate on the Bill on 11 and 12 November 2008. The Bill failed to secure passage in the Senate on 12 November 2008.

Lost in space? Setting a new direction for Australia’s space science and industry sector

The government response is being considered and will be tabled in due course.

Australia’s mandatory Last Resort Home Warranty Insurance scheme

The Government placed Home Builders Warranty Insurance on the agenda for the Ministerial Council on Consumers Affairs (MCCA) 8 May 2009 meeting. MCCA noted the finding of the Senate Economics Committee’s report and agreed to refer this matter to the Standing Committee of Officials of Consumer Affairs (SCOCA).


The Government does not propose to respond to the report as the issues raised in the recommendation were dealt with in debate on the Bill. The final Act reflects the Government’s position.

Corporations Amendment (Short Selling) Bill 2008 [Provisions]

The Government does not propose to respond as the recommendations have been adopted following passage of the Corporations Amendment (Short Selling) Bill 2008 in December 2008.

The need, scope and content of a definition of unconscionable conduct for the purposes of Part IVA of the Trade Practices Act 1974

The Government is currently considering the report and will respond in due course.

Matters relating to the gas explosion at Varanus Island, Western Australia

A draft response is being considered by the Minister and will be tabled in due course.

Disclosure regimes for charities and not-for-profit organisations

The government response is being considered and will be tabled in due course.

Education, Employment and Workplace Relations Standing Committee

Social Security Legislation Amendment (Employment Services Reform) Bill 2008 [Provisions]

The Government addressed the recommendations of the Report of the Standing Committee on Education, Employment and Workplace Relations inquiry into the Social Security Legislation Amendment (Employment Services Reform) Bill 2008 during the course of the debate on the Bill. During the debate the Government indicated its support for all recommendations of the majority report of the committee. The Bill was passed on 4 February 2009.
Building and Construction Industry (Restoring Workplace Rights) Bill 2008
A Government response is being considered in the context of the Government’s consideration of the report by the Hon Murray Wilcox QC ‘Transition to Fair Work Australia for the Building and Construction Industry’.

Electoral Matters (Joint Standing)
Civics and electoral education

Advisory report on the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008
Following receipt of the Advisory Report from the committee the Government made amendments to the bill and it was reintroduced on 23/03/2009. No response required.

Employment, Workplace Relations and Education References
Bridging the skills divide
Government Response was tabled 17 April 2009.

Indigenous education funding - Final report
The 2005-2008 Funding Quadrennium has now finished. New funding arrangements for Indigenous Education are now in place.

Student income support
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Employment, Workplace Relations and Education Standing
Workforce challenges in the transport industry
A government response is being considered with input from Treasury, DIAC, DITRDLG as well as DEEWR, and will be tabled in due course.

Quality of school education
The Senate Employment, Workplace Relations and Education References Committee released the Report of its Inquiry into the Quality of School Education on 13 September 2007. The report contains 7 recommendations. The previous Government did not respond to the report or its recommendations prior to the 2007 election.

The Hon Julia Gillard MP, Minister for Education, is implementing a significant reform agenda in school education through the ‘Education Revolution’. Major initiatives changing the way education is delivered and its quality include: the almost $2 billion National Secondary School Computer Fund to be delivered over five years; the $2.5 billion over 10 years for the Trade Training Centres in Schools Program; the $14.7 billion Building the Education Revolution school building program, development of a rigorous, world-class national curriculum in all schools and increased transparency of school performance through the collection and reporting of a comprehensive range of information on schools; and national partnerships addressing the needs of low-SES communities, literacy and numeracy and quality teaching.

In the context of the change of government and given the significant school education reform agenda of the new Government, the Senate Inquiry report has been overtaken. For this reason, the Government does not propose to respond to the Senate Inquiry Report.

Environment, Communications and the Arts Standing

The effectiveness of the broadcasting codes of practice
The government response has been developed and is expected to be tabled soon.

Sexualisation of children in the contemporary media
The government response has been developed and is expected to be tabled soon.
The Government does not propose to provide a formal response to the report. The Solar Homes and Communities Plan has been an outstanding success and the Government has increased its available funding to almost $500 million in the 2009-10 Budget. In addition, in December 2008, the Government announced details of its target to source 20 per cent of Australia’s electricity from renewables by 2020. Within this target, the Government also announced new ‘Solar Credits’, which will replace the Solar Homes and Communities Plan as the Government’s primary means of supporting the installation of household solar power systems. From 1 July 2009, Solar Credits will provide first-time solar PV installations with a subsidy five times greater than large-scale renewables.

Management of Australia’s waste streams (including consideration of the Drink Container Recycling Bill 2008)
The government’s response is being considered and will be tabled in due course.

Great Barrier Reef Marine Park and Other Legislation Amendment Bill 2008
The Government responded to the issues raised in this report during the debate on the Bill. The Bill was debated in the Senate following the Inquiry and has since been passed.

Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008
The Government response is being considered and will be tabled in due course.

Environment, Communications, Information Technology and the Arts References
Regulating the Ranger, Jabiluka, Beverley and Honeymoon uranium mines
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Lurching forward, looking back: Budgetary and environmental implications of the Government’s Energy White Paper
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

The performance of the Australian telecommunications regulatory regime
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Living with a salinity - a report on progress: The extent and economic impact of salinity in Australia
The response is currently being prepared and will be tabled in due course.

About time! Women in sport and recreation in Australia
The government response is being considered and will be tabled in due course.

Environment, Communications, Information Technology and the Arts Standing Committee References
Conserving Australia—Australia’s national parks, conservation reserves and marine protected areas
The government response is being considered and will be tabled in due course.

Finance and Public Administration References
Staff employed under Members of Parliament (Staff) Act 1984
The government response is being considered and will be tabled in due course.

Matters relating to the Gallipoli Peninsula
The government response is being considered and will be tabled in due course.

Government advertising and accountability
The government response is being considered and will be tabled in due course.
Transparency and accountability of Commonwealth public funding and expenditure
Interim response provided to the committee on 16 April 2008. The final response is being prepared and will be tabled in due course.

Finance and Public Administration Standing
Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007 [Provisions]—
Interim report
The recommendations were dealt with in the context of Parliamentary debate on the bill in the House of Representatives and the Senate. No response required.

Annual reports (No. 2 of 2007)
Government response is being prepared and will be provided in due course.

Annual reports (No. 1 of 2008)
Government response is being prepared and will be provided in due course.

Families, Housing, Community Services and Indigenous Affairs and Other Legislation
Amendment (2008 Budget and Other Measures) Bill 2008
The recommendations were dealt with in the context of Parliamentary debate on the bill in the House of Representatives and the Senate. No response required.

Annual reports (No. 2 of 2008)
The government response is being considered and will be tabled in due course.

Item 16525 in Part 3 of Schedule 1 to the Health Insurance (General Medical Services Table) Regulations 2007
The government response is being considered and will be tabled in due course.

Foreign Affairs, Defence and Trade (Joint Standing)
The Government is finalising its response.

Foreign Affairs, Defence and Trade Legislation
Export Finance and Insurance Corporation Amendment Bill 2006
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Foreign Affairs, Defence and Trade Standing
Blue water ships: consolidating past achievements
The recommendations of the Senate Standing Committee from Foreign Affairs, Defence and Trade Inquiry into Naval Shipbuilding were addressed in the new Defence White Paper released on 2 May 2009.

Reforms to Australia’s military justice system: Second progress report
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Australia’s public diplomacy: building our image
The government response was tabled on 5 February 2009.

Reforms to Australia’s military justice system: Third progress report
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Australia’s involvement in peacekeeping operations
Government response is being considered and will be tabled in due course. (Defence has been provided with an extension to respond by mid 2009).

Reforms to Australia’s military justice system: Fourth progress report
The Government is finalising its response.
Housing Affordability in Australia (Senate Select)

- **A good house is hard to find: Housing affordability in Australia**
  The government response is being considered and will be tabled in due course.

**Intelligence and Security (Joint)**

- **Review of security and counter terrorism legislation**
  Government response was tabled on 23 December 2008.

**Inquiry into the proscription of ‘terrorist organisations’ under the Australian Criminal Code**

Government response was tabled on 23 December 2008.

**Review of the re-listing of the Kurdistan Workers’ Party (PKK)**

The government response was tabled on 28 May 2009.

**Review of the re-listing of Al-Qa’ida, Jemaah Islamiyah and Al-Qa’ida in the Lands of the Islamic Maghreb**

The government response was tabled on 28 May 2009.

**Review of the re-listing of Abu Sayyaf Group, Jamiat ul-Ansar and Al-Aa’ida in Iraq as terrorist organisations**

The government response was tabled on 28 May 2009.

**Legal and Constitutional Affairs Standing**

- **Unfinished business: Indigenous stolen wages**
  The government response is being considered and will be tabled in due course.

**Crimes Legislation Amendment (Child Sex Tourism Offences and Related Measures) Bill 2007**

[Provisions]

See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

**Telecommunications (Interception and Access) Amendment Bill 2008**

See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

**Stolen Generation Compensation Bill 2008**

The government response is being updated to take into account recent developments and will be tabled in due course.

**Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008**

[Provisions]

Dealt with by amendments to the Bill; no further response required.

**Same-Sex Relationships (Equal Treatment in Commonwealth Laws—General Law Reform) Bill 2008**

[Provisions]

Dealt with in the context of parliamentary debate on the bill; no further response required.

**Migration Legislation Amendment (Worker Protection) Bill 2008**

Dealt with in the context of parliamentary debate on the bill; no further response required.

**Legal and Constitutional References**

- **Reconciliation: Off track**
  No further action. A letter to the Chair of the Committee is currently being prepared.

- **The road to a republic**
  The government response is being considered and will be tabled in due course.

**Medicare (Senate Select)**

- **Medicare - healthcare or welfare?**
  See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.
Second report: Medicare Plus: the future for Medicare?
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Mental Health (Senate Select)
A national approach to mental health - from crisis to community - Final report
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Migration (Joint Standing)
Negotiating the maze—Review of arrangements for overseas skills recognition, upgrading and licensing
The Government response has been finalised and will be tabled shortly.

Temporary visas...permanent benefits: Ensuring the effectiveness, fairness and integrity of the temporary business visa program
The Government response is being finalised, incorporating the most recent reform announcements in the temporary business visa program.

Immigration detention in Australia—A new beginning—Criteria for release from detention
The Government response is being finalised in consultation with relevant portfolios.

Ministerial Discretion in Migration Matters (Senate Select) Report
The proposed Government response is being revised to reflect the Government’s recent changes and reform agenda in respect to ministerial intervention arrangements.

National Capital and External Territories (Joint Standing)
The way forward—Inquiry into the role of the National Capital Authority
The government response was tabled on 11 December 2008.

Public Accounts and Audit (Joint Statutory)
Report 406—Developments in aviation security since the Committee’s June 2004 Report 400: Review of aviation security in Australia - An interim report
Sent to Joint Committee of Public Accounts and Audit on 23 October 2008.

Report 407—Review of Auditor-General’s reports tabled between 18 January and 18 April 2005
Government Response provided to the Committee on 03/09/2008.

Report 409—Developments in aviation security since the Committee’s June 2004 Report 400:
Review of aviation security in Australia
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Report 411—Progress on equipment acquisition and financial reporting in Defence

Report 412—Audit reports reviewed during the 41st Parliament
The government response to recommendations 11 and 12 were tabled on 28 May 2009.

Report 413—The efficiency dividend and small agencies: Size does matter
Government response is being prepared and will be provided in due course.

Publications (Joint Standing)
Printing standards for documents presented to Parliament
The government response is being considered and will be tabled in due course.

Rural and Regional Affairs and Transport References
Iraqi wheat debt - repayments for wheat growers
The government is considering the response in consultation with relevant portfolios.

Rural and Regional Affairs and Transport Standing
Water policy initiatives - Final report
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Australia’s future oil supply and alternative transport fuels - Final report
The government response is being considered and will be tabled in due course.

Meat marketing - Interim report
In response to the Senate Committee’s Interim report, the Primary Industries Ministerial Council, (PIMC) established a working group to examine the Senate Committee’s recommendations. The department anticipates being able to table a response after the working group reports its findings at the next PIMC meeting which is scheduled for November 2009.

Administration of the Civil Aviation Safety Authority (CASA) and related matters
The government response has been finalised and will be tabled in due course.

Implementation, operation and administration of the legislation underpinning Carbon Sink Forests
The government response was tabled 18 June 2009.

Water management in the Coorong and Lower Lakes (including consideration of the Emergency Water (Murray-Darling Basin Rescue) Bill 2008)
The government will provide a response after the final report has been tabled.

Climate change and the Australian agricultural sector - Final report
The government response is being considered and will be tabled in due course.

State Government Financial Management (Senate Select) Report
The government response is being considered and will be tabled in due course.

Treaties (Joint Standing)
Report 86—Treaties tabled on 27 March and 9 May 2007
See document tabled in the Senate on 3 February 2009, entitled Government Response to Parliamentary Committee Reports – Response to the report tabled by the President of the Senate on 26 June 2008, for the final response. No further response required.

Report 91—Treaties tabled on 12 March 2008
The government response is being prepared with input from relevant portfolios. The response will be tabled in due course.

Report 93—Treaties tabled on 12 March and 14 May 2008
The government’s response was tabled on 19 March 2009.

Report 94—Treaties tabled on 14 May 2008
The Government Response is being prepared and will be tabled in due course.

The Government Response is being prepared from relevant portfolios.

AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSIONER
Return to Order
Senator CONROY (Victoria—Deputy Leader of the Government in the Senate)
2005 has already been registered on the federal registry of legislative instruments. The Table Office has advised that this will be tabled today.

DELEGATION REPORTS
Parliamentary Delegation to North America, Europe and the United Kingdom

Senator HUTCHINS (New South Wales) (6.21 pm)—by leave—I should have known better than to think about lodging a report on a day when the Greens are fully active, their broadcast day, but I rise to table the report of the Australian parliamentary delegation of the Parliamentary Joint Committee on the Australian Crime Commission to North America, Europe and the United Kingdom, which took place from 12 April to 3 May this year for the purpose of examining the legislative responses of international jurisdictions to the ever-increasing challenge of serious and organised crime. In tabling this report I acknowledge the contribution of my fellow committee members: Senator Parry, sometimes known as DCI Hunt; and, from the other place, Chris Hayes and Jason Wood. I seek leave to move a motion in relation to the report.

Leave granted.

Senator HUTCHINS—I move:

That the Senate take note of the document.

It is also prudent to thank the organisations and individuals, too numerous to list, who took the time to share their knowledge and experiences. A special thank you needs to go to the committee secretariat, headed up by the indomitable Dr Jacqueline Dewar and supported by Nina Boughey and Danielle Oldfield, for the time and effort they expended on organising itineraries, making contact with international law enforcement agencies and organising the logistics of the trip. Their dedication to their work and their contribution to making this trip and its report such a success cannot be overstated. Finally, I would like to thank the Australian Federal Police and the Attorney-General’s Department for their contribution.

This report does not make any recommendations but it extensively documents the information and observations shared by organisations like the United Nations Office on Drugs and Crime, Europol, the Federal Bureau of Investigation, the RCMP and others in our discussions. The opportunity to meet face-to-face with organisations that have been dealing with the challenges posed by crime groups like the mafia was immensely helpful and will substantially inform the final report of the Parliamentary Joint Committee on the Australian Crime Commission on legislative provisions to deal with serious and organised crime groups.

Crime as we once knew it has changed. It has adapted to conventional law enforcement techniques by developing transnational networks and exploiting the rapid uptake of technologies like the internet. Globalisation and technological advancement is giving criminals the avenues and tools they need to expand their businesses. The Executive Director of UNODC, Antonio Maria Costa, spoke of the shifting dimensions in criminal activity. He acknowledged that murder, fraud and theft, once our main concerns, are no longer the major crime challenges we face. Consistently, in meetings across every jurisdiction we visited, drugs, the arms trade and human trafficking were cited as the three most prevalent and challenging criminal activities that we now face. In fact, Mr Costa told us that if crime were a country it would have the 18th largest economy in the world.

As the report details, there were five key themes that arose from the discussions the delegation had: the need to follow the money trail, or focus on the economic incentives for and proceeds of criminal activity; the need to
improve information sharing and cooperation between law enforcement agencies, both domestically and internationally; the need to focus on proactive measures to prevent organised crime; the need for an approach to tackling organised crime that addresses all aspects of organised criminal involvement in society; and, last but most important, the need for strong political will to take up the challenge and legislate to stop the formation and activities of organised crime groups.

I want to focus on the first and last points, but first we need to acknowledge just how significant the problem of organised crime is becoming in Australia. Our discussions with international law enforcement agencies revealed that, apart from domestic perceptions of organised crime in Australia, the international perception is that Australia is or is certainly becoming a focal point for organised criminal activity. The Netherlands’ national prosecutor for synthetic drugs told the delegation about the lucrative nature of the Australian drug market, particularly for MDMA, or ecstasy. The street value of one ecstasy tablet in the Netherlands would be about three or four euros, or approximately five to seven Australian dollars. We were informed that the street value of the same tablet in Australia is somewhere in the vicinity of four times that. Drug traffickers can make four times as much by peddling their wares on our shores—a strong economic incentive to bring the trade to Australia—and that is exactly what they are doing.

Similarly, the proceeds of organised crime are finding their way to our country. Italian law enforcement agencies, amongst others, informed us that Australia is a prominent destination for the investment of the proceeds of organised crime, particularly funds from the mafia groups. They told us that they had raised this with Australian government authorities and, to date, it does not appear that anything has happened. The common element in both these scenarios is the economic element to criminal activity. In every jurisdiction we visited, the most successful strategy for dealing with organised crime was one where the business model and the financial and material assets of criminal groups were targeted. By depriving criminals of the spoils, the primary incentive for illegal activity is voided. Let’s face it: they are in it to make money.

The United States operates a civil, non-conviction based forfeiture regime where the assets of individuals convicted of, being tried for or under investigation for a number of offences can be frozen and confiscated. Similarly, the United Kingdom has reversed the onus of proof for civil assets forfeiture, requiring those leading a criminal lifestyle to prove that their assets were not obtained illegally. Italian courts, recognising the problem with the ever-increasing offshoring of the proceeds of crime, can order that, where criminal assets have been transferred offshore, the individual will be required to forfeit an amount equivalent to those assets anyway. What we see here is an increasingly prevalent international shift towards operating unexplained wealth schemes that lower the burden of proof required to seize criminal assets and the proceeds of crime. These strategies have been very effective in removing the economic incentive to criminal activity.

In many of our discussions the issue of political will was raised as central to a strong, decisive and coordinated domestic and international response to organised crime. It was an issue that was given much attention by the Executive Director of the UN Office on Drugs and Crime, Mr Antonio Maria Costa. His address to the 18th session of the Commission on Crime Prevention and Criminal Justice in Vienna is appendix F of the report, and I urge people to have a look at it. In his address, Mr Costa said:
We face a crime wave that has become a security crisis. It must be stopped before it spreads even more fear, violence and poverty. The political will of states is mightier than the greed and fire power of criminal powers. I am of the firm belief that Australia can demonstrate and provide the requisite political will to challenge and defeat the threat of organised crime. I am pleased to see that just this morning the Attorney-General introduced into the House of Representatives the Crimes Legislation Amendment (Serious and Organised Crime) Bill 2009. This legislation will, amongst other things, introduce unexplained wealth provisions that target the ill-gotten gains of criminals in a bid to remove the economic incentive. This is a very welcome and positive step, particularly as we have seen the horrible incidents that have been taking place in Sydney, where people who claim to be nightclub owners and ordinary promoters live a lifestyle that cannot be supported in any other way than through the misery of their drug addicted clientele.

In his media release, the Attorney-General said this:

These measures will target the perpetrators and profits of organised crime and will provide our law enforcement agencies with the tools they need to combat the increasingly sophisticated methods used by organised crime syndicates.

I will reserve my remarks on the bill until the second reading debate, assuming it will come before the Senate shortly, except to say that, from what I have seen of this bill, it responds to many of the issues and concerns raised by law enforcement agencies in the jurisdictions we visited and will implement a number of the measures that have been proven successful in those jurisdictions. It is a very welcome first step to responding to the threat that organised and serious crime groups pose in the 21st century. We need to make sure that we are vigilant.

I urge all members of the Senate and the House of Representatives to read this report to see why we are so concerned. We have been very conscious of the need to ensure that people were exposed to what we saw as the deleterious effects of serious and organised crime organisations.

Senator PARRY (Tasmania) (6.32 pm)—Before commencing my remarks, I commend Senator Hutchins on leading the delegation. There were four of us on this delegation. It was fast and furious and I think you will find the report goes to in excess of 100 pages not including the appendices. That report is probably one of the longer delegation reports that I have seen in this parliament. We were sent on a particular mission. I commend Senator David Johnston, who, as justice minister, commenced this process, and I also commend the current Labor government for following Senator Johnston’s lead in suggesting that this was an important matter to investigate. Senator Hutchins referred a moment ago to the bill that was introduced today into the House of Representatives. A number of elements that we covered in this delegation report would be contained in that legislation.

I also particularly thank Dr Jacqueline Dewar, the committee secretary of the Parliamentary Joint Committee on the Australian Crime Commission. Dr Dewar is the primary architect of this report. She accompanied the four of us and was superb in undertaking her duties. I do not know how she kept up with the pace of the delegation whilst managing to keep accurate notes throughout. Composing and compiling this report has been no mean feat. I particularly commend Dr Dewar and her staff in the committee secretariat, who, as Senator Hutchins and I are aware, have spent many hours and late nights during the past few weeks compiling this delegation report and getting it completed for today.
This report will also form part of the nation based inquiry into serious and organised crime and it will certainly be a valuable input from an international perspective. Senator Hutchins and I and the other committee members have been vigorously attending to domestic matters in relation to serious and organised crime. This report will hopefully be tabled in the next few months, and this delegation report will certainly complement it.

The delegation members included Senator Hutchins, the Chair of the Parliamentary Joint Committee on the Australian Crime Commission; Mr Chris Hayes MP, who has had a lot of experience in policing as a senior advocate for the Australian Federal Police Association; Mr Jason Wood, a former police officer and former detective; and me. There are three ex-police officers in this parliament and two of us went on this delegation. I know the Prime Minister’s office was particularly pleased with the calibre of the delegation. We were not to be accompanied in any way because the workload was fairly severe but nevertheless very rewarding. To give an example of how quick the trip was in some respects, we flew into Washington one morning and flew out that evening. That was the entire United States of America aspect of the trip. We met with some very senior people in the Federal Bureau of Investigation and also with representatives of the Department of Justice, with whom we again had some very fruitful meetings.

A very key finding which we did not expect to come across as we travelled through many continents was that the Australian Federal Police and the Australian Crime Commission can hold their heads up high on the world stage. It is quite amazing; the level of regard with which the Australian Federal Police is held around the world is exceptionally good. The officers that escorted and assisted us in various countries were exceptional. The reputation of the Australian Federal Police is very high. I am not saying there are not things that can be improved on, like with every jurisdiction, but they are certainly held in high regard. The calibre of policing in this country at a state and federal level is comparable to that of the best in the world. That is reassuring for me, and I know the other delegates also found that to be the case.

I am not going to repeat what Senator Hutchins has mentioned, but the key findings are quite significant from our perspective. I think the only way to move forward in combating serious and organised crime is disrupting their business plan. By disrupting criminal organisations’ business plans—that is in effect looking at the structures that underpin them and the money that underpins them—we will move forward. The new bill introduced into the House of Representatives today has many elements that will assist in that regard. If we can totally disrupt the money flow into criminal groups, we will start to win the war on organised crime.

I noted from speaking with ex-police officers in many countries—and I myself had this same concept—that police officers tend to have a culture that a crime has been committed and they wish to arrest and prosecute those criminals and put them behind bars. Unexplained wealth provisions have a slightly different tangent; you do not necessarily prosecute, charge or arrest people for committing crimes, but you remove or confiscate the assets of individuals—or groups or companies, but particularly individuals—even without laying any particular charges if they cannot explain how, all of a sudden, they accumulated an enormous amount of wealth. This is a huge difference in policing, and I am sure the cultural change is going to be a big issue. However, it is a plausible one and it should be undertaken vigorously. To dismantle a criminal organisation’s ability to finance and fund its operations is the only
way to move forward in tackling organised crime. Hopefully, as a result of that, criminal charges can also be laid against those who perpetrate those offences.

Senator Hutchins has covered very clearly and adequately the purpose, the key findings and the nature of our investigations as we went around the world with this particular delegation. I was very pleased to be part of this; it certainly enhanced my views and supported a lot of my theories, and it has encouraged me to know that our policing standards are amongst the best in the world.

For that purpose alone, it has been very good. I commend the report to all senators; it is probably good winter reading. Also, for those senators interested in the Crimes Legislation Amendment (Serious and Organised Crime) Bill, placed in the parliament today, I would recommend that they seriously look at that and give great consideration to supporting that bill as it progresses through the Senate at some future stage. Again, I thank the chair, my fellow delegates and Dr Jacqueline Dewar and her staff for their tremendous efforts, as well as all those agencies that assisted us—in particular, the Australian Federal Police.

Question agreed to.

Parliamentary Delegation to the 120th Assembly of the Inter-Parliamentary Union in Ethiopia and a bilateral visit to Switzerland

Senator TROETH (Victoria) (6.40 pm)—by leave—I present the report of the Australian parliamentary delegation to the 120th assembly of the Inter-Parliamentary Union in Ethiopia and a bilateral visit to Switzerland, which took place during April 2009. I seek leave to move a motion to take note of the document.

Leave granted.

Senator TROETH—I move:

That the Senate take note of the document.

I was very pleased to be part of this delegation. The delegation comprised me as deputy leader of the delegation; Mr Harry Jenkins, the Speaker of the House, as leader; Mr Roger Price; Ms Annette Ellis, the member for Canberra, who was present for the Ethiopian part of the delegation; and Mrs Bronwyn Bishop.

The IPU is an international organisation that brings together representatives of the parliaments of sovereign states, and it has 153 nations as members. Assemblies are held twice a year. In October the assembly meets in Geneva, and the second meeting of the year takes place in April, usually in a reasonably economically disadvantaged nation that will derive a great deal of benefit from having the delegations there—and that was certainly the case in Addis Ababa.

There are assemblies and also specialist meetings such as the meetings of women parliamentarians. By and large, the group of 153 nations splits into geopolitical groups: Africa, the Arab countries, the Asia-Pacific—to which Australia belongs—Eurasia, Latin America and the Twelve Plus Group—to which Australia also belongs. Through this means, we have multilateral contact and it helps us cement friendships with other countries in our region such as Timor-Leste and South Pacific countries.

The Speaker, Mr Jenkins, participated in the general debate, which was on the role of parliaments in the global financial crisis; Mr Price was the co-rapporteur in the debate on advancing non-proliferation and disarmament; Ms Ellis took part in the debate on climate change, sustainable development models and renewable energies; Mrs Bishop took part in the debate on freedom of expression and the right to information; and Ms Ellis and I attended the meeting of women parliamentarians. Mr Price and I also met
with the Speaker of the Ethiopian parliament, and numerous members of the delegation attended a panel discussion on adolescent girls. We also hosted a luncheon for delegates from China, Great Britain, Indonesia, New Zealand, Switzerland and Timor-Leste.

One of the highlights of our visit to Addis Ababa was a visit to the Addis Ababa Fistula Hospital, which is run by an Australian doctor, Dr Catherine Hamlin, who—formerly together with her late husband—has worked in Ethiopia for some 45 years. She has trained Ethiopian staff. She has not only set up the hospital, which treats gynaecological problems for Ethiopian women, but also established a number of outreach stations in Ethiopia. At present she is in the process of setting up a midwifery college. We were very honoured indeed to meet Dr Hamlin.

The Speaker also participated in field visits organised by the IPU and UNICEF to projects for vulnerable children and adolescents. We held bilateral meetings with Iran, Mongolia and Timor-Leste. I must say the assembly was notable this time for the presence of observers from the United States of America. The USA stopped participating in the IPU in 1995, and we were pleased to note the executive committee announced that it would welcome an application from the United States congress to re-affiliate. The Clerk of the House, Mr Ian Harris, and Ms Claressa Surtesses, who is the Deputy Serjeant-at-Arms in the House of Representatives, attended meetings of the Association of Secretaries General of Parliaments, which was held concurrently with our meeting. I seek leave to continue my remarks later, as I understand that the Acting Deputy President wishes to conduct some business and I would like to accord him that facility.

Leave granted; debate adjourned.

COMMITTEES
Membership

The ACTING DEPUTY PRESIDENT (Senator Humphries)—The President has received letters from party leaders requesting changes in the membership of committees.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (6.46 pm)—by leave—I move:

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

Corporations and Financial Services—Parliamentary Joint Committee—
Discharged—Senator Marshall
Appointed—Senator McLucas

Electoral Matters—Joint Standing Committee—
Discharged—Senator Ronaldson
Appointed—Senator Ryan

Privileges—Standing Committee—
Discharged—Senator McGauran
Appointed—Senator Johnston
[for the duration of the committee’s inquiry into whether any adverse action was taken against Mr Godwin Grech in consequence of his evidence before the Economics Legislation Committee on 19 June 2009]

Public Works—Joint Statutory Committee—
Discharged—Senator Bishop
Appointed—Senator McLucas.

PRIVILEGE

The PRESIDENT (6.46 pm)—Senator Ludwig has raised under standing order 81, by letter dated 24 June 2009, another matter of privilege in relation to the hearing of the Economics Legislation Committee on 19 June 2009. The matters he raises are whether misleading evidence was given at the hearing and whether the committee was misled by the use of a false document as a
basis for questioning in the committee. These matters have been the subject of extensive recent public comment.

Resolution 6 of the Senate’s Privilege Resolutions provides that the giving of false or misleading evidence by a witness before a committee may constitute a contempt of the Senate. The other matter raised, the alleged use of a false document as a basis for questioning in the committee, is not explicitly referred to in that resolution, but, as Senator Ludwig suggests, may be held to fall within the general provision at the beginning of the resolution relating to improper interference with the free exercise by the Senate or a committee of its authority.

As with allegations of interference with witnesses, the Senate and the Privileges Committee have always taken very seriously any suggestion that false or misleading evidence has been given to a committee, and this has been demonstrated by several cases considered by the committee over many years.

On these precedents, I believe that the Senate and the committee would also regard as a serious matter any suggestion of general misleading of a committee in the course of its proceedings.

The matters raised meet the criteria I am required to consider in determining whether to give precedence to a motion to refer the matter to the Privileges Committee. I therefore give precedence to such a motion. I table the letter from Senator Ludwig. Notices of motion may now be given.

Senator Conroy to move on the next day of sitting:

That the following matters be referred to the Committee of Privileges:

(a) whether any false or misleading evidence was given to the Economics Legislation Committee at its hearing on 19 June 2009; and

(b) whether there was any improper interference with the proceedings of the committee, or any misleading of the committee, by the use of a false document as a basis for questioning of a witness;

and whether any contempt was committed in that regard.

**DOCUMENTS**

**Consideration**

The government document tabled earlier today was called on but no motion was moved.

**ADJOURNMENT**

The PRESIDENT—Order! I propose the question:

That the Senate do now adjourn.

**Environment: Marine and Antarctic Research**

Senator CAROL BROWN (Tasmania) (6.50 pm)—I rise to speak briefly on the pivotal role that Tasmania is playing in facilitating the federal government’s marine and Antarctic research agenda. Tasmania shared in over $200 million worth of funding dedicated to advancing our marine and Antarctic research capacity in this year’s budget. This included $120 million of funding for the construction of a brand new marine research vessel to replace the ailing RV *Southern Surveyor*, and $45 million for the establishment of a new Institute of Marine and Antarctic Studies in Hobart. As well, there will be an additional $52 million for the Integrated Marine Observing System—for which the University of Tasmania will be the lead institute.

This latest allocation of funding demonstrates the federal government’s commitment to establishing Tasmania as the nation’s hub for marine and Antarctic research, and to becoming a world leader in the field.

Professor Daryl Le Grew, the Vice Chancellor of the University of Tasmania, recently praised the new institute. Professor Le Grew
in an article in the *Examiner* highlighted that the new institute will see Tasmania once again dominate marine and Antarctic education nationally, and will attract students from around the world to study in Tasmania. The new International Marine Observing System, which has been four years in the making, will see Tasmania control 40 per cent of Australia’s marine education and research.

The idea for the marine observing system was born nearly five years ago when the university, CSIRO and the Antarctic Division decided that they should get together. The University of Tasmania will drive the new system, with memorandums of understanding with Queensland’s James Cook University, which covers tropical environment marine studies, and the Western Australian University, which looks at the Indian Ocean environment. The institute will also have a cooperative relationship with the National Centre for Marine Conservation and Resource Sustainability, based at the Australian Maritime College in Launceston, as well as other university faculties.

These developments build on the impressive work already being conducted in Tasmania by the CSIRO, the University of Tasmania and the Australian Antarctic Division in terms of researching, monitoring and ultimately preserving our important marine and Antarctic assets. Indeed, I recently had the pleasure of visiting the Australian Antarctic Division, which is based in Kingston, just a few minutes south of Hobart, with the Minister for the Environment, Heritage and the Arts, Peter Garrett. The minister, who was joined by the federal member for Franklin, Julie Collins, was there to observe the great work being conducted by the division’s Marine Mammal Centre into non-lethal whale research—the type of work that will be able to continue as a result of an additional $36.9 million worth of funding included in this year’s budget to be allocated to the division over the next two years to ensure such research can continue. The division currently employs over 300 people.

As my federal parliamentary colleague the member for Franklin, Julie Collins, pointed out at the time:

The Division’s work has important flow-on benefits for the Tasmanian economy.

Up to $20 million of extra investment will flow directly to Tasmania from the additional funding to the Australian Antarctic Division announced in the recent budget, which is good news not only for [Franklin] … but for the entire Tasmanian economy.

The same can be said for the government’s other most recent investments in marine and Antarctic research in the state—they will not only strengthen the state’s and indeed the nation’s position as a world leader in the field but will also, importantly, support local industry and jobs. For example, I know of a number of local based service companies that are currently engaged on a regular basis to perform maintenance work on the *Southern Surveyor*. The guarantee of the new vessel being built will hopefully ensure that such benefits to the Tasmanian economy and industry will continue.

Arguably the most significant announcement for Tasmania in terms of marine and Antarctic research to come out of this year’s budget was the news that the government will provide $120 million for the construction of a new marine research vessel to replace the ailing *RV Southern Surveyor*. This was no doubt welcome news for many who had been lobbying for the funds to replace the ageing vessel for some time. This includes my parliamentary colleague the federal member for Denison, the Hon. Duncan Kerr, who has been working extremely hard for some time to see the vessel replaced and for it to be based in Hobart. Mr Kerr has praised the federal government’s commitment to replace the vessel, saying that the
new vessel will take marine research to the ice edge of Antarctica and drastically increase the quality and quantity of our at sea research. He too has highlighted the significant flow-on benefits for Tasmania based service industries and the Tasmanian economy.

There is little doubt that the new vessel was urgently needed if we were to continue our marine research activities in the Southern Ocean. Currently the Southern Surveyor is the only research vessel capable of operating in the Southern Ocean, but it is now 38 years old and near the end of its useful life. The new vessel will ensure that our vital research in the Southern Ocean will continue safely well into the future. On commission, the replacement vessel will operate for 300 days per annum at sea, providing increased research capacity aboard a modern, efficient facility. The government has also committed to providing an additional $29.6 million over four years in recurrent funding to increase the number of days that the current research vessel, the Southern Surveyor, can operate at sea prior to the new vessel hitting the water. This increase in funding will see the existing vessel operate for up to 180 days at sea for each of the three years to 2011-12. The CSIRO currently only has sufficient funding to operate the vessel for 130 days at sea.

Securing our research capacity in the Southern Ocean is vital in terms of progressing our work at sea on the critical issue of climate change. The ocean as well as the land holds much of the evidence, and is likely to hold many of the answers when it comes to how best to address this globally significant issue. Therefore there could be no greater impetus for ensuring that our research capacity, particularly in the Southern Ocean, continues.

Having the Southern Surveyor and its successor out on the sea for as many days as possible is also important in terms of the discovery, development and sustainable use of our natural resources. Research in the region is essential in providing us with a better understanding of rich marine resources and how best to go about preserving its biodiversity. Indeed, approximately 77 per cent of Australia’s ocean territory lies between the edge of the coastal zone and the ice edge of Antarctica. This vast ocean territory is under the sole jurisdiction of the Commonwealth government, and the Marine National Facility provides Australia’s only dedicated research vessel capable of operating in the area.

Over the last three years, the Marine National Facility has been used by 15 different Australian universities, five Australian museums and all publicly funded research agencies with marine interests. It has also enabled Australian scientists to collaborate with 13 different overseas universities and 11 overseas research institutions. It goes without saying that the decision to fund a new vessel represents an investment not only in Tasmania as the national hub of marine and Antarctic research but also in our nation’s long-term research, development and conservation capacities in the region.

On top of the government’s commitment to fund a new Southern Ocean marine research vessel, it also announced that under round 2 of the Education Investment Fund it will allocate $45 million for the establishment of a new Institute of Marine and Antarctic Studies to be based on Hobart’s prestigious waterfront. The project, totalling $74 million, will provide integrated research facilities for the University of Tasmania scientists, CSIRO and the Tasmanian government by creating an iconic marine precinct on the Hobart waterfront. The University of Tasmania is set to construct the facility, which is expected to create a critical mass of marine scientists in Hobart, allowing for the colloc-
tion of research teams in a marine science hub. The new building will consist of 7,549 square metres of shared work space, which will be used to house and integrate a suite of laboratories, offices and amenities to be collaboratively used by the University of Tasmania, CSIRO and the Tasmanian government.

The provision of this world-class research and development facility will significantly enhance research collaboration and innovation outcomes for Australia. It will also accelerate collaboration between the University of Tasmania and its partners to deliver greater outcomes faster. Currently the university’s existing research expertise is scattered across six schools, centres and institutes. This development will bring them together in one centralised location.

The benefits of the institute will not be limited to the university. Existing partnerships that will benefit from the proposed development include the CSIRO, the Antarctic and Climate Ecosystems CRC and, of course, the Australian Antarctic Division. The project will also importantly support the development of the Australian national maritime science network with the University of Western Australia and James Cook University.

Initially the research portfolio of the Institute of Marine and Antarctic Studies will be largely science based, covering a broad range of areas, including aquaculture, fisheries management, biodiversity, ecosystem management and modelling, and physical oceanography. Importantly, the overarching theme of the institute will focus on climate change and its impacts. This couples Tasmania’s marine and Antarctic research capabilities with the state’s ever-increasing interest in sustainable development and resource management.

The DEPUTY PRESIDENT—Order! Senator Brown, your time has expired.

Senator CAROL BROWN—I seek leave to incorporate the rest of my speech into Hansard.

Leave granted.

The document read as follows—

The State Government and the Tasmania Institute of aquaculture and fisheries industries are important stakeholders in the Institute providing significant investment. Indeed the project provides a wonderful example of cross collaboration between Government, industry and education and research bodies. The University of Tasmania has internationally recognised strengths in marine science focused on the Southern Ocean and Tasmanian Waters—the Institute will draw the Universities marine science expertise into one single area, again enhancing and fostering cross disciplinary research in marine and Antarctic policy, law and even tourism. Combined these two projects establish Tasmania as the iconic mecca for Marine and Antarctic research. By doing so they draw on the State’s traditional intrigue and reliance, albeit sometimes bitter sweet, with the vast Southern Ocean and its treasures. Importantly both of the projects will have significant flow on effects for local industry and further support local jobs.

I wish to commend the Federal Government, in particular the work of the Minister for Industry, Innovation and Research, Senator Kim Carr, and the Minister for the Environment, Peter Garrett, for having the vision and foresight for investing in the future of Marine and Antarctic research which promises to hold many benefits both Tasmania and the rest of the Nation in the years to come.

China
Poland

Senator RYAN (Victoria) (7.01 pm)—Twenty years ago earlier this month we remembered, commemorating one and cele-
brating the other, two momentous events of last century: the Tiananmen Square massacre in China and the first semi-free elections—almost worthy of that name—in Poland in June 1989. I was a teenager at the time, politically aware and finishing high school, and those events made a particular impression upon me. It was the sad juxtaposition of these events, one representing the triumph of the human spirit and the other representing it being crushed, that made such an impact.

Just as the Iron Curtain started to fall across Europe and crumble as it rusted—as thousands and thousands of people opposed the regimes that had oppressed them—Beijing brought down its brutal force upon peaceful activists seeking a better life and a say in their government. It is the tragic coincidence of these events that I wish to raise this evening. I firmly believe that we must celebrate the victories of the human spirit and we must commemorate those who suffer and, in this case, die when seeking access to the same freedoms that we enjoy. Later this year we will celebrate the 20th anniversary of the fall of the Berlin Wall and the end of the 20th century’s second great murderous ideology—at least in Europe.

The first matter I wish to raise is the Polish elections in 1989. Poland had a tragic 20th century history in many ways until 1989. It was stuck between the two great malevolent powers of Nazi Germany and the USSR for much of the 20th century. The invasion by Germany, the devastation of World War II and then the subjugation by the USSR and its communist cronies oppressed its people for many years. But the Polish people yearned for freedom—to vote, to practise their religion, to choose their own destiny, to have a say in their own government and to have some control over their own lives, absent an oppressive state. Australia saw many people arrive on our shores seeking to escape that very state and the Polish communist government.

After half a century this foreign and flawed ideology had never taken root in Poland. The resistance movement that came about in trade unions, in civic groups and in churches had taken root. Through the 1980s and even under martial law, the people would not yield. In 1989 the socialist and communist parties that ran Poland had no choice but to yield to the proposed elections—elections that were not fair and free in the way we would expect but a great step forward for the Polish people. The point is that the need for elections had been conceded, the Polish people had their say and they responded in force. The communist party was overwhelmed. Solidarity and their allies within the community won so convincingly that, to quote a person who did more to end the Cold War than many world leaders, Ronald Reagan:

Within months the Soviet Empire began to melt like a snowbank in May.

We have to admire the fact that, in many countries across eastern Europe at that time, we saw an incredible and mostly peaceful transition from a totalitarian form of government to liberal democratic government. This spark followed previous moves in Hungary to push the communist menace away from eastern Europe and ensure that this twisted ideology that had killed millions was put to an end on that continent.

At the same time we saw tragic events in China. Many Australians now visit Tiananmen Square. I hope that when they do they also recall the circumstances in which it came to the attention of millions of people around the world. In response to protests and gatherings requesting nothing more than that people be allowed to have input into their government and civic life, the communist regime sent tanks. We were confronted with
that immortal photo that I mentioned in my first speech in this place of a man standing before a tank with two plastic shopping bags. Several weeks ago a new photo, taken at street level, of that same man became available from a photographer who had never published the print. While we saw then what looked like one brave man standing against a tank column, this photo published by the New York Times shows the chaos at ground level as that person stood in front of a tank as others were fleeing from the bullets that were being fired by soldiers. Thousands were slaughtered, thousands more were imprisoned, and they were only asking for what we take for granted.

In the House of Representatives, the then Prime Minister, Bob Hawke, said that he had never witnessed such a tragedy and that the aspirations for a freer China needed to be properly recognised. The then Leader of the Opposition, Mr Andrew Peacock, reminded the House that slaughter, pillage and destruction were tragic features of communist regimes. It was a true bipartisan moment as the nation expressed horror at what they had witnessed on their television screens and in their newspapers.

The communist government of China referred in much of its press to ‘counter-revolutionaries’, a term that spreads fear and terror through those who have ever lived under such a regime, a term that was used for decades to shout down, imprison and oppress those who sought nothing more than what we have here today. In the international press at the time, the Washington Post said:

Tanks pursued student victims with machine guns, ran over some and smashed others like insects against walls.

That is not something to which we have ever been accustomed in this country. The Radio Beijing English language announcer was pulled off air after admitting thousands had been killed and a new announcer was brought into his place.

I wish to raise these two issues because I believe we should remember both the triumphs of liberty and the failings of those who have yet to embrace it. The Chinese regime has never apologised for what it undertook in 1989 and I believe it is incumbent upon us to continue the memory of those who died and suffered in a quest for the liberty that we take for granted.

Cambridge Downs Store

Senator FURNER (Queensland) (7.07 pm)—This evening I rise to discuss a recent activity from approximately four weeks ago. On Saturday 23 May I was in Richmond, which is half way between Townsville and Mount Isa on the Overlanders Way. The purpose of the visit was to officially open the Cambridge Downs store replica on behalf of the Parliamentary Secretary for Infrastructure, Transport and Regional Development, the Hon. Gary Gray.

It has been about 25 years since I passed through that town. Things have not really changed a great deal other than for a few attractions in respect of tourism, which is great to see for a town like Richmond. From memory, when I visited that town I was with my then-to-be wife, Lorraine, so it was great to get back there and see the changes in that particular town.

The original store that the replica was crafted on was part of the colonial settlements in North Queensland dating back to 1864. A stonemason from Atherton was engaged to construct the stonework from a site close to the Cambridge ruins. Richmond school also worked in partnership with the council on the project to provide students with experience in project management and historical architecture. This was achieved through skills gained in project management and tourism in school based traineeships.
The new Cambridge Downs store, as identified by Mayor John Wharton, is a working project. The replica store has many interesting displays ranging from household items, Aboriginal artefacts, Condamine and Kentucky bells, a Cooper 2 stand portable shearing plant and shearing handpieces along with historical panels on Cambridge Downs, the Woolgar Massacre, the Woolgar Goldfields and, out the back, a well-kept wool wagon and sulky wagon.

In the warm autumn Saturday morning sunshine John proudly showed me around the site and introduced me to many of the 800 local people who reside in Richmond. As expected from past experiences, I was greeted with the warm, friendly hospitality that you generally find in country Australia. Notwithstanding the numbers of locals present, there were several tourists from other parts of our country, experiencing the great attractions Richmond has on offer. In fact, I think there was a couple there from South Australia, enjoying their morning.

After the official proceedings were completed, I had the opportunity to visit the Kronosaurus Korner, which is the fossil capital of Australia and world renowned for the 110-million-year-old marine fossils. Among the 400 separate exhibits, there is Australia’s best vertebrate fossil, the 4.25-metre Richmond Pliosaur and the armoured dinosaur, Minmi, which are both 100 million years old.

Standing in Central Queensland—500 kilometres from the coast—it is hard to believe that it was once an inland sea. Councillor Rob levers took the time out to explain many of the exhibits on display at the museum. In fact, Rob and his brother, Ian, are known in the area for their dedication, and the significant fossil find of the Pliosaur on Marathon Station near Richmond in 1989. Rob has been recognised for his contributions to the community, being the recipient of a Centenary Medal in 2001 for his service to the community and as a founding member of the Richmond Fossil Museum. He was the recipient of the Gallery and Museum Association Industry Award in 2008 for his outstanding service as a volunteer to Kronosaurus Korner.

In addition to the exhibition there are opportunities to go out on public dig sites and conduct your own excavations and return to Kronosaurus Korner for identification. While we were there we saw some of the returned exhibits that tourists had brought back to the museum. Rob explained about the many school excursions which come to Richmond to be part of the digs in the area as well. Throughout the tour I was privileged to meet a number of palaeontologists who were assisting the museum’s curator, Paul Stumkat, in identification of fossils.

Currently, Kronosaurus Korner is undergoing renovations to improve what is already considered to be Australia’s most exciting marine fossil display. The museum’s stage one capacity will be increased from 12 displays to 15, allowing for new and exciting finds to be preserved and displayed.

Following the tour of Kronosaurus Korner I was collected by Ross in his horse and buggy and did a few laps up and down the main street. As the day concluded I was fortunate to be given the town tour, with Mayor John Wharton pointing out several sites. The man-made lake was a truly amazing attraction and demonstration of the achievements of the local council. Lake Fred Tritton has a circumference of 1.2 kilometres and a maximum depth of eight metres. The lake is filled with a variety of fish, ranging from barramundi, gulf grunter, sleepy cod, spangled perch and yellow fin. Freshwater prawns and redclaw crayfish are also plentiful. In fact, when we were there overseeing the surrounds on the lake there was a group of local
boys who came along hoping to be successful in catching a number of crayfish for their afternoon meals. During the summer months, John tells me, it is not uncommon to see backpackers enjoying the water park in the hot summer sun.

Adjacent to the western side of the lake is the Richmond Community Bush Tucker Gardens, a finalist in the Indigenous category of the 2008 Banksia Environmental Awards. All plants are native to the Richmond region, and information for their traditional purposes is provided.

Finally, just before my charter flight back to Townsville, we dropped into the Lakeview Caravan Park to browse the camp, self-contained cabins and caravan sites. This park is located on the edge of the lake, with spectacular views of the water and surrounds.

I am, like many parliamentarians, limited for time; however, I thoroughly enjoyed the short experience in returning to Richmond to see so many attractions which would make any adventurer want to stay in this area for a number of days. As mentioned earlier, these attractions are complemented by true country hospitality, a firm handshake, a warm smile and interesting conversation. And on the night of the great tradition which Queenslanders enjoy, State of Origin, I know there will be many of Richmond’s residents celebrating another victorious Maroons win.

Kidney Health Week

Senator WORTLEY (South Australia) (7.14 pm)—I rise to bring to the attention of senators this evening issues associated with Kidney Health Week, which recently took place nationally. I commend Kidney Health Australia for its efforts to increase awareness of chronic kidney disease in our community. The health of our kidneys is a matter that many of us rarely if ever consider. We all know, or think we know, what our kidneys do. The kidney is a surprisingly sophisticated organ. Though relatively small, normal kidneys filter nearly 200 litres of blood every 24 hours. This significant blood supply enables the kidneys to regulate the composition and pH balance of the blood, keep the volume of water in our bodies constant, remove waste products from our systems, regulate blood pressure, stimulate the production of red blood cells and maintain our calcium levels. Our kidneys quietly do this work night and day, and it is only if they malfunction that most of us give them more than a passing thought. Yet it is this silent, constant work that underpins the key messages of this year’s Kidney Health Week, ‘Make a noise about the silent killer.’

Chronic kidney disease has been called the silent killer because sufferers can lose up to 90 per cent of kidney function without the slightest warning. There may be no signs, no symptoms and there is as yet no cure. According to Kidney Health Australia, chronic kidney disease affects more than two million Australians, many of whom may not even be aware that they have the disease. I am advised that up to one in three Australians are at risk of developing some form of chronic kidney disease. Chronic kidney disease has some similarity in this regard to diabetes, which those present will recall is a long-term interest and focus of mine, particularly with the great work carried out by the Juvenile Diabetes Research Foundation.

What is the result of loss of kidney function? Figures released recently show that chronic kidney disease was a factor in more than one million hospitalisations in 2006-07 and, shockingly, in one in every 10 deaths in 2006. Between 2006 and 2007 there was an extraordinary 26 per cent rise in the number of people receiving dialysis and transplants as the result of end-stage kidney disease. In fact, dialysis has averaged a six per cent growth rate per year over the past decade. These statistics are drawn from a report by
the Australian Institute of Health and Welfare entitled, *An overview of chronic kidney disease in Australia, 2009*. The report was released in May this year.

As for the risk indicators for chronic kidney disease, they are factors that we all know only too well. Many are closely intertwined with our 21st century lifestyle. High blood pressure, diabetes, smoking and obesity are all factors in the development of the disease, as are age and family history. People of Aboriginal or Torres Strait Islander descent are even more at risk. The Australian Institute of Health and Welfare’s report indicates that Indigenous people, who also have higher rates of diabetes, are six times more likely than non-Indigenous people to receive dialysis and kidney transplants. Keeping blood pressure down is a vital factor in managing chronic kidney disease. My research indicates that one in four Australians is affected by high blood pressure. One of the consequences of uncontrolled high blood pressure is damage to the small blood vessels in the kidney’s nephrons, or filtering units. Over time, the situation compounds and kidney function becomes more and more compromised. In turn, damaged kidneys cause blood pressure to rise because their ability to produce a certain enzyme is impacted, setting up what is effectively a very vicious circle indeed.

With diabetes, chronic kidney disease is now one of the most prevalent chronic conditions in our country. It represents an enormous health, social and financial burden for individuals living with the disease and for their families, friends and workmates, and for their communities. While dialysis is life-saving and, of course, welcome for that reason, travelling to dialysis centres up to three times a week, spending several hours undergoing the dialysis process and then travelling home again is onerous for patients and their carers. It is onerous for children and young adults, for those in middle years and for older patients. Its adverse impact on quality of life cannot be avoided or denied. That same impact is true for self-dialysis, which, however, offers greater flexibility and independence and presents better survival rates. And then, of course, there is the kidney transplant. It is those who have had to confront this, together with their families, who know the combination of fear and hope that accompany the wait for a kidney donor, especially as the disease reaches its end stage.

It is a fact that chronic kidney disease also represents a significant cost to the community as a whole both presently and into the future. I remind senators of the increasing prevalence of the condition in our country. Kidney Health Australia has commissioned two reports into the economic ramifications of chronic kidney disease. The research was carried out in conjunction with Sydney University, the Royal Prince Alfred Hospital, the Queen Elizabeth Hospital in South Australia and the Australian and New Zealand Dialysis and Transplantation Registry. In summary, the reports show that the estimated cost to the health sector for providing renal replacement services in the period 2004-10 will be between $4.26 billion and $5.52 billion. Increasing the rate of home dialysis would produce a saving of $88.2 million and increasing the rate of transplantation produces the greatest health benefits for the least expenditure. General practice screening of 55- to 69-year-olds plus intensive management of risk factors such as diabetes and hypertension represent cost-effective strategies and are consistent with the government’s focus on the prevention and management of chronic disease.

Closer to home, though, there are simple ways in which we can all reduce our risk of chronic kidney disease. They are: losing excess weight, limiting alcohol intake according to current guidelines, taking regular ex-
exercise, reducing fat and salt intake and, of course, quitting smoking. We all know that these changes to our diet and lifestyle, as well as increased vigilance regarding our general health and regular screening check-ups, offer benefits that go well beyond the avoidance of particular conditions such as chronic kidney disease or diabetes. They increase wellbeing, participation and productivity. They decrease the debilitating effects of chronic illness and the associated social and economic costs.

Making a noise about the silent killer is not just a slogan; it’s an important way in which we can recognise and deal more effectively with a condition that has an enormous impact on large numbers of Australians of all ages and of all walks of life. I hope those who are present, those who are listening and, indeed, all of those in our communities will take a moment to consider the important matter that I have spoken of this evening.

Laura Indigenous Dance Festival

Senator IAN MACDONALD (Queensland) (7.23 pm)—I was delighted to hear Senator Furner’s address to the chamber tonight about the little town of Richmond up where I live and where I have been a visitor by road on many occasions. It is great that he enjoyed Kronosaurus Korner, a facility established with the assistance of the coalition’s Regional Solutions program which the Labor Party so roundly criticised. It is good to see that Senator Furner enjoyed that, as well as Lake Fred Triton, which recognises a magnificent man, a legend in his own lifetime out there, who was mayor of Richmond for upwards of two decades, a councillor for more than three and the Liberal candidate for Kennedy in an election in the early 1990s. Richmond is a great little town and I am delighted Senator Furner enjoyed it.

It was not far from Richmond—in fact, it was in the almost twin town of Hughenden—that in early May I was attending a North Queensland local government association conference and I was approached there by Councillor Alan Wilson, the Deputy Mayor of the Cook Shire Council. Cook takes in most of Cape York Peninsula. He was distressed, because he is also associated with the Laura Indigenous Dance Festival. He told me in very glowing terms how great the festival was and how it did so much for Indigenous people to preserve their culture as well as to attract a lot of paying tourists to the Laura locality to build up the economy there. They had the dance festival last weekend, which I was particularly pleased to attend, and next weekend is the Laura races, an equally significant event which attracts equally significant numbers of people. At the dance festival I was delighted to meet Thomas George—‘TG’, as he is called—a delightful man and elder of the Aboriginal communities up there, one who has had a lot to do with the Laura dance festival over many years. When Councillor Alan Wilson approached me at Hughenden, he was distressed because for the first time for many years the Commonwealth government had failed to come good with funding for that Indigenous dance festival.

I got back to my office in Townsville and on 13 May 2009 wrote to the Minister for the Environment, Heritage and the Arts, Mr Garrett, an urgent letter saying the previous Commonwealth government has funded them and, I suspected, the Labor Party in their first year also funded them, but this year there was no money. That was going to make it very difficult to have funds at the end of this festival to plan for the next one. I received no reply whatsoever from Mr Garrett. Last Friday, before I took off to Laura up in Cape York, I got my office to ring Mr Garrett’s office and ask: ‘Has the money gone since I wrote to you? You haven’t told me, but perhaps you’ve just sent it
and that would be good. It would be a great way to go. We were told by Mr Garrett’s office that he was not there and that someone would get back to me, and I am still waiting for the phone call.

We went to the Laura dance festival, and there on stage was a bevy of Labor politicians including Mr Jim Turnour, the member for Leichhardt, and Senator Jan McLucas. Mr Turnour got up and said to everyone how supportive the government is of maintaining the Indigenous culture, what a great thing it is and how he is so committed, but there was not one word of help from Mr Turnour or Senator McLucas for these funds that were missing. As you know, I raised this matter in question time yesterday, only to have the Leader of the Government in the Senate belittle raising such an important issue—and all shame to Senator Evans for that. We never got an answer from Senator Wong—and who could have been surprised about that? We never got an answer from Senator Wong even for questions directly in her own portfolio. But nevertheless she came back today with an answer confirming that no money had been paid. She had a series of excuses for that, some of which I am told by contact with people in the north—by a nephew of TG, the Indigenous elder up there whom I mentioned earlier in my speech—that the funding has not come. The Labor government knew all about the need for money and knew the request was there but had not done anything about it.

The department has said in the advice they prepared for Senator Wong that ‘the Australia Council is assisting the Laura dance festival in securing an alternative sourcing arrangement’. I take that to mean that the Australia Council now will pay for this current year’s dance festival. I hope that is right. I have alerted the organisers to that answer. It is a bit ambiguous. It is a bit of bureaucratese, I certainly hope that that does mean that the funding will again go to that festival this year. I am told by the organisers that with the great numbers there and careful management of the money they will probably come out of this at a break-even point, but they need this funding which in other years has come from the Commonwealth, along with other support in kind from a lot of agencies appearing at the festival. They need that to be able to plan for next year’s festival. If the money does not come this year I think the future of that magnificent festival may be at some risk. I certainly hope that this answer means what I think it means. I urge Mr Garrett to ensure that the funding does go to this very worthwhile cause—a cause that attracts so many jobs and so much economic activity to a part of our country which is not as fortunate as some others and a festival that does a great deal to preserve the very unique culture of Australia’s Indigenous people.

Senate adjourned at 7.30 pm

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

Australian Prudential Regulation Authority Act—Australian Prudential Regulation Authority (Confidentiality) Determination No. 7 of 2009—Information provided by authorised insurers for the purposes of the National Claims and Policies Database [F2009L02386]*.

Australian Research Council Act—
Australian Research Council Linkage Infrastructure, Equipment and Facilities Funding Rules for funding commencing
in 2010 Variation (No. 1) [F2009L02310]*.
Australian Research Council Linkage Projects Funding Rules for funding commencing in 2010 Variation (No. 1) [F2009L02308]*.
Building and Construction Industry Improvement Act—Ministerial directions in relation to coercive powers, dated 17 June 2009 [F2009L02483]*.
Civil Aviation Act—Civil Aviation Safety Regulations—Airworthiness Directives—Part 105—
AD/B747/334 Amdt 1—Escape Slides, Ramp Slides and Slides/Rafts of Upper Deck, Off-wing and Main Doors [F2009L02179]*.
AD/B767/250 Amdt 1—Lower Wing Skin [F2009L02182]*.
AD/BEA 121/10—Rudder Drain Hole [F2009L02183]*.
AD/BEA 121/13—Iternal Door Lock Operating Handle [F2009L02184]*.
AD/BELL 47/102—Main Rotor Blades Box Beam Clips [F2009L02469]*.
AD/FAA-4/5—Battery Relay – Installation [F2009L02284]*.
Defence Force (Home Loans Assistance) Act—Warlike service – Opersion Riverbank Declaration 2009 [F2009L02434]*.
Energy Efficiency Opportunities Act—Select Legislative Instrument 2009 No. 119—Energy Efficiency Opportunities Amendment Regulations 2009 (No. 1) [F2009L02397]*.
Health Insurance Act—
Health Insurance (Accredited Pathology Laboratories – Approval) Amendment Principles 2009 (No. 1) [F2009L02453]*.
Health Insurance (Allied Health Services) Determination 2009 [F2009L02406]*.
Health Insurance (Diabetes Testing in Aboriginal and Torres Strait Islander Primary Health Care Sites) Amendment Determination 2009 (No. 1) [F2009L02468]*.
Higher Education Support Act—VET Provider Approvals Nos—
28 of 2009—The Board of the East Gippsland Institute of Technical and Further Education [F2009L02454]*.
29 of 2009—The Board of the Chisholm Institute of Technical and Further Education [F2009L02458]*.
30 of 2009—The Board of the Bendigo Regional Institute of Technical and Further Education [F2009L02461]*.
31 of 2009—The Board of The Sunraysia Institute of Technical and Further Education [F2009L02462]*.
Migration Act, Immigration (Education) Act and Australian Citizenship Act—Select Legislative Instrument 2009 No. 116—Migration Legislation Amendment Regulations 2009 (No. 2) [F2009L02376]*.
Private Health Insurance Act—
Private Health Insurance (Benefit Requirements) Rules 2009 (No. 1) [F2009L02452]*.
Private Health Insurance (Complying Product) Rules 2009 (No. 1) [F2009L02451]*.
Private Health Insurance (Data Provision) Rules 2009 [F2009L02410]*.
Private Health Insurance (Health Insurance Business) Rules 2009 [F2009L02409]*.
Quarantine Act—Quarantine Service Fees Amendment Determination 2009 (No. 1) [F2009L02355]*.
Social Security (Administration) Act—
Social Security (Administration) (Payment Pending Review) (FaHCSIA) Guidelines 2009 [F2009L02466]*.
Social Security (Administration) (Penalty Amount) (FaHCSIA) Determination 2009 (No. 1) [F2009L02463]*.

Social Security (Administration) (Persistent Non-compliance) (FaHCSIA) Determination 2009 (No. 1) [F2009L02460]*.

* Explanatory statement tabled with legislative instrument.

**Departmental and Agency Appointments**

The following documents were tabled pursuant to the order of the Senate of 24 June 2008, as amended:

Departmental and agency appointments and vacancies—Budget estimates—Letters of advice—

Climate Change and Water portfolio agencies.

Education, Employment and Workplace Relations portfolio agencies.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Mr Mamdouh Habib

(Question No. 1385)

Senator Ludlam asked the Minister representing the Attorney-General, upon notice, on 11 March 2009:

(1) Is the Australian Security Intelligence Organisation (ASIO) aware of a report/brief about Mr Mamdouh Habib prepared by Mr Abbas Abou Abdallah, an Ethnic Community Liaison Officer attached to the Bankstown police, dated June 2001; if so, was this document provided by the New South Wales Police Service Protective Security Group and if it was when?

(2) Was this document used by ASIO or other federal government agencies in consideration as to whether Mr Habib was a national security threat.

(3) Was this document used by ASIO or other federal government agencies in Mr Habib’s court actions, the Administrative Appeals Tribunal hearing to have his passport returned or the Federal Court proceedings for compensation.

(4) Was this document supplied to a court, a magistrate, a judge or a Justice of the Peace at any time.

(5) Was this document or any part of it sent to the intelligence/security agencies of any other country.

(6) Has ASIO used this document at any time in support of applications for a telephone intercept or a search warrant regarding Mr Habib.

(7) Is ASIO still monitoring Mr Habib.

(8) Did ASIO have a representative in Egypt at any time while Mr Habib was in Egypt; if so, did that representative have any dealings whatsoever with the Central Intelligence Agency or Egyptian authorities in Egypt concerning Mr Habib.

Senator Wong—The Attorney-General has provided the following answer to the honourable senator’s question:

(1) I am advised that ASIO became aware of a report/brief about Mr Mamdouh Habib prepared by Mr Abbas Abou Abdullah in or about July 2001. ASIO received a copy of the report/brief from the NSW police in April 2009.

(2) No, I am advised the document was not used by any agency within my portfolio responsibility in consideration as to whether Mr Habib was a national security threat. (See above answer to Question 1).

(3) No. I have been advised that no agency within my portfolio responsibility used this document in Mr Habib’s court actions.

(4) No. See above answers to Questions 1 and 3.

(5) Consistent with government policy, I cannot comment on the liaison between intelligence/security agencies.

(6) Consistent with government policy, ASIO does not comment on operational matters.

(7) Consistent with government policy, ASIO does not comment on operational matters.

(8) Consistent with government policy, I cannot comment on ASIO’s liaison with foreign countries.

QUESTIONS ON NOTICE