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SITTING DAYS—2009

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
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<td>February</td>
<td>3, 4, 5, 9, 10, 11, 12</td>
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<td>March</td>
<td>10, 11, 12, 16, 17, 18, 19</td>
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<td>June</td>
<td>15, 16, 17, 18, 22, 23, 24, 25</td>
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<td>August</td>
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<td>September</td>
<td>7, 8, 9, 10, 14, 15, 16, 17</td>
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<td>26, 27, 28, 29</td>
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<tr>
<td>November</td>
<td>16, 17, 18, 19, 23, 24, 25, 26</td>
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FORTY-SECOND PARLIAMENT
FIRST SESSION—SIXTH 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
<table>
<thead>
<tr>
<th>Senator</th>
<th>State or Territory</th>
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<td>Abetz, Hon. Eric</td>
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(1) Chosen by the Parliament of South Australia to fill a casual vacancy vice Amanda Eloise Vanstone, resigned.
(2) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Ian Campbell, resigned.
(3) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Christopher Martin Ellison, resigned.
(4) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

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

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

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

[The above ministers constitute the cabinet]
<p>| 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 Parliamentary Secretary for the Voluntary Sector | 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 Innovation and Industry | Hon. Richard Marles MP |</p>
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<tr>
<td>Leader of the Opposition</td>
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<td>Shadow Minister for Foreign Affairs and Deputy Leader of the Opposition</td>
<td>The Hon. Julie Bishop MP</td>
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<td>The Hon. Warren Truss MP</td>
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<td>Shadow Treasurer</td>
<td>The Hon. Joe Hockey MP</td>
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<td>Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House</td>
<td>The Hon. Christopher Pyne MP</td>
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<td>The Hon. Andrew Robb AO, MP</td>
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<td>Shadow Special Minister of State and Shadow Cabinet Secretary</td>
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<td>Shadow Minister for Small Business, Independent Contractors, Tourism and the Arts</td>
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[The above constitute the shadow cabinet]
SHADOW MINISTRY—continued

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

Shadow Assistant Treasurer
The Hon. Tony Smith MP

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

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

Shadow Minister for Housing and Local Government
Mr Scott Morrison MP

Shadow Minister for Ageing
Mrs Margaret May MP

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

Shadow Minister for Veterans’ Affairs
Mrs Louise Markus MP

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

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

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

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

Shadow Parliamentary Secretary for Roads and Transport
Mr Don Randall MP

Shadow Parliamentary Secretary for Regional Development
Mr John Forrest MP

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

Shadow Parliamentary Secretary for Energy and Resources
Mr Barry Haase MP

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

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

Shadow Parliamentary Secretary for Health Administration
Senator Mathias Cormann

Shadow Parliamentary Secretary for Defence
The Hon. Peter Lindsay MP

Shadow Parliamentary Secretary for Education
Senator the Hon. Brett Mason

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

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

Shadow Parliamentary Secretary for Immigration and Citizenship and Shadow Parliamentary Secretary Assisting the Leader in the Senate
Senator Concetta Fierravanti-Wells
CONTENTS

WEDNESDAY, 25 NOVEMBER

Chamber

Committees—
Privileges Committee—Meeting................................................................. 8779

Business—
Rearrangement ............................................................................................ 8779
Carbon Pollution Reduction Scheme Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Consequential Amendments) Bill 2009 [No. 2],
Australian Climate Change Regulatory Authority Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Charges—Customs) Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Charges—Excise) Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Charges—General) Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Cprs Fuel Credits) Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Cprs Fuel Credits) (Consequential Amendments) Bill 2009 [No. 2],
Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009 [No. 2],
Customs Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009 [No. 2] and
Carbon Pollution Reduction Scheme Amendment (Household Assistance) Bill 2009 [No. 2]—
Second Reading .............................................................................................. 8798

Matters of Public Interest—
Disability Services ......................................................................................... 8814
Strategic Indigenous Housing and Infrastructure Program .............................. 8817
Same-Sex Relationships ..................................................................................... 8821
Grandparents Raising Grandchildren Tasmania ............................................. 8824
Storm Financial Ltd .......................................................................................... 8828
Government 2.0 Taskforce .............................................................................. 8831
Open Government ............................................................................................ 8831

Questions Without Notice—
Asylum Seekers .............................................................................................. 8832
Climate Change ............................................................................................... 8833
Asylum Seekers ............................................................................................... 8835
Radioactive Waste ............................................................................................ 8836
Infrastructure .................................................................................................... 8838
Defence Procurement ....................................................................................... 8840

Distinguished Visitors ...................................................................................... 8841

Questions Without Notice: Take Note of Answers—
Broadband ........................................................................................................ 8841
Do Not Call Register ........................................................................................ 8843
Rudd Government ........................................................................................... 8844
Education ......................................................................................................... 8846

Answers To Questions On Notice—
Question Nos 2038 and 2039 ........................................................................... 8847

Questions Without Notice: Take Note of Answers—
Rudd Government ........................................................................................... 8847
Education ......................................................................................................... 8847
Radioactive Waste ............................................................................................ 8853

Personal Explanations ....................................................................................... 8854

Petitions—
Charter of Rights ............................................................................................. 8855
CONTENTS—continued

Emissions Trading Scheme ................................................................. 8855
Notices—
Withdrawal ................................................................................... 8855
Presentation .................................................................................. 8855
Committees—
  Legal and Constitutional Affairs Legislation Committee—Meeting .......... 8860
Notices—
  Postponement ........................................................................... 8860
Committees—
  Community Affairs References Committee—Reference ................... 8860
  Rural and Regional Affairs and Transport References Committee—Reference .... 8861
Health Insurance (Cataract Surgery) Determination 2009—
  Motion for Disallowance ......................................................... 8862
Notices—
  Postponement ........................................................................... 8863
Committees—
  Community Affairs References Committee—Reference ................... 8863
Offshore Detention Facilities ............................................................ 8864
Carbon Pollution Reduction Scheme Legislation ................................ 8864
Carbon Dioxide Storage Sites ......................................................... 8865
Suicide Prevention ................................................................. 8865
Export Control (Fees) Amendment Orders 2009 (No. 1),
Australian Meat And Livestock Industry (Export Licensing) Amendment
Regulations 2009 (No. 1),
Export Inspection (Establishment Registration Charges) Amendment
Regulations 2009 (No. 1) and
Export Inspection (Quantity Charge) Amendment Regulations 2009 (No. 1)—
  Motion for Disallowance—Recession ........................................... 8866
National School Chaplaincy Program .................................................. 8867
Commonwealth Dialysis Resources .................................................... 8868
Overseas Tax Havens ................................................................. 8869
Commonwealth Disaster Plan ......................................................... 8871
Health Legislation Amendment (Midwives and Nurse Practitioners) Legislation—
  Order .................................................................................. 8873
Unpaid Overtime in Australia ......................................................... 8873
White Ribbon Day ................................................................. 8873
Senate Temporary Orders ............................................................. 8874
Matters of Public Importance—
  Censorship of the Commonwealth Scientific and Industrial Research Organisation... 8874
Committees—
  Senators’ Interests Committee—Report ........................................ 8877
  Senators’ Interests Committee—Report ........................................ 8877
  Scrutiny of Bills Committee—Report ........................................... 8877
  Legal and Constitutional Affairs Legislation Committee—Errata ............ 8877
  Privileges Committee—Report .................................................. 8877
Carbon Pollution Reduction Scheme Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Consequential Amendments) Bill 2009 [No. 2],
Australian Climate Change Regulatory Authority Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Charges—Customs) Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Charges—Excise) Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Charges—General) Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Cprs Fuel Credits) Bill 2009 [No. 2],
Carbon Pollution Reduction Scheme (Cprs Fuel Credits) (Consequential Amendments) Bill 2009 [No. 2],
Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009 [No. 2],
Customs Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009 [No. 2] and
Carbon Pollution Reduction Scheme Amendment (Household Assistance)
Bill 2009 [No. 2]—
In Committee ................................................................................................................. 8894
Adjournment—
Fusion International ....................................................................................................... 8938
Documents—
Tabling ........................................................................................................................ 8941
Tabling ......................................................................................................................... 8942
Questions On Notice
Treasury—(Question No. 2132) ..................................................................................... 8943
Defence—(Question Nos 2134 and 2163) ..................................................................... 8943
Treasury: Website—(Question No. 2220) ................................................................. 8944
Resources and Energy, and Tourism: Website—(Question Nos 2236 and 2237) .... 8944
Treasury: Website—(Question No. 2247) ................................................................. 8945
Special Purpose Aircraft Flights—(Question Nos 2284 to 2289, 2291 to 2318 and 2320) ................................................................................................................. 8946
Royal Australian Air Force—(Question No. 2377) ..................................................... 8946
Medical and Diagnostic Imaging Services—(Question No. 2383) ..................... 8947
The President (Senator the Hon. John Hogg) took the chair at 9.30 am and read prayers.

Committees
Privileges Committee
Meeting
Senator O’Brien (Tasmania) (9.30 am)—by leave—I move:
That the Standing Committee of Privileges be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate today.
Question agreed to.

Business
Rearrangement
Senator Ludwig (Queensland—Manager of Government Business in the Senate) (9.31 am)—I move:
That, on Wednesday, 25 November 2009:
(a) the hours of meeting shall be 9.30 am to 6.30 pm and 7.30 pm to 11.40 pm;
(b) the routine of business from 7.30 pm shall be consideration of the government business order of the day relating to the Carbon Pollution Reduction Scheme Bill 2009 [No. 2] and 10 related bills; and
(c) the question for the adjournment of the Senate shall be proposed at 11 pm.
We are in the end of session week. It is usual to set additional hours to ensure that we can deal with the legislative program. Doing that does require the cooperation of the Senate as a whole. It is necessary to complete the work that we started on the Carbon Pollution Reduction Scheme. The Senate will need to sit tonight to achieve that. The Leader of the Opposition has clearly indicated that the CPRS should be completed this week. This is the first step in that process and we will set hours which will provide clarity around what we can finalise tonight. It is my intention to also provide a notice of motion in consultation with the chamber to ensure we can use the remaining part of the week, that is Thursday and whatever additional hours we require, to finalise the Carbon Pollution Reduction Scheme this week. I foreshadow that.

I add that this will require the broad cooperation of the chamber to ensure that people do get sufficient time to deal with the legislation as indicated, and also to ensure that the staff in this place are provided with sufficient breaks. That is one of the matters we need to keep cognisant of to ensure this place works effectively and the program can be finalised as I have indicated. We also need the cooperation of senators to ensure that if other matters do come up such as ministerial statements, notices of motion and the like we can still find ourselves in a position—as much as possible—to finalise the debate by the end of this week.

Senator Ian Macdonald—Mr President, on a point of order: I understand the second reading amendment seeks the deferral of discussion of the bill. Isn’t the minister preempting the will of the Senate by moving for extended hours before we know whether we will be discussing the CPRS bill?

The President—It is not a point of order. It is a matter for the Senate to decide, Senator Macdonald, and I am sure the Senate will do that in the fullness of time.

Senator Bob Brown (Tasmania—Leader of the Australian Greens) (9.34 am)—The Greens oppose this motion. It is consistent for us to say that the government has had a long opportunity to sit extra weeks before or after this session to deal with the hugely important matter of the emissions trading scheme legislation. But here we have micromanagement from the Prime Minister’s office putting the Senate into extra sitting hours on the last Wednesday night before the
Christmas break, as if a couple of hours tonight is adequate to address the deal that the government and the coalition have come to.

We are talking about billions of dollars of Australian people's money. We are talking about the transfer, under this deal between the government and the coalition, of $5 billion out of households across to the big polluters. We are talking about an extra $8 billion for polluters on top of the $16 billion for polluters already. That is a $24 billion deal for the big polluters, and the government and the opposition want us to sit tonight to flick that through without a Senate inquiry. What an appalling process this is. What an appalling abrogation of the duty of the Senate to scrutinise such a massive transfer of wealth to the big coal miners and burners in this country just to get a deal. There is no success written on this; it is a failure for the Australian people. The government say, 'Well, we'll sit Wednesday night and put it through.' What an appalling process this is. The Prime Minister's office is micro-managing the Senate and the coalition is willingly going into that deal. I ask you, Mr Acting Deputy President, can you ever remember the Senate being treated in such a cavalier and rude fashion as we are getting in this motion?

So we have extra sitting hours on Wednesday night—and the coalition are going along with this—to put through a multibillion dollar transfer of funds. Whichever direction it was going, surely this is up for Senate scrutiny. This is our responsibility. And the coalition—the timeless defenders of the Senate, they say—are flopping into an arrangement with the government to say, 'We'll flick this through.' They had all this travail in the party room yesterday—a completely divided party room—and they come in today and say, 'We'll sit Wednesday night and flick this through.' And it is somehow going to magically, suddenly, be in the interests of the Australian taxpayers in rural and regional Australia, and right across the cities of this country, to get no say in this. The Senate, the watchdog of the people, which gives people the opportunity to have their say, will get no feed in, no feedback whatever. And the coalition is meekly going to go across and vote with the government to do it on a Wednesday night.

So we get this multibillion dollar transfer, this polluters' bonanza, at the expense of the Australian people, small business, renewable energy businesses, green new energies, green new businesses—right across the board, they get dumped for the coal industry, the polluting industries. There is an extra $40 million in there for the loggers—a bonanza for them. We will not debate it after a committee inquiry; we will just get on with putting it through—we will go through the formalities. I say to both the big parties: you are letting the Australian people down. You are treating the Australian people as if they do not count. The big end of town is the big winner here. But the Australian people are totally dumped by a Senate which is duty bound to look after their interests. How can you look after their interests if you give them no chance to feed into the hugely important decision that was made yesterday by the coalition to go along with the government on a failed emissions trading scheme which locks us into climate change which is going to impact on every Australian—on their lifestyles, their pockets and their security in the future? What a travesty of the Senate is unfolding here. What a travesty. Talk about a Christmas present.

This is an abrogation of responsibility by both the big parties. I ask the coalition to think about this again before meekly going over and supporting the Rudd executive in treating the Senate in this fashion. We will be opposing this motion.
disgrace. It is bad enough for Labor to treat this Senate like a mug, and to treat the Australian people like mugs, but it looks as if they have the coalition supporting the ramming through of the Carbon Pollution Reduction Scheme tonight—no scrutiny from the public, no scrutiny from experts outside; just a cosy little deal, done between the two major parties, on one of the biggest pieces of legislation the Australian parliament will consider. This will impact on every single Australian, every single small business, everyone in the rural and regional areas, in the bush, and here we are treating the Senate like a mug and also treating the Australian public like mugs.

There is no way that we should be allowing this motion to get through today. We are just training the Rudd government and the Labor management of this chamber, and allowing them to continue to be sloppy in the way they go about their business. Coalition policy was to wait till Copenhagen. That is what they said to the Australian public. They are in danger of risking any economic credibility they had left. The Australian people are not dumb. They know what you folks promise, and they know that we should be waiting to see what the rest of the world does. This is wrong, totally wrong.

I spoke to some people in the coalition yesterday. They were saying, 'What is going to change?' They were thinking we could still negotiate this thing through next year; there was no need to rush this thing through—except for political expediency. It is not about policy; it is about politics. It is wrong for this chamber to allow that to happen. This motion goes to the heart of it. I urge the coalition senators to stand up and say no to this motion. There is no way you should be allowing this to go through tonight. There is no way. Don’t train them to be sloppy all the way through to the election. Don’t let them get away with it. They are treating you like a puppet. They are pulling the strings and you are jumping, your hands are going up. Don’t allow them to do it. This is seriously wrong. The public understand this. They are watching. They are not stupid; they understand the nuances. They know what is going on. Don’t allow the government to get away with this motion. This goes to the heart of it. Stand up and be counted and say no to this. This is wrong.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.43 am)—The National Party’s view has been from the outset that we should use whatever mechanisms are available to us to make sure that this package of legislation, the emissions trading scheme, the Carbon Pollution Reduction Scheme—even that term we find obnoxious—is prevented from being foisted on the Australian people. It is nothing more than a massive new tax. And as a massive tax it comes hand in glove to try and garner support, with the bankers and the brokers saying, ‘We are going to make a motza out of this; therefore, we’ll lend our shoulder to your wheel and say it has business support.’ But it does not have actually have business support.

More to the point, it does not have working families’ support. It is working families that are going to be held over a barrel. I cannot work it out. The Labor Party went to an election saying they were for working families, they were for easing the squeeze and they were going to be mindful of the problems of working families. And the greatest, the most substantial piece of legislation they put up is one that walks right over the top of working families. Somebody at the end of the day has to pay, and that will be working families. Are we to be part of this process of putting the government’s hand into working families’ wallets and ripping the money out to hand to stockbrokers and bankers? Are we to go to the coalmining areas of the Hunter
Valley, the Illawarra and Mackay, to those areas of good blue-collar working-class people and say, ‘What we are delivering to you on behalf of the nation is a massive new tax and a sword of Damocles over your job’?

There is one thing that, though coming from completely different sides, the National Party and the Greens agree on—that is, this is not going to change the temperature of the globe. This will be completely ineffectual. If you believe what they say about global warming, chapter and verse, then you are way off the mark. We have a different proposition. We believe that the ETS is, as far as dealing with an environmental issue goes, peculiar and obnoxious. I know that in the Labor Party there are people who, if you took them to a confessional and asked them for the truth, would say that they do not believe in the ETS. It is just that to keep the dignity of the Senate, this collegiate place, we do not express publicly the views that have been expressed to us privately. That is one of the great things about the Senate. The Senate is a different house to the other place. Here people can privately express different views without our breaking their confidence. Quite obviously, our good Liberal colleagues and close friends have an overwhelming sentiment, a strong view, about this. But let’s put this aside.

The Labor Party tacticians have decided that they have to try to truncate this debate and force it through so that they can get the item off the agenda, because the Labor Party are hurting. We got over 15,200 signatures on our petition, which will be lodged today.—

Senator Polley interjecting—

Senator JOYCE—This morning we received 1,300 emails, personally written by members of working families. Senator Polley, saying: ‘I can’t afford this. Why are they doing this to me? Why have they enmeshed me in some political debate? Why do I, as a member of a working family, now have to pay for some new Labor Party scheme, to fit their agenda?’ The Australian people are awake to this. This is not about the climate. This is about conceit, about bloody-mindedness in policy. We in the National Party and other colleagues have to make sure that we do not put ourselves in a position of somehow supporting the Labor Party in their overarching desire to foist on the Australian people a massive new tax, a tax that is so insidious. This is the tax that you will pay even if you are a pensioner, you are unemployed, you are an invalid or you are broke. This is the tax you will pay because you cannot get out of it. This is the tax that is delivered to you from the power point, in the food you buy, in transport costs and in the price of a bag of concrete. Yet you never have the option to say, ‘I can’t afford this tax’: you just have to pay it. And what happens—does the nature and the course of the environment change? Do global temperatures change? No, they do not. They stay on precisely the trajectory that they were already on.

The Labor Party, in their deceitful approach to this, have enmeshed in this debate cataclysmic events, saying the Great Barrier Reef is going to die, there are going to be droughts and the polar ice caps will melt. That would imply that this tax will change those outcomes. But when you drill down and look for the reality, you find that it will not change those events—it will not affect them one iota. If you believe in the Greens’ proposition you have to go far further. It is just a ridiculous approach to take. It will be amazing to see how the Labor Party pull this one off. They are going to say, ‘We look after working families by delivering a massive new tax to those who can’t afford it.’ That is an interesting trick!

All the time the rhetoric was about the environment, the environment, the environ-
ment. But what is this, at the end of the day? It is a massive new tax—$70.2 billion in the first six years. Does that kind of money grow on trees? No, it does not. So that money is going to come out of someone’s wallet. The Labor Party said at the start of the debate, ‘After we’ve taken the money off you we’re going to give some of it back.’ But only four of their amendments are described by legislation. The rest are just regulatory instruments or Hansard commitments—they are not even written into the legislation. Of course, this gives the Labor Party the opportunity in the future, when the nation’s finances get into a parlous state, to reach into that bucket, pull out the environmental money and use it to prop everything else up.

Are they going to use this $70.2 billion for renewable energy? No; it just goes to general revenue. What are the Australian people saying—what have we have garnered through our emails, through blogs and through the petitions? They are saying one thing: ‘Do not launch this massive new tax on our lives.’ It is for us to determine and work out a mechanism that prevents this. We are not going to support the Labor Party railroading this through. We cannot. We are quite happy to go through this piece by piece until Christmas, if that is what it takes. We do not care because we have to clearly ventilate the issues. If the Labor Party wants to ultimately take us to an election where their mantra will be: ‘Vote for Mr Rudd and you will get a massive new tax,’ then I will happily participate in that election. I will say on behalf of the National Party and, hopefully, our coalition partners: ‘Vote for us and we will not get this tax and we will not completely redesign the economy of this nation.’

It is peculiar in the extreme that in a matter of just days before Copenhagen the conceit of the Labor Party—or is it the concern of the Labor Party—is so enlivened that they are now in a bun rush to get this through. They do not want this issue ventilated. Well, I am afraid that we are going to do everything to make sure this issue is ventilated. We are going to do everything in our power, day by day, minute by minute, hour by hour, to tell the Australian people exactly what you are up to with this massive tax.

The one thing I know in politics is that things change so quickly. Sentiments change so quickly. At the start of this debate, when we said we were not going to support the ETS, it was said that there was a rump—a crazy minority—representing only five or eight per cent. Now it is in excess of 50 per cent and growing day by day by day. As the Australian people become awake-up and ask questions, the penny drops. They say: ‘This is peculiar. The National Party does not support it. A vast number of other people in the Senate do not support it. The Independents do not support it. The Greens do not support it. Who does support this massive new tax? Who does want this massive new tax? Maybe it is just a fluke of nature or an alignment of the stars. Or maybe this policy is, for a whole range of different reasons, completely and utterly flawed.’

Let’s go through some other issues. We have got a massive turnaround in these amendments. There is an extra $8½ billion in concessions and a $5½ billion cut to household compensation. That is a $14 billion turnaround. It is one of the largest appropriations in modern times—except for your ridiculous stimulus packages. And what sort of examination do we get? Who is asking the questions here? Is this house financially sloppy? Are these the actions of an economic conservative? How is that for an economic conservative? Fourteen billion bucks and he wants to do it in a couple of hours. Is this where it has got to?

Sooner or later the scales have to start falling off people’s eyes. Have a look at Mr
Rudd and what he is doing—really drill down into this. Ask about the rhetoric and the reality—ask about the grandiose rhetorical statements and then ask about the reality. The reality is: a massive new tax. The rhetoric is that Mr Rudd single-handedly and unilaterally and omnipotent-like—godlike—is going to change the temperature of the globe. Mr Rudd, without anybody else, is going to change the temperature of the globe. Incredible! I will believe that after he makes it rain. The day after he makes it rain I will start believing that he can change the temperature of the globe. Until such time I am not going to be part and parcel of launching a massive new tax on the Australian people.

Going beyond that, Mr Rudd says: ‘I am an economic conservative. I wring my hands and in a parsimonious fashion I watch the money around me.’ Then he brings in an amendment, which he has known about for five weeks, and presumes that the Senate will in a matter of hours make a decision on $14 billion. I find this an amazing statement. Maybe we will go along with the charade. Maybe the media will keep saying, ‘Oh, yes, he is an economic conservative. It is just that he can drop $14 billion on the ground and does not need to pick it up.’ Well, as an accountant, if I drop $20 on the ground I will pick it up. I see our parliament about to change the expenditure on one side of this program by about $8½ billion and then on the other side cut the compensation to households by about $5½ billion, and we are not supposed to ask questions about that. What, then, are we doing here? The process of this chamber is to review and amend legislation. On that ground, I would have no problem with the extension if it were to further engage in debate. But the tactic of the Labor Party with this extension is to try to railroad the legislation through. So I say to the Australian people that the Labor Party is now in the process of railroading through a massive new tax on your life. They do not want the Senate to properly examine this. They are now bringing about tactics to try to truncate and circumscribe the debate because they know the Australian people are hearing this out there and saying: ‘Hang on. I am awake-up to this. This is a massive new tax and I do not like it. I do not understand why I, in my “weatherboard and iron” or my “brick and tile”, have to pay for this massive new tax when a broker ultimately will be making billions of dollars of commissions on this.’

And what is it all for? Does this mean that after this tax passes we wait for the impending floods as the Murray-Darling Basin becomes inundated with water? Do we tell people to evacuate Greenland because it is about to freeze over again? Do we throw a celebration for polar bears because their lives have changed? Do we say to those in the Antarctic: ‘You had better get out of there. The place is about to freeze over because Mr Rudd has passed the ETS. That is why it is all going to change.’ No, they are not that foolish. The only argument the other side comes up with is, ‘Would you just sit back and do nothing?’ No, we would not sit back and do nothing. We will come back and do the right thing—not anything, not something and not this ridiculous thing; we will do the right thing. And you do not define the terms of the ‘right thing’. The right thing will be defined more by a process that goes beyond just a massive new tax.

My colleagues and I intend to follow a process of trying to ensure that the Australian Labor Party does not foist this massive new tax on the Australian people. We will be supporting measures to stop it, which means that we will be supporting measures not to have this railroaded through tonight. We will not be supporting an extension of hours.
Senator BOSWELL (Queensland) (9.59 am)—I would certainly find it very difficult to support a constriction of hours on this very important legislation. But I know why the Labor Party are doing it. I understand it, because their polling would be exactly the same as our polling and it would be the same as the Australian Chamber of Commerce and Industry polling. The ACCI poll says that 54 per cent of people in Australia—and this is over all age groups—do not want it. They do not want a bar of it. They may be interested in having legislation after Copenhagen, when the rest of the world makes a commitment. They do not mind paying their way. In accurate polling 54 per cent of the people said no and 34 per cent said yes.

But the polling went further. The polling said that the blue-collar workers are reacting—and they are more reactive than other people. The blue-collar workers have woken up. As I have said before, if it ever comes to a race between the blue-collar workers and the Greens, the blue-collar workers will always come second by a mile. That is why the rush is on. Across all age groups, 54 per cent of the people say, ‘I don’t want this until after Copenhagen,’ and 34 per cent say, ‘I want it now.’ I do not have the results in front of me but I know that that result is across all age groups. The younger people want it immediately; the second group do not want it at all until after Copenhagen; the third group want it; the older people do not want a bar of it. But overwhelmingly what has come through in the polling is that the people who do not want this legislation are the people who Labor are supposed to represent. And you have gone missing in action. You have traded your constituency for the Greens vote. You have traded it; you have deserted them. You have walked out on them.

I have been around this place for a long while and I have never experienced the pressure as I have experienced it over the last couple of weeks. If you go out to the shops people run up to you and say, ‘Please stop this.’ Then you go to church and people come up and say, ‘Please stop this.’ If you sit in a cafe people approach you and say, ‘Please stop this.’ If you go in a lift people automatically talk to you and say, ‘Please stop this.’

I have never seen pressure like this. From Friday until Monday—the day before yesterday—I think I had around 250 emails. They were not listed emails on a pro forma; these were genuine people who were concerned and who were emailing us everywhere. They were emailing you people; those opposite would be getting as many emails from blue-collar workers. We are getting emails from the business community. We have been getting emails from the small business community saying: ‘Please don’t do this. Don’t inflict me with a $70 billion tax in six years.’ I believe people are prepared to pay their way if China, America, Indonesia and India come in. They are prepared to pay their insurance premium but they are not prepared to take on the world’s insurance premium.

The Premier of Queensland had some research done on behalf of all the states, and it was buried. She was the senior premier of all the states, and they were all Labor governments at the time, I think—maybe bar one. That research came out and showed that all states were going to lose jobs in the mining industry. That research was buried. I do not know why the premiers of this nation, who are basically Labor—except Western Australia—would bury this. Why don’t they come out and fight for their people? They are going to lose billions of dollars in revenue. But, no, the deal has been done. It has been stitched up with the trade union movement: ‘Brothers, we’ve signed this in blood. You guys—the right wing of the Labor Party and the blue-collar workers—get your job choices. And the progressive sector should
just shut up and lie down because you’ve got your bone: it was called job choices. So just shut up, get in the corner and be quiet, because you’ve got what you wanted.’ Now you say, ‘We’ve got to look after our progressives—the doctors’ wives; the teachers’—and they want the legislation—‘so, let’s have two bob each way, and we’ll make everyone happy.’

Senator Forshaw interjecting—

Senator BOSWELL—You can laugh at this as much as you like, Senator Forshaw, but you know that what I am saying is totally accurate. You have tried to place two bob each way on your progressive sector and your blue-collar workers. You have played one off against the other and you have told them both to lie down because they have both been bought off.

That is the way that the trade unions work. I know that it works that way, because some indiscreet Labor Party people have told me, ‘You have to lie down. It’s been agreed. Once we agree on things, we’re locked in.’ Well, you might be locked in but the research tells us that, across all age groups and across all workers and business people, 54 per cent of people do not want it. Only 34 per cent want it. Your research would not show anything different to this; it would not be the slightest bit different. Your polling is done by people who are accurate and this polling is done by Galaxy, and that is accurate. And you are thinking: ‘So what do we do? We’re in trouble. We’re losing our vote. Let’s get this thing through immediately. Let’s get it through as fast as we can.’ That is why I do not believe that we can extend the hours. There are other issues that need to be investigated. I am not an accountant, but my colleague Senator Joyce is.

Senator Nash—A good one.

Senator BOSWELL—And a good one. He has discovered a $14 billion hole in this.

Senator Joyce—A $14 billion turnaround.

Senator BOSWELL—A $14 billion turnaround. Surely we have the right to investigate that. Surely Senator Joyce has the right to put that to a committee and ask for an explanation, and so has anyone else on this side or the other. Where is the $14 billion turnaround? Who finances it? Is it financed by increased taxes or is it financed by cuts in other expenditure? Someone has to pay. You do not create money out of nothing. We are going into a $70 billion tax on the people who can least afford it. It will be a tax on every industry in Australia, whether it is the local ice cream industry in Toowoomba or the pig abattoir in Kingaroy that is the iron lung of Kingaroy and employs 400 people or the abattoirs in Beenleigh that employ 1,000 people. It is going to affect every one of those.

You presented us with amendments yesterday. You on that side might be bright enough to be able to sift through them and pick up what these amendments mean.

Senator Marshall—We are.

Senator BOSWELL—You are very skilled! But surely we have the right to examine these amendments. They said, ‘Oh, we gave you agriculture; we gave you primary industry.’

Senator Nash—I was never in.

Senator BOSWELL—Primary industry was never in. What a fiasco. You told us that you would take out something that was not there. Primary industry was going to be reviewed in 2013 and maybe go in 2015. I do not know how you would ever measure it.

Senator Milne—It was never going to go in.

Senator BOSWELL—I think that Senator Milne is right: I do not believe that it was ever going in. What a fiasco. The National Party are supposed to jump on board because
we got something called primary industry taken out. What a farce. It was never in there. How can you get something taken out that was never there in the first place? This needs to be reviewed.

There is another aspect to this that I want to point out. This has to come back after Copenhagen and be presented. I believe that it has to be reviewed. The deal includes ‘an automatic statutory review of the CPRS legislation, including EITE policy, as soon as practicable after Australia signs a new multilateral agreement on climate change which imposes obligations to take action to reduce greenhouse gas emissions.’ So, as soon as Copenhagen is over, we will be back here reviewing it. What is the point of this? In nine days or whatever, Copenhagen is going to be on.

I will here paraphrase the headline in the Australian: Mr Rudd is treating us like mugs, and he is treating you like mugs, and he is treating the Australian population like mugs. Do not underestimate them, because there are some very clever people out there and they do not all run small businesses; they do not all drive Mercedes; they do not all drive Volvos. A lot of them are trade unionists who you have neglected. And they are clever people. They might not have degrees in medicine, but they might drive the dragline, be on the wharf or in a factory. They are not dumb. They know that this is a setup. They know that this is tax that is being imposed on them at a time when they do not need it, because you only have to wait nine days. But you cannot even wait until after Wednesday night; you have to put it through on Wednesday. If I was you over there, I would be hanging my head in shame. I would be going to the trade unions and your blue-collar workers and begging forgiveness. Instead, you are saying, ‘Brother, you know what solidarity is. You got your share. Just shut up and roll over.’

Senator Forshaw—What?

Senator BOSWELL—That is what happens. You know it, Senator Forshaw. You are a representative, and one of the few, who have ever picked up a tool in anger in their lives. I know that you have a law degree. I would not be ashamed of it. It would be much better if there were a few more workers over there instead of academics and lawyers. It would be better if there were a few more people who had picked up a tool in their lives and earned their living—worked for their living—like my colleague Senator Williams, who was a shearer and worked for his living. You have lost touch. You all ought to go back and pick up a shovel for six weeks over Christmas and learn what hard yakka is and learn what it is like to earn a quid; learn what it is like in the sun.

Senator Carr—When did you last use a shovel?

Senator BOSWELL—I ran a business that had nine people employed. I paid the wage bill; I paid the electricity bill; I paid the petrol bill; I paid every bill that came in. I know my small business colleagues are going to have this legislation inflicted on them. I know what they are going through now out there. It is not only me that knows but the Chamber of Commerce also knows. This is the biggest employer group. I salute them, because they have stated the truth. They have not tried to get in bed with the Labor Party like Ms Heather Ridout, whom my colleague called a camp follower, yesterday—and I think that she was perfectly right. The Chamber of Commerce have not gone with the Business Council of Australia; the Chamber of Commerce have represented their constituency.

It says here that the Australian Chamber of Commerce and Industry, ‘Australia’s largest and most representative business organisation,’ says that consumer concerns about
the impact of carbon reduction on electricity prices are as follows: 71 per cent believe CPRS will raise electricity prices; 49 per cent believe there will be job losses; 82 per cent do not believe enough information has been provided about the CPRS; 54 per cent believe Australia should delay the introduction of a CPRS until after Copenhagen; and 12 per cent do not know. So you have 54 per cent of 90 per cent. Every one of you, although you might not ever have involved in active work or blue-collar work, certainly knows how to spend and certainly knows how to read a poll. That is what you are good at. You can read polls and you can spin, but you have lost your way. You have lost your way to represent the blue-collar worker. You have lost your way.

I made a statement on radio just a couple of days ago when the Coral Sea was closed down. The blue-collar workers, the tradies, up there who have a boat and an outboard motor and generally vote Labor asked: ‘What have we got to do? How do we get to these people?’ I said: ‘Well, it’s obvious. Elect the people that represent you.’ Then McKenzie, the commentator, asked, ‘Was having all these meetings a waste of time?’ I said, ‘No, it wasn’t a waste of time’—

Government senators interjecting—

Senator BOSWELL—and Senator McLucas knows who I am talking about—‘because those people at that meeting had their say in the highest court in Australia, the Australian parliament, and it went down by a tied vote.’ Senator McLucas was there. She was on the other side. She is supposed to be representing Cairns, but she was AWL when Cairns needed her. The point I made to McKenzie was this: do not ever back the blue-collar worker, the tradie, the people that usually support Labor, when it comes to a race with the Greens. They will come second every time by a long way, and that is what is happening here. You have put forward a dog and now you expect us to give you a tick through. I find it hard to accept that we cannot wait even a couple of hours, that we have to push this through in the Senate. Why do we have to push it through? There is absolutely no reason to push it through. There are a billion reasons—in fact, there are 70 billion reasons—why we should not push it through. There are 70 billion reasons, and you are going to inflict them on Australia. That is what it is going to cost this nation.

It will be churned around and there will be some benefits. The guys that drive the Mercedes, the guys that drive the Volvos, the bankers and the traders will love you. They will say: ‘You beat. The Labor Party’s our friend.’ They will love you. They will say, ‘You are going to make us a fortune.’ There will be maybe 200 or 300 screen jockeys that will make a lot of money. But that money will be taken from the working families and given to the guys that drive the Volvos. They will be able to afford the luxury cars that you increase tax on. They will be able to afford two of them. They will buy one for their wife and they will buy one for themselves. You are going to make them a billion dollars. You are going to make billions for them, and you want us to condone it. Come on. You have lost your way, but we certainly have not. We know where we are going. We have always known where we were going and we are going to stick the course.

Senator NASH (New South Wales) (10.18 am)—What an unbelievably gobsmacking display of arrogance we are seeing from the other side. Here we have the biggest piece of legislation to come before this parliament in goodness knows how many decades and what do you want to do? You want to extend hours so you can just ram it through. The people of Australia are smarter than that. If the people of Australia could actually see this right now, they would
see their Labor senators sitting over there and laughing and giggling their way through this. I can tell you right now: those people out there in the communities are not laughing or giggling about this.

*Government senators interjecting—*

**Senator NASH**—Do you know what, Senator Marshall? Yes, I do know your name, Senator Marshall. I know your name very well. They actually understand this. You might not. Your leader, the Prime Minister, Kevin Rudd, might not have a clue how this is going to affect the people of Australia but I can tell you they know. They know absolutely. They are contacting us in droves, in the thousands. They are emailing us, writing to us and begging us. They are saying, ‘Please don’t pass this ETS.’ These are people that care about the environment. These are people that know we need a sustainable future for the environment. These are the people that want a healthier future for the environment, but they are smart enough to know that this ETS is not going to do it. It will not even go close. It will not do one bit.

*Government senators interjecting—*

**Senator NASH**—Do you know what it is going to do, Senator Marshall? Senator Forshaw, you are over there as well. I would suggest that the people of New South Wales should contact all their Labor senators right now and tell them what they think about this ETS. What they are telling us is that they do not want a bar of it. What is it going to do? All of these costs, colleagues, are going to land right in the laps of our working families—that is, the working families that this Labor government purports to represent—right across this country. As my good colleague Senator Boswell said, the government have completely forgotten about them. They have completely forgotten about those blue-collar workers. They have just disregarded them because all of those costs are inescapable. They are inescapable in this ETS, and they know it.

What is absolutely gobsmacking is that this can even be called ‘action on climate change’, because it is not going to change the climate one bit. That is what is so absolutely extraordinary about this. We have this Labor government going hurling down the path of trying to ram this through. That is why we are standing here now: they are trying to ram this legislation through. They are trying to ram this through, completely disregarding those people. The people that I am particularly concerned about and the people that my Nationals colleagues and many of my Liberal colleagues as well are concerned about are those people in regional Australia, who have been completely disregarded. Let us have a look at what this is going to do to farmers. As my colleague Senator Joyce said the other day, isn’t it peculiar that people are jumping up and down saying, ‘Isn’t it fantastic that we’ve had agriculture excluded?’ It was never in, and it was never likely to be in. We know, because the department already told us, that they had absolutely no ability to measure the emissions from the animals anyway. So we have had this great win—supposedly—but it was never going to be in the scheme at all.

And guess what else will happen, Senator Forshaw? Start writing to Senator Forshaw, all you people out in rural New South Wales, and to every single one of those Labor senators. Guess what will happen? All the embedded costs that are in the ETS now will land right in the laps of our farmers in our regions: fuel, transport, electricity, fertiliser, chemicals, packaging, cement—absolutely everything. How can those on the other side say, ‘Agriculture has been excluded; isn’t that great!’ when they were never going to do it and all of those costs are still there?
Our farmers are at the bottom of the food chain. As my colleagues over here know and have said on many occasions, there is nowhere to pass those costs on to—absolutely nowhere. Why should our farmers have to wear this for something that is going to make absolutely no difference to the climate? We produce 1.4 per cent of global emissions. We are reducing our emissions by only five per cent. If the rest of the world is not on board, if our major trading partners are not on board, it is not going to make the slightest bit of difference to the climate. So the Labor government can jump up and down as much as they like and say, ‘This is action on climate change.’ They are just weasel words. They are absolute rubbish.

The thing that is so sad and makes those of us who understand this so angry is that all of those costs are going to fall on people who can least afford them. It is not only our farmers across the regions who will be affected; it is our small businesses across the regions and all those people in hospitality across the regions. And it goes further than just the regions—it will affect everybody in our metropolitan areas as well. What are you going to say, Senator Forshaw, to all the blue-collar families in your state who say: ‘We can’t afford this. We’re pushed to the limit anyway’? Why are they being asked to pay higher costs and to wear the embedded impacts of this legislation for something that they know is not going to change the climate anyway? It is simply wrong.

It is absolutely extraordinary that we are being asked today to extend the hours of sitting to ram this through. The arrogance of this government knows no bounds. There is a complete disconnect between what the Labor government say and what they do on the other side of this chamber. They purport to care for working families and they do not—not one bit. What are they doing now, in their arrogance? They are asking us to ram through hundreds and hundreds of pages of legislation with a $14 billion turnaround, as identified by Senator Joyce. What opportunity do we have to look at it in detail? Absolutely none. The government says: ‘A couple of days and a bit of extended sitting; that’ll be fine. We’ll whack it through the Senate.’ No: that is not right and it is not on, because the ramifications of this are huge. It is about time this government started listening to the people of Australia and what they want. It is simply not fair.

Farmers, who are going to have to face all of these increased costs, are the very people who feed this nation. I would say to all of those people living across the cities at the moment: the next time you walk into a supermarket, have a thought for the farmers who are putting the food on your supermarket shelves. I know our city cousins have a very high regard for our farmers. But particularly in terms of this ETS debate, every time you walk into a supermarket think to yourself: ‘I wonder which Australian farmer is going to get belted today if an ETS comes in? I wonder how much the cost of produce on my supermarket’s shelves is going to increase?’ Let me tell you: it will, because all of those costs are going to be passed on. They are going to go right back in the laps of those farmers and then onto our supermarket shelves.

People in the cities are going to get hit as well. This scheme is going to come at them. As my colleague Senator Joyce said, it is going to come out of their shopping trolleys, out of their light switches, out of their power points—it is inescapable. At the same time you are considering that, my good city cousins, think about your farming cousins. Think about the farmers across this nation who are spending their lives producing food for our supermarket shelves. They are doing it day in, day out, at the end of drought. And in a lot of areas it is not the end of drought. Peo-
ple need to realise we have some farmers in very serious circumstances at the moment. They are in the middle of harvest and, in a lot of areas, are really doing it tough. It is not fair for this arrogant Labor government to bring in an ETS that is going to belt regional Australia harder than anywhere else, belt our farmers harder than anywhere else, yet not make one bit of difference to the climate.

To all of those people who have written to me and to my Nationals colleagues: thank you very much for taking the time to let us know your views, because we can only represent you if you tell us what you want—and we know overwhelmingly that you do not want an ETS. Get onto your Labor senators in New South Wales—though I am betting pounds to peanuts you do not even know who many of them are. Go to the website to find their names, contact them and tell them what you think, and maybe, just maybe, it will make them change their minds and make a better decision.

I came into this place believing that the decisions we take in this place should make the lives of Australian people better. When I use that premise to look at this legislation I see that it simply does not. It is going to impact enormously on the regions, on people right across this country, on our working families, our mums and dads, single people—everybody. The costs are going to increase, yet it is not going to make the slightest bit of difference to the climate. By my judgment, that is not making the lives of Australian people better.

Senator MILNE (Tasmania) (10.28 am)—I do not wish to delay the Senate unduly but I do wish to agree with my colleague Senator Bob Brown and remind the Senate that we wrote to the Prime Minister some time ago saying that there should be an additional week’s sitting in order to deal with this matter. It was obvious to us in September that we would need more time to deal with these issues. The Prime Minister did not even have the courtesy to answer our letter, which is the kind of contempt for the Senate that we are seeing from the government.

The most recent example of that contempt has come from the Minister for Innovation, Industry, Science and Research, Senator Carr, who is in here at the moment. He has said that he will defy a Senate motion to table a paper which the Senate voted to have tabled in here. That is the kind of contempt we are now seeing from the government for the Senate. People might ask, ‘Why not just have a couple of hours of extra sitting time to deal with this?’ The fact is that it needs a lot longer than a couple of hours—another week of sitting time is needed to look at this—and I want to go through a couple of things. The Senate has had no opportunity to scrutinise the deal that the coalition and the government have come to. It has had no opportunity to scrutinise the deal at all. Making such a huge allocation of money without scrutiny is unprecedented in the history of the Senate when scrutiny is our job and our responsibility. For example, the Prime Minister said yesterday that the additional compensation to the coal industry would be around $7 billion. When you look at the small print, you find that $7 billion is expressed in 2008 terms and is not consistent with the way the forward estimates are usually dealt with. Usually, you would look at that in real terms for the future rather than looking at it in 2008 dollars, especially when the sum is projected out to 2020.

When we had a look at this last night, we discovered that the $7 billion extra to the big polluters was based on a five per cent reduction target. We should not have been surprised by that, because the government has conned the Australian people into thinking that it is going to reduce greenhouse gas emissions by between five and 25 per cent.
But, no, the government’s only promise is a five per cent reduction. That will guarantee the death of the Great Barrier Reef, the loss of the Murray-Darling and the worst case scenario that we all know from the science of a half- to two-metre sea level rise by 2100, which was talked about most recently overnight. A five per cent reduction does not cut it. A 25 per cent reduction does not cut it. That is the absolute bare minimum where you need to be starting, not finishing.

As I said, the figure of $7 billion was calculated on 2008 figures on the basis of a five per cent reduction. When you look at a 15 per cent reduction, you find the amount going to the coal industry, in addition to the $16 billion that was already there, would go out to $10 billion—and we have not yet calculated what a 25 per cent reduction would mean. The government dressed it up yesterday to try to minimise how much it is giving to the coal industry, but it is actually many billions of dollars more than that, and it has taken it out of the compensation to households. This is a massive wealth transfer, taking the money away from the community and giving it to the coal fired generators.

Another thing that the government is not looking at is the legal advice, which shows that once this deal is done and goes through the effort that the electricity sector—the coal fired generators and the energy-intensive trade-exposed industries—has to make to achieve a reductions target will not be changed until 2020. So not only has the government taken the compensation away from the community but also it is saying that if we increase the target in the future, which no doubt this country will have to do because the target is such a disgrace, all of the effort will be outside those sectors locked into the Carbon Pollution Reduction Scheme. In other words, the coal industry—the big emitters—is now insulated out to 2020 from any future effort and will have its compensation locked in and be able to sue if anyone tries to make it do any more. That means that the community, having already lost the compensation of $6 billion that it was to be given, will also have to shoulder the additional benefit into the future. We need to look at that really carefully.

Another thing is that there are serious ramifications for rural and regional Australia in the deal that has been done between the government and the coalition, and it is not clear yet what that means. For example, the government has said that agriculture will be out, but the fact of the matter is that that was no concession to the coalition. The coalition has been conned completely on that, because the government was not going to make a decision on that until 2013. Next year there will be a federal election. The federal election after that will be in 2013. So we are talking about a decision two federal elections away for an implementation phase post 2015, which is three federal elections away. Even people who take only a passing interest in federal politics know that it is the stuff of fantasy land to tell people, ‘We have changed our minds about something that was going to happen three federal elections away.’

The coalition thinks that now it not only has got agriculture out but also has this ability for rural Australia to claim credits. But go and look at the fine print and you will find that it is not there at all. All the government has said is that it will give these credits to rural Australia if its task force can come up with robust accounting that would make it possible, and we all know that that will not happen. So the farmers are deluding themselves right now into thinking that they got carbon credits for abatement when they did not. Instead, they got a task force which will determine whether there is robust accounting to enable it to happen. It will not happen. I can tell you that now. I can tell you who it will happen for, though, and that is the log-
The deal here is not for the farmers but for the forest industry, because they are the ones in here getting the big concession. Yesterday’s deal gave them another $40 million as well as carbon sink forests, which this Senate has shown that it opposes time and time again. The deal between the government and the coalition provided for carbon sink forests to get guaranteed water rights and planning rights.

That is not something that the Senate has ever agreed to. In fact, we have made it clear time and time again that we do not like the carbon pollution forests thing because it is exactly like managed investment schemes. It is yet another lurk for the National Association of Forest Industries and for Collins Street investors; it is not good for rural Australia, for all of the reasons that managed investment schemes have been a disaster in rural and regional Australia. That is part of the coalition deal. I wonder how many coalition people understand that they have just agreed to give carbon sink forests guaranteed water entitlements and planning rights but that the farmers have got nothing except a task force that might come up with a robust accounting scheme which might incorporate their emissions in the future.

Yes, there is a $40 million Green Carbon Fund. That is there to equal the amount they wanted to give to the forest industry. The most sensible thing to do would have been to take out the plantation sector entirely, have the Carbon Pollution Reduction Scheme as a fossil fuel scheme and have an alternative mechanism that looks at carbon in the landscape. This mechanism would incorporate food security, water sustainability, biodiversity outcomes and resilience in rural communities. If you had taken all of that out and created a separate program, as the Greens have advocated, you would actually start to address some of these issues. You would allow rural Australia to start bringing together consideration of where we are going to grow food, how we are going to have the water to grow that food, how we are going to improve biodiversity in rural and regional Australia and how are we going to do it in such a way as to improve job prospects in rural communities and build resilience in those communities.

That is what we needed to do, but if all we have is a couple of extra hours of sitting, this will not be discussed, because these are not amendments to the Carbon Pollution Reduction Scheme. They are off-legislation deals. They are not going to be amendments that come before the Senate. This is a deal separate from the Senate. It has no legislative status. It is part of a deal. In the future, you are going to see Liberal and National Party senators standing up and saying that they did not understand, at the time of the deal, that there was nothing guaranteed and that there were no specific agreements being made.

So I would urge the Senate not to go down this path of a just a few extra sitting hours. We need an extra week of sitting time. We need it so that we can get the government to outline in detail what this deal actually means. I think people out there assume it is going to be a legislated deal. It is not. It is a backroom deal. We do not know exactly how it is going to play out, but what I do know is that those people in rural Australia who thought they were going to get carbon credits are not going to get them in the time frame they thought, because the accounting framework does not exist.

That is why agriculture was left out. It is why agriculture was always going to be left out and, having been left out, did anyone ask the question: why did the government agree to leave it out? The answer is: no accounting system. The Liberal Party thinks it got some deal because the government says, ‘We will count the abatement from all these activities
in rural Australia,’ but there is no mechanism. That is why they left it out. There is no accounting mechanism.

So, before you go ahead and agree with this deal and agree to ram it through in an extending sitting period without proper scrutiny, go back to Ian Macfarlane and the Minister for Climate Change and Water, Senator Wong, and ask whether there are accounting methods in place today which will allow farmers to measure the abatement opportunities that are supposedly there for them and, if they are, whether those methods would be sufficiently rigorous to support qualification for a permit? I can tell you now that the answer is no.

It is a disaster for the Australian parliament to ram through something it does not understand, because you always end up with perverse outcomes. One of these perverse outcomes will be that the community will suddenly discover that the $7 billion, in 2008 dollar terms, on a five per cent reduction will be $10 billion, at least, under a 15 per cent reduction and an unknown figure if we go higher—on up to 25 per cent.

How dishonest is it for the government to stand there and say, ‘This is what we have done,’ when they are not telling the Australian people what they really have done; to try and pitch this to people who are already suffering from the collapse of the Murray-Darling system; to pitch this to people in rural communities who have already suffered huge losses as a result of the managed investment scheme rip-off; to now pretend to those people that they are going to get some benefit when the government knows full well—I know full well and Minister Wong knows full well—that there will not be one permit issued to one farmer because there is no robust accounting? That is why agriculture was left out of the scheme. So I really want people to think about this carefully and to support proper scrutiny of this deal and what it means before they agree to just ram it through and live with the consequences, because fixing it up later, we have discovered, is not something that is easy to do. Once this goes through, those who benefit from it will sue at any prospect of any of their deal being unpicked.

Senator XENOPHON (South Australia) (10.42 am)—I cannot support the government’s motion, and I would urge every member of the Liberal Party not to support this motion either, for a number of very important reasons. There is no more important piece of legislation for the economy and the environment of this nation than this package of legislation and we need to get it right.

If we go down this path, we will create a massive wreck of our environment and of our economy. I am grateful for Senator Milne’s contribution because she has made a very salient point about carbon sinks. If this deal provides more money for carbon sinks, it will mean more water going out of the Murray-Darling Basin—more interception. It will create absolute chaos for an already dying river system. It will be the death knell of the Murray-Darling Basin.

I say that to my South Australian colleagues, each and every one of them, and to Senator Birmingham, in particular, who has been an outspoken advocate, through his committee work and in this parliament, for the Murray-Darling Basin. This will be the death knell of the Murray-Darling Basin if we go down this path, because this backroom deal cannot be unravelled after this legislation is passed. It cannot be unravelled. When it comes to the Murray-Darling Basin, we have an opportunity to get it right—to revegetate the basin and to get the whole issue of water rights on the right track—but this deal will actually make things worse for the Murray-Darling Basin. I cannot accept
that any opposition member who is concerned about the basin will want to go down that path. This is a train wreck coming our way unless we pause and refer this matter to a Senate committee to look at the ramifications of this deal to ensure that we get it right.

My position is clear: I believe we need to have decisive action on climate change. To the sceptics out there, to Senator Bernardi for instance, who I have a lot of regard for personally, my plea is to think of this in terms of risk management. Unless they are 101 per cent sure that they are right and all of those scientists are wrong, then we need to manage the risk, and managing the risks involves having a responsible emissions trading scheme, one that will actually work and deliver real cuts to greenhouse gases and do so in an economically responsible way.

Mr Acting Deputy President Trood, you were at the Liberal party room meeting yesterday, as were all of your colleagues. I am concerned that the coalition said a few months ago that the modelling by Frontier Economics indicated that their approach was cleaner, cheaper, greener and smarter. It has come to my attention very recently that the opposition leader, Mr Turnbull, has commissioned further modelling from Frontier in relation to the scheme, and I believe that modelling was carried out by the same modellers used by the government at Monash University. I have not seen that and, as I understand it, neither has the Liberal party room. How can coalition senators make a decision as fundamental as this unless they have all the facts before them? I have not been able to obtain a copy of that report. I requested it this morning in an email to the opposition leader, Mr Turnbull, and I hope I will receive it. How can you in good conscience vote on the most important piece of legislation, in terms of its environmental and economic impact on this nation, without getting all the facts before you? How can you do that? How can you agree to go down a path without having that information before you?

I think you need to ask the question of why that report has not been released to you. I understand it has been confirmed by the opposition leader, Mr Turnbull, this morning in the media, but the government rejected it. I would have thought that the joint party room should have seen that report. How can you have a debate in the absence of that information? If that report shows that the government scheme will impose an even greater impost on the economy than first thought then surely you should have that information before you. It beggars belief that it is not something the Liberal party room would demand before a vote was taken on such a crucial piece of legislation. For goodness sake, have all the facts before you prior to making a decision that will affect this country irrevocably.

Senator Milne is right that, once we lock into this scheme, that is it. Do not think you can go to the next election saying, ‘Oops, we made a mistake, but we can modify it so that small businesses won’t be slugged with massive increases in electricity prices.’ I predict it will be in the order of 40 to 60 per cent. The Frontier modelling says 25 per cent over the next three years with the government scheme compared to five per cent with the Frontier scheme, but that is based on the assumption that the rest of the world comes on board. Those price rises will be much, much more. So does the Liberal Party want to be the party that has abandoned 750,000 small and medium enterprises in this country? Because that is what you will be doing if you go down this path. For goodness sake, you need to have the facts before you. It is a bit like being sold a house by a land agent who will not show you an expert report that says
the house is full of white ants, because that is what you will be doing.

I have got great concerns about this particular motion. If we go down this path then you will be locking in a policy disaster. You will be locking in a disaster that cannot be undone. You will be locking in low emissions cuts that will damage our environmental credentials and, just as importantly, you will be causing a train wreck for the economy. I would urge members of the Liberal Party not to support an extension of hours. The only honourable way out of this mess is to actually inquire into the changes proposed as part of this deal. This deal has made a bad CPRS even worse. We have Senate inquiries over tax measures of several hundred million dollars, or over even smaller measures in the millions of dollars, that are referred to the Senate Economics Legislation Committee all the time. We are now talking about billions and billions of dollars in terms of this particular deal to change the CPRS. How can you in good conscience not allow this to go to the Senate economics committee for the thorough scrutiny it deserves? How can you go ahead with this particular deal without seeing the modelling that your leader, Mr Turnbull, has commissioned for himself but has not shown to his party room? How can that be?

That is why I would urge members of the Liberal Party to do the right thing in terms of the most important piece of policy this country has ever dealt with. You cannot fix it up later. Once this bill receives royal assent, there will be billions of dollars worth of hedging contracts in the electricity sector that will be signed.

Senator Milne—That is right.

Senator Xenophon—Not only is that right, Senator Milne, but it is frightening because you cannot reverse it. You will be subject to billions and billions of dollars of compensation. We will have an emissions trading scheme with little environmental gain and enormous economic pain. That scheme will be the laughing stock of this region and indeed the world.

I would urge members of the Liberal Party not to support this motion for extended hours. The right thing to do and the only thing to do is to insist that you are given full information from your own leader as to what this scheme could do to Australia's economy. If this motion is successful, I dare members of the Liberal Party to guillotine me, members of the crossbench and the National Party if we are asking relevant questions, not filibustering, about this scheme—its economic implications, what it will do to the environment and what the latest deal that has been cobbled together will do to the Murray-Darling Basin. If the Liberal Party wants to do that and wants to be known as the party that guillotines and abandons every small and medium enterprise in this country, then that will be on your head, not on mine. This is a case where I do not want to say, 'I told you so,' in years to come. I do not want to be proved right on this. This is do or die when it comes to Australia's economy and the environment and I urge you to reject this motion to extend hours.

Senator Cormann (Western Australia) (10.52 am)—I will just take a few minutes to advise the Senate that I will not be supporting the motion to extend hours. This is consistent with a conversation I had with my leader this morning, when I advised him that I will not be able to support his position to vote for Labor's flawed ETS legislation in the Senate before Copenhagen and before an outcome has been reached at least in the US. I agree with the sentiments expressed around the chamber that a deal that essentially has been negotiated in secret over a six-week period cannot properly be scrutinised over a two-day period. We had a very lengthy de-
bate in our party room yesterday, and much has been said about that in the media today. I think it would be indecent to force the Senate to make a decision on such a significant piece of legislation in the time that is practically available to us, and an extension of hours in an ad hoc fashion is not going to fix that.

I support the proposition that Australia should do everything we can to help reduce global greenhouse gas emissions. Whatever way you want to describe it, this legislation is not strong action on climate change. The reality is that, in the absence of an appropriately comprehensive global agreement, this scheme in Australia will push up the price of everything, it will cost jobs, it will put pressure on our economy, it will put our energy security at risk and it will be bad in particular for regional Australia—and all of that without helping to reduce global greenhouse gas emissions. To reduce emissions in Australia in a way that will increase emissions in other parts of the world is not effective action on climate change. That is why the coalition has for some time held the very sensible and absolutely sound public policy position that we should wait to see what happens in Copenhagen—not because Copenhagen is some sort of artificial deadline but because Copenhagen is supposed to be the international conference where countries from around the world come together and put on the table the sorts of targets they would be prepared to commit to.

The Treasury modelling of the economic impact of Labor’s ETS is based on a whole series of very heroic assumptions. I am not going to hold the Senate up for much longer. However, the key issue that troubles me is that an ETS in Australia can be an effective mechanism to help reduce global greenhouse gas emissions only if it is part of an appropriately comprehensive global scheme; but, with the distortions in terms of international trade competitiveness and in terms of exporting emissions as well as jobs without a global agreement, it will not be. Depending on what happens in other parts of the world, it may well be that I would be quite comfortable to support an ETS at some time in the future, but right now I am not. I do not think it would be appropriate to rush the Senate, whether it be over the next two days, the next four days or the next five days. This has to be properly scrutinised. I intend to support Senator Williams’s motion to defer this legislation. I also intend to support Senator Milne’s motion to refer the legislation to the Senate Economics Legislation Committee for further consideration. As I have mentioned to the Senate, I will be voting against an extension of time—and, just to make it absolutely clear, I did have a conversation this morning with my leader, Malcolm Turnbull, to advise him of that.

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

The Senate divided. [11.01 am]
(The President—Senator the Hon. J.J. Hogg)

Ayes.......... 44
Noes.......... 19
Majority....... 25

AYES
Arbib, M.V. Bilyk, C.L.
Birmingham, S. Bishop, T.M.
Boyce, S. Brandis, G.H.
Brown, C.L. Cameron, D.N.
Carr, K.J. Colbeck, R.
Collins, J. Conroy, S.M.
Crossin, P.M. Evans, C.V.
Farrell, D.E. Faulkner, J.P.
Feeney, D. Forshaw, M.G.
Furner, M.L. Hogg, J.J.
Humphries, G. Hurley, A.
Hutchins, S.P. Johnston, D.
Kroger, H. Ludwig, J.W.
Lundy, K.A. Marshall, G.
McEwen, A. *

McLucas, J.E.

Moore, C.

O’Brien, K.W.K.

Parry, S.

Payne, M.A.

Polley, H.

Pratt, L.C.

Ronaldson, M.

Sherry, N.J.

Stephens, U.

Sterle, G.

Troeth, J.M.

Trood, R.B.

Wong, P.

Wortley, D.

NOES

Adams, J.

Back, C.J.

Bernardi, C.

Boswell, R.L.D.

Brown, B.J.

Bushby, D.C.

Cash, M.C.

Cormann, M.H.P.

Eggleston, A.

Ferguson, A.B.

Fielding, S.

Hanson-Young, S.C.

Joyce, B.

Ludlam, S.

Miene, C.

Nash, F.

Siewert, R.

Williams, J.R. *

Xenophon, N.

* denotes teller

Question agreed to.

CARBON POLLUTION REDUCTION SCHEME BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2009 [No. 2]

AUSTRALIAN CLIMATE CHANGE REGULATORY AUTHORITY BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CHARGES—CUSTOMS) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CHARGES—EXCISE) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CHARGES—GENERAL) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) (CONSEQUENTIAL AMENDMENTS) BILL 2009 [No. 2]

EXCISE TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME) BILL 2009 [No. 2]

CUSTOMS TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME AMENDMENT (HOUSEHOLD ASSISTANCE) BILL 2009 [No. 2]

Second Reading

Debate resumed from 24 November, on motion by Senator Stephens:

That these bills be now read a second time.

upon which Senator Bob Brown moved by way of amendment:

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

Senator FIELDING (Victoria—Leader of the Family First Party) (11.05 am)—Here we are today debating the Carbon Pollution Reduction Scheme legislation, which is one of the biggest pieces of legislation ever to come before the parliament, and the Rudd government wants to ram it through the Senate. The CPRS is a multibillion dollar tax that will affect every single Australian. Just a few hours ago the Rudd government put forward changes to its flawed Carbon Pollution Reduction Scheme, and now it wants the Senate to agree to them without proper scrutiny and debate. This is irresponsible and reckless behaviour and, to me, it is an attack on what a democracy is all about. The Senate should not be voting on the Carbon Pollution Reduction Scheme until at least after Copenhagen and until after we know what the rest of the world is going to commit to. It is economically reckless to commit Australia to a
carbon pollution reduction scheme before the rest of the world commits to similar schemes themselves or one with at least the same targets.

Why is the scheme economically reckless? Here are some important facts the Rudd government does not want Australian families to hear: (1) the cost of doing business in Australia will go up under the government’s Carbon Pollution Reduction Scheme; (2) the competitive position of Australia will plummet, as other countries have less stringent targets or no scheme at all; (3) one of Australia’s biggest competitive advantages, low-cost electricity, will be lost; and (4) Australian families will pay more for their groceries and see their power bills soar. And what does Australia gain for increasing the cost of doing business in Australia and wrecking Australia’s competitive position? In fact: nothing. And what does the environment gain from increasing the cost of doing business in Australia and wrecking Australia’s competitive position? Again, nothing.

The rest of the world emits more than 98 per cent of the total global carbon dioxide emissions. So, if you believe the Rudd government, and that carbon dioxide is the problem, then clearly there will be no environmental benefit unless the rest of the world also agrees to at least the same targets as Australia. This is one fact that everyone can agree on. Clearly, it is economically reckless to commit to an ETS prior to a global agreement at Copenhagen. For any political party to agree to commit Australia to a Carbon Pollution Reduction Scheme before any global agreement is economically reckless. My real concern is that families and small business will end up footing the bill for this multibillion dollar carbon tax, with no benefit to Australia or to the environment.

I say to the Prime Minister: first you told us the CPRS you put forward was perfect, then you released another version, with amendments, and told us it was perfect too. Which is it, Mr Rudd? Which one is the best? Or are they both bad, and have been decorated to suit your political agenda? But, even worse, the coalition lost any economic credibility they ever had. No wonder Mr Costello got out when he did. Mr Costello knew the coalition were a rabble, and this is proof. Today the coalition sold out Australian families and sold out businesses.

But I think the Nationals are even worse than that. The Nationals sold out the bush when they sold Telstra. The Nationals sold out the bush when they agreed to allow the coalition to negotiate with the Rudd government on a CPRS before Copenhagen. They allowed that to happen. All regional and rural areas know the Nationals cannot really be trusted in looking after the bush after these two issues. From bakers, to butchers, to farmers they will be worse off under this CPRS. And the Nationals will allow the coalition to negotiate with the Rudd government. Why did the Nationals stand by and go silent on the fact that the coalition were in negotiations to agree to an ETS prior to Copenhagen? If the Nationals had any backbone they would resign from the coalition today. The CPRS is the biggest betrayal of the bush, the biggest betrayal of rural and regional Australia and the biggest betrayal of small business. The coalition today have lost any economic credibility, but the Nationals have lost the respect that they held within rural and regional communities. How can any National MP remain in the coalition given that the coalition has committed to a Carbon Pollution Reduction Scheme? You stand with the bush; at the same time you stay in partnership with a party that has sold out the bush and small business. The Nationals are frauds if they stay in the coalition. The Carbon Pollution Reduction Scheme is
the biggest betrayal of the bush and rural and regional communities.

Turning to my home state of Victoria, the CPRS will be devastating to the state of Victoria. Under a CPRS thousands of jobs in Victoria will be lost. Under a CPRS the electricity prices will escalate for families and small businesses. Under a CPRS the coal mining region of the Latrobe Valley will be devastated. Under a CPRS dairy and cattle farmers will be facing sky-rocketing electricity prices to produce their milk and beef, adding to the overheads that are currently eating into their profits. Will the Rudd government’s new amendments stop Victoria being threatened by the CPRS? I doubt it. But we sure as all hell need more than a few short hours or a few days to determine the real impact on Victoria and Australia. Giving the Senate just a few short hours to have a look at these amendments is irresponsible and is not in the national interest. The Australian public expect a lot more from their elected representatives, rather than just a brief look at the biggest tax this country has ever seen. This is making policy on the run and it will be Australian families and small businesses that will end up paying the price.

This is turning the Senate into a rubber stamp, with families and small businesses footing the bill for the CPRS. All that I am asking for is nothing more than basic due diligence. Whether we like it or not, due diligence takes time. Most people who are going to buy a house will first do some simple checks to make sure that everything is okay. That is due diligence. So how much more due diligence should be undertaken with the CPRS, which is a multibillion dollar tax? Surely Australia should spend a couple more months performing proper due diligence on the amended CPRS, not just a few hours. What is the rush? Two months delay is not going to cause any environmental problems. The Rudd government delayed this whole thing in the first place. Australians should think very hard about what the Rudd government is saying and doing—except they are not being given the chance.

Let us say you have a salesman telling you that you have negotiated a good deal, but you have some serious concerns. What is the next step of the salesman? Does the salesman do the right thing and give you all the time you need to make the right decision or not? We all know a shady salesman would give you no time and put unrealistic deadlines on the deal. Well, guess what? The Rudd government is acting like a shady salesman, putting unrealistic demand times on the CPRS deal. There is no real policy imperative to sign the CPRS deal prior to Copenhagen, other than for Mr Rudd to look good. It is politics that is driving the Rudd government to act like a shady salesman—not the national interest, as the Prime Minister tries to spin. Rather than ramming the Carbon Pollution Reduction Scheme bills through the Senate this week, why don’t we allow other experts, and the general public, to have a look at the CPRS deal and come back in February and conclude the CPRS debate?

Now I want to turn to the science. Earlier this year, like most Australians at the time, I simply accepted without question that increasing carbon dioxide emissions was the major driver of climate change. I believed the media when they told me repeatedly that human-caused carbon dioxide emissions were to blame for the changing temperatures on this planet. In fact, I listened to radical environmentalist groups when they protested about the damage we were causing to this earth and to our future generations. I remember the enthusiasm surrounding former US Vice-President Al Gore’s movie *An Inconvenient Truth*. All of a sudden climate change hit centre stage, and carbon dioxide was the main actor. Carbon dioxide was the new vil-
laid which needed to be caught and punished.

Throughout the whole debate one thing was missing, and that was genuine debate on whether the science behind climate change being a result of human activity was even correct. I am not saying that no-one ever questioned whether climate change was caused by something other than carbon dioxide emissions, but many experts have called for a proper debate on the issue because of serious questions in the science that climate change alarmists have relied on. Until now, the scientists who believe that carbon dioxide emissions are not the major driver of climate change have been labelled 'sceptics' and dismissed out of hand without real debate. To question the science has meant public ridicule. It has carried a stigma and had you labelled as a sceptic. That is not the way to conduct a debate. Scientists who question the science behind climate change have been maligned in the media as fearmongers and as being backwards. Their views have been treated with contempt. Anyone who dares to so much as even question human induced climate change is shouted down and discredited. Free and fair debate, the very thing which we as a democracy thrive on, has been stifled on the climate change issue.

So when it was raised with me that carbon dioxide emissions have skyrocketed since 1995 but global temperatures have remained relatively steady I was left dumbfounded. How could I as a federal senator, or anyone, vote for something that will carry such a high price for all Australians and have such significant consequences without being able to answer a simple question—if carbon dioxide is a problem, why have global temperatures not been going up as predicted by the IPCC in recent years?

I went out and spoke to a cross-section of scientists and quickly began to understand that the science on this issue is by no means conclusive. I went on a self-funded trip to Washington to investigate further the science and facts behind climate change, and I listened to both sides of the debate. I heard views which challenged the Rudd government’s set of so-called ‘facts’—views which could not be dismissed as mere conspiracy theories but were derived using proper scientific analysis. I went on a journey to discover the truth about climate change. It is a journey that other Australians have now also gone on, perhaps not in a physical sense but certainly in an intellectual sense.

During my trip to the US I met not only with scientists who were questioning the science but also with climate change experts on the other side of the spectrum. This included members of President Obama’s administration who are driving the US’s climate change policies. As an engineer, I have been trained to listen to both sides of the debate on the science in order to make an informed decision, in this case about climate change. Any scientist worth their salt will tell you that in order to form a conclusive view about any topic you need to properly explore all available possibilities. All of this is nothing more than due diligence.

When I came back to Australia I had a meeting with the Minister for Climate Change and Water, Senator Wong; the Chief Scientist; and Professor Will Steffen. I put to them three questions about climate change that I believed needed to be answered in order to establish that climate change is a direct result of human-made carbon dioxide emissions. They are three questions that every senator needs to be able to answer. They were not designed to trick anyone; they were simple questions which went to the heart of the climate change debate. My three questions, along with the minister’s response, are on my website at
www.stevefielding.com.au, for all of you to evaluate for yourselves.

One of the questions is key to the whole debate on the science. It was based around a global temperature chart that was incorporated into Hansard back in August this year. This is the chart that was incorporated into Hansard, quite clearly showing—

The ACTING DEPUTY PRESIDENT (Senator Trood)—Senator Fielding, I think you know the rules about the use of props.

Senator FIELDING—It is in Hansard. That is a chart that the Australian public want to see. It is a chart that clearly the Rudd government does not want people to see. It shows that carbon dioxide emissions have skyrocketed, yet global temperatures have not increased the way the IPCC predicted. To help people with the chart, imagine the black line is CPI and the red line is your salary. You are going backwards. Quite clearly you would be very unhappy if that was your salary. The government wants to make you believe that the science is conclusive. I think we still need to have this chart further debated. It is based on 15 years of records. The global temperature chart may be an inconvenient fact to those that refuse to have an open mind on climate change, but to many Australians this global temperature chart is helpful and it allows them to engage in a technical debate. For those people watching who find charts hard to understand, as I said, think of the red line as if it was your salary and the black line as if it was CPI.

Even if you put aside the science, the Rudd government does not seem to acknowledge that its CPRS is a multibillion-dollar carbon tax. It is economically reckless to agree to any CPRS before the Copenhagen climate change conference, where the rest of the world will make up its mind on how to deal with climate change. There are some estimates that the government’s carbon reduction tax would be the equivalent of raising the GST by 2½ per cent. But wait—it gets worse. Not only will we be paying more tax; there will be more people without jobs. Frontier Economics predicts 68,000 Australians will not be employed in rural and regional Australia if the government’s plan goes through. Who knows what the proposed amendments will do?

According to the government’s own numbers this new tax amounts to more than $12 billion per year for industry. This is a cost which will be passed on to ordinary Australians. It was reported in the Business Spectator recently that the current legislation would have an $8 billion adverse impact on four Latrobe Valley power generators which is offset by $2 billion in current credits—a net enterprise value reduction of $6 billion. State governments too will face a massive hole in their budgets as a result of the scheme and will be $5.5 billion worse off by 2020. That means less money for schools, less money for hospitals and less money for the social services which so many Australians rely on.

Australian families will also be hard hit under the Rudd government’s proposal. Electricity prices are still forecast—as I heard this morning in Victoria—to double in Victoria. What will that do to households and small businesses in Victoria? Council rates will also be affected and will go up under the current plan. The Rudd government’s ETS has the potential to cripple our economy and send families with their backs already against the wall tipping over the edge.

It is the sheer arrogance of the Rudd government that is driving this debate at the moment; it is not sensible public policy. The Rudd government is playing politics with the lives of millions of Australians by voting again on this issue now and trying maybe to force an early election. Someone needs to tell the Prime Minister that there are no
prizes for going first on implementing an emissions trading scheme—only losers! We are not playing a game here. We are talking about a multibillion-dollar tax that will impact on real people’s lives and jobs. There is a lot more at stake than the government seems to realise.

Is the government aware that only a couple of weeks ago the US senate ruled out passing its own emissions trading scheme legislation before Copenhagen and ordered a five-week pause to review the costs of the legislation to the American economy? It is not one day, not two days and not a week; they are asking for a five-week pause. This is why we should come back in February. The world’s biggest economy has voted to put its carbon tax legislation on ice and yet, incredibly, we are still being fed the line that we need to deal with this issue urgently.

This whole CPRS bill is a disgrace and the Senate needs to do the only honourable thing and at least delay the vote till next year. Anything else would put Australian families, small businesses, rural and regional communities and our economy at risk, and that is reckless. The coalition have got to think very carefully about how this will pan out over the next few hours and days and they have to think very carefully about seeing this thing rammed through the Senate. I think that having even a one-week Senate inquiry is still not long enough. The US senate quite clearly believes more time is needed. A multibillion-dollar tax needs time. Let’s not treat the Australian public like mugs. Let’s not treat the Australian Senate like a mug. Let’s give this thing proper and due diligence. Time is important but we have got to get this right, not wrong.

*Senator SIEWERT* (Western Australia) (11.25 am)—I rise to comment on the Carbon Pollution Reduction Scheme Bill 2009 [No. 2] and related bills. I will not take the full 20 minutes because I commented on the bill extensively when it was in the chamber previously, but I do want to point out a number of the deficiencies in the bills, particularly the impact climate change is already having on my home state of Western Australia and why it is imperative that we have a decent bill for a CPRS—or ‘coal profit retention scheme’, as we are now referring to it—and not a scheme that solely delivers billions of dollars worth of compensation and support to industries that are now dinosaur industries, instead of delivering the sorts of investment we need in renewable energies to take us into the future. Only today we were reminded in the news about the impacts of climate change when the IPCC scientists released their further work that shows the impact that the speeding up of the melting of the Arctic ice will have, potentially, by 2030 and the fact that it is melting much more quickly than they had anticipated. You only have to look at the vision of the ice melting last summer to see how fast it is melting and the impact that it can have.

If you were not persuaded by the other science, the science again this morning about the impact that climate change is already having is very compelling. It is also clear from the evidence that we are in the hottest decade and we continue to set records across the planet. We in Western Australia already know what impact climate change is having on agriculture. In some areas agriculture is becoming more marginal. Also, I have articulated in this place several times now what has happened with water supplies in Perth and the drop-off of rainfall in Perth. Fortunately Western Australia recognised the decreasing rainfall in the 1990s and made a decision about how we would manage our water. I am not saying it is perfect so I do not want the WA government or the Water Corporation in Western Australia thinking that the Greens think their water management is
perfect. But they certainly took very important steps in terms of starting to manage our water resources, realising that we were living in a changing climate and what impact a decrease in rainfall would have. We have had a 20 per cent decrease in rainfall, which has led to a 64 per cent decrease in run-off and of course that changes very significantly the way we manage our water supplies.

I must say that I get very disheartened about the ways that people are interpreting the science—whether they are doing it on purpose or whether they just cannot face the fact that we have to significantly change the way we manage our resources and the planet. Perhaps they deliberately do not read the science or they misinterpret it. But these people are failing the constituents they claim to represent and, in particular, they are failing farmers. Farmers are at the forefront of feeling the impacts of climate change. They are the ones who have to change their day-to-day management practices in order to survive and in order to grow crops. In the future Australia needs to change the way we carry out agriculture in this country. We are missing a golden opportunity to be at the forefront of development of crops and of a new way of doing agriculture in this country. We are missing that opportunity because we have these sceptics and because of climate deniers. They are then denying the fact that we need to change the way we manage agriculture and develop new crops so that the amount of money that is invested in research to look at ways to change our farming systems is reduced—it is nowhere near enough.

Instead we are investing billions of dollars in old industries—in keeping the coal industry going by subsiding it to a massive extent—when we should be investing in renewable energies, in agricultural research and in protecting our water resources. As we know climate change is already having a significant impact on biodiversity in this country, particularly in my home state of Western Australia, where the combined impacts of overclearing, climate change and salinity are already devastating our biodiversity. As we know, Australia has the highest extinction rate for mammalian species and also for plant species.

Western Australia has up to 10 new coal fired power stations on its books. There are also plans to expand existing coal fired power stations. Industries that are starting up now want to use coal as their energy source. This is an old way of thinking; it is a dinosaur way of thinking. Here we have this deal—I do not know whether it has or has not been agreed to; I presume it will be rolled out again today—where billions of dollars more are being invested in dinosaur industries while billions of dollars are being taken away from household investment. Over $5 billion will be taken away from households and transferred into the pockets of the coal industry and the old polluters.

This scheme, the coal profit retention scheme—formally known as the ‘continue polluting regardless scheme’—is now the new deal in which further resources are being handed over to the old polluting industries. Where is the vision for this country? Where is the vision for where we could be going in developing new renewable energies and a future that our children and grandchildren can be proud of and be significantly advantaged by? Instead, the scenario that is rolling out here is one where our children and our grandchildren will be significantly disadvantaged into the future.

We will have massive numbers of environmental refugees. Day after day after day, we have been hearing from some people in this chamber who are obviously anti Australia taking asylum seekers or who are anti supporting asylum seekers. We are going to have so many environmental refugees on this
planet. How are we going to deal with that? How are we going to deal with the issue of people who have to move? People in the Pacific are already having to abandon their homes. Their food sources are being threatened and, in some cases, they have been destroyed. These people are unable to grow the crops that they used to because of sea water inundation. This situation is going to multiply into the future.

But yesterday a deal was made, which we expect to be voting on today or tomorrow, whereby billions of dollars will be taken away from householders and transferred into the hands of the old polluters. We do not know what impacts the changes that were announced yesterday will have, because we have not had time to review them properly. There has been no Senate inquiry to review the impact of those changes. What will the impact be from the changes that were announced yesterday? What do they mean for the CPRS? We cannot answer those questions because we have not had time to review them properly.

I will be moving a second reading amendment that the bills, the multi-billion dollar adjustment to the bills, as agreed by the coalition and the government in November 2009, and the amendments required to implement that agreement, be referred to the Economics Legislation Committee for inquiry and report by 12.30 pm on 1 December 2009; that the minister representing the Treasurer provide to that committee by 30 November 2009, for consideration as part of that inquiry, any modelling or analysis commissioned by Treasury and/or the Department of Climate Change and all documents prepared by Treasury in relation to the August 2009 Frontier Economics report on the economic impact of the CPRS; that the Senate meet from 1 December to 3 December 2009 to consider the bills; and that further consideration of the bills be an order of the day for the day the committee presents its report.

We believe that amendment will enable a Senate committee time—short though it may be—to review any amendments and the adjustment money that was announced yesterday that is being given to the big polluters in this country. This will enable a review of that information. It will enable a review of the government’s modelling in relation to the Frontier Economics report. This will give senators time to effectively analyse that information instead of them being pushed into making a decision about something that those on the crossbench were told about only at lunchtime yesterday. That is not an adequate process when you are talking about the future of not only this country but the planet. It is the future of the planet that we are talking about here.

This place has to be informed effectively so that senators can make a decision in an informed way. At the moment we are not informed. At the moment we do not know what impact this legislation will have and we have not had chance to review it. Yet, we are supposed to rush that decision through this place. How can we look our grandchildren in the eye and say, ‘We made the right decision,’ if we do not even sit down now and consider the information properly? I do not want to be in that position. I do not want to be in the position where I have to explain to my grandchildren how this place worked in making a decision in November 2009 that affected their very futures. We need to take time to look at this information and we need
to consider it in an appropriate manner. We should not rush it through because the government thinks it needs to take this flawed coal profit retention scheme to Copenhagen. That is an artificial deadline for a flawed scheme that in the future we will all be embarrassed about. We will all be embarrassed about this poor scheme. We believe that it needs to be reviewed by the Economics Legislation Committee. We also believe that the Senate should sit again to give this bill and the amendments announced yesterday adequate scrutiny, which is our job. As I said, I foreshadow that I will be moving a second reading amendment.

Senator ABETZ (Tasmania) (11.37 am)—The Senate is currently debating a package of 11 bills euphemistically called the Carbon Pollution Reduction Scheme. It really is an emissions trading scheme by another name. But with the Labor government, the spin starts right at the very beginning; it starts with the name of the bills and it goes all the way through. I will be saying more about that later on. Nobody should be under any misapprehension: we as an opposition oppose the bills as they currently stand before the Senate. We have voted against this legislation once and, in its current form, we would oppose it again. It was and still is—depending on what happens in the committee stages—absolutely and utterly fatally flawed.

I will make a few brief introductory comments. This debate has unfortunately been categorised as between believers or deniers, for or against. In my capacity as shadow minister for science, I have spoken with many scientists. It is not as easy as saying that scientists are for or against. There are a multiplicity of camps and views within the science community. Speaking for myself personally, I cannot accept the view that has been put that there is a consensus in relation to the science. Science has never been determined by consensus. Indeed, when you have 31,000 scientists around the world signing a petition expressing doubt—and I am not taking sides in this debate; my view is that in relation to that chances are that a fair description would be that I am agnostic—do not try tell me that it has all been settled. How can it be when you have 31,000 men and women, highly qualified in the sciences, saying that they have serious doubts?

Indeed, in Australia in my home state of Tasmania we have a very distinguished emeritus professor, Garth Paltridge, who was the foundation chair of the Antarctic and climate change research centre. He has devoted his life to this issue. He has serious doubts about the science. Then there is Professor Ian Plimer and Professor Bob Carter. And the list goes on. All I am saying is: please do not insult the intelligence of the Australian people by asserting that the science is settled. There are many views in relation to this debate.

The revelations—and once again I express a personal view here—from the University of East Anglia about a week ago of people doctoring scientific information for certain political purposes and outcomes shock and horrify me, especially in my capacity as shadow minister for science. I trust that there will be a full royal commission in the United Kingdom dealing with those people who have dealt in this apparent fabrication. The fact is that the allegations have now been out there for a week about these email traffic which says that certain things were not going to be put into reports and other things would be—to use that terrible term—'sexed up' to make them a bit more exciting et cetera to convince certain people. At this stage, as I understand the record, those things have not been denied. The Dr Joneses and Michael Manns and others of this world have now had more than sufficient time to say, 'These allegations are false.' The fact that they have not, I must say, leaves me personally feeling
very flat. Indeed, my colleague Senator Joyce asked the minister a question about it at question time and she did not seek to defend those people from the University of East Anglia and their climate research unit.

As another personal aside, I had the opportunity of having a meeting with a Stephen McIntyre. I do not often talk about overseas trips because the longsuffering voting public do not like us politicians going on trips, but, yes, I took a study trip, went to Canada and took myself to meet Stephen McIntyre. He debunked the hockey stick graph that was in the IPCC report. I asked him for his views on climate change. Do you know what he told me? He does not have any. He is a mathematician and statistician and he said that whenever he sees a hockey stick graph he gets very suspicious because nearly every time the data has been doctored. Who was the inventor of this hockey stick graph? Michael Mann. Guess where he is from: the University of East Anglia. I lay that on the table. I hope that it is clarified. But I tell you that when Stephen McIntyre sought the raw data and material on which Mr Mann developed his hockey stick graph it was denied to him. I add that on the trip I spoke to a number of people who passionately believe in climate change science. Indeed, I spoke with Senator Boxer’s senior staff member in the United States, who is the co-author of the Kerry-Boxer climate change bill in the Senate.

But it is concerning to me that Mr McIntyre’s expose just happened to be of a Mr Mann who happens to work in this institution that has been so heavily relied upon by the IPCC. I for one would be a lot more comfortable if this were fully exposed and considered, because if what has been asserted by these leaks is true I think there will be many red faces around the world. That is a personal comment and concern.

The Prime Minister—and I think it was last week—because we had a bit of a heatwave, tried to engender hysteria during question time. That was absolutely and utterly disgraceful. He, as Prime Minister of this country—and I think he is an intelligent man—must have known that what he was doing was deliberately seeking to spin in the absence of evidence. After that hysterical outburst by the Prime Minister, I undertook some research. Do you know when the biggest natural disaster in Australia was? This was the biggest heatwave ever, which killed hundreds of people. Was it this century? No. Was it last century? No. It was in fact in 1895 when 437 people were killed and 5,000 people were injured. It was 1 December 1895. Keep in mind that those 437 people were killed and those 5,000 were injured when Australia’s population was just over three million. Multiply that figure by seven—in rough terms—and it would be a heatwave in today’s standards causing the death of 2,100-plus people and injuring 35,000. The Prime Minister and his staff knew that, but they deliberately went into the chamber to try to create hysteria. The second most devastating heatwave was in 1938, with 438 people killed and 5,000 injured. This was at a time when Australia’s population had doubled to some six million people. If we talk about extreme weather events, the most damaging cyclone in Australian history occurred on 4 March. Was it this year? Was it last year? Was it in the last decade? Was it in this century? No. Was it last century? No. It occurred on 4 March 1899, when 400 people were killed by a cyclone in Cooktown.

All I ask of people in this debate is this: do not make assertions that fly in the face of historical fact. One day the people are going to find you out and expose you as being fraudulent. Can I simply say this to the Prime Minister: you can be in favour of an emissions trading scheme without engaging in the
dishonest hyperbole that has been engaged in by so many people. When they have seen the mercury in the thermometer go up a bit, they have said, ‘Proof of climate change.’ One hundred and more years earlier there were bigger heatwaves. Those have been kindly airbrushed out of the history books by the Prime Minister and others who are so desperate to get their legislation through. You can honourably support this legislation—as hopefully it will be amended later on—because you believe in climate change and you believe in the need for action. But you believing in the need for action does not justify distorting Australian history and misleading the Australian people.

This was a Prime Minister who came into government saying he would have evidence based public policy. The evidence flies in the face of his hyperbole at question time. About hyperbole: do you remember this bill? It had to be carried immediately. It was either his way or the highway. He said it would be economically irresponsible and it would be environmentally irresponsible if it was not legislated chapter and verse, comma and full stop, as written. All of a sudden the government—and I assume this will happen in the committee stage—will have a minister moving a raft of 70 pages of amendments. These are substantial amendments.

Senator Wong—But you agreed to them.

Senator ABETZ—Senator Wong says we agreed to them. Of course we did. The Liberal Party and the coalition have determined, as a result of the leader’s call—and we accept that—that these amendments will make the bill less flawed. But there are still 70 pages of amendments that only a few weeks ago would have been economically irresponsible and environmentally irresponsible. Now, all of a sudden, we can countenance changes to the legislation.

This is what is disturbing about this. These amendments that go to helping support agriculture, the food processors, our power generators—and the list goes on—are important. Let me at this stage give full credit to the member for Groom, the Hon. Ian Macfarlane, for what he was able to get out of the government in these amendments. They will clearly make the legislation a lot better. We on this side are agreed that these amendments will make the legislation better. But for the coalition’s advocacy, the agriculture sector would be wiped. Food processors would be wiped. Our biggest export industry, coalmining, would be wiped. So the list goes on. Do you know what? We will be told in a matter of moments that these 70 pages of amendments are good, sound public policy and that they deserve the support of the Senate. On 25 November 2009, that which was bad policy before—economically and environmentally irresponsible—all of a sudden becomes economically and environmentally responsible.

But it is a bit like Cinderella—you know, when the pumpkin turns into a golden coach and then turns back into a pumpkin—because if these amendments are not carried by the Senate this week, according to the government and the minister, they will all of a sudden become bad policy again. They will be bad for the economy and bad for the environment and will not have the government’s support. Excuse me, I might be old-fashioned, but if it is good policy on 24 November 2009 then one would suspect that a week or two later it would still be good policy unless there were significant facts to come forward to show that these amendments were never good in the first place.

I say to this chamber that these amendments, so successfully negotiated by the Hon. Ian Macfarlane, make this bill a lot better, and the opposition are very proud of what we have been able to achieve through
Mr Macfarlane’s effort. But what we do object to is the hysteria and hyperbole of the Prime Minister in misrepresenting the history of this country and then demanding that this legislation be passed within this week because if it is not the deal is off. All of a sudden good, sound economic and environmental policy is no longer so—the coach will turn back into the pumpkin that it was about five weeks ago.

Can I indicate to the chamber, in relation to the second reading amendments, that the position as called by the leader is that we will be opposing all the second reading amendments. I think at this stage it behoves the Senate to consider the legislation in the committee stage. There are, as I indicated, 70 pages worth of amendments moved by the government, all supported by the government today, though they were not supported a few weeks ago and will not be supported next week. It is a bizarre proposition but it is indicative of the tactics that this government and this Prime Minister employ.

We saw how Mr Combet dealt with the coal industry. At their annual dinner he said, ‘Take this deal or you can’t be guaranteed you’ll be given anything better in the future.’ He stood over them. Of course, what was his former occupation? It was not ‘union official’ by any chance, was it? What a coincidence that he would behave in such a manner. We have now been able to save literally tens of thousands of jobs around Australia. We have been able to secure amendments for the benefit of the small and medium enterprises as well, which quite frankly are the heartland of the Liberal and National parties in this place. We have been able to achieve a raft of amendments which clearly will be of significant benefit to the Australian people.

Interestingly, we are going to be given $10 million for biochar and soil carbon research. Remember that when Mr Turnbull announced that at the Young Liberals conference in January this year he was roundly condemned. Senator Doug Cameron was wheeled into Senate estimates committees to ask CSIRO and other organisations to explain how silly that was. Suddenly the government has been mugged by the reality that it would be a good idea, and I congratulate the government on coming to the party in relation to that.

In brief, the position of the coalition is that we will be supporting the amendments as proposed and circulated and we will be opposing all of the second reading amendments.

Senator WONG (South Australia—Minister for Climate Change and Water) (11.57 am)—Can I acknowledge the contribution of all senators to this debate and make some comments in closing the debate, which has been going for some time. There are moments in our national political debate when, I believe, we should and can do better. There are moments when we should set aside partisanship, set aside game playing and look to the national interest. There are moments when perhaps we should pause and not focus on the next election but consider the next generation. This bill, this debate, is one of those moments.

This is a difficult issue for politicians. It is a difficult issue because it is a problem which, whilst it is manifesting now, will primarily and most heavily fall on those who probably do not yet vote and maybe are not yet born. So we in this chamber are asking this generation of Australians to do something because we wish to reduce the risk for our children and our grandchildren, and it is that time frame issue which often causes politicians to fall short, to look to the near term rather than the future. Regrettably, there have been many contributions in this debate which fall into that category. So I want to go
through quite clearly again why it is that I believe and the government believes that we should act; why it is that Australians rightly demand that we take action on climate change; and why it is, in a strange way, that this Senate is in fact behind so many Australians who not only voted for climate change action at the last election but continue to believe that that is the right thing to do.

The case for action is clear, and it has in fact been clear for some time. We know what the scientists are telling us. We know what the advice to politicians and political leaders for many years has been. For example, we have been told that irrigated agricultural production in our food bowl—that is, the Murray-Darling Basin—could drop by over 90 per cent by 2100. We know that there is a risk of 20 per cent more drought months over most of Australia in the next 20 years. We know that in the years beyond that—for example, up to 2070—we are looking at up to 40 per cent more droughts in eastern Australia and up to 80 per cent more in south-western Australia. We know that rising sea levels continue to be a risk. We know what the CSIRO tells us about the risks for the Great Barrier Reef. These are a few facts amongst many that we as political leaders, as elected representatives, have been presented with over years. I have to say that it may be worth thinking about how we, this generation, this crop of senators, will look to those who come after us and to future generations. I suspect what they will say is: ‘How could they not have done something? How could they have engaged in political war over this? How could they have been so irresponsible as to not act?’ That is what I think they will say if we fall short here.

There have been many speeches in this place expressing quite extreme views. I want to start at the outset by saying that the debate against action on climate change is not new. For years we have seen in this country a number of people and a number of organisations who will do and say anything to avoid taking action on climate change. We know that. We saw it for a decade under the Howard government until even John Howard came to the view that he should act. We have continued to see it in this place and elsewhere as this government has moved forward in delivering on our election commitment.

Much of the debate from those senators who oppose action on climate change frankly has been quite extreme. It is interesting in this debate that they tell those who want action that we are full of hyperbole, but if you actually listen to the language and the facts and the accusations you find it is very much those on the other side who are prone to that.

One of the discussions in this debate thus far has been of a conspiracy theory—that somehow climate change is a conspiracy invented by the Left or others, rather than recognising the science. Senator Minchin’s comments on Four Corners I think were very clear in his views about how this was some sort of conspiracy. We have also seen a discussion about some suggestion, again in the conspiracy category, that this is a secret plot to get a world treaty—a global agreement, a world agreement. Senator Adams, who is in the chamber, usually makes very measured contributions in this debate; but I would say to her that, really, some of her contribution was not worthy of her. The reality is that that is a scare campaign created on the basis of no fact. Some of what is quoted is simply a proposal from one country. It is not a draft treaty, it is not what Australia has agreed to and, of course, no Australian government would ever sign up to something that was not in the national interest. It is simply another extreme conspiracy theory that is about clouding this debate so that we focus on what is difficult, not on what we must do.
Another of the arguments is that we should wait because others have not acted or others will not act. Of course, this completely disregards what is happening and what will happen. For example, one of the arguments is that we should wait until the United States acts. If people looked at what President Obama said yesterday, where he reaffirmed that an agreement in Copenhagen should be comprehensive and that we resolve to take significant national mitigation actions—that is, actions at home to reduce emissions—would that change their minds? Does it change their minds that Japan has pledged to introduce a scheme, that the conservative government in New Zealand has legislated a scheme, that the European Union already has a scheme in place and that the G8 economies have all endorsed cap-and-trade schemes as the way forward? Does that change their views? No, it does not, because those views are put forward to hide the real issue, which is that these are people who do not want to act, and that is what much of this debate from those who oppose climate change has been about.

Then there has been another discussion in this chamber—that we should delay because we in Australia have not thought about it enough. It is regrettable that now, it appears, in that camp are also the Australian Greens, who have focused very much in this debate on good slogans but appear to find it difficult to move from theory to action. At times in this debate, when there has been an argument for delay at that end of the chamber, one could almost have closed one’s eyes and thought it was Senator Fielding again arguing for a delay in this debate. I would remind senators that delay has been one of the last refuges of those who oppose action on climate change. They have tried to deny the science, they try to scaremonger and they try to delay—three very obvious tactics. Yet they seem to forget that we in this country have been talking about this issue for almost a decade.

The first report to the Howard government on the prospect of emissions trading was handed down in 1999. Consider what you were doing in 1999. I know there are some who were in this place. I was not. It is 10 years on and, since that time, under Prime Minister Howard as well as at the last election and subsequently, there has been a comprehensive consideration of what we have to do. I am told by some in this debate that the Senate has not had enough time. So leave aside what has occurred with government and in the community; I am also told that the Senate does not have enough time.

I asked my office to compile how many House and Senate inquiries there have been since I think the last election that relate to climate change. We counted 13, including a Senate inquiry on the draft legislation—that is the core of what is before the chamber—as well as subsequent committee inquiries. Understand that we have considered this. The question is: will we now act? In many ways the sadness in this debate is that we know we have to act and that every time we delay we know we are only increasing the costs. I could not put it better than Peter Shergold, who served the former Prime Minister very well. His advice to the Howard government after considering emissions trading and the issue of climate change was: ‘Go soon because it will not cost you as much.’ I come back to where I started, which is that there are times in our political debate when we should and can do better. This group of senators should and can do better. We should not fall short because this is about starting what we know we have to do, starting an adjustment that we know we have to make and taking responsibility here and now, not saying: ‘Let’s make it someone else’s problem; let’s respond to a scare campaign; let’s respond to another delay; let’s respond to the
various conspiracy theories.’ Those are not options we should take. We should take responsibility for the future, look to the future. There are a great many views around this chamber and there are some very strongly held views. What I say to the Senate is that the facts are clear: we know climate change is real and we know what it will mean. The question is whether we are now willing to take action or whether we simply want to fall short. I believe that the Australian people want us to do better. I commend the bills to the chamber.

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

The Senate divided. [12.14 pm]

(The President—Senator the Hon. JJ Hogg)

<table>
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<tr>
<th>AYES</th>
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<td>Noes</td>
<td>58</td>
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<td>Majority</td>
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AYES
Brown, B.J.
Ludlam, S.
Siewert, R. *

NOES
Abetz, E.
Arbib, M.V.
Barnett, G.
Bilyk, C.L.
Bishop, T.M.
Boyce, S.
Bushby, D.C.
Cash, M.C.
Collins, J.
Cormann, M.H.P.
Eggleston, A.
Farrell, D.E. *
Feeney, D.
Fielding, S.
Forshaw, M.G.
Hogg, J.J.
Hurley, A.
Joyce, B.
Ludwig, J.W.
Macdonald, I.
McLucas, J.E.
Nash, F.
Parry, S.
Polley, H.
Ronaldson, M.
Sherry, N.J.
Sterle, G.
Trood, R.B.
Wong, P.

Lundy, K.A.
McEwen, A.
Moore, C.
O’Brien, K.W.K.
Payne, M.A.
Pratt, L.C.
Ryan, S.M.
Stephens, U.
Troeth, J.M.
Williams, J.R.
Wortley, D.

* denotes teller

Question negatived.

The PRESIDENT—Could I advise senators that there are a number of foreshadowed amendments which will now be moved in turn by the proposers, with the exception of the proposed amendment foreshadowed on sheet 6006 standing in the name of Senator Xenophon. He has advised that he will not proceed with that particular foreshadowed amendment. So there are still two further foreshadowed amendments to be dealt with now.

Senator Ian Macdonald—Mr President, could I make a request that you ring the bells for four minutes, at least in relation to the first one.

The PRESIDENT—I fully intended to do that, Senator Macdonald. I had already discussed that with the whips.

Senator WILLIAMS (New South Wales) (12.19 pm)—I move the amendment on sheet 6016:

At the end of the motion, add “and further consideration of the bills, which will impose the single largest structural change to the Australian economy, be made an order of the day for the first sitting day after:

(a) the Copenhagen Climate Change Summit has concluded; and

(b) the United States Senate has clarified its position by finally voting on the American Clean Energy and Security Act (the Waxman-Markey bill).
Question put.
The Senate divided. [12.24 pm]
(The President—Senator the Hon. JJ Hogg)

Ayes…………. 18
Noes…………. 52
Majority………. 34

AYES
Adams, J.
Barnett, G.
Boswell, R.L.D.
Cash, M.C.
Eggleston, A.
Fielding, S.
Joyce, B.
Mason, B.J.
Scullion, N.G.

NOES
Arbib, M.V.
Birmingham, S.
Boyce, S.
Brown, B.J.
Cameron, D.N.
Colbeck, R.
Conroy, S.M.
Crossin, P.M.
Farrell, D.E.
Feeney, D.
Forshaw, M.G.
Hanson-Young, S.C.
Humphries, G.
Hutchins, S.P.
Kroger, H.
Ludwig, J.W.
Marshall, G.
McLucas, J.E.
Moore, C.
Parry, S.
Polley, H.
Ronaldson, M.
Siewert, R.
Sterle, G.
Trood, R.B.
Wortley, D.

* denotes teller

Senator SIEWERT (Western Australia) (12.30 pm)—On behalf of the Australian Greens and Senator Xenophon, I move the second reading amendment on sheet 6020 revised:

At the end of the motion, add “and that:
(a) the bills, the multi-billion dollar adjustment to the bills, as agreed by the Coalition and the Government in November 2009, and the amendments required to implement that agreement, be referred to the Economics Legislation Committee for inquiry and report by 12.30pm on 1 December 2009;
(b) the Minister representing the Treasurer provide to that committee by 30 November 2009, for consideration as part of that inquiry, any modelling or analysis commissioned by Treasury and/or the Department of Climate Change and all documents prepared by Treasury in relation to the August 2009 Frontier Economics report on the economic impact of the Carbon Pollution Reduction Scheme;
(c) the Senate meet from 1 December to 3 December 2009 to consider the bills;
(d) further consideration of the bills be an order of the day for the day the committee presents its report”.

Question put.
The Senate divided. [12.35 pm]
(The President—Senator the Hon. JJ Hogg)

Ayes…………. 22
Noes…………. 47
Majority………. 25

AYES
Adams, J.
Barnett, G.
Boswell, R.L.D.
Cash, M.C.
Eggleston, A.
Fielding, S.
Joyce, B.
Mason, B.J.
Scullion, N.G.

NOES
Arbib, M.V.
Birmingham, S.
Boyce, S.
Brown, B.J.
Cameron, D.N.
Colbeck, R.
Conroy, S.M.
Crossin, P.M.
Farrell, D.E.
Feeney, D.
Forshaw, M.G.
Hanson-Young, S.C.
Humphries, G.
Hutchins, S.P.
Kroger, H.
Ludwig, J.W.
Marshall, G.
McLucas, J.E.
Moore, C.
Parry, S.
Polley, H.
Ronaldson, M.
Siewert, R.
Sterle, G.
Trood, R.B.
Wortley, D.

* denotes teller

Question negatived.
Matters of Public Interest

Senator BILYK (Tasmania) (12.46 pm)—I rise today to speak on a matter of public interest: people with disabilities and the role they play in our society. Firstly I want to mention the International Day of People with Disability, which occurs on 3 December. To mark the occasion, amongst other things, I am hosting in my office in early December an afternoon tea for some of the residents and carers of the residents of Oakdale Services Tasmania in Clarence. I am proud to be associated with and, where possible, to provide support to the staff, clients and volunteers at Oakdale and have visited there on a number of occasions. I have also had the pleasure of attending Oakdale with the Parliamentary Secretary for Disabilities and Children’s Services, the Hon. Bill Shorten.
While on the subject of Oakdale, I must mention that a client of Oakdale, Mr Stuart Maughan, recently won the Motor Accidents Insurance Board Disability Achievement Award as part of the Tasmanian Community Achievement Awards, which I attended a couple of weeks ago. Stuart sustained a brain injury after a mountain bike accident in 2000. As a result of the injury, he lost his career as an industrial chemist and his ability to live independently. Stuart is determined to prevent others from suffering similar injuries. He presents brain injury prevention and awareness programs with Custody for Life. Stuart speaks to people at risk such as the young and those with driving offences. He has a young son of his own, and I know from speaking to Stuart that the future of young people is of particular interest to him. Stuart hopes that by sharing his experiences others will stop to think about their actions and not put themselves in harm’s way. I congratulate Stuart on his award and thank him for the hard work he does for the benefit of others.

People with disabilities are an important part of our community. The ABS Survey of Disability, Ageing and Carers conducted in 2003 found that 20 per cent of the population had a reported disability. People with a disability are less likely to complete year 12 than those without a disability. In 2003 only 24 per cent of people with a disability had completed year 12, compared to 49 per cent of people without a disability. People with a disability are less likely to be employed than those without a disability, and in 2003 only 15 per cent of people with a disability were employed, compared to 81 per cent of those without a disability. People with a disability in the workforce are more likely to work part time than those with no disability. The number of Australians with a severe or profound disability will grow from 1.5 million in 2010 to 2.3 million in 2030, according to last week’s Australian Institute of Health and Welfare report. This will happen as the number of informal carers is likely to decrease with our ageing population.

The Rudd government is committed to ensuring fair treatment for all Australians, including people with disabilities. The government has allocated over $5 billion to the National Disability Agreement for a five-year period to fund specialist disability services, and this is a significant increase compared to previous agreements. The Rudd government has also made Australia one of the first countries to ratify the United Nations Convention on the Rights of Persons with Disabilities. The Rudd government has increased the pension so that people receiving the disability support pension are getting more money to help with their living costs and carers are also getting more money to help with the costs they incur. This year we have seen the release of the report *Shut out: the experience of people with disabilities and their families in Australia*. This is a national disability strategy consultation report and was prepared by the National People with Disabilities and Carer Council. This report will be used to help formulate a national disability strategy.

There is much work to be done to fix the problems that people with disabilities experience, but the government is confident that it can be achieved. More than 750 submissions were received by the council. Submissions were made by people with disabilities, family members who care for persons with a disability and individual organisations. Fifty per cent of the submissions identified barriers in the area of social inclusion and community participation. Likewise, 50 per cent cited disability services as problematic. Rights, justice and legislation were of concern to 39 per cent, and income support and the cost of disability worried 37 per cent.
Employment and accommodation rated at 34 and 32 per cent respectively. Education, transport, health and wellbeing were also considered barriers to full participation in life, with 29 per cent of people concerned about these areas. The built environment was a problem for 27 per cent of submissions, workforce issues in the disability sector was at 21 per cent and aids, equipment and assisted technology scored a 20 per cent rating. These figures clearly indicate that people with disabilities face many problems. However, these problems can be dealt with if the community as a whole has a better attitude to people with disabilities.

Some of the submissions in the report were disturbing. One example was about a female with a physical disability who had to share housing with male autism sufferers. She feared for her safety as the men could be violent but, with her family no longer able to support her, this was the only alternative available. Another person reported that their employer would have discussions with them without an interpreter present, even though one was required. This person, of course, had trouble keeping up with what was being said, and was left feeling both embarrassed and angry.

These examples show that we need more care facilities so that people with disabilities can live in an environment that is suitable for their needs and does not put them at risk of harm. They also show that more understanding, compassion and education for the community is needed so that people realise how hard life can be for a person with a disability. They need to realise that even though they may not mean any disrespect by their actions, or lack of actions, people with disabilities may perceive it as being so.

Many people with disabilities are willing and able to work; however, finding a suitable job is not always easy. It may be because employers are wary of taking on a person with a disability, or that they think the modifications necessary for the person’s needs are too expensive. There are some agencies, such as CRS Australia, whose primary role is to help people with disability, injury or health conditions to choose, get and keep employment. These agencies help people to manage their condition and to find the right balance between work and staying as healthy as possible.

There are employers that aim to provide opportunities to disabled people in the community, such as the tip shop at Margate in Southern Tasmania, which is jointly operated by Cerebral Palsy Tasmania and the Kingborough council. The cerebral palsy tip shop is an Australian Disability Enterprises employer, which employs individuals with disability in an environment that is tailored to their needs. The shop currently employs 17 people with a disability, and this makes up the majority of the workforce. Employees are offered literacy and numeracy training as well as gaining skills in cash handling, inventory control and customer service. And they do a roaring trade down there at the Margate tip shop.

The National People with Disabilities and Carers Council has stated that the National Disability Strategy should address four key areas. Firstly, it should increase the social, economic and cultural participation of people with disabilities and their families, friends and carers. Secondly, it should introduce measures that address discrimination and human rights violations. Thirdly, it should improve disability support and services and, finally, it should build in major reform to ensure the adequate financing of disability support services over time.

Many of the submissions agreed that a national approach towards people with a disability was necessary. They highlighted the
need for an office of disability to coordinate the whole-of-government approach. It was widely thought that there needed to be underlying principles to reflect the UN Convention on the Rights of Persons with Disabilities. The policies included in the strategy need to be implemented by all levels of government and there need to be key outcomes and performance indicators. Of course, the need for increased funding was also a key part of many submissions.

The input of all those who made submissions is invaluable when determining the future of all Australians with disabilities, both now and in the years to come. That is why it was so pleasing earlier this week to hear the Prime Minister, Kevin Rudd, make the announcement that the Productivity Commission will undertake an inquiry into funding and delivering long-term disability care and support. This is a great opportunity to re-think our approach to disability as a society. The commission is to look at a new approach to providing long-term essential care and support to people, regardless of how their disability is acquired, and to look at whether a no-fault social insurance approach is appropriate for Australia. The Productivity Commission and the government will be advised by an independent advisory panel during this inquiry.

The Rudd government is committed to equality for all, and is doing everything possible to ensure that those with disabilities are not left out in the cold. I implore all Australians to think on the words of the Parliamentary Secretary for Disabilities and Children’s Services, Bill Shorten, from earlier this week:

We are all one bad car accident away from a serious disability. We could all have a child or grandchild born with an impairment. And we are all at risk of acquiring a disability as we age.

Words for thought for all of us—thank you.

Strategic Indigenous Housing and Infrastructure Program

Senator SCULLION (Northern Territory) (12.57 pm)—I rise today to speak on SIHIP—the Strategic Indigenous Housing and Infrastructure Program in Indigenous communities.

I would love to be able to report on some moves forward in this area but, clearly, that has not been the case. I would also like to touch on some infrastructure issues, particularly those at a community about 280 kilometres north-east of Alice Springs: Irrultja. About 150 people live there, and many of them actually live in what we generally call humpies. The circumstances are that up to 30 people, including young children, live in three separate humpy camps.

In late 2007 a power generator was supplied, and local residents expected that the power would be connected. Instead, the power was connected to something you could find in a caravan park. Basically there was a power box, and you were expected to go and find some sort of an extension cord and plug that in. The residents have to get a power card, and the closest place is, I think, at the community store in Ampilatwatja. It is about 60 kilometres away. They can buy their power cords and their power cards there and ensure that they move these to the humpies.

We are a little incredulous when this is seen to be the only part of SIHIP where infrastructure remains. I know there was some dodging and weaving and that we took the infrastructure part out. I think that was to pay for the additional costs that were provided in the budget and that the infrastructure stuff would be worked out later. I do not think that the people from Irrultja would see that they have been involved substantially and in a positive way with that infrastructure.
We have a wet season coming on and you can imagine the Indigenous community. They still cook on fires. The ground will be very wet. It is very dusty, particularly in the first parts of the rain which we are expecting, although it is a little late, I have to say, in some of those areas. But we are hoping for rain shortly. There is the risk of potential injury from cables running along the ground, particularly for people who have installed these very recently. Every Australian bloke has a shed and we are all handymen, but I do not think the people in that community would have had much experience in handling power cords in wet weather or in taking normal precautions. That is very sad and I think it is a real indictment on the way we are running out the assistance in this area. We will be watching that space very carefully. I know that the minister pays very careful attention to almost everything I say, so if she is listening or has a report from her organisation it is an issue that needs to be dealt with and dealt with swiftly. I bring that to her attention.

On 9 September this year Minister Macklin made the following announcement:

Work in Groote Island and on the Tiwi Islands has also commenced. In fact, there’ve have been major refurbishments of houses already handed back on Groote Island and work has commenced on the new houses on Groote Island as well, so there’s certainly work underway.

... ... ...

there has been consultation with people and that there have now been refurbishments completed on Tiwi Island and handed back to the residents.

A fortnight later we checked and went around to all of the houses on the Tiwi Islands and got a bit of an update. On 24 September, just 14 days later, in Nyuyu there were 13 houses listed for demolition; eight had been removed and levelled but no construction had been done; eight were waiting to be demolished; and eight had been fenced off in preparation for refurbishment, so there were effectively 21 houses that had previously had people living in them that were now earmarked and quarantined, quite sensibly, for construction and demolition. We are not sure where the residents of those 21 houses are living, but one would assume it would put more pressure on the joint.

Indigenous Business Australia had started building three display homes, and I have to commend them because I understand that these are well underway. The decision by IBA to build these houses happened well after the decision for the SHIP houses to be built and yet they are going to be completed well before that. I know the locals are holding bets about how long it will take the termites to eat pine houses on the Tiwis but I am quite sure that IBA have got that right.

At Perlilimpi three houses are being refurbished, one completed and being used as temporary accommodation for those families whose houses are earmarked for refurbishment. At Milikapeti two houses have been refurbished with families scheduled to move in on 29 November. Two others are being refurbished. In an update from Nyuyu, on 19 November 18 blocks had been cleared, several of which had blocks in the ground—they are those little posts—but construction had not yet begun; 10 houses were being renovated; and four houses were almost completed under the HOIL program which is not part of SIHIP. I understand, sadly, that the contractors’ houses have not yet been constructed and we are looking down the barrel again at the beginning of the wet season.

Nowhere in the Tiwi Islands has there been a sense that houses and refurbishments are being completed or that they are all being handed over. I know 19 November was a few days ago, and I am not suggesting any mischief in the minister’s announcement, but there certainly seems to be some confusion. I
am suggesting, though, that everything that is associated with SIHIP just seems to take forever. The Tiwi Islands were one of the first places where we resolved the issue of consultation and assured that the leasing arrangements would take place. In fact, it was so long ago that I can vaguely remember that we were in government at the time. I can remember being with Mal Brough on the Tiwi Islands whilst we made those contractual arrangements. They said, ‘Fine. These are the things we want you to do. Here’s where we want the houses to go.’ It is two years later. The anniversary is coming up very shortly, so it is probably well more than that, and still not a single new house has been constructed and we are finally nearing the end of some of the reconstructions.

This is pretty much the performance across the board. It is completely standard and our first Australians deserve a great deal more. One of the great performances of SIHIP has been the government’s capacity to roll out announcements. Announcements are fantastic and these guys are absolutely terrific at it. They make announcements about amounts of money that are absolutely mind boggling: $673 million will be spent on SIHIP on Indigenous housing. That is terrific. But the great tragedy is that you cannot shelter from the rain under a promise or an announcement, because as of today there is still not a single new house that has been constructed and we are finally nearing the end of some of the reconstructions.

Very sadly—and I have shared some of this experience with the chamber in the past—I was in Ampilatwatja some time ago, and the circumstances there were just unbelievable, with raw sewage running through the houses. The community felt so bad about this that they decided to protest. They had spoken to the government business manager—that is, the minister’s direct representative in the community—but they told me nothing had happened. The place they told me about this was on a hill not far away from Ampilatwatja. It is called the Old Soak, which was the first place they were gathered together and convinced to live in the community. I said, ‘What are you all doing here?’ They said: ‘We’re waiting for someone to come. Didn’t you hear it in the media?’ I said: ‘Yeah, I did. I heard you say in the media that there was raw sewage, and I have had a look at it. I would have thought by now it’d be fixed. It’s nearly three weeks later.’ They said: ‘No. We’re glad you’ve come to talk to us.’ I said, ‘I’m from the opposition, but sit down and we’ll have a chat,’ and I basically undertook to ensure that the minister understood.
Next morning I rang the minister, and she took my call. I said: ‘These are just unbelievable circumstances. Can we ensure that we actually get something done and that someone can come and see these people?’ Whilst I do not want to comment on the minister’s response, it is useful that she took my call and I am sure that she was very diligent in ensuring something was done. But the feedback from the community remains the same. It is no-one’s fault that septic systems overflow, but if you design a house with four bedrooms for four, five or eight people, you cannot stick 22 bums on the same toilet and expect the septic to survive. The way they survive now is that they basically drive a septic pump. It overflows all the time because it is simply not big enough, and so the story goes on.

The fundamentals of dealing with the issues that face our First Australians, whether in education or health, all come down to one of the basic principles of life: shelter. It is very hard to go to school and listen if you have chronic ear, nose and throat infections, which is something that characterises young Indigenous Territorians. They have those infections because the shower invariably does not work. People say, ‘Clean your ears, young fella, and make sure you do this,’ but that is very difficult to do in those circumstances. If you have 22 people living in a house who are up at different times and in different cycles of life, it is pretty hard to get a good night’s sleep so you are attentive at school the next day. If you have not got shelter your life expectancy is at risk even if you have things to eat, as anybody in the bush will tell you. It is no different in the context of many of these Indigenous communities.

Again I come back to the absolute fundamental of the announcement. It was a great announcement, and I think it was a good announcement principally because it was part of the intervention announcement that I made standing on the other side of the chamber whilst we were in government. The intervention is a process I supported and it is very sad that the tougher lines of the intervention have fallen away. There were carrot and stick measures, and we put a lot of draconian rules on Indigenous communities which quite rightly they resisted—I would have. But they were supposed to be there in the context of something else arriving at the same time: no more grog in communities and tougher rules about people trafficking substances of abuse into the communities and about disruption in the communities. We said: ‘We’ll take away your capacity to buy groceries in the way you want to. Your welfare isn’t disposable income. You can’t buy pornography, cigarettes or alcohol.’

Things were restricted, and you cannot argue with the fact that the intervention was an impost on people’s lives. But there was a balance, in that we would also provide masses of housing, infrastructure and health care that would offset that pain. They were things that needed to be done, so of course they are annoyed when I go into communities. They look at me like I am some sort of pariah because I was part of that nasty intervention. Since the government have been in power they have only delivered the easy things, the punitive things. The difficult thing to deliver was the housing. That was difficult but it was very important. There is $673 million and not a single house has been built. This is not rocket science. It needs a slightly lower or different set of vocational skills—it is just building a house.

I can assure anyone who is listening that plenty of houses have been built in the Territory in that time. All sorts of different houses have been built, many of them independently in Indigenous communities. My message to the government is this: if you have embraced the notion of the intervention, particularly those areas of infrastructure that are so vi-
tally important to the health and future of Indigenous Territorians and to closing the gap, what you have to do is act. It is very easy to go and make statements, put signs up, put media releases out and make promises. But the fundamental message that I am getting from Indigenous communities not only across the Northern Territory but also as I travel around Australia as the Chair of the Committee on Regional and Remote Indigenous Communities is simple. You cannot shelter under a promise. You cannot have a shower under a media release. What we need is action rather than words.

**Same-Sex Relationships**

*Senator HANSON-YOUNG (South Australia) (1.13 pm)—* I rise today to speak about an issue that is important to all Australians who value human rights and fairness: marriage equality. Being able to celebrate your love for your partner before people you care about and to have that love legally recognised by the state should be a right of every and each Australian. Yet that right is being denied to same-sex couples simply on the basis of their sexuality. While most Australians support same-sex marriage, our Prime Minister insists that it is in the too-hard basket. I am at a loss to understand why. In support of his position Mr Rudd offers the same tired arguments of his predecessor, Mr Howard, that marriage is between a man and a woman—period. That is correct in the current state of play, but that does not always mean that it is right and that it should remain so. Intrinsic to Mr Rudd’s argument is the idea that heterosexual marriage is somehow diminished or compromised by same-sex marriage, but there is absolutely no evidence to support this.

Surely, inclusion of new couples would strengthen the institution of marriage. If it is such a wonderful and important thing maintained by the state—and I am a firm believer that marriage is important—why would we not want to extend it to other couples to share in being able to celebrate their love legally in front of friends and family, and have that recognised by the government just like anybody else? Certainly, that is the experience from overseas where same-sex marriage has been legislated for without any adverse impact on marriage whatsoever. The sky has not fallen in in countries such as Canada, the Netherlands, Sweden, Belgium, Norway, Spain and South Africa and many of the states in the United States who already legalise and recognise same-sex marriage. Why is it that Australia should lag behind?

I have seen some quite absurd and downright offensive comments that have been made in support of the status quo. There is the argument that marriage is simply an institution between man and woman and should be preserved exclusively for heterosexuals. Most of these arguments are deeply rooted in discrimination and in religious conviction that does not hold true to why marriage exists in the first place—as a symbol of love, as the ability to bind two people together strongly in the eyes of family, friends and the state. For instance, I have heard the claim many times that the purpose of marriage is simply procreation. I know that this is the view promoted by Cardinal George Pell among others. Does this mean that marriage between infertile couples or couples who choose not to have children is somehow illegitimate? Clearly, it does not. We do not have fertility tests before people sign their marriage certificate—it would be absurd. It is not the purpose of marriage. Sometimes it is a result, but it is not the purpose. The Marriage Act does not make any reference to parental status. I find the implication that childless marriage is somehow less than marriage with children absurd to mention. Unfortunately, it is insulting to listen to as well.
On Monday, in the daily paper in my home state, the Advertiser, Jim Wallace from the Australian Christian Lobby made comment that same-sex attraction is no different or worse than having a strong heterosexual urge that might cause you to be disloyal to your wife or something of that nature. Is Mr Wallace really implying that monogamous, committed same-sex relationships are the same as adultery in a heterosexual marriage—another outrageous and highly offensive claim? These are the arguments that are put forward by those who are too afraid to allow people, who want to celebrate their love, who are committed to each other and who want to share their lives together, to marry. They do not support that; they do not embrace that and these are the only arguments they can come up with. They are wildly inaccurate claims and clearly offensive.

I know that Mr Wallace’s views are certainly not representative of all Christians, clearly not. In fact the inquiry into my same-sex marriage bill, the Marriage Equality Amendment Bill 2009, indicated that there is strong support within the Christian community in Australia to rid the current discrimination from our federal Marriage Act. My office has been contacted by many Christians, some in same-sex relationships and some not, who respect the human rights of all Australians and see respect for these as being fundamental to Christian philosophy.

In fact, I recently read an article by Nathan Nettleton who describes himself as a married, evangelical Christian pastor where he talked about his support for same-sex marriage. Unfortunately, Jim Wallace, while presuming to speak for all, speaks for very few. Ultimately, this is not a religious issue, this is not a gay issue; this is an issue about human rights, human dignity and fairness. It is time that our Prime Minister and the Leader of the Opposition, whoever they may be this afternoon, show some leadership and allow this issue to be openly discussed in this chamber and in the other place. We need to show leadership to move forward.

There is no consistent or legitimate argument as to why Australia must lag behind the rest of the world. Where other countries have adopted the idea of embracing same-sex marriage and marriage equality, the sky has not fallen in. In fact, the sun, I would argue, shines even brighter. The kind of thinking that has been promoted by an extreme ultra-conservative minority that same-sex relationships are morally deficient in some way has no place in a modern democracy like Australia. Why should a state make judgments about loving relationships between two people? If we believe that marriage is an important institution, let us allow it to be embraced by others.

I am at a loss to understand why the viewpoint is being indulged by our own Prime Minister—an intelligent man, a fair man, a man who talks about the principles of democracy and fairness. Surely, the idea of discussing the issue of same-sex marriage and marriage equality in this chamber, in the other place, in the public realm, would not be so hard for him to harness, despite his own views being backward. This is a Prime Minister who promised fresh thinking and new ideas to shape the 21st century. His predecessor, John Howard, was often mocked for clinging to the 1950s—the image of the Australian nuclear family, two kids, white picket fences, meat and three veg. This is not the Kevin07 that he was elected to be. It seems that Mr Rudd is clinging onto the same antiquated vision as Mr Howard.

Mr Rudd, it is time to get real and to ensure that the laws of this country actually reflect the diversity of the country that you lead. Unfortunately, rather than showing leadership and moving Australia forward, Mr
Rudd seems intent on pandering to the vocal, extreme minority. In recent days his government has signalled an intervention to ride roughshod over the ACT Legislative Assembly's recent laws that allow same-sex couples to have civil union ceremonies.

Of course, this is an issue in relation not just to marriage but to the will of the people of the ACT. Issues regarding the sovereignty of the ACT aside, I am alarmed that the Prime Minister thinks it is appropriate for the federal government to step in and prevent a couple from having a civil ceremony. Is he seriously trying to argue that this is a priority for him and his government when he faces global economic and environmental catastrophe? He has spent time this week debating these issues. It is a slap in the face to the ACT government and, more importantly, it is a slap in the face to same-sex couples in the territory who were looking forward to some recognition. Again, there appears to be no clear rationale. I have said many times today that I consider the Prime Minister is showing a lack of leadership. He and his counterpart, the current Leader of the Opposition, have been lacklustre in their approach to discussing this issue rationally and fairly.

Those strongly opposed to same-sex marriage can no longer argue that it does not have majority support. Polls are showing that in fact 60 per cent of Australians are more than happy to allow marriage equality to exist in Australia. In fact, most people do not care. You care if it affects you and you do not care if it does not. The polls have shown consistently over time the increase in support in the Australian community for same-sex marriage, and the latest Galaxy poll, showing 60 per cent support, proves this once more.

As the house will be aware and as mentioned previously, earlier this year I introduced my Marriage Equality Amendment Bill to remove all discrimination on the basis of sexuality and gender identity from the Marriage Act and to permit marriage regardless of sex, sexuality or gender identity, removing the discrimination that is holding Australia back from going with the rest of the world in embracing the idea that marriage should be for everybody, not just for some. The bill was committed to the Legal and Constitutional Affairs Legislation Committee and tomorrow the report will be delivered.

This weekend marks the beginning of the National Year of Action for Same-Sex Marriage and I know organisations are expecting a big turnout across the country this Saturday in support of seeing my bill debated in the chamber early next year. It is time for us to have a rational and proper debate on this issue. The fact that it does not suit Mr Rudd does not mean it does not suit others. The Prime Minister needs to know that this is not an issue that will go away. He can try to put it on the backburner, he can try to defer a decision and he can even try to stamp over the territories that try to do their best in their own jurisdictions, but the desire of couples to have their love recognised by the state will never, ever go away. The Greens will continue to work with the community to keep this issue on the agenda, as we have already been doing, as we head into the election.

Mr Rudd should not forget that, when a Prime Minister refuses to listen or to change his position even when it is clearly outdated, old, used and simply not applicable or reflective of the Australian community, people stop listening to him. The people will not hesitate to bring about that change on their own. That may be through the ballot box or it may be by taking part in civil ceremonies, as the first couple to celebrate their love through a civil ceremony in the ACT did at one o'clock today. I congratulate that couple. Unfortunately, they have had to do it under territory law and not under the federal Mar-
riage Act. Let us make it possible for all couples who want to celebrate their love and commit to each other in lifelong marriage in front of their friends and family and with the important blessing of the state to do this regardless of their sexuality.

Marriage is an important institution, and we should be enabling more people to participate in that. Marriage is a wonderful thing. It is symbolic in so many ways and reflects our nature as human beings: that we have love, care and compassion for each other and enter into lifelong, committed relationships. Let us allow same-sex couples the same rights as the rest of us to have that relationship recognised under the federal Marriage Act. That is the only true way to remove discrimination against gay couples in this country.

Grandparents Raising Grandchildren

Senator CAROL BROWN (Tasmania) (1.27 pm)—I rise today in the matter of public interest debate to inform the Senate of the important work of the Grandparents Raising Grandchildren—GRG—support group in Tasmania. Recently I had the pleasure of being able to be involved in the official launch of the transfer of the Grandparents Raising Grandchildren support group from the Early Support for Parents group to UnitingCare Tasmania. Up until 30 June this year the Grandparents Raising Grandchildren Tasmanian program was under the management of Early Support for Parents, or ESP. I would like to take this opportunity to applaud the work undertaken by ESP over a number of years whilst operating the Grandparents Raising Grandchildren Tasmanian support group. I look forward to working in the future with Lindy O’Neill, the CEO of UnitingCare Tasmania, and Therese Ryan, the state-wide program coordinator of the GRG support group.

Currently the GRG program is funded by the federal government through the Department of Families, Housing, Community Services and Indigenous Affairs under Strengthening Families, part of the National Illicit Drug Strategy. I understand the GRG Tasmanian support group is the only support group in Australia which has received funding to service the whole of the state.

The Grandparents Raising Grandchildren program provides a confidential, free service to the growing number of Tasmanian grandparents who care for their grandchildren in the absence of the biological parents. In 2003 the Australian Bureau of Statistics recorded that 22,500 Australian families raise grandchildren. It is estimated that these families care for more than 31,000 children. In Tasmania the Department of Education statistics in 2008 recorded that there were 494 grandparent families caring for children in the ranges from prep to year 12. The Grandparents Raising Grandchildren support program provides services to over 230 families who are registered with the group. The Grandparents Raising Grandchildren program provides:

… a confidential, free service to grandparent families created in recognition of the growing numbers of grandparents who care for one or more of their grandchildren in the effective absence of the biological parents.

The GRG support group offers support and counselling by phone or via personal visits to grandparents who often face a significant amount of physical and emotional pressure associated with providing full-time care to a grandchild. They provide one-on-one advocacy support to help grandparents communicate with services such Centrelink, schools and health services and assistance with inquiries to child protection and offer support to accessing legal processes. They also hold monthly grandparent support group meetings where grandparent parents can come together
to discuss issues and provide mutual support by sharing stories and experiences. Newsletters for grandparents containing relevant information and calendar events are sent to all grandparents who are registered with the Grandparents Raising Grandchildren support group.

These are just some of the services that the GRG support group provide to their registered members across the state. In 2005 the GRG support group established a Grandparent Advisory Council, which selected delegates around the state to represent the issues which grandparents are facing. This initiative was established so that the grandparent delegates could come together from around Tasmania to address common issues and advocacy needs with the state project coordinator. This has helped with the service delivery of the Grandparent Raising Grandchildren support group as it allows the coordinator to hear feedback on significant issues affecting grandparents. The coordinator is then able to specifically tailor the grandparents support service to the areas grandparents require. These are crucial services for grandparents because, as a mother of two young children, I am acutely aware of the time, effort and love it takes for parents and guardians to care for their children. Many in this chamber would be aware that caring for a child is not an easy job and, in fact, at times it can be extremely challenging and difficult. However, I know there is nothing more rewarding than having the opportunity to provide love and care for your child. I take this opportunity to applaud the wonderful dedication, support and care that grandparents provide to children in their care.

As older Australians, grandparents often have more challenges and hurdles to cope with when faced with the prospect of caring for a grandchild. At this time in their life many grandparents would be in a situation where they would normally be beginning to slow down and prepare for the next stages of their life. Many grandparents would be preparing to cease full-time employment and begin retirement, so when circumstances occur and grandparents are called upon to provide care for a grandchild when the biological parents are not able to any more it can result in a significant amount of physical and emotional stress taking their toll. This is where the invaluable service of the Grandparents Raising Grandchildren program is so useful. Many grandparents who care for grandchildren are also often faced with the extra financial strain that comes with caring for a child. Most grandparents would no longer be working full-time and therefore do not have access to a weekly wage. Grandparents in this situation are often reliant on government income support programs to make ends meet.

As a member of the Senate Standing Committee on Community Affairs which conducted an inquiry in 2008 into the cost of living pressures on older Australians, I am aware of the financial strain many of these grandparents face when confronted with caring for a grandchild. Prior to the public hearings on this inquiry, the federal member for Franklin, Julie Collins, the now state Minister for Human Services, the Hon. Lin Thorp, and I met members from the Grandparents Raising Grandchildren support group. In the meeting we were able to meet with a staff member of the GRG support group, as well as grandparents themselves who care for their grandchildren. The meeting was also a perfect opportunity for us to hear about the challenges and concerns from the grandparents directly. Throughout the inquiry we heard evidence and received submissions from grandparents and the groups that represent them about the financial, physical and emotional stresses associated with raising a grandchild. These concerns were highlighted in chapter 6 of the A decent quality of life
report of the Standing Committee on Community Affairs, which states:
Grandparents who provide care—particularly those who become primary carers—experience an increase in expenses for all facets of life, such as petrol, clothing and utilities, as well as the upscaling of various facilities to accommodate the growth in the size of the family unit including the house, car, and washing machines.

In response to these concerns the final report included recommendation 15 which states:

(i) the Government investigate the circumstances of grandparent carers, with particular concern for the type and level of support available to those taking on the role of primary carer through both formal adoption and informal kinship care.

(ii) governments at all levels increase the level of support and respite available to older Australians undertaking kinship care, particularly for those taking on the role of primary carer to younger children.

In response to recommendation 15 of this report, the Rudd Labor government set about developing a national child protection framework. On 30 April 2009, the Council of Australian Governments endorsed the National Framework for Protecting Australia’s Children 2009-2020, an ambitious and long-term agenda to improve the safety and well-being of Australia’s children. The national framework will operate through a series of three-year action plans, each of which identifies actions and strategies aimed at ensuring that Australia’s children are safe and well through a substantial and sustained reduction in child abuse and neglect in Australia over time.

The implementation plan 2009-2012 sets out how all governments will take forward the actions identified in the first three-year action plan of the national framework. These actions include national priorities which are those actions that will be a major focus for the Commonwealth, state and territory governments and the non-government sector. Improving support for carers is a national priority under the national framework. This national priority aims to provide opportunities for financial and non-financial support for grandparents, foster and kinship carers and is due to be completed by July 2010. I look forward to seeing the results of the completed improving support for carers as part of the national framework and for the chance to meet with members of the GRG support group to discuss the results.

Whilst we are still developing this new pathway forward, in response to the release of the report the Rudd Labor government has undertaken a number of actions to support older Australians with the rising cost of living pressures. In the 2008-09 budget the Rudd Labor government spent $1.4 billion to deliver $500 one-off bonus payments to 2.7 million older Australians. We also increased the utilities allowance to $500 and the telephone allowance to $132 for those with home internet access. In October 2008, as part of our Economic Security Strategy, we made a $4.8 billion down-payment to Australia’s pensioners, seniors and carers, providing them lump sum payments of $1,400 to singles and $2,100 to couples in the lead-up to comprehensive reform of the pension system. And then finally in the budget this year we delivered our much anticipated Secure and Sustainable Pension Reform, which included a $14.2 billion investment over the next four years to increase payments to 3.3 million age pensioners, disability pensioners, carers, wife pensioners and veteran income support recipients. These are practical measures, offering direct financial assistance to older Australians.

As I finish my remarks today I want to leave the chamber with a typical story of one of the 22½ thousand Australian families who raise more than 31,000 grandchildren. This
story and others like it have featured on the ABC *Stateline* program. It is the story of John and Ruth, whom I know quite well. They are part of the Grandparents Raising Grandchildren support group. They are a lovely couple who, more than a decade ago, received a phone call from their 10-year-old granddaughter which consequently changed their lives forever. As John recalled on the *Stateline* program, his granddaughter rang to say that she had been kicked out of home and asking whether he and Ruth go and pick her up. As is the case with a number of situations of this nature, the child’s parents were struggling with drug and alcohol addiction and could not cope alone with their children. And so eventually, via the way of the Family Court, John and Ruth became parents again and were granted custody of three grandchildren aged 10, seven and four. After speaking with John at the recent event to hand the GRG support group to Uniting Care Tasmania I was able to learn that 10 years later John and Ruth have raised three wonderful grandchildren. In fact, on the *Stateline* program, Kylie, one of John and Ruth’s grandchildren, said:

I have a really good life. I’ve got a fiance. I’m getting married soon. I’ve got a full time job. I own property. And they’ve had a lot to do with that. They taught me the value of money. They taught me that if you want things, you’ve gotta work for it.

John is extremely proud that he was able to impact so greatly on his grandchildren and give them the best start in life, and rightly so. However, John has also told me that it was not easy—in fact, John said it was very difficult and very challenging to become a parent again in his sixties. As John pointed out, there are significant financial strains placed on grandparents.

John has also praised the work of the Tasmanian state Minister for Human Services, the Hon. Lin Thorp. I would also like to place on record my support for the work and commitment to this cause by Minister Thorp. In fact, since beginning her time in the Tasmanian parliament Minister Thorp has been a long-time advocate for grandparents who raise their grandchildren. In 2002 she set up a parliamentary inquiry into grandparent care and now, as a minister, she is overseeing the Relative Care Assistance Program, which aims to help ease the burden grandparents and other relative carers face. There are a number of payments for financial assistance under this program but more needs to be done. The minister has also already taken steps to reform Child Protection Services, when, on 1 August 2009, in Tasmania, the Gateway Services and the Integrated Family Support Services commenced.

The minister has also indicated that the Tasmanian government is exploring options to better support grandparents who are raising their grandchildren and has indicated that a review will be conducted, where each family’s circumstances will be individually reviewed, as I understand it. The minister has also indicated that the review will be handled sensitively and thoroughly. There are around 300 children in that program—these are 300 children who are outside formal kinship care. So, there are things that are happening, and the minister is moving these along. I hope that the review will not take long. At the same time as the minister made reforms to the Child Protection Service, amendments to the Children, Young Persons and Their Families Act were proclaimed to support this initiative. The reform is based on the position that vulnerable families need support when problems first emerge rather than waiting until the problems escalate to the point that removal of the child is the only option. *(Time expired)*
Storm Financial Ltd

Senator WILLIAMS (New South Wales) (1.42 pm)—I rise today to speak on a matter of public interest. Members of this chamber will be well aware of the human and financial tragedy that resulted from the collapse of Townsville based investment advisory company Storm Financial in December last year—and, consequently, the early part of this year. Over 2,500 mainly mum-and-dad investors lost approximately $3 billion when the Commonwealth Bank called in receivers and managers on 15 January to recover outstanding loans to Storm, sending the company and its clients into oblivion. Storm Financial was subsequently placed into liquidation by order of the Federal Court on 26 March, with Mr Ivor Worrall and Mr Raj Khatri of Worrells Solvency and Forensic Accountants appointed liquidators.

This has been described as the worst corporate collapse in Australia’s history when measured in terms of the impact on ordinary Australian investors. The Australian Securities and Investments Commission began an exhaustive investigation into the Storm issue into December, including the critical issue of margin lending and, more particularly, where the onus of responsibility for managing these margin loans rested. No doubt in the near future we will have a report from ASIC, when it has completed the inquiry and it is presented.

It was this confusion over who was ultimately responsible for managing the margin loans taken out by Storm investors—that is, whether it was Storm or the margin lender—along with the debt levels, that led to the Commonwealth Bank’s decision to shut Storm down without warning to investors, leaving thousands of Australians financially ruined and without an income stream. Senators will be aware that the Commonwealth Bank of Australia was the principal margin lender to Storm through its subsidiary, Colonial Geared Investments.

Members of this chamber will also be aware that margin lending operated in an unregulated environment at the time of the Storm collapse, and the failure by both Storm and the margin lenders to properly manage these loans resulted in Storm investors having their portfolios sold down from under them without what is known as a ‘margin call’. In layman’s terms, the banks simply sold these people’s portfolios down without prior warning, snuffing out their income streams and forcing many distressed investors into having to sell their family homes to meet their commitments to the bank.

This cruel, unconscionable decision was made by faceless and heartless bank executives purely on commercial grounds, to protect the bank’s own interests. No consideration was given to the consequence of this knee-jerk decision on ordinary Australian taxpayers who had underwritten the Rudd government’s bank guarantees during the darkest days of the global financial crisis. Many Storm clients could easily have met their margin lending commitments and therefore stayed in the resurgent stock market if they had been given the basic courtesy of a margin call. If margin calls had been made in a professional and orderly manner, these investors would be watching their portfolios performing strongly today rather than staring at financial ruin.

I had the honour of serving on the joint parliamentary inquiry into financial products and services in Australia, which looked into recent financial product company collapses including Storm Financial and Opes Prime. The inquiry probed the role played by financial advisors; the state of the general regulatory environment; remuneration models, such as commissions; the role of marketing and advertising in financial product distribu-
tion; the licensing arrangements of those who sold the financial products and services; and the consumer protection and insurance arrangements in place.

The committee reported its findings just recently in the House of Representatives and yesterday in the Senate. My time on this committee inquiry has left me with indelible memories of the wholesale human suffering experienced by the victims of these corporate collapses. I note the public apology by Mr Ralph Norris, CEO of the Commonwealth Bank, and his commitment to the resolution scheme. No matter how sincere Mr Norris’s words may be and no matter how generous the resolution scheme turns out to be, the victims of the Storm collapse can never be adequately compensated for the anguish, heartache, anxiety and psychological suffering they have been forced to endure. Sadly, suicides and threats of suicide have been part of the fallout from the collapse of Storm Financial.

Those who are familiar with my background will know that I am no stranger to the bastardry of banks. My family suffered financially and psychologically during the infamous Swiss francs foreign currency disaster during the late eighties and early nineties. Having lived in the bush all my life, I have personally seen and heard many other examples of banks behaving badly. During the foreign currency disaster, I met and befriended a man called John McLennan, a former Westpac bank executive who had turned whistleblower. John’s enthusiastic support, coupled with his inside knowledge of bank procedure and his burning quest for justice for the victims of the banks’ terrible advice, resulted in the formation of the Foreign Currency Borrowers Association. After years of struggling against what sometimes seemed insurmountable odds, and at great personal and financial cost to John McLennan, the government of the day established a parliamentary inquiry. Ultimately, the banks were forced to settle with their aggrieved customers. John’s tireless and fearless contribution to this campaign was recognised in Quentin Dempster’s book Whistleblowers. I regard John as a good friend and a significant player in the never-ending battle to keep the banks honest.

Our paths crossed again in January this year when John became involved with the Storm Investors Consumer Action Group, formed after the collapse of Storm Financial. John, who at the time was retired and calling himself an ‘international leisure consultant’, once again was moved to pick up his sword and ride into battle on behalf of the little battler after meeting a devastated Storm victim who was contemplating suicide. On 17 January he attended a meeting of distressed former Storm investors at the Scarborough home of Noel and Kath O’Brien, and enthusiastically endorsed the idea of forming a consumer action group. Also in attendance at that meeting were former Storm investors Mark and Ann Weir, Graham Anderson and Mike Fishpool; Max Tomlinson, a media consultant; and former Storm advisers Andrew O’Brien and Ron Jelich. This group had come together at short notice after fielding dozens of calls from fellow Storm investors. The original intention was to provide support and a central point of information for people who were confused and were facing financial ruin.

At a public meeting in Margate on 20 January, attended by nearly 400 people, Mark and Noel were formally elected to co-chair the SICAG and Graham Anderson was elected secretary-treasurer. Other committee members elected on the day were Mike Fishpool and Peter Wallace. John McLennan and Max Tomlinson—a semi-retired former News Limited executive—agreed to act as consultants. I attended that meeting in Margate and was amazed at the similarities be-
tween the Storm collapse and the foreign currency loans affair, which I experienced. I saw the same looks of fear, confusion and despair in the faces of the crowd and sensed the same feeling of helplessness.

I listened as John McLennan, Mark, Noel and Damian Scattini of law firm Slater and Gordon spoke of the importance of sticking together and fighting the good fight. When I was invited to speak, I was able to relate my experiences from the foreign currency debacle and stress the importance of sticking together for mutual support. I also told them not to be daunted by the prospect of fighting the banks. ‘You can win,’ I told them. I also guaranteed them that I would seek a Senate inquiry into the collapse of Storm. This was later taken on, of course, by the parliamentary joint committee. Since that meeting, I have watched SICAG develop into a highly effective ‘people power’ organisation. Its website provides timely updates on developments, links to support organisations such as Lifeline, the Salvos and beyondblue, form letters for SICAG members who wish to contact politicians or industry bodies, and a lively forum page.

SICAG’s submission and supplementary submission to the joint parliamentary inquiry accurately captured the grief and suffering experienced as a result of the Storm collapse and provided committee members with a comprehensive set of recommendations to ensure such a disaster never occurs in this country again. I have watched the SICAG committee members—Mark Weir and Noel O’Brien in particular—develop into measured and credible spokesmen for their members. Their informed public comments, well-researched arguments and firm leadership have significantly enhanced the reputation of SICAG as a credible and respected player by politicians, lawyers, regulators, the media and, of course, their members.

Despite enormous personal financial losses, these men—and I am happy to single out Mark Weir, Noel O’Brien and Graham Anderson—have devoted thousands of man-hours of work to SICAG. This has involved fielding thousands of phone calls, emails, letters and text messages from the group’s 1,500 members, often from people who have reached the end of their tether and are contemplating the darkest of thoughts. Many of SICAG’s members are what might be termed unsophisticated investors and they have therefore come to rely on Mark, Noel and Graham to give them advice on how they may retrieve themselves from their financial quicksand.

In addition to this the SICAG committee has conducted 10 public meetings in places as far-flung as Brisbane, Rockhampton, Mackay, Townsville and Cairns as well as many meetings with local, state and federal politicians, lawyers, bank representatives and financial regulatory institutions. I know for a fact that these men have never used their positions to push their own case of financial hardship, or those of their families, to the top of the pile ahead of other SICAG members. They prefer simply to wait in turn like everybody else.

It is impossible to measure their contribution to righting the wrongs that were done to them and their members, and the lives that they may have saved, simply by putting aside their own personal hardships and lending a sympathetic ear or hand when it was most needed. This is the essence of what makes this a great nation. This is the Australian way. I take this opportunity to publicly congratulate these men—Mark Weir, Noel O’Brien and Graham Anderson, in particular, and their fellow SICAG committee members and supporters—for their untiring and selfless work on behalf of their members. I also commend their long-suffering wives, part-
ners, relatives and friends, who have stood by them during this most distressing time.

I urge the banks to show compassion and sympathy. The banks are dealing with human beings, not just money. If I see that the banks have been all talk during the PJC inquiry and show in the future that they are not sticking to their word, no doubt this parliament will call them to an inquiry again. Justice and compassion not only must be seen to be done, justice and compassion must be done. I thank the Senate.

Government 2.0 Taskforce

Open Government

Senator LUNDY (Australian Capital Territory) (1.54 pm)—Today I want to take the opportunity to recognise some of the excellent work that has been taking place by the Government 2.0 Taskforce; the commitment to openness and transparency by our Prime Minister, Kevin Rudd; the initiative and long-term interest in open government by Minister Lindsay Tanner; and important initiatives across the portfolios of Minister Ludwig and Minister Conroy in the area of information and the digital economy. I would also like to take this opportunity to recognise the efforts of community organisations, such as OpenAustralia, who provide an invaluable service in making government information accessible to the general public as well as the broader community, and that advocates strongly for Gov 2.0 and how government embraces the changes offered by the internet on improving engagement in our democracy.

It is worth noting of course that our community is increasingly going online. We are finding new opportunities for employment, peer support, education, service delivery and ways to better engage with communities in areas of interest. In general, society’s expectations have started to change as they have become online consumers and customers and, indeed, online citizens. We can see almost every industry and community sector responding to this new demand as a more and more interesting online presence emerges for these organisations. In Australia we have traditionally done quite well in citizen engagement and general openness, but we are finding ourselves having to adapt to the changing expectations of the community. I believe that we will also find that online tools and open-community methods will be extremely beneficial in the growth and evolution of our democratic system as it presents those new opportunities.

I would like to mention one of those opportunities around opening up information and allowing citizens to innovate and value-add to that information. Very recently around the country there was a series of what are called ‘mashup’ events. A mashup is where software and web developers get together using publicly created datasets to generate innovative projects using those government datasets in interesting ways. A mashup is basically presenting and aggregating information in a practical way—for instance, plotting the locations of health facilities or schools from an interactive map or comparing internet access statistics to family income numbers, for a school assignment.

Opening up useful government datasets has proved extremely successful in the United States, where all government data is made publicly available, unless of course there is a genuine security, privacy or business case to not make it public. There have been several significant social and economic benefits from this approach. For instance, they found that making geospatial data publicly available increased the value 20 times more to the economy than what could have been generated by commercialising that data themselves. Generally, the net economic and social impact of open government data is far greater than closed or commercialised data. We are not talking about just putting a
spreadsheet online; rather, it is about the appropriate permissive copyright environment, having good metadata standards—this is the information that describes the information that is being placed in those datasets—as well as ensuring that the information can be accessed in the future: that is, open standards.

The second opportunity is about delivering truly citizen-centric services. Many of our government departments and agencies deliver great services for citizens already and the online platform can enhance their existing efforts. Once geospatial information and other associated metadata can be accessed you can bring information to life by presenting it in a contextually useful way to the citizen. For instance, a citizen can put their postcode in and have a map presented to them with the services closest to them relevant to their circumstance. It changes the game in that it means that services can be personalised and more accessible and useful to citizens. Our Prime Minister, Kevin Rudd, spoke on this recently in a speech to the Institute of Public Administration. He said:

The first impact of changing technology and changing expectations is in day to day service delivery—which is the starting point for improving the average Australian family’s encounter with government.

The Prime Minister mentioned Centrelink as a model of a modern client-focused arm of government service delivery, and I fully concur.

Whilst the government explores the many methodologies that are available to enhance their citizen-centric focus, I would certainly commend that presentation by the Prime Minister at the IPAA event as being a wonderful collection of ideas about the future directions of the Rudd Labor government in enhancing citizen-centric government services delivery.

QUESTIONS WITHOUT NOTICE

Asylum Seekers

Senator HUMPHRIES (2.00 pm)—My question is to the Minister for Immigration and Citizenship, Senator Chris Evans. Given that we have now seen more than 2,300 people jump on a boat—risking their lives—to try and gain asylum, the government cave in and give special deals to people who have effectively hijacked an Australian ship, riots at the overflowing Christmas Island detention centre, and more boats on the way, will the minister now finally concede that Labor’s border protection policies must be changed?

Senator CHRIS EVANS—I thank Senator Humphries for the question. I think Senator Humphries exaggerated the conditions that apply, but he certainly did correctly describe the years of the Howard government when more than 11,000 people arrived in three years.

Senator Abetz—We fixed the problem.

Senator CHRIS EVANS—You fixed the problem, Senator Abetz? I will take that interjection. I am very pleased to see that, because the former Prime Minister Mr Howard never claimed that. In fact, he went out and built an 800-bed facility because he knew they would come again. It is a very good thing that he did, because it provided capacity—

Senator Colbeck—That’s not what you said at the time.

Senator CHRIS EVANS—I have always maintained that, Senator—always. I think Senator Humphries uses a bit of dramatic licence, but it is a more accurate description of the period of the Howard government. What I can say is that we appreciate the support we have received from the opposition in the changes we have made to immigration policy since coming to government. We have received support from the opposition on all
key measures except on the question of the abolition of TPVs, which they did not seek to disallow when they had the opportunity. But in recent times they have decided to reintroduce temporary protection visas. That of course is their call, but, as we know, Mr President, they did nothing to stop boat arrivals. In fact, in the years after the introduction of TPVs, record numbers of people came. The other thing to remember about temporary protection visas is that, of those people who were granted them by the Howard government, more than 90 per cent are very happily residing in Australia, many of them citizens now, making successful lives. So for the opposition to claim that somehow it was a deterrent—more than 90 per cent stayed. Very few—three per cent—went home. So clearly those measures failed.

(Time expired)

Senator HUMPHRIES—Mr President, I ask a supplementary question. Noting the minister’s comments about bipartisanship, will the minister now join with the coalition and support the tabling of documents—as we have called for in this place—about cabinet’s border protection subcommittee? Otherwise, what has the government got to hide?

Senator CHRIS EVANS—It is a rather confused question. First of all, I did not refer to bipartisanship in my answer. Secondly, the senator seems to be reflecting on the vote of the parliament yesterday, where there was a request for a return to order moved by the opposition. It was defeated by the parliament, Senator. You got to argue your case for the return to order. It was defeated by this chamber. So I am not sure what your question is, other than that somehow we should agree to a motion that was defeated in the Senate yesterday. I would argue that you had your chance, you put your case and it was not supported by the Senate. I am certainly available for estimates in February. I am sure Senator Fierravanti-Wells and others will enjoy spending time with me. We can run through anything you like. I have been available at question time for the last couple of weeks. You have asked plenty of questions. We remain accountable and available for questioning. (Time expired)

Senator HUMPHRIES—Mr President, I ask a further supplementary question. Why is the government arrogantly refusing to reveal the truth about its special deals with those from the Oceanic Viking?

Senator CHRIS EVANS—I think it is fair to say that the questions have got weaker as the week has gone on. Clearly the tactics committee did not meet this morning and they have decided to continue this line of questioning, which I am afraid shows the lack of ideas and inspiration in the Liberal Party. We have not arrogantly done anything. What we have done is debated the proposition that the opposition put and seen it defeated in a vote in the Senate. You may not like it. You may be upset at losing. We all have to bear losses—there are a lot of Liberal senators in this place, obviously, who had a loss today. But, Mr President, the proposition that Senator Humphries makes was debated in the Senate chamber yesterday. His proposition was defeated. I am not sure what he is seeking to do today in reflecting on that decision. The Senate has spoken on that matter and obviously we remain open to any further questions you have. (Time expired)

Climate Change

Senator McEWEN (2.05 pm)—My question is to the Minister for Climate Change and Water, Senator Wong. Can the minister advise the Senate on the latest climate change science?

Senator WONG—Thanks to Senator McEwen for the question. She is a senator representing the state of South Australia, which already is feeling the impact of cli-
climate change in the lower inflows into the Murray-Darling, particularly into the Murray River. Leaders and policymakers both here and internationally have had plenty of time to get their heads around the science of climate change and why it is we need to act. We have seen a new report this week from a group of eminent scientists reinforcing that climate change is accelerating beyond expectation and that emission reductions are needed urgently.

I realise that many people opposite might claim that this is just another conspiracy. This particular report, The Copenhagen diagnosis, includes 26 researchers, most of whom are authors of published IPCC reports, and it concludes that several critical elements of climate change are occurring at the high end or, regrettably, even beyond the expectations of a few years ago. Key conclusions include: every year this century has been among the top 10 warmest years since instrumental records began, despite solar irradiance being relatively weak over the past few years; global atmospheric temperatures have maintained a strong warming trend since the 1970s, which is consistent with expectations of greenhouse induced warming; key changes in the climate system, such as sea-level rise and the melting of ice sheets, are happening faster than projected by the IPCC fourth assessment report; and measurements that now demonstrate beyond doubt that both the Greenland and Antarctic icesheets are losing mass at an accelerating rate, with widespread evidence of increasing melting of glaciers and icecaps since the mid 1990s. So, while those opposite debate and delay— (Time expired)

Senator McEWEN—Mr President, I ask a supplementary question. Given the extreme weather that we have been experiencing in Australia, can the minister advice the Senate of what this new report says about extreme weather?

Senator WONG—Increases in hot extremes and decreases in cold extremes have continued and are expected to amplify further. Anthropogenic climate change is expected to lead to further increases in precipitation extremes, both increases in heavy precipitation and in drought. New analyses of observational data confirm that the intensity of tropical cyclones has increased in the past three decades in line with tropical ocean temperatures.

I want to remind the Senate that there are those in this place who claim that the scientists are part of an apparent conspiracy. Along with them, you would have to include—if this were the case—President Obama, Chancellor Merkel, President Sarkozy, President Hu, former Prime Minister Thatcher and former Prime Minister John Howard, all of whom recognise that action on climate change is required.

Senator McEWEN—Mr President, I ask a further supplementary question. In light of the warnings from scientists, can the minister advise the Senate of the latest advice from the business community about action on climate change?

Senator WONG—The President of the Business Council of Australia, Graham Bradley—and I would sincerely hope that those in this place who claim a conspiracy would not suggest that members of the BCA were part of that conspiracy—has welcomed the agreement between the government and the opposition on action on climate change. He said—

Honourable senators interjecting—

The PRESIDENT—Senator Joyce and Senator Cameron, it is disorderly to shout across the chamber. Senator Wong is entitled to be heard in silence.

Senator WONG—Mr Bradley said:
Both the opposition and government should be commended for working together constructively
to reach this agreement on an issue as complex and far-reaching as Australia’s response to climate change.

He went on to say that the agreement will enable Australian businesses to plan for and make the required decisions about investments to transition Australia to a low-emissions economy. This is not the Labor government saying this; it is the head of the Business Council of Australia. The fact is, those who oppose climate change in this place have never been in touch with mainstream Australia and they are slipping further to the margins. *(Time expired)*

**Asylum Seekers**

**Senator FIERRAVANTI-WELLS** (2.10 pm)—My question is—surprise, surprise—to the Minister for Immigration and Citizenship, Senator Evans. I refer to reports such as those in yesterday’s *Australian* that:

Asylum-seekers are arriving in Australia by air in numbers that dwarf boat arrivals, after paying people-smugglers up to $US40,000, for a package that includes airfares, false passports and forged Australian visas.

Is the minister aware of reports of this racket? When will the government start taking effective steps to protect our borders and stop the surge of illegal arrivals?

**Senator CHRIS EVANS**—I thank Senator Fierravanti-Wells for the question. I notice that she is quoting from yesterday’s *Australian* that:

At least earlier in the week the quotes were from the same day. But it is the case that there was an article in the *Australian* which talked about people paying people-smugglers when seeking to come by air. It is a reality that we have had people seeking to enter Australia unlawfully by air and by boat for many years. What the article really implies is that it is more expensive to come by air as a result of the charges that occur. That is probably right.

The airport and air-arrival security arrangements are strong. They are the same ones that existed under the previous government. We do have to deal people arriving in an unauthorised manner. But I make the point that most people arrive with valid travel documentation; most people who then seek asylum in this country actually arrive with valid documentation. We have very strict multilayered systems for detecting people trying to enter by air or by ship. As I said, when they arrive they have to present their documentation—their passport, their visas et cetera. What we know is that last year there were 1,284 people refused immigration clearance at Australian airports. That represented one-tenth of a per cent of the 26 million arrivals and departures at the border in that year. About 90 per cent of those who were refused immigration clearance departed Australia within 72 hours, in most cases on the next available flight. So we generally turn the vast majority around straightaway if they do not have valid papers. *(Time expired)*

**Senator FIERRAVANTI-WELLS**—If the minister had been here for the MPI, he would have heard me referring to those reports yesterday. Mr President, I ask a supplementary question. Since the Rudd government caved in and weakened Australia’s immigration policies in July 2008, figures in the DIAC annual report show a staggering 33 per cent increase in applications for onshore protection visas in just one year and a 42 per cent increase over two years. Given these figures, how can the minister continue to flatly deny that Labor’s changes to the immigration policies have not caused any increases?

**Senator CHRIS EVANS**—I thank Senator Fierravanti-Wells for the question. I notice that she is quoting from yesterday’s *Australian*. At least earlier in the week the quotes were from the same day. But it is the case that there was an article in the *Australian* which talked about people paying people-smugglers when seeking to come by air. It is a reality that we have had people seeking to enter Australia unlawfully by air and by boat for many years. What the article really implies is that it is more expensive to come by air as a result of the charges that occur. That is probably right.

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tor’s speech. But I will have a look at the Hansard. I am not sure that I am going to accept the figures quoted by the senator in her question.

Senator Fierravanti-Wells—Why not?

Senator CHRIS EVANS—I am not sure that they are an accurate reflection—

Senator Abetz—They’re from your annual report.

Senator CHRIS EVANS—I am not sure that that is an actual, proper reflection. But I am aware that the number of—

Senator Fierravanti-Wells—Would you like me to tell you the page number? Page 94.

Senator Abetz—Try page 94.

The PRESIDENT—Order! The minister is answering the question.

Senator CHRIS EVANS—I am aware of some increase in the number of PV applications lodged in the last year or so, and that in part reflects a number of changes, which I do not have time to go into currently. But I would make the point that most of them are from people who arrived lawfully—people who came in lawfully and then sought protection. They are not people who arrived unauthorised. They are people who arrived with a passport and a visa. (Time expired)

Senator FIERRAVANTI-WELLS—If the minister doubts my figures, I am very happy to table page 94 of his own departmental annual report. My supplementary question No. 2 is: will the minister finally get his head out of the sand and admit that the government’s policies are actually encouraging more unauthorised arrivals by boat, encouraging massive increases in onshore asylum claims and encouraging people smugglers to continue their vile trade?

Senator CHRIS EVANS—No, I do not accept the propositions put by Senator Fierravanti-Wells. Making wild allegations is no substitute for proper policy development. I understand Mr Andrews has been working away on that, among other things, but all we have seen from you in the way of policy development is the decision to return to failed temporary protection visas. I make the key point in relation to this particular slur: the majority of asylum applications made in this country onshore are made by people who arrive lawfully. They make that application while lawful in the community. They have them assessed. If they are not granted asylum, they are returned to their country of origin. That is the process that applied under the previous government. It is the one that applies under us. There has been no change to the way we deal with those people.

Radioactive Waste

Senator LUDLAM (2.17 pm)—My question is to Senator Carr as the Minister representing the Minister for Resources and Energy. It is a question that relates to radioactive waste management in Australia, which rightly belonged in Senator Carr’s portfolio before it was for some reason transferred to resources and energy. When will the government implement its very clear election promise, its policy platform and a great many public undertakings, including from you, to repeal the Commonwealth Radioactive Waste Management Act and replace it with a process that is—in your language, the language of the ALP—scientific, transparent, accountable and fair and which allows access to appeal mechanisms? What exactly is the reason for the delay of nearly two years having elapsed since you came to government? Will you acknowledge that this is actually a very clear breach of an election commitment?

Senator CARR—Senator Ludlam, I will seek to provide you with information. The repeal of the Commonwealth Radioactive Waste Management Act is in fact an election
commitment which we will honour, which we stand by. However, it will be done as part of a total package which will involve a long-term solution to the profound difficulties associated with the management of radioactive waste. Australia, of course, as a signatory to the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, has an obligation to ensure that radioactive waste is safely and securely managed. In fact, this is a problem that has defied the wit of governments over 35 years. There is a long history of attempts that have been made by the Commonwealth government to secure this matter—

Senator Ludlam—Mr President, I rise on a point of order which goes to relevance. I wonder whether the minister is planning on addressing in his answer any of the following words: ‘scientific’, ‘transparent’, ‘accountable’, ‘fair’ or ‘access to appeal mechanisms’. Thus far, with a minute left on the clock, we have heard nothing of relevance.

The PRESIDENT—The minister has 59 seconds remaining to address the question.

Senator CARR—Australia has radioactive waste stored at some 30 temporary locations around the country—they are the Australian government agencies, I should say. There are in fact some 100 locations throughout the country which state governments are using to store radioactive waste—in hospitals, in universities, in factories. Most of these existing stores are not specifically designed for long-term radioactive waste management. The very words that Senator Ludlam has used are the words that we will be applying to a holistic national approach to radioactive waste management. We will be able to do that once the processes have been completed and agreed to by government. I look forward to the continuing support of the opposition parties on this matter, and we will get an opportunity to test that support very shortly. *(Time expired)*

Senator Ludlam—Mr President, I ask a supplementary question. The final report from the consultants Parsons Brinckerhoff was submitted to the department on 18 March 2009, along with CH2M Hill’s peer review and Parsons Brinckerhoff’s response to that peer review, assessing and characterising proposed sites for a nuclear waste dump. Will the government table these and related documents now? Does the government stand by Minister Ferguson’s comments that the government will choose a site and consult later?

Senator CARR—As to the tabling of particular documents, I will have to seek the advice of the minister responsible on those matters. The previous government had announced that there would be a process to establish the suitability of a number of defence properties in the Northern Territory. The previous government has also agreed to assessment of the voluntary Aboriginal site at Muckaty Station and has signed a site nomination agreement which committed the Commonwealth to a $12 million compensation package if the voluntary site was selected and used as a facility. Parsons Brinckerhoff were contracted by the previous government to undertake the assessment of the relevant site. So all of those matters I can confirm. However, the issue of establishing a transparent, accountable and fair process for identifying that site is one that we have maintained, and we as a government are committed to ensuring the repeal of the Commonwealth Radioactive Waste Management Act—*(Time expired)*

Senator Ludlam—That is two minutes of our lives that we will never get back. Mr President—

*Opposition senators interjecting—*
The PRESIDENT—Senator Ludlam, continue with your supplementary question.

Senator LUDLAM—My further supplementary question is on the matters the minister has raised about the 2007 site nomination deed, which the minister referred to in his previous answer, between the Commonwealth, the Northern Land Council and Muckaty Land Trust, which did provide a schedule of payments to a charitable fund, as the minister noted. Given that this contract was highly contested and remains to this day a matter of considerable public interest and given that it is for an amount exceeding the Murray motion Senate requirement of 2001, which requires contracts over $100,000 to be made public, will the government refer this contract to the Auditor-General’s office for it to undertake an assessment of the contract to determine whether or not it should be deemed commercial in confidence? If not, why not?

Senator CARR—I think the critical issue here is the fact that Australia currently holds some 3,820 cubic metres of low-level radioactive waste and produces some 35 cubic metres annually. Also, Australia currently holds approximately 435 cubic metres of long-lived intermediate-level waste and produces some 3.5 cubic metres annually.

Senator Ludlam—Mr President, I raise a point of order. I was not seeking an inventory of Australia’s radioactive waste; I am more than aware of what is in Australia’s radioactive waste inventory. I ask you to draw the minister’s attention to the question, which related to government referral to the Auditor-General’s office.

The PRESIDENT—Senator Carr, I draw your attention to the question that has been asked by Senator Ludlam.

Senator CARR—I draw senators’ attention to the fact that Australia does have significant holdings of radioactive waste, which are held at some 130 sites across this country. The critical issue—

Senator Ludlam—Mr President, on a point of order: I am sorry from tying up the chamber’s time, but the minister appears to be about to restate the inventory of Australia’s radioactive waste, which was not the question. I asked whether he would refer that contract to the Auditor-General’s office.

Senator Chris Evans—Mr President, on the point of order: I think it is a bit rich to raise a point of order that says, ‘The minister is about to do something and I take objection to what he is about to do.’ Foresight about Senator Carr’s contributions is impressive, but we are getting to a pretty sorry state if a point of order can be taken on what you think the minister might say next.

Senator Bob Brown—On the point of order, Mr President: of the 60 seconds, 50 have gone, and the minister is talking about the inventory, not the question that Senator Ludlam asked. This is a yes or no answer question if ever there was one, and the minister should answer it.

The PRESIDENT—Senator Bob Brown, as you and others know, I cannot instruct the minister as to how to answer the question. I have already drawn the minister’s attention to the question that was asked by Senator Ludlam. I again draw the minister’s attention to the question and remind the minister that he has 10 seconds remaining to answer the question.

Senator CARR—The critical question the Greens have to face up to is: do you support the management of this nuclear waste or do you think it should be stored in filing cabinets—(Time expired)

Infrastructure

Senator COONAN (2.26 pm)—My question is to the Minister representing the Minis-
ter for Infrastructure, Transport, Regional Development and Local Government, Senator Conroy. I refer the minister to the OECD’s recent world Economic Outlook, highlighting the fact that infrastructure projects currently underway from the Rudd government’s stimulus spendathon require transparency and more rigorous scrutiny. Given that the Treasurer stated in September 2008 that the government’s infrastructure would be subject to ‘rigorous cost-benefit analysis’, can the minister confirm that a cost-benefit analysis has been carried out on all of the government’s infrastructure projects?

Senator CONROY—Thank you for that question, Senator Coonan. This issue has been canvassed extensively at Senate estimates. I know Senator Coonan has many responsibilities, so she perhaps has not been there when this has been extensively canvassed, and I appreciate that she is drawing on a recent OECD report to try to freshen the question up, but it has been pursued at length by Senators Parry and Abetz.

What Infrastructure Australia have indicated is that they have done an enormous amount of work, and I am happy to go and get those references from Senate estimates just to confirm absolutely Mr Deegan—

Senator Abetz—A blank page doesn’t answer the question.

Senator CONROY—I think that, particularly on Mr Deegan from Infrastructure Australia, you are casting quite a slur there, Senator Abetz, and I know you do not actually mean to do that. I assure you Mr Deegan has had full opportunity to address your questions and he has done so, so I will endeavour to get for you copies of his transcript about the processes of Infrastructure Australia.

Let us be clear about this. The Rudd government put in place an economic package that dealt with the short term successfully—despite being opposed by those opposite—and that has medium- and long-term solutions: the infrastructure spend to deal with the medium-term situation and the infrastructure outcomes in rail, ports, broadband and roads. We are looking at all of these as medium- and long-term solutions that this economy needs and that were the subject of enormous neglect by your government. There were 18 reports, from recollection, from the Reserve Bank that made mention of the fact that the country had infrastructure bottlenecks. Your government chose—

Senator Sherry—Twenty reports.

Senator CONROY—Twenty was it, Senator Sherry? It was 20 reports, not 18; I am corrected. (Time expired)

Senator COONAN—Mr President, I ask a supplementary question. The minister would be aware, no doubt, of similar criticisms by the government’s independent Chairman of the Productivity Commission, Mr Gary Banks, who recently stated, ‘It would be desirable to delay the progression of larger scale “nation-building” infrastructure proposals that were brought forward and selected without the opportunity to conduct adequate cost-benefit analysis.’ Is the Chairman of the Productivity Commission of Australia correct?

Senator CONROY—All projects funded under the Building Australia Fund were recommended by Infrastructure Australia. The prioritisation methodology used by Infrastructure Australia in assessing projects is publicly available on the website. It has been canvassed ad infinitum at Senate estimates. In relation to the Oakajee Port, the government’s decision was subject to further consideration by Infrastructure Australia, and this was clearly stated in the budget. The government also took decisions in the budget to fund additional infrastructure projects separate to the Building Australia Fund that
were considered to have merit. The decision to fund the Cooroy to Curra section of the Bruce Highway was based on the fact that this section has the worst safety record of any road on the national network, with crash rates 40 per cent above the national average. (Time expired)

Senator COONAN—We will never know whether the minister agrees whether the Productivity Commission chairman is correct. Mr president, I ask a further supplementary question. As it is clear that only seven out of the 15 infrastructure projects slated to go forward have been approved by Infrastructure Australia, will the minister now admit that the government has signally failed to ensure value for money for Australian taxpayers for its $8½ billion infrastructure spendathon?

Senator CONROY—It is disappointing that those opposite, who made the wrong call on the economic stimulus package from day 1, are now again digging the hole deeper by criticising, attacking and opposing these infrastructure projects, which they neglected for 11½ long years—projects like the O-Bahn track extension, which was not formally submitted to Infrastructure Australia for prioritisation. However, the government considered it to be a significant Major Cities project. It is the most highly patronised public transport corridor in the Adelaide metropolitan area. We have seen $1.2 billion for the Australian Rail Track Corporation. We are seeing the Brighton bypass in Tasmania. Yet I hear Senator Abetz interjecting that Tasmania got nothing. We have the Northern Expressway in South Australia, the western ring-road in— (Time expired)

Senator Abetz—Mr President, I raise a point of order. That was a gross misrepresentation. This was a very rare occasion where I was in fact not interjecting.

**The PRESIDENT**—Order! There is no point of order.

**Senator Conroy**—I accept your admonition, Senator Abetz.

**The PRESIDENT**—Order! Your time has expired, Senator Conroy. We will go to the next question.

**Defence Procurement**

Senator FORSHAW (2.33 pm)—My question is directed to Senator Faulkner, the Minister for Defence. Is the minister aware of the government’s commitment to acquire the F35 Joint Strike Fighter as set out in the 2009 Defence white paper, *Defending Australia in the Asia Pacific century: force 2030*? Can the minister inform the Senate of steps the government has taken to implement this commitment?

Senator FAULKNER—I can confirm that the government has approved the acquisition of the first 14 Joint Strike Fighters and the infrastructure and support required for initial training and testing, for delivery commencing in 2014, at an estimated cost of some $3.2 billion. This decision was underpinned by an unprecedented level of analysis and evaluation by Australia, the United States and the seven international Joint Strike Fighter partners. Australia’s air combat capability is of course of immense importance to our national security. That is why the previous Minister for Defence commissioned the air combat capability review early last year. The review informed the 2009 Defence white paper commitment to acquire around 100 F35 Joint Strike Fighters to replace the FA18 Hornets as the core of our future air combat capability.

The next batch of aircraft, to provide three operational squadrons and a training squadron, will be considered in 2012 and will fulfil our white paper commitment to acquire three operational squadrons comprising not fewer than 72 aircraft. Australia’s first operational
squadron will be ready for operations in 2018. All three operational squadrons are planned to be in service in 2021. An additional operational squadron, bringing the total number of aircraft to around 100, will be considered at a later date.

Senator FORSHAW—Thank you, Minister, for that answer. Mr President, I have a supplementary question. Can the minister further inform the Senate how the Joint Strike Fighter will enhance Australia’s air combat capability and allow Australia to maintain its regional air combat superiority?

Senator FAULKNER—I thank Senator Forshaw for that supplementary question. The Joint Strike Fighter is a true fifth-generation multirole fighter. Its combination of stealth, advance sensors, networking and data fusion capabilities when integrated into the networked Australian Defence Force will ensure Australia maintains its strategic capability advantage out to 2030. It will also enable Australia to effectively contribute to regional security and enhance opportunities for interoperability and commonality to support future coalition operations. The capability of the JSF will be significantly enhanced with the associated acquisitions of the multirole tanker transport aircraft and Wedgetail airborne early warning and control aircraft.

Senator FORSHAW—Mr President, I ask a further supplementary question. Can the minister advise whether the government is aware of reports of United States government reviews into the JSF risks? What is the government’s view of risk in the Joint Strike Fighter program?

Senator FAULKNER—The government welcomes ongoing review of the JSF program, including by the United States government. It is clear that the United States is absolutely committed to making the joint strike fighter succeed. Defence will maintain close and regular contact with the United States in its ongoing reviews. Outcomes and information from reviews to date have been factored into our planning to ensure that we can deal with all realistic risks. Of course, cost and schedule risks will remain as the joint strike fighter is developed. However, any risks will be carefully measured, mitigated and managed to ensure that the Australian Defence Force has leading edge capability.

DISTINGUISHED VISITORS

The PRESIDENT—Before calling Senator Macdonald, I acknowledge the presence in the President’s Gallery of former senator Gareth Evans. On behalf of all senators, I welcome you to the Senate at question time.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Broadband

Senator IAN MACDONALD (2.39 pm)—My question is to Senator Conroy, the minister for Optus—I am sorry, I was just reading the Age—the Minister for Broadband, Communications and the Digital Economy. Is the minister aware of comments attributed to News Corporation chairman Rupert Murdoch during an interview with Terry McCann that if the government’s $43 billion National Broadband Network is to be sold off to private investors as promised then the government will have to ‘be prepared to write off half the cost openly upfront so that investors buying it could have a chance of a return’? Is the government prepared to write off taxpayers’ billions upfront in order to attract future buyers? If not, isn’t it possible that NBN will never be privatised or will have to be sold off by a future government at a fire sale price in order to rid itself of a debt laden white elephant?

Senator CONROY—I thank Senator Macdonald for his question. I note that, despite the resignation of three fellow front-
benchers when they crossed the floor, you were not among them. We will see what develops in the afternoon, Senator Macdonald. The answer is yes, I am familiar with Mr Murdoch’s comments, but the Rudd Labor government believes that all Australians, including large and small businesses, no matter where they live or are located, deserve to have access to high-speed broadband. I note the recent comments by a whole range of commentators, including Mr Murdoch, about the demands, commercial viability and the importance of wireless technology into the future. What I want to reinforce is that the discussions, firstly with Telstra, continue to be constructive. We are working to deliver on the National Broadband Network, notwithstanding those opposite who have sought to frustrate and block and have locked themselves into a 1990s or 2000 position.

I remember one of the great, proud chants from those opposite when they were in government was that during that period of incredible microeconomic reform by the Hawke and Keating governments they said, ‘We stood shoulder to shoulder with the Hawke and Keating governments in voting for all of those tough economic reforms.’ The tragedy now is that you are not going to be able to say that some day in the distant future when you are in government, because you have sought to frustrate and block and have locked yourselves into a 1990s or 2000 position.

Senator IAN MACDONALD—Mr President, I ask a supplementary question. Why should Australia’s taxpayers or, indeed, investors have any confidence in the NBN project in the light of comments by the CEO of Australia’s third-largest telco, Paul Broad, who said ‘The NBN is absolute rubbish’ and ‘a complete waste of money’? Why would taxpayers or investors have any confidence in this project?

Senator CONROY—I am very glad that Senator Macdonald asked that question. I thought for a moment that was his resignation letter he was going to read from. But Mr Paul Broad’s most recent comments make an interesting comparison to the written submission of AAPT—Mr Broad’s company—after the NBN was announced.

Honourable senators interjecting—

The PRESIDENT—Senator Conroy, wait a minute. Interjections from behind you are interfering with the answer you are giving. Senator Macdonald is entitled to hear it.

Senator CONROY—I quote: AAPT fully supports the Australian government’s initiative to improve the availability of fast broadband services across Australia and considers that the proposed wholesale only approach will benefit consumers as it represents a significant improvement from the current market structure where Telstra, the incumbent, is both dominant and highly vertically and horizontally integrated.

AAPT agreed with the ACCC that the NBN project provides the opportunity to finally correct earlier mistakes where Telstra was left in control. (Time expired)

Senator IAN MACDONALD—Mr President, I ask a further supplementary question. Minister, are you denying that Mr Broad, the CEO of Australia’s third-largest telco, has said, and I quote again, ‘The NBN is absolute rubbish’ and ‘a complete waste of money’? Further, in light of comments by both Mr Murdoch and Mr Broad, does the minister accept that if the NBN project was subjected to a thorough cost-benefit analysis it would in all likelihood dismally fail the test?

Senator CONROY—As I was saying, Mr Broad’s company of which he is the CEO, who forwarded this submission in June 2009—
Senator Ian Macdonald—Did he say that?

Senator CONROY—It was from his company; I am assuming he ticked it off.

Senator Ian Macdonald—Did he say this?

Senator CONROY—I am fully aware of his comments. These mistakes have led to very serious implications for the development of competition in the telco industry. This was his company’s submission in June 2009, a few months ago. Paul Broad also made some interesting comments on coalition policy back in 2005, on structural reform of Telstra, when he said:

The energy industry did the reform and did it right. In fact the states that did the energy reform—and I have just spent seven years running an energy company—did it right. The feds that did the telco one got it wrong.

That is Mr Broad’s consistent, long-term position as is stated from 2005 to 2009. I cannot speak for Mr Broad but he did say on structural separation—(Time expired)

Do Not Call Register

Senator FIELDING (2.46 pm)—My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. I refer to the article in the Age on 23 November which revealed that more than one million unsuspecting and vulnerable people will be hassled and targeted by unsolicited marketing calls from May next year because their telephone numbers will automatically drop off the Do Not Call Register. Will the government commit to fixing this dodgy loophole and protect unsuspecting Australian families from unsolicited marketing calls?

Senator CONROY—I thank Senator Fielding for a very good question. Can I inform him on what is happening around us, because we campaigned long and hard—as did you, Senator Fielding—for this Do Not Call Register. We were pleased to ultimately support a piece of legislation that was not perfect but at least was a beginning. So can I inform him that the ACMA is conducting an awareness campaign early next year to remind people currently on the Do Not Call Register that they will need to renew their registration on the Do Not Call Register every three years, as is the case with the existing legislation. In order to renew their registration, all people need to do is to log on to donotcall.gov.au and re-register or call the free call number 1300792958. People can do this at any stage and do not need to wait until their registration period has expired. The period of registration is an issue being examined as part of the current statutory review of the register, because I take the point that you are making: that this was something that the previous government did because they were forced into doing it. They did not want to do it and they were shamed into doing it.

The government announced in the budget that it would expand the Do Not Call Register to help protect businesses, fax users and emergency service providers. The changes to the Do Not Call Register are about giving all Australian businesses the choice of opting out of unsolicited and unwanted telemarketing and fax marketing. It has been a particular concern of mine that unwanted and unsolicited calls and faxes are wasting valuable business resources and could potentially affect the operation of emergency service organisations. Public consultation undertaken by my department indicated that approximately 86 per cent of respondents supported the extension of the register to all telephone and fax numbers. (Time expired)

Senator FIELDING—Thank you for the answer, Senator Conroy. It is a very important issue for many Australian families and small businesses that do not want these calls. Mr President, I do, however, ask a supplementary question. I understand that ACMA
has reported a 60 per cent reduction in complaints against unsolicited and unwanted marketing calls since the introduction of the Do Not Call Register. Given that you are doing a review, is it Labor policy that numbers should drop off the register automatically? Is it something you are seriously reviewing? People do not want to have to renew their numbers on the Do Not Call Register.

Senator CONROY—A discussion paper outlining the key issues surrounding the operation of the current Do Not Call Register scheme was released on 6 October 2009 and submissions on the review were due by 4 November. My department also ran advertisements in all metropolitan newspapers to encourage submissions from a broad range of parties. My department also held consultation meetings with industry stakeholders, including banks, marketing associations and call centres, as part of the review. As part of that we are more than happy to consider the issue of whether or not there should be a three-year rollover or not. That is certainly something we are happy to consider. I was disappointed, like you. There are some practical issues. People do change phone numbers and some phone numbers get put on by people who then change them ultimately and then they get passed on to other consumers. So there are some practical issues with that permanent list. But I think those are all really important issues, Senator Fielding, and I am more than happy to say to you that we are definitely prepared to set it out as an issue.

(Time expired)

Rudd Government

Senator BARNETT (2.50 pm)—My question is to the Minister representing the Minister for Finance and Deregulation, Senator Conroy. What has been the total spent on government advertising since coming to office? And can the minister confirm that Labor government waste and mismanagement has cost taxpayers around $3 billion so far?

Honourable senators interjecting—

The PRESIDENT—Order! When we have silence, we will proceed.

Senator CONROY—Thank you for that question, Senator Barnett. Agencies have identified initiatives totalling more than $100 million in 2009-10 and more than $290 million in 2010-11 ongoing—and this is one aspect of your answer—to reduce their information and communication technology spending. Half of these savings will be reinvested in projects, just to give you an indication. The government is confident that the Australian public service’s lead role in policy development is absolutely central. The government is committed to the development of evidence based policy making, with policy design and evaluation driven by analysis of all available options. Governments of different persuasions over a long period of time have used consultants, and that should not be seen as a vote of no-confidence in the public service. There are many circumstances in which it will be more effective to engage consultants—for example, for the provision of legal services. As the Minister for Finance and Deregulation stated—

Senator Barnett—Mr President, I rise on a point of order on the question of relevance. The minister now has only 44 seconds to complete his answer and he has not touched in any way or in any respect upon the question—which about was the total spent on government advertising. Could you please draw that to the minister’s attention.

Senator Ludwig—Mr President, I rise on the point of order. What the minister has been responding to is the issue of consultan-
cies. The minister has been directly relevant to the question and, given that there is still time to run, I am sure the minister can deal with all of the question that has been asked of the minister. I would submit that there is no point of order. It seems to be simply another way of restating the question.

The PRESIDENT—The minister is addressing the question. The minister has 44 seconds remaining. I call the minister.

Senator CONROY—I will just finish the quote from Mr Tanner, and then I will be able to continue to provide more information for Senator Barnett. Mr Tanner said:

... consultancies are there for unusual occasional things where you need specialist expertise that you can't keep in-house all the time because you don't need it all the time.

The actual expenditure on consultancies reported by the top 40 FMA Act agencies in their annual reports was $463 million. This is over $50 million less than in 2006-07. Government expenditure in 2007-08 and 2008-09 on consultants has reduced by over $130 million compared to the peak under the former government—(Time expired)

Senator BARNETT—Mr President, I ask a further supplementary question. Given other examples of waste and mismanagement, including the GROCERYchoice website debacle, record spending on legal fees and consultancies, the pink batts fiasco and the ‘Ms Gillard memorial school halls’ blow-out, does the minister now accept that Labor’s reckless spending after two years of government is out of control?

Senator CONROY—Similar questions have been asked of my colleague Senator Arbib on this matter. He has challenged those opposite—and I repeat that challenge to you, Senator Barnett—to name one of those schools that you would take that funding off. Name just one. Do not come in here and vote against it and then, after you and your colleagues have been wandering around the country turning up for the photo opportunities, come back in here and bag the program. You can tell all those tradies who have spent the last six or 12 months building these school halls that they did not deserve a job because we made the wrong economic call.
photo opportunity for and which they want to see closed down, because all those tradesmen and those local communities have been the beneficiaries. *(Time expired)*

**Education**

Senator CAROL BROWN (2.59 pm)—My question is to Senator Carr, the Minister representing the Minister for Education. Can the minister inform the Senate why reform of Australia’s student income support system is needed? What benefits can Australian students and their families expect from the government’s Social Security and Other Legislation Amendment (Income Support for Students) Bill? What will be the cost of inaction? How will the government’s proposed reforms benefit Australian students and their families, particularly students dealing with social, economic or geographic disadvantage?

Senator CARR—I thank Senator Brown for her question. The government’s reforms will make support available to many more students. They will ensure that money goes to those in greatest need. Together with the Greens and Senator Xenophon, we stand by those reforms. Without these reforms more than 150,000 students across Australia will not receive the $2,254 start-up scholarships in 2010, and 21,000 existing Commonwealth scholarships voted out of existence earlier this year will not be paid, meaning that there are no scholarships being paid by the Commonwealth in 2010.

More than 100,000 students across Australia will get less youth allowance or no youth allowance in 2010. Students who move from home to study and who would be eligible for a $4,000 relocation scholarship in 2010 will not be able to receive that if these measures are not supported by this chamber. Students from families on $300,000 a year will continue to get youth allowance and some 25,000 students from families earning less than $44,165 will miss out on increased support.

**Honourable senators interjecting—**

**The PRESIDENT**—Halt there, Senator Carr. There is too much noise in the chamber and I cannot hear the answer. I need order on both sides.

Senator CARR—The age of independence will remain at 25, rather than being lowered to 22 by 2012 and preventing around 7,600 students from receiving the independent rate. Years of Liberal and National Party neglect have left Australia with a system that fails students from working families and from families in rural and regional Australia. Now they are trying to continue—*(Time expired)*

Senator CAROL BROWN—Mr President, I ask a supplementary question. Can the minister advise the Senate how Australia’s universities view the government’s reforms? Is there support for action to improve the student income support system? Given the diversity of the higher education sector, can the minister provide information on the attitudes of universities representing different perspectives, in particular those of the research-intensive Group of Eight, the Australian Technology Network of Universities, and Innovative Research Universities Australia? Are these attitudes shared by university students themselves?

Senator CARR—The fact that the coalition in this chamber—

Senator Sherry—Coalition?

Senator CARR—or what presents itself as a coalition, Senator Sherry, has taken the unprecedented step of refusing to adopt a committee report has meant that 150,000 young Australians have been left in limbo. Families around the country who have been dreaming of achieving a better life for their children through education will be denied
that dream. Professor Alan Robson from the University of Western Australia says:
The Group of Eight supports these changes because they target finite resources to the students most in need …
Professor Ross Milbourne from the University of Technology Sydney says the absence of reform:
… is not only bad for the education system in Australia, but it’s bad social policy and is very bad long term economic policy.
Professor Paul Johnson from La Trobe University reminds us that these reforms ‘will make a fundamental difference to’—

Senator Chris Evans—Mr President, despite the requests from the opposition for more, I ask that further questions be placed on the Notice Paper.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS
Rudd Government
Education
Senator BARNETT (Tasmania) (3.05 pm)—I move:
That the Senate take note of the answers given by the Minister for Broadband, Communications and the Digital Economy (Senator Conroy) and the Minister for Innovation, Industry, Science and Research (Senator Carr) to questions without notice asked by Senators Barnett and Carol Brown today relating to consultancy contracts and to income support for students.
Labor’s wasteful and reckless spending is now systemic right across the government. I say that because today I can announce that $952 million worth of consultancy contracts have been awarded by this government since it was elected two years ago. That is approaching $1 billion in consultancy contracts as of today.
That is a disgrace because it is on the back of a hollow promise from the Minister for Finance and Deregulation, Lindsay Tanner, prior to the election that he would cut consultancy spending by $395 million over a four-year period. That is a huge amount of money and he said he would be cutting it. What has happened? Spending on consultancies has gone up and now this government is the highest-spending government in Australia political and parliamentary history. It is approaching $1 billion. As of today, the official figure on the AusTender website—it is available for members of the public to see—is $952 million. It is a disgrace.
They have promised one thing and they have delivered the exact opposite. Waste and mismanagement is now systemic across the government. The question with respect to this government is, it would appear, Kevin
Rudd’s complete disregard for obtaining value for money for taxpayers. In less than two years they have wasted billions of taxpayers’ dollars, despite their hollow promises to cut waste. I can refer to a Courier-Mail article of 12 November headed ‘Budget blow-out hits Kevin Rudd’s war on waste’:

THE Rudd Government has blown $2.85 billion—or $130 for every Australian—on financial waste and mismanagement since being elected to office.

It is a disgraceful record and they should hang their heads in shame. Yet Senator Conroy came into the Senate today and, in answer to my question, pooh-poohed the question. The article goes on:

A string of spending blowouts and broken election promises has undermined Labor’s commitment to crack down on wasteful budget expenditure during the global recession.

It is wasteful, it is reckless and it is systemic. It is in complete disregard to the interests of taxpayers.

Only last week it was confirmed that the government wasted $7.7 million, with another $700,000 in contingency costs, on the GROCERYchoice website, which the government was willing to spend over $13 million on. That is over $8 million wasted on a website because of that hollow promise made prior to the last election that they wanted to bring down grocery prices. We all knew that they could not be believed, but they tried to foist this idea on the Australian public. The Senate report canned the GROCERYchoice website big-time. The Senate report said:

… GROCERYchoice was a shocking waste of taxpayers’ money, clearly demonstrating the Government’s apparent disregard for obtaining value for money.

It identifies the total cost. Recommendation 8, the last recommendation, states:

The committee recommends that the Government learn from this episode of waste and mismanagement and ensure that such inappropriate and careless spending does not occur again in the future, noting that now, more than ever, value for money for the taxpayer should be a top priority.

That is exactly right, and let us hope that this government does learn its lesson. They have put forward these hollow promises and they have not delivered. In fact, the exact opposite has occurred. That wasteful spending is just another broken election promise for Labor.

We have a top 10 list in the Labor Waste annual report, which is on the labor-waste.com website, and I encourage members of the public to send in information and concerns about the waste that this government is putting the Australian people through. You have the GROCERYchoice website, the school stimulus debacle, the highest consultancies cost in history for any Australian government, laptops in schools, the Northern Territory housing program of $45 million and not one house, the tax bonus waste, stimulus advertising, the broadband tender—$20 million wasted right there and then—climate change advertising and of course the 2020 Summit, where $2 million was wasted. It is a shocking waste of taxpayers’ money and they should be ashamed.

(Time expired)

Senator McLUCAS (Queensland) (3.10 pm)—I think it is quite interesting that those sitting on that side would want to talk about waste and government expenditure, given what we had to live through for the 11½ years of the former government. Has Senator Barnett forgotten the repetitious advertising that we had to endure? Australians were just so sick of ‘Unchain my heart’ advertisements when we had the GST, and who can forget those appalling advertisements? They were so repetitious. The former Howard government were spending more money than Coca-Cola on TV advertising towards the end,
with those appalling Work Choices ads. But I have to say, from this side of the chamber, I thanked the former government for that investment because I am sure that the frequency, the repetition and the hollowness of those advertisements promoting their Work Choices policy in fact worked in our favour rather than in theirs. So it is rather extraordinary that you would have, on a day like today, a discussion about government waste.

I want to go to other questions around the former government’s waste and mismanagement, and I go to two of my favourites: Sustainable Regions and Regional Partnerships. We had a beautiful example of the almost total waste of $17 million on the Atherton Tablelands, west of my town of Cairns. We had examples where the previous government—

Senator Nash interjecting—

Senator McLUCAS—You were not here, Senator, at the time. This is a good one. You should actually listen to this one. Five million dollars was given to a zoo near Kuranda. Less than a month later it went into receivership. We have people on that side talking about looking after government money, looking after taxpayers’ money, but $5 million was given to a zoo, which is against the regional tourism plan anyway, and within a month it was in receivership. What sort of due diligence gives you that sort of outcome? What sort of due diligence was applied to giving a large sum of money—I cannot recall the actual figure at the moment—to a hotel in the town of Atherton for a so-called convention centre, and this is the hotel that has topless barmaids on Friday afternoons, for example? What sort of sense is there in spending that sort of money on a pub on the main street of Atherton for a so-called convention centre? It was totally built out. It was not possible for it to be built. This is the sort of waste that we had to deal with time after time from those on the other side.

My good friend Senator Sterle suggested that I mention the only piece of major infrastructure that the previous government could look to. That is the building of a railway that does not make any money; the extension of the Adelaide-Darwin railway. So if those on that side want to talk about waste and mismanagement I think they need to look back over their own history before accusing this government, which has brought in a number of significant measures to increase transparency and to provide information to the community about expenditure, particularly on consultancies.

I note that from 1 July 2008 agencies have been required to report all consultancy contracts via AusTender and the website to which Senator Barnett referred. I commend the minister for this step. This will increase transparency. It will ensure that departments and government agencies will be much more thoughtful about the sorts of consultancies and contracts that they want to let, because they will know that there will be parliamentary and public scrutiny of those contracts that are let. So I certainly commend the minister for introducing that level of transparency, scrutiny and accountability, which will improve their performance on procurement reporting. (Time expired)

Senator KROGER (Victoria) (3.16 pm)—I also rise to take note of answers given by Senator Conroy to the very good question that was asked by my colleague Senator Barnett. It was a particularly relevant question today, given that yesterday was the second anniversary of the election of the Rudd Labor government. It is timely to reflect on the economic mismanagement of that government and the waste that we have observed over that period of time.
Contrary to the comments made by Senator McLucas, it was under a fiscally responsible Howard-Costello government that the hard work of Australians, with the strong measures taken by that government, ensured that Australia was in the best possible position to weather the global financial crisis. So how is it that in the space of just two years Labor’s reckless spending decisions have left Australians with a record $153 billion debt with monthly interest repayments of $680 million? Senator Conroy himself raised the issue of the Julia Gillard memorial halls—halls which I have to say have already seen a huge blow-out of some $1.7 billion, so we are now looking at a project that will have a total cost of up to $17 billion. These are halls, I remind this chamber, where the principals and the parents have no say in the way in which the money could be best targeted and directed to improve the education of their families and of the students of those schools. We have seen a massive blow-out and a poorly targeted spend with a not-very-good outcome.

As my colleague Senator Barnett asked, where is the value for money? You look at the Julia Gillard memorial hall projects and see that that is not value for money. I am reminded of a couple of examples. We had one school in Longreach in outback Queensland that was granted $250,000 to build a library for one student. They had one student. Is that value for money? Of course it is not. It is absolutely appalling. It is a disgrace, and this government should be held to account for it. We have so many examples of this. Senator Barnett raised the issue of the absolutely disgraceful expense on consultants in Sydney for the Abbotsford Public School. They spent $85,000 on consultants and plans as part of a $2½ million plan to knock down four existing classrooms which are perfectly good and in great shape so that they can build a Julia Gillard memorial hall. These are all examples of disgraceful expense, which we know is very much a tradition of Labor governments.

I am also reminded of the laptops in schools program, which is part of the Building the Education Revolution Program. Anyone who runs a household budget would be absolutely appalled at the way in which these guys are managing the dollars. This has already blown out by 66 per cent to a staggering $800 million—yet again not value for money. There are many such examples, and we have only to be reminded of what happened at this time last year, when the Rudd Labor government gave everybody a Christmas gift of $900. What did we get from that? Where did that go? Certainly those who went off overseas to spend it on their Christmas holidays did not inject it back into the economy here. The programs are all poorly conceived and are not clearly and properly targeted. You can see why we have a serious blow-out in our budget bottom line. (Time expired)

Senator MARK BISHOP (Western Australia) (3.21 pm)—I want to address both of the issues raised by Senator Barnett in his introduction to the motion to take note of answers. First is the reference to the youth allowance bill not passed yesterday and second is the issue relating to consultancies and allegations of waste, mismanagement and ineffective use of public moneys.

Yesterday was almost like being in Alice in Wonderland. We had a most remarkable outcome for a government bill, whereby the opposition moved to block passage of the youth allowance bill by refusing to adopt the report of the committee once the matter had come out of committee. As I am advised, that is the first time that has occurred since Federation—so was a remarkable process in itself. But the effect of that process is even more remarkable when one considers that the
effect of that decision was, and is, to deny families in this country with ordinary incomes—incomes of $44,000 a year—a benefit in terms of direct payments to their children to advance their aspirations via education, whilst at the same time allowing families with children and incomes in excess of $150,000 a year to continue to access a benefit that the government seeks to regularise, make more efficient and more distributist in practice.

That is a remarkable outcome: to take from those at the bottom end of the chain, on an income of $44,000, and maintain the same payment to those on an income of $150,000. It was supported by the opposition, both the Liberal Party and the National Party, and one wonders why representatives of the National Party would seek to achieve such an outcome when they hold a number of seats in northern and central New South Wales and the lower parts of Queensland which, on any objective determination, are the lowest income seats in Australia—not traditional Labor Party seats in the inner cities: the lowest income seats are in northern New South Wales and the Central Coast area. Not only are they low-income seats but representatives of the National Party in this chamber sought to make things worse by denying a benefit to those people, whose average income is something in the order of $40,000 a year, whilst maintaining payment of the same benefit to families with an income of $150,000. It is just an absolutely outrageous stunt that occurred, with no benefit at all to the people that the coalition seeks to advance.

The other issue that Senator Barnett raised was one of allegations of waste, mismanagement and disregard of inefficiency in the payment of public moneys. Senator Barnett opened with a flourish by advising that he was going to announce that huge amounts had been paid out in wasteful consultancies. It is always useful when you do that to make reference to what the facts are. The facts are these: the actual expenditure on consultancies for the top 40 consultants reported by agencies in annual reports under the FMA Act was $463 million in the financial year past, not the $750-odd million referred to by Senator Barnett. That figure of $463 million was over $50 million less than for the same comparable period for when the full figures are available in the financial year 2006-07.

In that context, not only are the figures alleged to be incorrect but the actual outlays are considerably less, and considerably less in the current financial year than they were in the financial year 2006-07. Indeed it is fair to say, as was said at estimates by officials, that government expenditure in 2007-08 and 2008-09 on consultants has reduced by over $130 million compared to the peak year—the last year of the Howard government—in 2006-07. Why has that occurred? It is because the Rudd Labor government has imposed stringency and requirements on government agencies to the effect that value for money remains the core principle of the Australian government procurement and supply, also to—(Time expired)

Senator NASH (New South Wales) (3.26 pm)—I rise to take note of answers given by Senator Carr about youth allowance, following on from my colleague across the chamber. I can only assume that I must excuse him for a lack of knowledge about this. Quite frankly, the arrogance that is coming from the other side of the chamber on this youth allowance issue is nothing short of extraordinary. The coalition made the decision on this side of the chamber yesterday to stop that bill for very good reasons.

Senator Mark Bishop—What are those good reasons?

Senator NASH—You know exactly what they are. One is that the current gap year students, who entered into this year in good
faith on advice from Centrelink and school counsellors as the appropriate pathway forward for them to gain access to independent youth allowance, had the rug ripped out from underneath the whole lot of them halfway through the year by your minister, Julia Gillard, who did not have a clue about the effect that was going to have.

Senator Mark Bishop—You have been running that argument for 18 months!

Senator Nash—The only reason, Senator Bishop, that she did a backflip on some of them was because of the overwhelming deluge that came from the community to your minister, saying, ‘This is not fair. It’s not on.’ And she realised—she did a backflip for 5,000 which, of course, should never have been there in the first place. But there are 25,000 other students who embarked on that year in good faith and on good advice to be told that they simply were not going to be able to qualify under these criteria any more. By any stretch of the imagination, what we put forward was to say that all of those gap year students should not be affected by a retrospective change by the government. That is absolutely fair and appropriate, and that is why we stuck by it.

The other change that we put forward for the amendment was to retain the criteria (c) for the independent youth allowance. People would most commonly know that as the gap year, whereby a student can earn a certain amount over 12 months in an 18-month period. The government simply ripped that away. The reason why this is so important is because of the inequity that exists between regional students and metropolitan students when it comes to accessing tertiary education. There is a $15,000 to $20,000 cost for regional families in having to relocate their student to go off to tertiary education. There is no other avenue in this bill for that inequity to be addressed, which is why we have been so firm. I see you have lost interest, Senator Bishop. Have you run out of ideas? Or perhaps you just know that I am right?

There is absolutely no other avenue to address that inequity, so the coalition has said through the amendment that in the absence of anything else existing to assist those regional students that particular criteria for the independent youth allowance should stay. It is simply not fair for those regional students to have their pathway taken away completely.

The arrogance from the other side that we are seeing on this is nothing short of breathtaking because, guess what? Today the minister could split the bill. She could bring the bill back into this chamber and we would support those parts of the bill that are beneficial. We have said that. The minister has had the offer. The scholarships and anything else she has been talking about in this bill that does not go forward next year is on the head of the minister. She has said, ‘It’s so terrible that the coalition has stopped this.’ It is her decision not to split the bill and not bring those forward to this chamber so we can pass them, so any commentary from the other side, any commentary from this Labor government saying, ‘It’s all the fault of the coalition’ is absolute rubbish.

We have put forward very, very fair amendments and there is absolutely no reason that the government should not accept those. What is really interesting is that the government has taken away two of the independent criteria to pay for the whole lot, so with all these billions of dollars we have seen go to the school halls that are being talked about and all the other projects why is it that our students’ education has to be the thing that is budget neutral? Why is it that our students’ education has to be the savings measure for this government? It is simply not fair. That is the area that we should put fund-
ing into, not taking away from it. I simply challenge the minister to stop harping on about what happened in the chamber and the fact that the bill has been blocked, bring those parts back to the chamber that we have said we will support and do the right thing by the people of Australia and the students who need this side of the chamber to actually make some commonsense decisions for them. The minister knows she can do that. She should bring it back not only for regional students, who are so important and need to be able to have access to assistance, but also for students right across the country.

Question agreed to.

Radioactive Waste

Senator LUDLAM (Western Australia) (3.31 pm)—I move:

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

I will speak briefly on the comments that Senator Carr made when I asked him a short while ago about Australian government progress on repealing the Commonwealth Radioactive Waste Management Act 2005 and the amendments that were subsequently moved in 2006. In the lead-up to the election campaign we saw pretty clear comments on behalf of Senator Carr, who was the opposition spokesperson for science, I believe, and from Senator Trish Crossin and Warren Snowdon MP from the then opposition relating to the process that the Howard government had gone through, the quite coercive and unconscionable process, I might add, to imposing the Commonwealth Radioactive Waste Management Act on the Northern Territory without a word of consultation to the Territory government, any of the communities there or any of the people living nearby on the sites that they were later targeting.

Quite reasonably, I think, two years on from the election the Greens have a right to ask on behalf of the communities who are directly affected in the Territory and around Australia where on earth that promise has got to, because the Prime Minister has made much of his commitment to upholding all of his election promises. The Labor government have shown, in some cases, a quite astonishing degree of inflexibility on the basis of things they said during the election campaign. I think the first mistake the Prime Minister made was taking this responsibility out of the science portfolio and putting it into the energy and resources portfolio with Mr Martin Ferguson. I have taken this issue up with the departmental officers every time there has been an opportunity in Senate estimates to find out what the officers in the department are actually doing. What we have discovered has been really interesting.

On 18 March Martin Ferguson’s department and the radioactive waste management branch peer reviewed the engineering studies and the documents that were commissioned in the last few months of the Howard government, and then those peer reviews were themselves assessed. All of the documents have been sitting on the minister’s desk since some time in the middle of March 2009. The agencies concerned since then have absolutely no idea what is going on: whether the minister plans to open up a completely new site selection process that would open the process up and take another look around the country as to where the radioactive waste should go; whether they would still be targeting Mucketty Station, which is what most people believe; or whether they would be continuing with the other three sites that were nominated under the Howard legislation. Even the officers themselves in the minister’s department have been cut out of the loop. Presumably, the only people who do know what is going on and when this coe-
cive process might be brought to a head are the minister and some of his closest advisers. Certainly the public have no idea; the traditional owners and the people most closely concerned, who have been sticking up for their country since late 2005, have been cut out of the loop; the Territory government has no idea where this process is going; and even the department’s own officers, nominally in charge of radioactive waste that the Commonwealth is responsible for, have been cut out of the loop and have absolutely no idea where the minister is going with this.

In response to the Howard era gobbledegook that we got in answer to questions that I put earlier, I am putting the government on notice now that we will shortly be filing a freedom of information request for those documents and others that relate under the brand, new regime—apparently—of openness and transparency in government that has been foreshadowed in recent days by Senator Ludwig. Apparently there is going to be an increased focus on accountability and transparency in government. I am certainly looking forward then to receiving those engineering studies and the other documents relating to the Prime Minister’s approach to handling radioactive waste in this country.

I would like to respond briefly before I finish to the comments that Senator Carr made when he lost his temper shortly before the end of question time and was yelling back across the chamber about whether or not the Greens care about the management of radioactive waste. I would like to put very firmly on the record that we understand this is a very complex and difficult public policy issue, that no government in the last 30 or 40 years has got it right or has even made a serious attempt at getting it right, and that the Greens are very, very concerned with what happens after. We realise and recognise that the repeal of this legislation is only the beginning. It is essential to take the pressure off the communities who are targeted at the moment, but it is only the beginning. I simply refer Senator Carr to the very good work that the Senate Environment, Communications and the Arts Committee did and reported on late last year. It was a majority report that said that there are in fact very serious issues here that we need to engage with. I refer Minister Carr to that report which recommended that the act be repealed forthwith a sustainable process be put in its place.

Question agreed to.

PERSONAL EXPLANATIONS

Senator HUTCHINS (New South Wales) (3.37 pm)—I seek leave to make a personal explanation, as I claim to have been misrepresented.

Leave granted.

Senator HUTCHINS—In an address to the federal council of the Police Federation of Australia last week I made some remarks about a recent High Court decision: International Finance Trust Company Limited v New South Wales Crime Commission. In this case the High Court ruled by the slimmest of majorities that section 10 of the New South Wales Criminal Assets Recovery Act was constitutionally invalid. In my address I clearly articulated my concerns about the decision and indeed about the longstanding trend that has seen the High Court consolidate its position through its powers of judicial interpretation. Unsurprisingly, the Law Council of Australia yesterday distributed a media release which described my remarks, in typical hyperbolic fashion, as ‘extraordinary’. The Law Council president, John Corcoran, claimed that my remarks displayed ‘an alarming support for unchecked executive powers’ and went on to say that he hoped my remarks had been misquoted or taken out of context.
Mr Deputy President, I can assure you that I was neither misquoted nor taken out of context. I stand by my remarks on the matter and affirm today my belief that the High Court in this instance has acted with complete disregard for the interests of public order for the sake of consolidating its own powers through the principle of the separation of judicial power. I suggest that Mr Corcoran, if he wants to express genuine concern about my remarks, at the very least make an effort to contact me or my office to discuss his concerns, rather than express his hope that I had been misquoted or taken out of context through a media release. I understand the Law Council’s vested interest in maintaining judicial carte blanche, but I am afraid I am going to side with the interests of law enforcement and the public on this issue.

PETITIONS

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

Charter of Rights

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

We the undersigned are opposed to a Charter of Rights which would allow judges to determine if laws are incompatible with human rights. We support the protection of human rights, especially those of the most vulnerable in our society, but we wish to see elected representatives of the people, not unelected judges, remain responsible for the protection of human rights. We note that this system has already made Australia one of the freest countries in the world with a human rights record the envy of people all over the world. We call upon the Australian Parliament to: a. reject a Charter of Rights or b. not enact a Charter without a referendum.

by Senator Brandis (from 20,929 citizens)

Emissions Trading Scheme

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

The petition of the undersigned shows that we object to Australia adopting an Emissions Trading Scheme (ETS) and the Copenhagen Treaty as foreshadowed by the Rudd Government.

Your petitioners ask that the Senate reject the Carbon Pollution Reduction Scheme.

by Senator Joyce (from 15,166 citizens)

Petitions received.

NOTICES

Withdrawal

Senator RONALDSON (Victoria) (3.39 pm)—Pursuant to notice given at the last day of sitting, I now withdraw business of the Senate notice of motion No. 1 standing in my name for the next day of sitting for the disallowance of the definition of electioneering in subregulation 3AA(11) in item [1] of Schedule 1 of the Parliamentary Entitlements Amendment Regulations 2009 (No. 1) Amendment Regulations 2009 (No. 1), as contained in Select Legislative Instrument 2009 No. 250 and made under the Parliamentary Entitlements Act 1990.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (3.39 pm)—I withdraw government business notice of motion No. 2, proposing the exemption of bills from the bills cut-off order.

Presentation

Senator Xenophon to move on the next day of sitting:

Senators Cormann and Barnett to move on the next day of sitting:

That there be laid on the table by the Minister representing the Minister for Health and Ageing, no later than Friday, 4 December 2009, a copy of the Government’s response to all of the recommendations set out in the National Preventative Health Taskforce report, *National Preventative Health Strategy*.

Senator Heffernan to move on the next day of sitting:

That the time for the presentation of the following final reports of the Select Committee on Agricultural and Related Industries be extended to 30 June 2010:

(a) food production in Australia; and

(b) incidence and severity of bushfires across Australia.

Senator Siewert to move on the next day of sitting:

That there be laid on the table by the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs (Senator Evans), no later than Friday, 4 December 2009, the complete and unedited transcripts of all four tiers of consultation meetings held under the Northern Territory Emergency Response Redesign Consultation process and any associated documents.

Senator Siewert to move on the next day of sitting:

That the Senate—

(a) notes:

(i) the failure of the New South Wales Government to establish the Snowy Scientific Committee in a timely fashion prior to the first 5 year review of the Snowy Water Licence, as required by legislation,

(ii) that a decision on whether to allow environmental water to be released to the Snowy River from Mowamba Weir, in addition to Jindabyne Dam, would require at least 6 months to allow the Snowy Scientific Committee to complete further studies as required, and

(iii) that a decision to amend the licence to allow environmental water releases via Mowamba Weir as well as Jindabyne Dam made after the finalisation of the Snowy Water Licence review could result in substantial compensation being provided to Snowy Hydro Limited; and

(b) calls on the Commonwealth Government to insist that the New South Wales Government delay finalisation of the Snowy Water Licence review for at least 6 months, to allow the Snowy Scientific Committee to review the environmental benefits of permitting releases from Mowamba Weir, in order to make a decision on this issue during the time of the review and thus avoid the risk of unnecessary payment of compensation.

Senators Barnett and Fifield to move on the next day of sitting:

That the Senate—

(a) notes:

(i) the outstanding contribution volunteers and volunteer supporting organisations make to Australian society, estimated to be worth more than $42 billion per annum,

(ii) that more than 5.4 million adults (34 per cent of the population) do voluntary work each year, contributing more than 700 million hours annually,

(iii) that volunteering has benefits of promoting a sense of community belonging, personal fulfilment and professional skills development for those who volunteer, as well as providing services to the community that may otherwise not be provided by government,

(iv) the sacrificial efforts of volunteers and volunteer organisations throughout Australia is under recognised and undervalued and without them society as we know it would collapse, and

(v) that International Volunteer Day will be celebrated around the world on 5 December 2009; and
(b) calls on the Government to continue to recognise and support volunteers and volunteer supporting organisations in our community.

Senator Ludwig to move on the next day of sitting:

That standing orders 120(3) and 122(1) and (2) not apply to the consideration of the Carbon Pollution Reduction Scheme Bill 2009 [No. 2] and 10 related bills.

Senator Ludwig to move on the next day of sitting:

That the government business orders of the day relating to the following bills may be taken together for their remaining stages:

(a) Personal Property Securities Bill 2009 and Personal Property Securities (Consequential Amendments) Bill 2009; and


Senator Birmingham to move on the next day of sitting:

That the time for the presentation of the report of the Environment, Communications and the Arts References Committee on the impact of mining operations on the Murray-Darling Basin be extended to 4 December 2009.

Senator Ludwig to move on the next day of sitting:

That—

(1) On Thursday, 26 November 2009:

(a) the hours of meeting shall be 9.30 am to 6.30 pm and 7 pm to adjournment;

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

(c) the routine of business from 12.45 pm till not later than 2 pm shall be government business only, and from not later than 3.45 pm shall be the government business order of the day relating to the Carbon Pollution Reduction Scheme Bill 2009 [No. 2] and 10 related bills;

(d) divisions may take place after 4.30 pm;

(e) the question for the adjournment of the Senate shall be proposed after the Senate has finally considered the Carbon Pollution Reduction Scheme Bill 2009 [No. 2] and 10 related bills; and

(f) if the Senate is sitting at 11 pm, the sitting of the Senate be suspended till 9.30 am on Friday, 27 November 2009.

(2) On Friday, 27 November 2009:

(a) the hours of meeting shall be 9.30 am to 5.10 pm; and

(b) the question for the adjournment of the Senate shall be proposed at 4.30 pm.

(3) The Senate meet on Monday, 30 November 2009, and that:

(a) the hours of meeting shall be 10 am to adjournment; and

(b) the question for the adjournment of the Senate shall be proposed after the Senate has finally considered the Carbon Pollution Reduction Scheme Bill 2009 [No. 2] and 10 related bills.

Senator Ludlam to move (contingent on any order of the day being read for the consideration of any bill relating to the amendment or repeal of the Commonwealth Radioactive Waste Management Act 2005):

That consideration of the bill be postponed and made an order of the day for the next day of sitting after the Government:

(a) introduces legislation restoring transparency, accountability, international best practice scientific processes and procedural fairness including the right of access to appeal mechanisms in any decisions in relation to the siting of any nuclear waste facilities;

(b) informs the Parliament of specific actions taken to establish a consensual process of site selection; and
(c) introduces legislation to ensure that any proposal for the siting of a nuclear waste facility on Aboriginal land in the Northern Territory would adhere to the requirements that exist under the *Aboriginal Land Rights (Northern Territory) Act 1976*.

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

That the Senate notes that Saturday, 28 November 2009 marks the start of the National Year of Action on Marriage Equality and that rallies will be held in capital cities across the country.

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

That the following bill be introduced: A Bill for an Act to abolish the power of the Commonwealth executive government to disallow or amend any Act of the Legislative Assembly of the Australian Capital Territory, and for related purposes. *Australian Capital Territory (Self-Government) Amendment (Disallowance and Amendment Power of the Commonwealth) Bill 2009*.

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

That there be laid on the table, no later than 1 pm on 26 November 2009, Dr Clive Spash’s uncensored and unamended research paper, *The brave new world of carbon trading*.

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

That the Senate—

(a) notes the recent passing by the Australian Capital Territory Legislative Assembly of the Civil Partnerships Amendment Bill 2009; and

(b) congratulates the first couple to hold a legally-recognised ceremony in the Australian Capital Territory, Mr Warren McGaw and Mr Chris Rumble, who on 25 November 2009 celebrated their love and commitment in front of family and friends.

**Senators Hanson-Young and Humphries** to move on the next day of sitting:

That the Senate recognises the sovereignty of the territory parliaments to legislate within the powers conferred on them by the Federal Parliament, without interference from the Federal Government.

**Senator LUDWIG** (Queensland—Manager of Government Business in the Senate) (3.42 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:

- ACIS Administration Amendment (Application) Bill 2009;
- Coal Mining Industry (Long Service Leave Funding) Amendment Bill 2009;
- Customs Tariff Amendment (Incorporation of Proposals) Bill 2009; and
- Foreign Acquisitions and Takeovers Amendment Bill 2009.

**Senator LUDWIG**—I table statements of reasons justifying the need for these bills to be considered during these sittings and seek leave to have the statements incorporated in *Hansard*.

Leave granted.

_The statements read as follows—_

**ACIS ADMINISTRATION AMENDMENT (APPLICATION) Bill 2009**

**Purpose of the Bill**

The bill amends the commencement date of the *ACIS Administration Amendment Act 2009* (the Act) to 1 January 2010.

**Reasons for Urgency**

The Act provides for a smooth transition to the new Automotive Transformation Scheme (ATS) by repealing ACIS Stage 3 and by providing increased uncapped assistance for persons registered under ACIS as motor vehicle producers from 1 January 2010.
The amendment to the commencement date is necessary to meet the Government’s commitment in A New Car Plan for a Greener Future to ensure a smooth transition to the ATS and to increase uncapped assistance for motor vehicle producers. This change must be in place from 1 January 2010.

COAL MINING INDUSTRY (LONG SERVICE LEAVE FUNDING) AMENDMENT BILL

Purpose of the Bill

The bill amends the Coal Mining Industry (Long Service Leave Funding) Act 1992 (the Funding Act) so that it applies to preserved coal industry long service leave entitlements in the Fair Work Act 2009.

Long service leave entitlements for employees in the black coal mining industry flow from industrial instruments (awards and workplace agreements) and from contracts of employment. They are based on an employee’s service in the industry, rather than service with a particular employer. Funding of long service leave entitlements is supported by an industry scheme established by the Funding Act and related legislation. The Funding Act provides for the reimbursement of employers where they make a payment to an eligible employee in respect of the employee’s entitlement to long service leave.

From 1 January 2010, the present industry awards prescribing long service leave will be superseded by modern awards under the Fair Work Act 2009 (the FW Act) which are not permitted to include long service leave entitlements. While long service leave entitlements will be preserved under section 113 of the FW Act after 1 January 2010 they will no longer be award-based. As a consequence, from 1 January 2010, employers in the black coal mining industry will not be entitled to reimbursement from the Fund in respect of long service payments they make to employees in respect of the preserved entitlements.

The proposed amendments will ensure that the Funding Act applies to the preserved entitlements in the FW Act. The proposed amendments would also include a definition of the “black coal mining industry” to align with the scheme with the Modern Award. That definition will also apply to related legislation, that is, the Coal Mining Industry (Long Service Leave) Payroll Levy Act 1992 and the Coal Mining Industry (Long Service Leave) Payroll Levy Collection Act 1992.

Reasons for Urgency

The bill requires passage in the 2009 Spring sittings as existing arrangements expire on 1 January 2010.

CUSTOMS TARIFF AMENDMENT (INCORPORATION OF PROPOSALS) BILL

Purpose of the Bill

The bill amends the Customs Tariff Act 1995 (the Customs Tariff) to incorporate alterations that were contained in three Customs Tariff Proposals tabled in the House of Representatives during 2009.

These Customs Tariff Proposals are:

- Customs Tariff Proposal (No. 1) 2009. This Proposal created a new item 41H in Schedule 4 to the Customs Tariff to provide Free rates of duty for certain goods used in automotive testing and evaluation. This Proposal was tabled in the House of Representatives on 11 February 2009.

- Customs Tariff Proposal (No. 2) 2009. This Proposal increased rates of customs duty for certain alcohol and tobacco products applicable to goods imported under the Australia-Chile Free Trade Agreement. The Customs Tariff Amendment (Australia-Chile Free Trade Agreement Implementation) Act 2008 gave effect to the Australia-Chile Free Trade Agreement but did not take into account subsequent alterations to the Customs Tariff, as a result of the February 2009 Consumer Price Index increases and increased duty for certain spirit-based alcoholic beverages, known as “ready-to-drink” beverages or “alcopops”. Customs Tariff Proposal (No. 2) 2009 was tabled in the House of Representatives on 25 February 2009 and gave effect to those increases.

- Customs Tariff Proposal (No. 4) 2009. This Proposal increased rates of customs duty for certain beer and grape wine products, as a consequence of the August 2009 Consumer
Price Index increases. This Proposal was tabled on 16 September 2009. When enacted, the Customs Tariff (Incorporation of Proposals) Bill 2009 will amend the Customs Tariff to give legal effect to the alterations contained in the Customs Tariff Proposals.

Reasons for Urgency

Section 226 of the Customs Act 1901 provides protection against legal proceedings for Customs and Border Protection officers for a period of 12 months after the date a customs tariff alteration is proposed. The expiration of this protection means that any import duty collected during this 12 month period is potentially recoverable by importers.

Customs Tariff Proposal (No. 1) above provides reduced duty rates for goods and is unlikely to be subject to a legal challenge. The critical Proposal is Customs Tariff Proposal (No. 2) 2009, that was tabled in the House of Representatives on 25 February 2009.

This Proposal increased rates of duty for certain alcohol and tobacco products imported under the Australia-Chile Free Trade Agreement.

Should the alterations contained in this Proposal not be incorporated in the Customs Tariff prior to 25 February 2010, additional duty paid before this date may be subject to legal challenge.

Successful passage in 2009 will enable the amended duty rates to be incorporated in the Customs Tariff prior to February 2010 and will provide certainty for importers, as well as the automotive industry.

FOREIGN ACQUISITIONS AND TAKEOVERS AMENDMENT BILL 2009

Purpose of the Bill

The Bill amends the Foreign Acquisitions and Takeovers Act 1975 to clarify that the foreign investment screening regime applies equally to all foreign investments irrespective of the way they are structured.

Reasons for Urgency

On 12 February 2009, the Treasurer announced that the Government will amend the Foreign Acquisitions and Takeovers Act 1975 to clarify the operation of the foreign investment screening regime. In particular, the amendments will ensure that any investment, including through instruments such as convertible notes, will be treated as equity for the purposes of the Act.

These amendments will apply retrospectively from the date of the Treasurer’s announcement. Introduction and passage of this Bill in the 2009 Spring sittings will ensure that the Government has the capacity to examine all investment proposals that could potentially be against Australia’s national interest. Delaying the passage of this Bill may potentially cause confusion for prospective foreign investors wishing to invest in Australia.

COMMITTEES

Legal and Constitutional Affairs Legislation Committee

Meeting

Senator O’BRIEN (Tasmania) (3.43 pm)—by leave—At the request of the Chair of the Legal and Constitutional Affairs Legislation Committee, Senator Crossin, I move:

That the Legal and Constitutional Affairs Legislation Committee be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate today.

Question agreed to.

NOTICES

Postponement

The following item of business was postponed:

Business of the Senate notice of motion no. 3 standing in the name of Senator Xenophon for today, proposing a reference to the Community Affairs References Committee, postponed till 26 November 2009.

COMMITTEES

Community Affairs References Committee

Reference

Senator CORMANN (Western Australia) (3.44 pm)—I move:
That the following matter be referred to the Community Affairs References Committee for inquiry and report by 30 June 2010:

Consumer access to pharmaceutical benefits and the creation of new therapeutic groups through the Pharmaceutical Benefits Scheme (PBS), including:

(a) the impact of new therapeutic groups on consumer access to existing PBS drugs, vaccines and future drugs, particularly high cost drugs;
(b) the criteria and clinical evidence used to qualify drugs as interchangeable at a patient level;
(c) the effect of new therapeutic groups on the number and size of patient contributions;
(d) consultation undertaken in the development of new therapeutic groups;
(e) the impact of new therapeutic groups on the classification of medicines in F1 and F2 formularies;
(f) the delay to price reductions associated with the price disclosure provisions due to take effect on 1 August 2009 and the reasons for the delay;
(g) the process and timing of consideration by Cabinet of high cost drugs and vaccines; and
(h) any other related matters.

Question agreed to.

Senator O'BRIEN (Tasmania) (3.44 pm)—by leave—The government opposes this motion. We recognise that the opposition has the support of the Greens for this motion and therefore it has a majority. We will not be calling for a division.

Rural and Regional Affairs and Transport References Committee Reference

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

That:

(1) The following matter be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 1 June 2010:

An assessment of the effectiveness of Airservices Australia’s management of aircraft noise under its responsibilities to provide air traffic services and protect the environment from the effects associated with the operation of aircraft for which it has legislative jurisdiction.

(2) In undertaking this inquiry, the committee shall consider whether Airservices Australia:

(a) has conducted an effective, open and informed public consultation strategy with communities affected by aircraft noise;
(b) engages with industry and business stakeholders in an open, informed and reasonable way;
(c) has adequate triggers for public consultation under legislation and whether procedures used by Airservices Australia are compliant with these requirements;
(d) is accountable, as a government-owned corporation, for the conduct of its noise management strategy;
(e) has pursued and established equitable noise-sharing arrangements in meeting its responsibilities to provide air traffic services and to protect the environment from the effects associated with aircraft for which it is responsible;
(f) requires a binding Community Consultation Charter to assist it in consulting fully and openly with communities affected by aircraft noise; and
(g) any other related matter.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (3.45 pm)—by leave—The government opposes this motion by Senator Back because not only is it poorly conceived but in addition Airservices Australia has a legal requirement to place safety as its most important consideration and any assessment of Airservices performance with regard to managing aircraft noise needs to be included within this context.
The primacy of safety is established in Airservices legislation and has always been the key expectation held by members of the public when they fly. Subject to safety being the most important consideration, Airservices has a second legal obligation to protect the environment from the impact of aviation as far as is practicable. This responsibility is undertaken in conjunction with requirements above the legislation such as the Environment Protection and Biodiversity Conservation Act 1999. However, there is no requirement for Airservices to have or implement a formalised national noise management strategy as the motion assumes nor does any such strategy exist.

Traditionally and consistent with legislation and ministerial requirements, Airservices provides a national noise complaints service and works through established airport community forums to provide information on aircraft noise issues at a local level. Also as a guiding principle Airservices, wherever possible, does attempt to minimise aircraft noise impacts and distribute them equitably. Consultation by the aviation industry and government agencies is being addressed in the aviation white paper, which is scheduled to be released before the end of this year. This matter and the needs of the community are therefore already being addressed at the national level by this government.

Question agreed to.

Senator O'BRIEN (Tasmania) (3.47 pm)—by leave—The government opposes this motion. As has just been said we recognise that the support of the Greens for the coalition motion gives it a majority. We will not be seeking to divide.

HEALTH INSURANCE (CATARACT SURGERY) DETERMINATION 2009

Motion for Disallowance

Senator CORMANN (Western Australia) (3.48 pm)—I, and also on behalf of Senators Fielding and Xenophon, move:

That the Health Insurance (Cataract Surgery) Determination 2009, made under subsection 3C(1) of the Health Insurance Act 1973, be disallowed.

Question put:

That the motion (Senator Cormann’s) be agreed to.

The Senate divided. [3.53 pm]

(The President—Senator the Hon. JJ Hogg)

Ayes……….. 42
Noes……….. 30
Majority……… 12

AYES
Abetz, E. Adams, J.
Back, C.J. Barnett, G.
Bernardi, C. Boyce, S.
Boswell, R.L.D. Brown, B.J.
Brandis, G.H. Cash, M.C.
Bushby, D.C. Cormann, M.H.P.
Colbeck, R. Ferguson, A.B.
Eggleston, A. Fielding, S.
Fielding, S. Fifield, M.P.
Fisher, M.J. Hanson-Young, S.C.
Heffernan, W. Humphries, G.
Johnston, D. Joyce, B.
Kroger, H. Ludlam, S.
Macdonald, I. Mason, B.J.
McGauran, J.J. Milne, C.
Minchin, N.H. Nash, F.
Parry, S.* Payne, M.A.
Ronaldson, M. Ryan, S.M.
Scullion, N.G. Siewert, R.
Troeth, J.M. Trood, R.B.
Williams, J.R. Xenophon, N.

NOES
Arbib, M.V. Bilyk, C.L.
Bishop, T.M. Brown, C.L.
Cameron, D.N. Collins, J.
Senator CORMANN (Western Australia) (3.57 pm)—by leave—I place on record on behalf of the opposition that this is now the second time that the Senate has voted down a massive reduction in patient rebates for cataract surgery through Medicare which has been pursued in a cold-hearted fashion by the Rudd Labor government. You would have thought that Nicola Roxon would have got the message the first time round. But, even though she has known since 8 September 2009 that she did not have the support of the Senate for the cold-hearted cuts in cataract surgery rebates, she pressed ahead.

We have, of course, given the government every opportunity to ensure that the actions of the Senate today will see rebates for cataract surgery revert to the previously applicable rebates. The minister has made suggestions that she had legal advice that the Senate was not able to do so, but she has never tabled it. We, of course, have advice from the Clerk of the Senate and independent legal advice to the AMA which very clearly indicates that the actions of the Senate were entirely constitutional.

The minister has not explained in any way, shape or form why a 46 per cent reduction in rebates for cataract surgery is justified. It is a measure that would hurt patients—in particular elderly patients. The Senate, for the second time now, has sent a clear message to the government: we do not support your cold-hearted attack on elderly patients in need of life-changing cataract surgery.

**NOTICES**

**Postponement**

Senator JOHNSTON (Western Australia) (3.59 pm)—I move:

That business of the Senate notice of motion no. 6 standing in my name for today, proposing a reference to the Foreign Affairs, Defence and Trade References Committee, be postponed till 26 November 2009.

Question agreed to.

**COMMITTEES**

**Community Affairs References Committee Reference**

Senator BOYCE (Queensland) (3.59 pm)—I move:

That the following matter be referred to the Community Affairs References Committee for inquiry and report by 2 September 2010:

Access to planning options and services for people with a disability to ensure their continued quality as they and their carers age, and to identify any inadequacies in the choice and funding of planning op-
tions currently available to people ageing with a disability and their carers.

Question agreed to.

OFFSHORE DETENTION FACILITIES

Senator HANSON-YOUNG (South Australia) (4.00 pm)—I move:

That the Senate—

(a) notes:

(i) the Federal Government’s ongoing commitment to continuing with the excised territories of Christmas Island, Cocos Islands and Ashmore Reef, and

(ii) the sheer expense of running the offshore detention facility on Christmas Island;

(b) recognises concerns raised by the Australian Human Rights Commission, Amnesty International and the Refugee Council of Australia, to the limited access to sufficient health facilities, resources, and torture and trauma counselling services, due to the remoteness and isolation of the Christmas Island detention facilities from mainland Australia; and

(c) calls on the Government to end the policy of excision and bring all offshore arrivals to the mainland for processing.

Question put.

The Senate divided. [4.05 pm]

(The Deputy President—Senator the Hon. AB Ferguson)

Ayes............ 6
Noes............ 47
Majority........ 41

AYES

Brown, B.J.
Ludlam, S.
Siewert, R. *

NOES

Adams, J.
Back, C.J.
Bilyk, C.L.
Bishop, T.M.
Boyce, S.
Cameron, D.N.
Collins, J.
Evans, C.V.
Faulkner, J.P.
Ferguson, A.B.
Fifield, M.P.
Forshaw, M.G.
Hutchins, S.P.
Joyce, B.
Ludwig, J.W.
Marshall, G.
McGauaran, J.J.
Moore, C.
Parry, S. *
Pratt, L.C.
Ryan, S.M.
Stephens, U.
Trood, R.B.
Wortley, D.

Brown, C.L.
Colbeck, R.
Cormann, M.H.P.
Farrell, D.E.
Feeney, D.
Fielding, S.
Fisher, M.J.
Furzer, M.L.
Johnston, D.
Kroger, H.
Lundy, K.A.
McEwen, A.
McLucas, J.E.
O’Brien, K.W.K.
Polley, H.
Ronaldson, M.
Sherry, N.J.
Sterle, G.
Williams, J.R.

* denotes teller

Question negatived.

CARBON POLLUTION REDUCTION SCHEME LEGISLATION

Senator FIELDING (Victoria—Leader of the Family First Party) (4.07 pm)—I move:

That the question for the third reading of the Carbon Pollution Reduction Scheme Bill 2009 [No. 2] and 10 related bills not be put until the third sitting day in February 2010.

Question put.

The Senate divided. [4.13 pm]

(The President—Senator the Hon. JJ Hogg)

Ayes............ 17
Noes............ 48
Majority........ 31

AYES

Adams, J.
Back, C.J.
Barnett, G.
Boswell, R.L.D.
Cash, M.C.
Eggleston, A.
Fielding, S.
Joyce, B.

Back, C.J.
Bernardi, C.
Bushby, D.C.
Cormann, M.H.P.
Ferguson, A.B.
Fifield, M.P.
Macdonald, I.
I move:

(1) That the Senate—

(a) recalls that on 17 November 2009 it agreed to the following order, ‘That there be laid on the table, no later than 4 pm on 18 November 2009, the assessment by Geoscience Australia reportedly identifying prospective sites for underground carbon dioxide storage sites in Victoria, Queensland and Western Australia, referred to in an article, ‘New hope for viable clean coal projects’ published in The Australian on 24 October 2009’; and

(b) notes that the Government tabled a response saying, ‘The Government is not able to comply with the Order because there is no document in the precise form requested. In any event, the Minister asks the Senate to note that the Government is using a report containing an assessment along the lines sought, containing also the work of others, for the purpose of assisting the Government’s consideration of competitive applications for funding under the CCS Flagships program. The report will be released at the time the grants under that program are announced’.

(2) That there be laid on the table, no later than 4 pm on 25 November 2009, the report ‘containing an assessment along the lines sought’.

Question agreed to.

Senator O’BRIEN (Tasmania) (4.17 pm)—by leave—The government oppose this motion. We recognise that Senator Milne has the support of her own colleagues and of the coalition and that she therefore has a majority. We will not be calling a division.

SUICIDE PREVENTION

Senator SIEWERT (Western Australia) (4.17 pm)—I, and also on behalf of Senators Moore and Adams, move:

That the Senate—

(a) notes that Sunday, 29 November 2009 is the inaugural R U OK? Day, a suicide prevention initiative that brings Australians together to help prevent the isolation that can play a part in someone considering, or taking, their own life;

(b) acknowledges the need to inspire Australians to reach out to anyone struggling, to show that people care and are there to help;

(c) is aware that suicide claims the lives of approximately 2 000 people each year and is the biggest killer of men and women 15 to 35 years old; and

(d) recognises that a simple conversation could change a life and that the key thing someone can do is regularly ask the people we care about, ‘Are you OK?’, regardless of whether...
they are at risk or not, as that connection is good for all of us.

Question agreed to.

EXPORT CONTROL (FEES) AMENDMENT ORDERS 2009 (NO. 1)
AUSTRALIAN MEAT AND LIVESTOCK INDUSTRY (EXPORT LICENSING) AMENDMENT REGULATIONS 2009 (NO. 1)
EXPORT INSPECTION (ESTABLISHMENT REGISTRATION CHARGES) AMENDMENT REGULATIONS 2009 (NO. 1)
EXPORT INSPECTION (QUANTITY CHARGE) AMENDMENT REGULATIONS 2009 (NO. 1)

Motion for Disallowance

Rescission

Senator COLBECK (Tasmania) (4.18 pm)—I move:

That, for the purposes of paragraph 48(1)(a) of the Legislative Instruments Act 2003, the Senate rescinds its resolutions of 15 September 2009 disallowing the following instruments:

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

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

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

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

Question agreed to.

Senator COLBECK—by leave—I would like to acknowledge as part of this process the efforts that have been put in to the discussion on the export certification reform program by members of the Senate Rural and Regional Affairs and Transport References Committee and particularly the interest shown by Senator Xenophon, Senator Fielding and the Greens. This has been quite a long, drawn out process. There have been a couple of attempts to resolve this issue and the opposition, during the last sitting fortnight, put a proposal to the government to resolve it. We are quite appreciative of the fact that the government has come back with a comprehensive package which we believe will assist to continue the reform process but which will mitigate some of the issues that we had raised both at estimates and during the Senate inquiry that we conducted into the process.

I particularly want to pay regard to the efforts of Senators Milne, Xenophon and Fielding in this. Despite the fact that we have had some differences in the way that we deal with the process, we have all been fixed on ensuring that there is a genuine reform process. We note that the government has put on the table a significant amount of money, to the tune of $127.4 million, and that importantly the 40 per cent rebate has been reinstated for two years as part of this process. The reform process will continue immediately and issues relating to, in particular, small abattoirs and small exporters will be dealt with both through their inclusion on the industry panels and through providing fee structures that assist them as part of the process. So we thank the government for working with us on this issue.
NATIONAL SCHOOL CHAPLAINCY PROGRAM

Senator BARNETT (Tasmania) (4.21 pm)—I, and on behalf of Senator Mason, move:

That the Senate—

(a) notes:

(i) the National School Chaplaincy Program (the program) was introduced by the former Coalition Government in the 2007-08 financial year with a commitment of $165 million for its first 3 years,

(ii) the program offers pastoral care, spiritual guidance and counselling in a range of areas such as bullying, mental health, family relationships and drug and alcohol abuse, operates in 2700 schools and enjoys strong support among principals, schools and in the community generally,

(iii) the Coalition has announced that if elected, it will continue funding the program at present levels on an ongoing basis,

(iv) the Government has been forced to respond and has extended funding for the program, at a reduced level, for another year until the end of 2011, after which time there may be no more funding despite the program’s social benefits, sound administration and strong community support, and

(v) the Government’s announcement does not go far enough and does not allow for any new chaplains to be engaged and, as a result, does not provide certainty into the future for chaplains; and therefore

(b) calls on the Government to make a commitment to extend the program to new schools that apply for a chaplain and to maintain current levels of funding into the future on an ongoing basis.

Question put.

The Senate divided. [4.25 pm]

(The President—Senator the Hon. JJ Hogg)

| Ayes .......... | 33 |
| Noes .......... | 31 |
| Majority ....... | 1 |

AYES

Abetz, E.  
Back, C.J.  
Bernardi, C.  
Boyce, S.  
Cash, M.C.  
Cooman, H.L.  
Ferguson, A.B.  
Fifield, M.P.  
Heffernan, W.  
Johnston, D.  
Macdonald, I.  
McGauran, J.J.  
Nash, F.  
Payne, M.A.  
Ryan, S.M.  
Troeth, J.M.  
Xenophon, N.

NOES

Arbib, M.V.  
Bishop, T.M.  
Brown, C.L.  
Collins, J.  
Farrell, D.E.  
Forshaw, M.G.  
Hanson-Young, S.C.  
Hurley, A.  
Ludlam, S.  
Marshall, G.  
McLucas, J.E.  
Moore, C.  
Polley, H.  
Sherry, N.J.  
Stephens, U.  
Wortley, D.

* denotes teller

Question agreed to.

Senator MILNE (Tasmania) (4.27 pm)—Mr Deputy President, I seek leave to make a short statement in relation to the last motion.

The DEPUTY PRESIDENT—Leave is granted for two minutes.

Senator MILNE—The Australian Greens recognise the difficulties faced by many
young people in our schools across the country and the teaching staff in those schools. We recognise the problems associated with bullying. We recognise the mental health issues, the drug and alcohol abuse issues, and the behavioural problems and issues that occur in our schools. The Australian Greens believe it is appropriate that properly trained psychologists and guidance officers are deployed across our schools in order to deal with those issues in the appropriate way.

We recognise that many of the school chaplains being deployed under this program have no professional training whatsoever to deal with mental health issues, with behavioural problems and with the sorts of complex problems associated with drug and alcohol dependence and abuse, and we would urge the government to ensure that there is adequate funding for guidance officers and psychologists to be deployed across the education system to be able to perform this function.

COMMONWEALTH DIALYSIS RESOURCES

Senator SIEWERT (Western Australia) (4.29 pm)—I move:

That the Senate calls on the Federal Government to require that the use of Commonwealth dialysis resources, including the provision of the transportable dialysis facility in Alice Springs, is contingent on the lifting of the Northern Territory government’s ban on new interstate renal patients, so that all citizens can access these services on the basis of need.

Senator SHERRY (Tasmania—Assistant Treasurer) (4.29 pm)—Mr Deputy President, I seek leave to make a short statement on this motion.

The DEPUTY PRESIDENT—Leave is granted for two minutes.

Senator SHERRY—The Australian government acknowledges that access to renal dialysis in Central Australia is a major issue. Dialysis services are predominantly administered by state and territory governments. The Australian government funding arrangement with the Northern Territory government provides for a boost in the capacity of renal services in the Northern Territory. The Northern Territory government is responsible for the ongoing operation and management of facilities and resources established through these arrangements, and this includes the management of patient flows and demands. This requirement is consistent with the arrangements under the National Healthcare Agreement, as agreed by all states and territories, which allows states and territories the flexibility to administer tertiary services in a manner to suit their local needs. It is not up to the Australian government to dictate to states and territories exactly how they run their services.

I am aware the Northern Territory government has implemented protocols to refer new patients presenting for treatment in Alice Springs who are non-residents of the Northern Territory to their state of residence for treatment. The Northern Territory Department of Health and Families have advised that this decision was necessary due to delays in establishing the new 12-port renal facility in Alice Springs and the substantial increase in patients in Central Australia.

Given the importance of this issue and the significant investments the Australian government has made towards Northern Territory renal services, we are taking an active role in resolving the current situation. The Northern Territory government is developing a proposal, to be tabled at a summit scheduled for 4 December 2009, seeking an ongoing commitment and contribution from the WA and South Australian governments to establish a sustainable long-term plan for the provision of renal services in Central Australia. Australian government representatives will be attending the summit to urge the
Northern Territory, South Australia and WA governments to find a solution as soon as possible, in recognition of the high demand for dialysis services in Alice Springs.

Senator SIEWERT (Western Australia) (4.31 pm)—Mr Deputy President, I seek leave to make a short statement.

The DEPUTY PRESIDENT—Leave is granted for two minutes.

Senator SIEWERT—That is complete cop-out from the federal government. The fact is that there are currently patients in Central Australia who do not have access to dialysis. The Commonwealth is giving money to the Northern Territory government and they are allocating a transportable dialysis facility in Alice Springs to treat additional patients, yet they will not require the Northern Territory to enable new interstate patients to attend that facility. In the meantime, those patients do not have access to dialysis because they cannot move, for example, from Kwinkurra in Western Australia—which is only 40 kilometres from the border of the NT—to Perth. Perhaps these patients should move into the Northern Territory and be located there so they could then get access to the facilities. The Commonwealth is coping out and no-one in Australia should be under any illusions that that is not what is happening.

Question put:

That the motion (Senator Siewert’s) be agreed to.

The Senate divided. [4.37 pm]

(The Deputy President—Senator the Hon. AB Ferguson)

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<tr>
<th>AYES</th>
<th>NOES</th>
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<td>Brown, B.J.</td>
<td>Back, C.J.</td>
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<td>Hanson-Young, S.C.</td>
<td>Bishop, T.M.</td>
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<td>Milne, C.</td>
<td>Brown, C.L.</td>
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<td>Xenophon, N.</td>
<td>Cameron, D.N.</td>
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* denotes teller

Question negatived.

OVERSEAS TAX HAVENS

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.40 pm)—I move:

That the Senate deplores the use of overseas tax havens.

Senator SHERRY (Tasmania—Assistant Treasurer) (4.40 pm)—Mr Deputy President, I seek leave to make a short statement.

The DEPUTY PRESIDENT—Leave is granted for two minutes.

Senator SHERRY—Firstly, I as minister have specific responsibility for this. The Rudd government and the international community have taken seriously the tax havens issue. The government has funded Project Wickenby at a cost of $430 million through to 2012-13. It is a multiagency task force aimed at detecting, deterring and deal-
ing with haven abuse and sends a clear message that the Rudd government is responding to abusive secrecy haven schemes. Since the impact of the global financial crisis, the international community has taken unprecedented steps to stamp out tax havens and international tax abuse, and Australia has fully supported the countermeasures and sanctions against the non-cooperative jurisdictions that were agreed at the G20 leaders meeting in April 2009. These actions will mark the end of the era of bank secrecy that damaged public finances and put at risk the financial system.

Australia was also elected the inaugural chair of the Global Forum on Transparency and Exchange of Information for Tax Purposes in September of this year, in part because the Rudd government has strongly advocated improvements in tax transparency and addressing the abusive use of tax havens. As the Global Forum chair, Australia will be leading and pushing hard to see the new agreed tax transparency peer review system rapidly put in place. That way, we can collectively move forward with ensuring our developing country partners can meet global standards and also collect their fair share of domestic tax revenue.

The Rudd government has been proactive in negotiating tax agreements with low-tax jurisdictions. To date Australia has signed nine tax information exchange agreements with other jurisdictions, including eight I have personally signed, and the pace with which these jurisdictions are coming on board is speeding up. Australia has now signed agreements with Bermuda, Antigua and Barbuda, Netherlands Antilles, British Virgin Islands, Jersey, Isle of Man, Gibraltar, Guernsey and the Cook Islands. This rapidly growing network of agreements reflects the Rudd government’s leadership in the widespread implementation of international standards of tax transparency and information exchange.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.32 pm)—Mr Deputy President, I seek leave to make a similar short statement.

The DEPUTY PRESIDENT—Leave is granted for two minutes.

Senator BOB BROWN—This is an extraordinarily important matter because, while the minister has correctly said that there have been agreements made with 10 countries who have been labelled tax havens, there are another 32 that the government has not made agreements with. They include Luxembourg, Malta, Mauritius, Monaco, Netherlands Antilles, San Marino, Seychelles, US Virgin Islands, Andorra, Anguilla, Antigua and Barbuda, the Bahamas, Belize, Dominica, Grenada, Liberia, Liechtenstein, Marshall Islands, Montserrat, Nauru, Niue, Panama, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Samoa, Turks and Caicos Islands, Vanuatu—about whom the tax office issued a warning today regarding insurance matters—Brunei, Chile, Costa Rica and Guatemala.

What the Assistant Treasurer may have made a statement to the chamber about in his two minutes was the use of tax havens by the Future Fund. I note that Mr Costello, the former Treasurer, has been given a guiding role for the Future Fund and I wonder if the minister might come back to the chamber at some time and explain why the Future Fund has money in what are regarded as tax havens.

I am in good correspondence with the Commonwealth Bank about its new establishment in Malta, which is no longer seen by the EU as a tax haven but is by the US congress. Nevertheless, the problem here is that the millions, if not billions, of dollars being avoided in tax through the use of tax
havens has to be paid for by other, dinkum taxpayers in Australia, and it should be stopped.

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

The Senate divided. [4.49 pm]

(The Deputy President—Senator the Hon. AB Ferguson)

Ayes………… 7
Noes………… 39
Majority……… 32

AYES
Brown, B.J.  Fielding, S.
Hanson-Young, S.C.  Ludlam, S.
Milne, C.  Siewert, R. *
Xenophon, N.

NOES
Abetz, E.  Adams, J.
Back, C.J.  Bilyk, C.L.
Bishop, T.M.  Boyce, S.
Brown, C.L.  Bushby, D.C.
Cameron, D.N.  Cash, M.C.
Colbeck, R.  Collins, J.
Cormann, M.H.P.  Crossin, P.M.
Farrell, D.E.  Feeney, D.
Ferguson, A.B.  Forshaw, M.G.
Furner, M.L.  Hurley, A.
Hutchins, S.P.  Joyce, B.
Kroger, H.  Lundy, K.A.
Marshall, G.  McEwen, A.
McLucas, J.E.  Moore, C.
Nash, F.  O’Brien, K.W.K. *
Parry, S.  Polley, H.
Pratt, L.C.  Sherry, N.J.
Stephens, U.  Troeth, J.M.
Trood, R.B.  Williams, J.R.
Wortley, D.

* denotes teller

Question negatived.

COMMONWEALTH DISASTER PLAN

Senator BACK (Western Australia) (4.51 pm)—I, and on behalf of Senators Williams and Milne, move:
That the Senate:

(a) notes that:
(i) Commonwealth Scientific and Industrial Research Organisation scientists have warned that Australia will experience more high fire danger days,

(ii) three Australian states are on high fire danger alert and record high temperatures are being recorded for November 2009 in several Australian cities and towns including Adelaide,

(iii) a government report in 2005 said that no single state or territory is likely to have the human and material resources required to resolve a catastrophic natural event; and

(b) calls on the Government to:
(i) acknowledge the Australian Emergency Management Committee’s 2005 Review of Australia’s ability to respond to and recover from catastrophic disasters,

(ii) examine the existing Commonwealth Disaster Plan to assess its adequacy in the event of a catastrophic natural disaster,

(iii) establish criteria by which the Commonwealth should take a coordinating role in natural disasters crossing state or territory borders, and

(iv) implement the remaining recommendations of the 2005 review.

Senator SHERRY (Tasmania—Assistant Treasurer) (4.52 pm)—by leave—The Commonwealth has worked tirelessly with the states and territories to bolster their preparedness for this bushfire season. States and territories have primary responsibility for dealing with natural disasters. This is consistent with the historical and constitutional responsibilities of state governments.

Operationally, state and territory emergency services organisations have good links and good understanding of local needs and conditions. It would be inappropriate and impractical for the Commonwealth to take a coordinating role in deploying state and terri-
The states and territories have established command and control systems for deploying their assets in response to natural disasters.

The 2000 review of catastrophic disasters report considers arrangements for the possibility of dealing with a major catastrophic natural disaster which would overwhelm the ability of the Australian states and territories to respond. The Commonwealth is addressing key recommendations relevant to it, and is working with the states and territories through the officials’ level Australian Emergency Management Committee to address the remaining recommendations.

With adequacy of current arrangements for dealing with catastrophic natural disasters, the Commonwealth stands ready to assist the states and territories to respond to natural disasters. For example, the Commonwealth has made Air Force bases available for New South Wales to support aerial firefighting in the current New South Wales bushfires. The Commonwealth Government Disaster Response Plan, known as COMDISPLAN, describes the coordination arrangements for the provision of Australian government physical assistance to states, territories or offshore territories in the event of a disaster.

The meeting of the Ministerial Council of Police and Emergency Management on 20 November 2009, chaired by the Attorney-General, has now endorsed a national catastrophic disaster plan for submission to COAG. The plan describes the national coordination arrangements for supporting states and territories and the Commonwealth in responding to and recovering from catastrophic natural disasters in Australia. The plan is important to help government responses to the possibility of a catastrophic disaster which overwhelms the ability of a state or territory to respond. This is the first time that such a plan has been agreed to in Australia. It meets key recommendations of the 2005 review.

Senator MILNE (Tasmania) (4.54 pm)—by leave—I note the government’s response, but I draw to the attention of the Senate the fact that there was a report in 2005 on Australia’s readiness to deal with a catastrophic event or disaster. That report showed that Australia was not ready and that the states did not have the capability. It was suppressed by the Howard government, then suppressed by the Rudd government and it only came to light as the result of an FOI request because of the media.

As a response to it, Minister Gillard wrote to the states in March this year, asking them to do an audit and to provide to her a response before this year’s bushfire season as to their readiness to address a bushfire. They did not do it and they still have not done it. It was deferred until COAG, after which we have already had fires burning in several states across Australia in the last few weeks—the bushfire season is already underway.

If Australia had to rely on COAG to have this nation ready for a catastrophic event, then we should be frightened. The likelihood of them ever getting their act together through the COAG process to have us ready for a catastrophic event is pretty remote. I think it is incumbent on the Senate to take a much greater interest in the lack of preparedness around the country, and the need for far better Commonwealth involvement and leadership on this issue and not just leave it to the states. I think that, especially, events across state boundaries are matters of considerable interest. I urge the Senate to support this motion.

Question agreed to.

Senator O’BRIEN (Tasmania) (4.56 pm)—by leave—While the government op-
poses this motion, we recognise that the majority opposition and Greens together make the outcome of a division a certain one in favour of the motion, so we will not be calling a division.

HEALTH LEGISLATION AMENDMENT (MIDWIVES AND NURSE PRACTITIONERS) LEGISLATION

Order

Senator CORMANN (Western Australia) (4.56 pm)—I move:

That there be laid on the table by the Minister representing the Minister for Health and Ageing, no later than noon on Thursday, 26 November 2009, a copy of the current draft rules and regulations relating to the following bills:

(a) Health Legislation Amendment (Midwives and Nurse Practitioners) Bill 2009;

(b) Midwife Professional Indemnity (Run-off Cover Support Payment) Bill 2009; and

(c) Midwife Professional Indemnity (Commonwealth Contribution) Scheme Bill 2009.

Question agreed to.

Senator O'BRIEN (Tasmania) (4.57 pm)—by leave—The government opposes this motion, but we recognise that the opposition and the Greens voting together gives it a majority, so we will not call a division.

UNPAID OVERTIME IN AUSTRALIA

Senator SIEWERT (Western Australia) (4.57 pm)—I move:

That the Senate notes:

(a) 25 November 2009 is national Go Home On Time Day;

(b) Australians work more than 2 billion hours of unpaid overtime each year;

(c) Australians work the longest hours in the western world;

(d) excessive unpaid overtime has significant industrial, economic and social implications; and

(e) long working hours can have negative consequences for physical and mental health and personal relationships.

Question agreed to.

WHITE RIBBON DAY

Senator LUDLAM (Western Australia) (4.58 pm)—I, and on behalf of Senators O'Brien, Parry, Fielding and Xenophon, move:

That the Senate—

(a) notes that:

(i) Wednesday, 25 November is the International Day for Elimination of Violence Against Women which is symbolised by the wearing of a white ribbon,

(ii) White Ribbon Day marks the start of 16 Days of Activism Against Gender Violence, a global event calling on action to end violence against women,

(iii) one in three Australian women will experience physical or sexual violence in their lifetimes,

(iv) gender-based violence costs the Australian economy more than $15.1 billion each year which includes costs in terms of health, work absenteeism, police and court costs, and

(v) the Asian Forum of Parliamentarians on Population and Development (AFPPD), of which the Australian Parliamentary Group on Population and Development is a member, has established the AFPPD Standing Committee of Male Parliamentarians on Prevention of Violence against Women and Girls on 7 September 2009 which is a significant step in bringing together male parliamentarians from across Asia as role models and outspoken activists for the prevention and elimination of violence against women and girls; and

(b) calls on all men to actively participate in White Ribbon Day by ‘swearing to end violence against women, to never commit violence against women, to never excuse vio-
... lence against women, and to never to remain silent about violence against women’.

Question agreed to.

**SENATE TEMPORARY ORDERS**

**Senator PARRY** (Tasmania) (4.58 pm)—

At the request of Senator Payne, I move:

That the Senate adopt the temporary order relating to question time contained in the attachment to the fourth report of 2009 of the Procedure Committee.

Question agreed to.

Accordingly standing orders 72 and 73 were amended to operate as a temporary order as follows—

**Question Time—Temporary Order**

The following modified rules for question time operate as a temporary order, in conjunction with standing orders 72 and 73, from the beginning of 2010 for the remainder of the 42nd Parliament and for the first two sitting weeks of the next Parliament:

(a) primary questions shall be limited to one minute and answers to them to two minutes;

(b) two supplementary questions shall be allowed to each questioner, each supplementary question shall be limited to thirty seconds and the answers to them to one minute each; and

(c) answers shall be directly relevant to each question.

**MATTERS OF PUBLIC IMPORTANCE**

**Censorship of the Commonwealth Scientific and Industrial Research Organisation**

**The PRESIDENT**—I have received a letter from Senator Parry proposing that a definite matter of public importance be submitted to the Senate for discussion, namely:

The Rudd government’s censorship of the Commonwealth Scientific and Industrial Research Organisation.

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

**Senator ABETZ** (Tasmania) (4.59 pm)—

Make no mistake: the Rudd government’s censorship of the CSIRO is a matter of public importance. The CSIRO is a very proud institution in this country. It has a great history and it is relied upon by the Australian people to give scientific advice to our community without fear or favour. We on this side of the chamber are particularly proud of the CSIRO, the Commonwealth Scientific and Industrial Research Organisation, because it was in fact the Stanley Bruce government that started off the CSIRO all those years ago.

The reason the coalition has moved this motion is that there is no doubt that the Rudd government is now censoring the CSIRO. On coming to opposition in December 2007 we became aware of the fact that any press release coming out of the CSIRO, ANSTO and other scientific organisations within the Commonwealth had to go over the desk of one Senator Kim Carr. When exposed in December 2007, he rushed out in January 2008—just before Senate estimates—with a press release ‘Charter to protect scientific debate’. It is a classic example of spin over substance. George Orwell would have been proud of this classic case of doublespeak. Listen to this:

Senator Kim Carr, Minister for Innovation, Industry, Science and Research, today announced that the integrity and independence of public research institutions, and the right of their researchers to contribute to public debate on their areas of expertise, will be protected by new charters.
‘Australia needs the best scientific advice it can get to tackle the many issues we face as a nation,’ Senator Carr said.

‘Public research institutions, and the dedicated professionals working within them, have a right as well as a responsibility to represent the findings of their work and to actively participate in public debate.

‘The value of scientific endeavour and importance of vigorous and transparent public debate—And here is the kicker—unfettered by political interference but subject to peer review, is something I have advocated for my entire public life.

Ask Dr Spash of the CSIRO what has happened to his research paper which just happens to have been subjected to peer review and accepted by peer review. But guess what? It has been fettered by political interference. As a result I had to part with $30 of my hard earned money in a cheque to the Collector of Public Monies seeking a copy of the unaltered report from Dr Spash under an FOI request.

Where are these high sounding principles that Senator Carr espoused on 16 January 2008? Out the window—that is where those principles are. Like with everything this Rudd government does you get the spin and you get the doublespeak, but when you look at the substance and the reality it is so, so different. What is so breathtakingly objectionable is that Senator Carr had the audacity to say in his press release:

The Howard Government was subject to repeated accusations of political interference with scientific research, especially on controversial issues,’ he said.

It is often in matters of contention and sharp debate that the knowledge and expertise of the scientific community is most valuable. This is why it is so important to protect the right of scientists to speak out about their research and discoveries.’

Going back to that topic of—what was it?—matters of contention, guess what? We have a Carbon Pollution Reduction Scheme being considered by the parliament as we speak—somewhat contentious—and guess what Dr Spash was writing about? The Carbon Pollution Reduction Scheme. So by the very test that Senator Carr puts down, he nevertheless puts the censor’s pen through and says, ‘No, we don’t want to hear in any unfettered way what Dr Spash might have to offer not only the government but also the Australian people to help inform them in their debate.’ We do not get the full and detailed treasury modelling on matters to do with the government’s legislation in recent times; we do not get the whole story out of this government.

When you have an institution as proud as the CSIRO being muzzled in this way in the face of a minister who claims that he has been an advocate his whole public life for ‘vigorous and transparent public debate unfettered by political interference’, when you have a minister who says that but then does the exact opposite, you know why he is a cabinet minister in the Rudd government. He fits the mould. That is what the Labor cabinet ministers do: they say one thing, promise one thing and then do another.

What we have here is the political censorship of some research. I do not know what the research says. I might happen to agree or disagree with it. But that is not the point and that is not the test. This may well be our little mini version of the University of East Anglia Climate Research Unit scandal.

Senator Hurley interjecting—

Senator ABETZ—Senator Hurley, you can laugh but, given all this evidence has now come out where scientific research has been doctored and manipulated for a particular outcome and other people have been sat upon and told not to include certain things in their report because they do not suit a pre-
conceived conclusion, that is not science, that is not research endeavour and that is not how you develop an innovative country. Australia cannot be up there with the top countries of the world in research if you start muzzling scientists.

It might make good sense to have certain protocols in place in relation to public research. I have never condemned that, but what I do condemn is the gross hypocrisy here. The Howard government is condemned for what it did. We then saw a high and mighty charter of rights for these scientific people. Then, at the very first hurdle when the government thinks there might be a report that may be critical of one of its policy areas, in goes the fix, in goes the censor’s pen, in go on Senator Carr and the Labor government. I am sure those opposite will tell us the minister had nothing to do with the censorship. It was that nasty CEO of CSIRO, undoubtedly, who made the decision. I do not think she is nasty. I think she does a very wonderful job. But they will try and blame somebody else. The problem is this government has created the culture in which the CSIRO believes it has to behave in this way. A charter, like the charter of rights currently being discussed, is worth nothing unless the culture is right, and the culture with this government is wrong. That is why the CSIRO is being censored and that is why we seek to condemn the government.

Senator HURLEY (South Australia) (5.09 pm)—It is very disappointing that the opposition would attempt to discredit the government with such flimsy allegations of censorship. Senator Abetz in his speech did not provide anything to support his claim. But what is even more disappointing is the willingness of those opposite, in the process of trying to slur the government, to bring into disrepute one of Australia’s most credible and internationally acclaimed research agencies in a vain attempt to score political points. CSIRO is Australia’s national science agency and one of the largest and most diverse research agencies in the world. It is an Australian government statutory authority constituted and operating under the provisions of the Science and Industry Research Act. CSIRO’s primary functions are to carry out scientific research to benefit Australian industry and the community and to contribute to the achievement of national objectives. The CSIRO is accountable to the Minister for Innovation, Industry, Science and Research and is part of the Innovation, Industry, Science and Research portfolio. The CSIRO Board is responsible to the Australian government for the overall governance, strategy and performance of the organisation.

The CSIRO has longstanding guidelines that its scientists and researchers do not talk about policy matters. The CSIRO chief executive, Dr Megan Clark, spoke in an interview for The World Today on 2 November this year and said:

I’m encouraging our scientists to speak to the public. We’re training our scientists to do that and they have my personal backing. With it … comes responsibility … to make sure that we adhere to one of the most fundamental values of the organisation, which is the integrity of our excellent science. That’s what the Australian people trust us for and we absolutely must always respect that value and never cross the line into commenting on policies.

It is the line between scientific opinion and policy commentary that has led to the recent dispute over the publishing of Dr Spash’s paper on the economic benefits of carbon trading versus other means of cutting greenhouse emissions. The Minister for Innovation, Industry, Science and Research, Kim Carr, has stated repeatedly that the government has not said that the paper must not be published. In an interview on 5 November he said:
At no point have I actually seen this paper, at no point has the Government said we don’t want it published. I frankly take the view it’s important to have a range of views in the public arena.

Senator Abetz has clearly said that he does not believe the minister but produces no evidence to refute him. Senator Carr has been adamant in his view. He is adamant that the government has played absolutely no role in the discussions between CSIRO and Dr Spash. The government has said it is entirely a matter for the CSIRO management and, in the interests of research freedom, it is completely inappropriate for the government to intervene. The CSIRO is reviewing the paper in line with standard internal processes which will determine whether it can be published.

The notion of peer review is central to the research enterprise. Researchers test the quality and validity of their work by submitting it for critical assessment by their peers. The CSIRO has its own internal peer review processes, which have been established to maintain the standards of excellence which have made the CSIRO an international research icon. They have been established to ensure that researchers work collaboratively and collectively to achieve the best possible results. Certainly these processes should be allowed to be progressed without the interference of the government. That is the minister’s view and that is the government’s view.

It is interesting to note that this is not the first time the issue of the line between scientific research and policy commentary at CSIRO has been explored and the term ‘censorship’ has been tossed around. Not surprisingly, one issue around which this censorship controversy previously centred was also climate change. What may have escaped the attention of those opposite—certainly, they did not refer to it—was that the allegations of CSIRO censorship were in 2006 being pointed directly at the Howard government.

Indeed, the 2006 controversy developed over claims by Dr Graeme Pearman, a former CSIRO climate director, that he had been censored by the Howard government when talking about the need to dramatically reduce emissions. In an interview with Four Corners on 13 February 2006 he claimed to have been censored over half-a-dozen times in one year and he directly related that to government intervention. The whole television program was devoted to government intervention in scientific work. The CSIRO on that occasion also rejected this claim and at the time, in much the same terms, as now they argued that the scientists were free to speak on scientific evidence from their research, but needed to be cautious of crossing the line into criticism or advocacy of policy positions. So, exactly the same circumstances about exactly the same issue, despite Senator Abetz trying to make some conspiracy link about it being climate change, but different government and the same response from the CSIRO. Senator Abetz’s argument is a house of cards.

But, in fact, the one issue where there was found to be government interference also involved the former government. That was a scandalous situation that occurred in 2004 and 2005 when the then minister for education, Brendan Nelson, secretly vetoed 10 research proposals which had been judged worthy of support by independent peer reviews. These proposals were torpedoed by the direct intervention of a government minister. That was in another department. We are dealing with the CSIRO. Their response to allegations of Howard government involvement was precisely the same as the allegations raised by Senator Abetz to Rudd government involvement at this stage. They were both refuted on the same grounds with the same reason. Nothing that Senator Abetz said contradicted that, there was no evidence in this case that the government minister had
directly interfered or that anyone else in the Rudd government had interfered. I do not believe that the scientist involved, Dr Spash, has made any statement about government interference in contrast to Dr Graeme Pearman’s former allegation.

That leaves us with the incontrovertible fact that the CSIRO have maintained a consistent line. The CSIRO are our primary scientific research organisation. They provide advice and information to the government, to parliamentarians across the political spectrum and to the broader Australian community. It is important that they can be frank and fearless in the public disclosure of the scientific findings of their research. However, it is equally important that the CSIRO and the important work that they undertake are not seen in any way to be politically partisan as this would irrefutably damage their reputation for integrity and independence.

The CSIRO have a glowing reputation to maintain both domestically and internationally. A couple of testimonials demonstrate how important maintaining this reputation is for the Australia brand and the CSIRO brand. The Western Australian Water Corporation said:

The benefit is we’ve got access to a huge body of very well experienced scientific knowledge and there is an independence about CSIRO and a credibility with Australians that is very important.

Similarly, Professor Bernard Bowden, Chair of the Marine and Atmospheric Research Panel said:

The Panel was impressed by the quality of the scientific staff and the importance of the work being undertaken for both international and domestic outcome orientated research.

Dr Mary E. Clutter, former Assistant Director of the United States National Science Foundation said:

I was tremendously impressed both by the science that was world class and with facilities we visited, also world class. In addition I found the science management and leadership … comparable with strategic planning anywhere in the world.

Again, I say it is deeply disappointing and frankly irresponsible for those opposite to make these unfounded allegations against the government but more importantly to question the integrity of the CSIRO, given their own experience with exactly the same issue. To question the integrity of the CSIRO’s handling of these issues is to do exactly that—to drag the CSIRO into an ugly political argument.

Rather than applying censorship to research agencies, the government have acted in a number of ways to safeguard research freedom. We have restored the autonomy of the Australian Research Council by appointing an expert stakeholder group to advise it on strategy and policy and by making the process for the ARC’s grant approval process more transparent—no more ministers coming in and making arbitrary decisions. We have also cancelled the previous government’s ill-conceived Research Quality Framework, which was also open to political manipulation, and revised the ARC guidelines to ensure that the minister cannot intervene in ARC recommendations. We have ensured also in the event that the minister declines a recommendation from the ARC, that he must make that decision public and describe why it was taken, and we have also introduced charters for our public research agencies including the CSIRO.

So, contrary to the allegations of this particular matter of public importance, the Rudd Labor government are working to ensure that our research agencies continue their outstanding contribution to the domestic and international scientific community. CSIRO are delivering the full spectrum of research Australia needs to tackle climate change through programs such as its Climate Adaptation, Energy Transformed, Water for a
Healthy Country and Wealth from Oceans flagships, as well as its divisions of Land and Water, Marine and Atmospheric Research and Sustainable Ecosystems.

Forty-four per cent of the CSIRO’s total research effort is directed towards achieving an environmentally sustainable Australia. The CSIRO’s views on climate change were quoted in the media over 3,000 times last year, so their efforts are fundamental to public understanding and debate on the science of climate change. Eighteen CSIRO researchers contributed to the 2007 assessment report of the Nobel Prize-winning Intergovernmental Panel on Climate Change, eight of them as lead authors. So perhaps it is the contribution to and recognition of climate change by the CSIRO that is really the major problem for those opposite. In trying to run that agenda, they have chosen to try and denigrate not only the government and government ministers but also Australia’s premier scientific research organisation, which the opposition have many times lauded and congratulated—but they are willing to drag its reputation down in a grubby political attempt to denigrate the government.

Senator Bushby—It’s political interference.

Senator HURLEY—It is a political matter by the opposition and one that is not supported by anyone on this side, because this government has been the one that has supported the CSIRO and its research efforts. Indeed, in the last budget the government increased funding to CSIRO by $43 million, or 6.4 per cent, and allocated more money to the national research vessel—$120 million. It provided $30 million for an expanded Atlas of Living Australia, $80 million for a new Square Kilometre Array science centre, $36 million for the Australian Synchrotron and so on. The government has demonstrated time and time again its support for the CSIRO and its determination to see it as an independent research organisation.

Senator MILNE (Tasmania) (5.24 pm)—I am afraid I have to quote Mercutio in Romeo and Juliet: ‘A plague on both your houses.’ The fact of the matter is that the CSIRO is nothing like the research organisation that it used to be. It has been cowed by successive federal governments, with the Howard government being an absolute champion at turning the organisation into one too afraid to say anything about climate change because of the attitude of the Howard government. It has continued under the Rudd government.

It is a disgrace, and I have to say that I totally agree with what Graeme Pearman had to say about the CSIRO’s censorship under the Howard government. Why would I be surprised when the then management at CSIRO, Dr Garrett, employed Donna Staunton, a tobacco industry lobbyist, to be the Communications Officer for the CSIRO? This is a person who had told the Senate Community Affairs References Committee: I do not think smoking is addictive on any reasonable definition … If it means that tobacco smokers would become physically dependent, like heroin users, then tobacco smokers are not addicted.

That is the person who went ahead and was appointed by Dr Geoff Garrett to be the head of communications, and she has been on the board of the right-wing think tank the Institute of Public Affairs, which also defended smoking and opposed the Kyoto Protocol. She was also on the board of the Global Foundation, which recruited the CSIRO as a member and Dr Garrett as its representative. So let us get real here about the extent to which, over the last decade if not 15 years, the CSIRO has become a shadow of its former self. It has now become an organisation in which management manages the science. There is not fearless recognition of the sci-
ence. Science is managed out of that organisation, and this most recent example with Dr Spash is absolutely classic.

So let us not hear from the coalition that they are suddenly outraged by censorship of the CSIRO. It was made perfectly clear to the CSIRO over all those last 15 years that it had better self-censor, and that is why the organisation is unable to debate the merits of government policy, and the merits of government policy have become enshrined in the charter that Minister Carr has now given the CSIRO, such that the CSIRO scientists know that managers interpret the charter so narrowly that it is practically impossible to publish anything critical of the government.

The problem for the government here is that climate change and the financial mechanisms that one might apply to reducing greenhouse gas emissions are a matter of public interest, and a huge amount of science is being done around the world on issues of reducing emissions, talking about what the science demands and talking about how to actually achieve it. The issue here before us today is that Dr Clive Spash presented a paper, ‘The brave new world of carbon trading’, at the Australia New Zealand Society for Ecological Economics in Darwin, Australia. At the time he said that the full written version of his paper was accepted for publication by the journal *New Political Economy* after being internationally peer reviewed. So tick that: it had been peer reviewed. But a letter was sent by the CSIRO management to the editor of *New Political Economy* demanding that it not be published. I quote Dr Spash:

The CSIRO is currently maintaining they have the right to ban the written version of this paper from publication by myself as a representative of the organisation and by myself as a private citizen.

So he cannot publish either as part of the CSIRO or as a private citizen. It has been contested since June 2009 and is now awaiting a response from the CEO. So from June this scientist has been harassed by the management and told he cannot publish his work because it is on emissions trading.

Emissions trading is something on which there are hundreds of papers written from one end of the planet to the other. Carbon trading is a mega-issue, a multibillion-dollar affair these days. People are looking at the strengths and weaknesses of the ETS in the European Union and at what is happening in the US. We are looking at the Australian scheme. But the CSIRO cannot publish on it in case that is interpreted to be a criticism of the government’s ETS. So this is censorship by the CSIRO.

What is interesting is that the CEO, Dr Megan Clark, said that she wanted only tiny changes, but Dr Spash has since come out and said that the demand was that he cut out 11 per cent of the text of his paper, delete half the conclusions and change the meaning of some passages. Well, that is not tiny changes; that is censorship of Dr Spash’s paper. Science minister Kim Carr has said himself that he does not approve of that, that he thinks that peer reviewed science ought to be published, even if it is critical of government policy. But the weasel words here are all around the charter. The CEO, Dr Clark, is interpreting the charter narrowly so that anything CSIRO does that could be interpreted as being critical of the government has to be changed. Thank goodness we have got some scientists with integrity who are saying, ‘No, you will not change half my conclusions. No, you will not rewrite it to make it mean what you want it to mean. Either you publish it as it is written and peer reviewed or you don’t publish it but admit to the fact that you are trying to fiddle the conclusions to fit with government policy,’ and that is not because Dr Clark would have one particular view or another. But she has got one eye on the char-
ter that Minister Carr has given them and they know the bounds in which they can work. It was just like the situation with Dr Martin Schaaper. He was driven out of the organisation under Dr Geoff Garrett because he knew full well that in the CSIRO there was no political support for natural agricultural systems, which is the area he was working in, and he was driven out because there was a particular focus on genetic modification and different kinds of agricultural research being supported by the agricultural chemical companies in particular. I am glad to say that Dr Schaaper is doing a fantastic job in rural communities around Australia and his work is still very much appreciated on the ground. He was driven out of that organisation, as several other scientists have been.

What I did here in the Senate was to ask this minister, who said he believes that peer reviewed science should be published—even if it is critical of government policy—to table the unadulterated version of Dr Spash’s work. He is now saying he will defy the Senate and not do that. That is why I have today put in a return to order for that document, because I will bet anything that it is simply, as with Dr Spash’s presentation at the conference, a critique of emissions trading, outlining why emissions trading is not necessarily the most efficient and cost-effective way of reducing emissions. It is an analysis of the economics of this particular process. In the paper that he presented, *The brave new world of carbon trading*, he makes it clear that ‘mainstream economics currently provides an inadequate account of institutions, theory of the firm, political economy, human behaviour, ethical pluralism and non-efficiency goals’. He says that efficiency claims cannot be substantiated and appear unjustified. He is talking about emissions trading and pointing out the problems with it as a mechanism. He is comparing it around the world and comparing it with regulatory instruments but he is saying that they are not neutral either, politically or identically, but that they play to specific groups within society. He is calling for a much more open debate of many of the problems associated with emissions trading. That is the role of scientists—to give us their view on what the situation is as far as the science is concerned and as far as the economics is concerned, and to give us their critique. That is what this community deserves to have, not a charter that tells the CSIRO that it cannot bring out any paper which debates the merits of government policy. Government policy in responding to climate change is going to be totally inadequate in virtually any developed economy around the world, so any scientist is going to be bringing out a paper which would immediately be seen to be critical of governments, because ipso facto it would be because they are so inadequate.

I want to say here that it is time the community understood that the CSIRO is not free to publish, that it has got a managerial ethos which puts absolute pressure on its scientists to self-censor if they want to get on, if they want to maintain research grants, if they want to have promotion. (Time expired)

**Senator Joyce** (Queensland—Leader of the Nationals in the Senate) (5.34 pm)—This is a very important issue. The Labor government have lately gone into a path of censorship, whether it is censorship of what people can say when they are sending letters out to their community, the ridiculous proposition that we have some sort of propaganda unit that all letters have to be sent to before they can go out to constituents, or the overarching arm of Mr Rudd in every corner of people’s lives. A classic example of this is the situation with Dr Clive Spash. Dr Spash, who works for the CSIRO, had the gall to write a paper, which was peer reviewed, which disagreed with the Labor Party’s posi-
tion. So what happens? He cannot publish his conclusions—not as a member of the CSIRO, not even as a private citizen. This is the world that we have evolved into with the pro ETS Labor Party. If you dissent, not only in this chamber but in your public life or in your private life, the Labor Party will go after you. The Labor Party cannot abide the idea that someone has a different view to them. The Labor Party and the micro-managing of Mr Rudd are to make sure that every mechanism of the ventilation of an issue is controlled from the Prime Minister’s office. It is very peculiar and it falls in line with what we have seen with the curtailing of other views.

At the moment we are seeing Kevin Trenberth’s expose of the overseas emails. We are seeing the weight that has been put on the scientific community against those who dissent. Phil Jones, one of the leading IPCC scientists, was sent an email. He said that he was cheered by the death of John L. Daly in Launceston in 2004. This is the sort of culture that is present not only overseas but in Australia. This culture is present within the department. We have a clear example here of how the Labor Party have become arrogant, disconnected and belligerent in the pursuit of their goal of delivering this massive new tax to the Australian people.

It is vitally important that the Australian people understand that it is the Labor Party senators who are going to vote for this. It is of vital importance that the Australian people know that the Labor Party senators are going to bring this massive new tax in. Dr Clive Spash had the audacity to say there might be a better way. Whether he is right or wrong, I thought he had the liberty to express that, as we in this parliament do. We have found that the arms of this parliament and the arms of the Prime Minister’s office, with the complicit agreement of such people as the Minister for Innovation, Industry, Science and Research, Senator Carr, have now reached out and are affecting the engagement of a private citizen in expressing their views to the public in a paper.

Where did this culture evolve from? It was always the Labor Party that made the accusation about our side of parliament being arrogant and disconnected when we were in government. How quickly they have changed. Within two years we have the censorship of open public debate under the auspices of the Minister for Climate Change and Water, Senator Wong, and Minister Carr because they will not abide dissenting views. The Australian people are rightly suspicious. While they drive up and down the highway listening to this on broadcast, they must know that this Labor government does not want them to hear the alternative view. They do not want them to hear the alternative view on the climate debate and now they do not want them to hear the alternative view on the economic debate. They are covering for the bankers and brokers who are going to make billions in commission from the implementation of this ETS. Those billions of dollars in commission will come out of the wallets of working families in the western suburbs, farmers, graziers and pensioners.

Dr Clive Spash had the audacity to say there might be a better way and that we might be able to reduce the costs for working families. But no, you cannot have that view out there. There is only one way: you must have the bankers, brokers and bureaucrats. Minister Wong and Minister Carr, under the guidance of Prime Minister Kevin Rudd, will ensure that there will be not just a micromanaging of everything that happens but now a micromanaging of public opinion.

Recently we celebrated the fall of the Berlin Wall and the expression of liberty that was so well espoused by those people. The thing that they hated was the lack of capacity
to present their private views. We celebrated that event, but at exactly the same time we were celebrating that event in our nation are experiencing censorship of opinion by the Labor government. For what purpose? Why is the Labor Party censoring it? It is censoring it because it knows an open and transparent debate of all the facts would work against it. The Labor Party does not want people to see the exact cost of this on households and the complete abhorrence of pensioners who are at the edge at the moment, who are dealing with the fact that power prices have gone through the roof and are trying to work out how to find the money for that. They know and they are absolutely furious that prices are about to go up again.

One of the benefactors of those price increases, by a factor of billions of dollars, will be bankers, brokers and bureaucrats, who will collect the largesse of working families. The people whose jobs will be under threat in the Hunter Valley and the Illawarra will know that those jobs are under threat, but the benefactors will be people pushing permits around broker firms in Sydney and Melbourne. That is supposed to be a worthwhile outcome, a just outcome. It is not just, and the Australian people have a right to know the Labor senators who are going to vote for this. They have a right to know that their Labor senators in a matter of days will put their name to this legislation as it goes through, and that cost will go back to their working families—but I do not think they are their working families anymore. I think working families are a wake-up to the Labor Party. Working families are aware of the fact that the way that the Labor Party are going to ease the squeeze on working families is to put the price of everything in their lives up, from food to transport to power. Every corner of their lives will be affected by a tax they cannot do anything about. When Dr Clive Spash had the audacity to bell the cat, what do the government do? They come out and completely curtail debate. They put his job under threat.

Senator FORSHAW (New South Wales) (5.42 pm)—What an amazing contribution from Senator Joyce on this matter of public importance. He has just put forward in the Senate, which is being broadcast at the moment, the proposition that there is a huge conspiracy by the Rudd government to censor debate in this country. He has just acknowledged that proposition. That claim is contained in the matter of public importance today: ‘The Rudd government’s censorship of the CSIRO.’ That claim only has to be stated by Senator Joyce to be refuted. It really does not deserve an argument or a debate. If there is one person in this country and in this parliament who has not drawn breath or shut up for months and months on the issue of climate change, the proposed Carbon Pollution Reduction Scheme or the emissions trading scheme, it is Senator Joyce himself. He is now claiming that the Rudd government is censoring him and everybody else. What a ridiculous proposition to advance.

If you want to see some examples of censorship by government in the recent history of this country, go back and have a look at what happened during the ‘children overboard’ inquiry when ministerial advisers, in a special unit established by the then Prime Minister John Howard, were intimately involved—

Senator Jacinta Collins—With Defence.

Senator FORSHAW—with Defence, as Senator Collins, who did such a sterling job on that committee, reminds me, in some of the misleading statements and downright lies that were told to the Australian public at that time. The then Howard government refused to allow those ministerial advisers to give
evidence before a committee. That is what I call censorship.

If you are going to make a claim about censorship, you have to have some hard evidence. I have not heard one skerrick of evidence today that the Rudd government has, according to this supposed matter of public importance, engaged in censorship. In fact, the evidence is quite to the contrary. I must note also that Senator Abetz in his opening speech, with all his usual flourish, hyperbole and exaggeration, did actually note that the CSIRO was established by the Bruce government in 1926. I do pay credit to Prime Minister Stanley Bruce. It was a significant thing that he did. The other significant thing he did, of course, was lose his seat, just as the previous Prime Minister did in the election two years ago.

I am very pleased to be able to participate in this debate today, and I wish I had more time because over the years I have had a fair amount of contact with the CSIRO. In my years working as an official of the Australian Workers Union, and eventually as general secretary of that union, I had, on a number of occasions, reason to consult the CSIRO. I did so because our union had significant coverage in the agricultural and mining sectors, and I always found them to be first-class people, scientists and researchers. They provided independent advice to us and certainly, I am sure, to the National Farmers Federation, on important issues to do with those industries.

I also had the great privilege—but only for about four months, I think—of serving on the board of the CSIRO. I was appointed in January 1994 as the board’s ACTU representative. I had to resign before I took up my seat in the Senate in May 1994 to fill a casual vacancy. During that short time I had the great privilege to meet people such as Professor Adrienne Clarke, who was the chair of the CSIRO, and that eminent internationally recognised medical expert Dr Gus Nossal, a man who has done so much for this country. I believe the independence of the CSIRO board that I saw in action at the time still remains today, and I actually believe it has been enhanced by current minister Kim Carr and the Rudd government.

I have also had the opportunity to see the work being performed over many years at the facilities the CSIRO has at Lucas Heights. A lot of people do not realise that Lucas Heights is not just a nuclear reactor. It has a significant CSIRO presence. So that is another connection. Finally, I invite people to Google the name Joseph M. Forshaw. They might find something interesting about the CSIRO there. That is not me; it is another Forshaw.

But I want to get on to this debate—

**Senator Ian Macdonald**—If it was a scientific paper, it wouldn’t be you, Michael!

**Senator FORSHAW**—If you Google it, you will find something about the world-class researchers and specialists that the CSIRO has produced. My colleague Senator Hurley referred to how the current government has acted to safeguard research freedom in many ways, particularly in restoring the autonomy of the Australian Research Council by appointing an expert stakeholder group to advise it on strategy and policy. We have improved the whole process of Australian Research Council grants. We do not interfere and stand over and reject grant applications and then not publish the reasons why, as did former minister and opposition leader Brendan Nelson. In 2004 and 2005, for instance, he secretly vetoed 10 research proposals which had been judged worthy of support by independent peer reviewers. That was the record of that government. Dr Nelson did not publish the reasons why. Minister Carr has made it absolutely abundantly clear
that we will have an open policy when it comes to the awarding of research grants.

Getting on particularly to the CSIRO, the government has introduced charters for our public research agencies, including the CSIRO. These charters guarantee the agencies’ right to pursue lines of inquiry, publish results and participate in public debate without political interference. These charters provide a framework for the civic engagement that we consider one of the research community’s core responsibilities. They set out not only the rights but also the responsibilities of the agencies and agency researchers. And each of these charters, including that of the CSIRO, affirms the contestability of ideas, supports open communication of research findings, encourages debate on research issues of public interest, recognises the role of individual researchers in the conversation, honours the independence of public research agencies in their research activities and acknowledges the government’s responsibility for formulating and implementing policy.

When it comes to the specific issue of Dr Clive Spash, I reiterate that the government has played absolutely no role in the discussions between the CSIRO and Dr Clive Spash. This is entirely a matter for CSIRO management.

Senator Milne interjecting—

Senator FORSHAW—Senator Milne is interjecting, but most of Senator Milne’s contribution was actually directed at her complaints about CSIRO management. I remind the Senate that the issue of public importance before us is this allegation of censorship by the Rudd government, and I repeat what I just said: the government has played absolutely no role in the discussions between the CSIRO and Dr Clive Spash.

Senator Milne interjecting—

Senator FORSHAW—Mr Acting Deputy President Ryan, I listened to the other speak-

ers in silence. I would appreciate the same courtesy.

The notion of peer review is central to the research enterprise. Researchers test the quality and validity of their work by submitting it for critical assessment by their peers. The CSIRO has its own internal peer review processes. These processes have been established to maintain the standards of excellence that have made the CSIRO an international research icon, and they have been established to protect the CSIRO board. In conclusion, Dr Spash’s paper is one of many produced by CSIRO researchers on the pros and cons of emissions trading. There is nothing unusual about it. And it is hardly surprising when you remember that the CSIRO leads the world in the science of climate change, as it does in so many other areas.

Senator IAN MACDONALD (Queensland) (5.52 pm)—I will start my contribution on this matter of public importance by, strangely enough, agreeing with just one thing that Senator Forshaw said—that is, what a fantastic organisation the CSIRO is and has been for a long period of time since it was set up by a Liberal government in years gone by. They do some very good scientific work. It is pretty clear, and many of my colleagues from all sides in this debate have pointed this out, how under this government a lot of scientific work has become subject to either direct or indirect censorship. The indirect censorship is of course the wink and the nod from a minister in charge, like Senator Carr, who is often humourously called ‘Red Kim’ from the politburo. He is known for his very extreme left-wing views. The thought going around, as my colleagues have mentioned, is that Senator Carr, the relevant minister, makes it clear that if any researcher wants money then they had better make sure that they are toeing the government line.
The instance that has been raised of Dr Clive Spash is a case in point. Perhaps Senator Forshaw was correct when he said there was no directive issued by the minister, but any bureaucrat, any administrator of CSIRO, would know that promoting someone who has a different view to that of the government, whether it is a view I agree with or not, means that research funds might dry up and means that, in one way or another, the organisation may be penalised. Any of those who have followed Senator Carr’s history, and I could perhaps talk about the Victorian Right in the old days, would know that when Senator Carr wants to get into bullying mode he is a pretty formidable opponent. I guess that is why the Right in Victoria have now folded in with him—rather than trying to bully each other they have got together.

Senator Jacinta Collins interjecting—

Senator Ian Macdonald—Sorry, Senator Collins, is it? You would know what it is all about. This debate is about censorship, specifically of the CSIRO. As my colleagues have quite clearly pointed out, this government make censorship one of its platforms. We know that in the Labor Party—and this is a case of no names, no pack drill—there are one or two senators who are totally opposed to an emissions trading scheme. But dare they so much as mumble a word in this chamber about their opposition to the emissions trading scheme and they will be kicked out of the Labor Party. We know that the last person who chose to disagree with the Labor Party was then Senator Shayne Murphy. He had a different view. He did not like what the Labor Party was doing in his home state of Tasmania, and he said so. He voted against something that was particularly contrary to his beliefs and against what he thought was right for his constituency. As a result of that he was expelled from the Labor Party, because the Labor Party is all about control and censorship. You cannot say what you like; you have to say what the view of the heavies at the top is—in this case Mr Rudd. And if you are brave enough to have a view that is not to Mr Rudd’s liking then you will not be in the Labor Party for very long. That is what this is all about. As one of my colleagues mentioned, this has come through in the recent directive from Mr Rudd, administered I think somewhat reluctantly by Minister Ludwig, to try and say that if anyone in this chamber wants to write something in a newsletter or in a dispatch or wants to send material to a constituent then they have to run it by the ALP censorship regime. If you do not allow your material to be censored then you could be in a lot of trouble. According to the Labor Party, I could not, for example, send out to my constituents a copy of the speech that I am giving now because it would be treated as being critical of the government. I cannot post material out with a postage stamp provided as part of my means of operating if it is deemed by the government censor to be electioneering or a political campaign.

We all know the Labor Party cannot manage money but it is also becoming increasingly obvious—with this example in CSIRO that we are talking about, in relation to communication between members of parliament and their constituents, and in relation to holding back their own members from having a view contrary to that of Mr Rudd—that the Labor Party is all about control. It is all about censorship. It is all about keeping the thoughts of all of us pure, and that means in line with Mr Rudd’s view of the world. The debate before us at the moment on the Rudd government’s censorship of CSIRO is just the latest example of how Mr Rudd tries to manipulate public opinion and indeed the opinion of scientists and politicians.
The ACTING DEPUTY PRESIDENT (Senator Ryan)—Order! The discussion on the matter of public importance has concluded.

COMMITTEES

Senators’ Interests Committee
Report
Senator JOHNSTON (Western Australia) (6.00 pm)—In accordance with the Senate resolution of 17 March 1994 on the declaration of senators’ interests, I present the Register of Senators’ Interests incorporating statements of registrable interests and notifications of alterations of interests lodged between 23 June 2009 and 23 November 2009.

Senators’ Interests Committee
Report
Senator JOHNSTON (Western Australia) (6.00 pm)—I present the report of the Standing Committee of Senators’ Interests, Online access to the Register of Senators’ Interests.

Ordered that the report be printed.

Scrutiny of Bills Committee
Report
Senator ADAMS (Western Australia) (6.00 pm)—At the request of Senator Coonan, I present the 14th report of 2009 of the Standing Committee for the Scrutiny of Bills. I also lay on the table the Scrutiny of Bills Alert Digest No. 15, dated 25 November 2009.

Ordered that the report be printed.

Legal and Constitutional Affairs Legislation Committee
Errata
Senator STERLE (Western Australia) (6.01 pm)—At the request of the Chair of the Legal and Constitutional Affairs Legislation Committee, Senator Crossin, I present errata to the report of the committee on the provisions of the Personal Property Securities (Consequential Amendments) Bill 2009.

Ordered that the document be printed.

Privileges Committee
Report
Senator BRANDIS (Queensland) (6.02 pm)—On behalf of the Standing Committee of Privileges, I present the 142nd report of the committee entitled Matters arising from the Economics Legislation Committee Hearing on 19 June 2009 (referred 24 June and 12 August 2009), together with submissions and documents presented to the committee.

Ordered that the report be printed.

Senator BRANDIS—I move:

That:

(a) in respect of the matters referred on 24 June 2009:

(i) the Senate endorse the committee’s findings in paragraph 6.5 and the conclusion in paragraph 6.6 of the report;

(ii) the President of the Senate resume consideration of an appropriate response to flagrant breaches of the Presiding Officers’ guidelines on filming and photography in Parliament House by members of the media on 19 June 2009, noting the committee’s suggestion in paragraph 3.23 of the report; and

(iii) the Chairs’ Committee established under standing order 25(10) consider model practices for handling the media at committee hearings, and the inclusion of additional information about witnesses’ rights under the broadcasting resolutions in the standard information provided to all witnesses, as discussed in paragraphs 3.14 and 3.15 of the report; and

(b) in respect of the matters referred on 12 August 2009, the Senate endorse the committee’s findings in paragraph 6.8 and the conclusion in paragraph 6.9 of the report.
This is a unanimous report and I would like to begin by thanking my colleagues, both government and opposition, for the considerable efforts they have made to ensure the result. It has been a very difficult inquiry involving matters of great public notoriety and sensitivity and concerning allegations against a senior member of the Senate, Senator Abetz, the Deputy Leader of the Opposition in the Senate, among other things. The politically controversial nature of the matters, the subject of the report, is of course notorious. Nevertheless, the fact that the committee has been able to reach a unanimous report in relation to the matter I think, if I may say so, reflects well on the way in which each member of the committee approached the task at hand.

To summarise some of the key findings of the report: in relation to whether any adverse action was taken against Mr Godwin Grech in respect of his evidence to the Senate Economics Legislation Committee, the committee has concluded:

• the conduct of the media at and after the hearing was excessive, inappropriate and in contravention of the rules but that there is no evidence that, in their zeal-ousness, camera operators and photographers intended any harm to Mr Grech or to the operations of the committee and, therefore, that no contempt was committed;

• the initiation of an Australian Federal Police inquiry into Mr Grech was not primarily motivated by Mr Grech’s evidence to the committee and, therefore, that no contempt of the Senate was committed by the AFP;

• the initiation of disciplinary action by the Department of the Treasury was not a direct consequence of Mr Grech’s evidence to the committee and that, therefore, no contempt of the committee was committed by any official of Treasury;

• it was unable to discover any evidence of ‘backgrounding’ of the media.

In relation to whether any false or misleading evidence was given to the Economics Legislation Committee or whether there was any improper interference with the committee hearing, the committee has made the following findings, among others:

• There is evidence that the Economics Legislation Committee was misled by references to a document—a faked email—later admitted to be false.

• In relation to allegations made concerning Senator Abetz, Senator Abetz did not make false or misleading statements to or, by any conduct of his, cause any improper interference with the hearing of the Economics Legislation Committee.

• There was no improper conduct by a Treasury officer, Mr Martine, at the hearing of the Economics Legislation Committee.

• Mr Godwin Grech gave evidence to the committee about his dealings with a journalist, Mr Steve Lewis, that was untrue.

• Mr Godwin Grech did not disclose to the committee that he had created a record of the email that he asserts he believed existed.

• Mr Godwin Grech suggested to the opposition that the Car Dealership Financing Guarantee Appropriation Bill 2009 should be referred to a Senate committee for the purposes of having his ‘evidence’ about alleged corrupt conduct by the Prime Minister placed in the public arena.

• There was no inappropriateness about any discussions involving Mr Grech,
Senator Abetz and Mr Turnbull concerning questions and answers that might be put to or responded to by Mr Grech at the hearing of the Economics Legislation Committee.

- There was no improper interference with Mr Grech in respect of his evidence and no improper pressure placed upon him by any person.

Although evidence was given to the Economics Legislation Committee by Mr Grech that was objectively false and misleading, and although the committee was also misled by references to an email later revealed to have been fabricated by Mr Grech, the committee has not been able to make any findings about Mr Grech’s state of mind at the time he took those actions because of the state of Mr Grech’s physical and mental health at relevant times. A finding of contempt constituted by misleading a Senate committee depends upon the existence at the relevant time of a subjective intention to do so. The fact that the statements were objectively false is not sufficient. The committee has not been able to conclude that Mr Grech knowingly and deliberately gave false or misleading evidence or that he knowingly and deliberately misled the Economics Legislation Committee about the basis of his inquiry.

The committee has been frustrated by its inability to arrive at a conclusion about Mr Grech’s culpability, both because of the state of his health and because of the practical difficulty of testing the claim of medical incapacity advanced by his treating doctor. Nevertheless, the committee has not found itself in a position to dispute the medical evidence of Mr Grech’s incapacity to participate in its proceedings. In these circumstances, the committee is unable to arrive at, and therefore has not arrived at, a conclusion that a contempt was committed by Mr Grech.

Might I make three observations in relation to the report. First of all, the hearing of the Economics Legislation Committee at which these events took place was a hearing at which a potentially very grave scandal—a scandal potentially involving the Prime Minister of Australia and the Treasurer of Australia—had been raised. It ultimately transpired, as we know, that the allegations against certain individuals including the Prime Minister and the Treasurer were based on a faked email. Nevertheless, at the time the reference to the Economics Legislation Committee was made, that fact was unknown to those responsible for the reference and could not reasonably have been known to them. It is absolutely the work of the parliament, including through its committees, including through Senate committees, to expose misconduct and corruption. The reference to the committee of these matters, on the basis of the knowledge of the individuals responsible for the reference at the time the reference was made, was an example of the parliament discharging its highest function. Not only was there nothing inappropriate about it; it was the very course of action that ought appropriately to have been pursued by Senator Abetz.

The second observation I want to make is in relation to natural justice. As honourable senators who read the report will see, the committee has bent over backwards to afford Mr Grech natural justice. We have, in the end, not found a contempt because we have been unable to test his state of mind by examination of him or by an exchange of questions and answers with him. Late in the day—in fact on Tuesday—the committee received from Mr Grech’s solicitors some detailed responses, which we have included as an appendix to the report of the committee. Nevertheless, I am at pains to stress—and both government and opposition senators who sat on the committee have been at pains
to ensure—that natural justice has been fully afforded to Mr Grech in this process.

Finally, I want to pay a particular tribute of regard to the staff who served the committee through this very difficult inquiry involving many meetings, taking dozens of hours, particularly meetings in the last few days which, for other unrelated reasons, have become quite difficult. Dr Rosemary Laing, the Secretary of the Privileges Committee, has served the Senate in her work on this particular report magnificently. This is the last of many, many Privileges Committee reports for which Dr Laing will be responsible in view of her promotion, news of which was gladly received by the committee during the course of its meetings on this reference, to the post of Clerk of the Senate. On behalf of the committee, I congratulate Dr Laing on that promotion and thank her most sincerely for her superb professionalism.

Senator JACINTA COLLINS (Victoria) (6.14 pm)—In speaking to the motion I, too, join the chair in commencing my comments by highlighting the difficult circumstances in which the committee’s inquiry was conducted and the committee’s attempts to put politics aside and, with the assistance of the Senate privilege resolutions, establish the facts and make findings by its usual means. I, too, commend all senators who participated in this committee consideration. These efforts, as evidenced by the report, were largely successful, and I note here that the Senate Standing Committee of Privileges has only split in its findings on one occasion. This was back in 1974 during the loans affair, again a highly contentious matter, but on this occasion, with another very contentious matter, we have been able to reach a unanimous report.

Because the matters it deals with are so serious—going as they do to the protection of the integrity of the Senate and its processes—unanimous reports by the committee are highly desirable. This is more difficult to achieve where senators may be subject to investigation, as Senator Brandis indicated, and there will necessarily be some element of partisanship. Such was the case with the second of the committee’s terms of reference. It is a matter of record that the opposition opposed these terms of reference on the first occasion—and, I think, on the second occasion. Consequently, government members of the committee were very mindful to ensure that the inquiry was not a witch hunt, as was alleged at the time, and that the report was unanimous so far as possible. The chair should be commended for some of his suggestions about how we could achieve this.

The irony is that, while Mr Grech and some senior Liberal Party identities sought, as the chair indicated, to bring against the Prime Minister and the Treasurer very serious allegations of political interference and misleading the parliament, what is before the committee is an enormous amount of material that indicates that Mr Grech himself was involved in what I would describe as cronyism, duplicity and misrepresentation. This material, consistent with the normal practices of the Senate privileges committee, has been included in the three volumes of material, and members of the public will be able to reach their own conclusions on reviewing some of this subject matter. But let me cover some of it.

Mr Grech was engaged in doing exactly what he was falsely accusing the Prime Minister of doing. Mr Grech was giving preferential treatment to a car dealer who was a Liberal Party supporter and donor and who was known to Mr Turnbull. While engaged in giving this preferential treatment, Mr Grech was gloating about misleading the Prime Minister to promote his cause of helping that car dealer. This duplicity and misrepresentation is demonstrated repeatedly in the
email communications attached to the committee’s report, with Mr Grech’s use of derogatory terms accusing the Prime Minister of being ‘a fraud’, ‘dodgy’, ‘a left-wing loony’, ‘a pure fake’, ‘dishonest’ and ‘misleading’. What I conclude from the material is that Mr Grech and his cronies were often simply projecting their own behaviour onto others, particularly the Australian Labor Party and the Prime Minister. As an aside, Senator Brandis himself said only last week on Sky News:

We all know about the Labor Party and mates.

Much of the material in this case before us is a story about Liberal mates. Mr Sinodinos, for instance, actually adopts the language usually attributed to the Labor Party with his use of the reference ‘mate’ in his communications.

But, on a more serious note, the committee was also presented with material relating to the pressure Mr Grech was under with respect to his evidence by virtue of his relationship with senior Liberal Party identities. As rumours of a document linking the Prime Minister and Mr Grant turned into reports that there may indeed be such a document, Mr Grech would have been under pressure in the lead-up to his evidence before the Senate Economics Legislation Committee hearing. These matters are closely associated with Mr Grech’s relationship with some senior Liberal Party identities, including Mr Turnbull. This relationship and the consequences for Mr Grech as the results of his assistance to the opposition began to surface in the public may in themselves have been a source of pressure for him.

The nature and depth of that relationship was such that Mr Grech provided Mr Turnbull and other senior Liberal Party identities with a range of advice on policy and strategy, including drafting detailed policy documents and advice directly to Mr Turnbull. Further examples of the nature and type of this comprehensive advice provided by Mr Grech to Mr Turnbull and senior Liberal Party identities include the following. There are examples of policy direction and strategies for dealing with the media as well as backgrounding the media on lines of inquiry to pursue the Rudd government. There are strategies on the focus and direction of Senate hearings such as the agenda, the order of appearance of witnesses and the provision of questions for Senate hearings. There was advice on Mr Turnbull’s elevation to Leader of the Opposition and nominating personnel for positions within Mr Turnbull’s office. This is a phase in the documentation that I refer to somewhat glibly as ‘recruitment central’.

There was advice on how the opposition should deal with the ETS issue, suggesting the backing of amendments, the avoidance of a double dissolution and then the attacking of the shortcomings of the legislation once it was passed into law. Mr Grech’s advice also extended to providing Mr Turnbull advice on his dealings with the National Party, an assessment and strategy for the 2010 election, and plans for a Turnbull victory in 2012-2013 and, indeed, on fundraising. Some of the advice offered by Mr Grech was taken up by Mr Turnbull. I should also take the time to make an aside that much of this material was circulated on Mr Grech’s Treasury email address, utilising government resources and presumably occupying some of the lengthy amounts of time during which, it was described, Mr Grech was working tirelessly in his role as a public servant.

There is no doubt from the material as I would assess it that Mr Grech believed that Mr Turnbull saw him as a dedicated operative of the Liberal Party with a partisan political agenda. In a series of emails between Mr Grech and a Liberal Party contact, it was suggested to Mr Grech that he consider a
senior role within Mr Turnbull’s office as either a strategic or an economic adviser. A Liberal Party contact also told Mr Grech that Mr Turnbull held him in high regard and with absolute respect. It would have been clear to Mr Turnbull and, perhaps less so, to Senator Abetz that in Mr Grech they were not dealing with a public servant trying to discharge a public duty but a dedicated operative of the Liberal Party with a partisan political agenda who was placing himself at some risk in doing so.

Mr Grech met Mr Turnbull and Senator Abetz in Sydney on 12 June, at Mr Turnbull’s wife’s office. Mr Grech’s actions when he tabled the emails, allowing them to be viewed and notes to be taken but not copied, suggests that he considered the emails themselves would not be used but merely the information contained in them. Mr Grech may have believed that there was enough information provided in the content alone for Mr Turnbull to pursue the issue without the need to table any of them in parliament or in a Senate inquiry. But, subsequent to that meeting, a more comprehensive set of interactions took place between Mr Turnbull and Mr Grech than Mr Turnbull stated in a joint press release on 4 August 2009. On 16 June a strategy was proposed by Mr Grech on how to deal with the journalist, Mr Lewis, and this approach was approved by Mr Turnbull. The information was to be passed on to Mr Lewis as strictly background, off the record and on a not-for-publication basis. Mr Grech made it clear to Mr Lewis in an email, which was also forwarded to Mr Turnbull, that the information needed to be treated in accordance with Mr Grech’s views. Given the clear instructions from Mr Grech on how the information was to be handled, Mr Turnbull would have known that the information needed to be treated in accordance with Mr Grech’s wishes.

When Mr Turnbull discussed it publicly at the press gallery ball, and gave an indication that documentation existed, Mr Grech would have been placed under further pressure. Such pressure may have been compounded by any other backgrounding that may help explain Mr Lewis’s preparedness to publish details beyond any understanding with Mr Grech.

In conclusion, it is hard to reconcile Mr Turnbull’s and Senator Abetz’s claim in their joint press release that they had not had any reason to doubt the bona fides of a senior public servant such as Mr Grech. Mr Grech was clearly a zealot, projecting his own cronyism and duplicity on the Labor Party.

(Time expired)

Senator ABETZ (Tasmania) (6.24 pm)—It will not come as a surprise to honourable senators that I am pleased with the report of the privileges committee. I thank all senators involved in it for their detailed consideration of the matters that were before them. At the outset, I would make the observations: (1) this is an unanimous report, (2) this is a committee that has a majority of Labor senators and, (3) without being too unkind, I think it would be fair to say that if Labor senators did find a way clear, subject to all the appropriate proceedings of the privileges committee, to make an adverse finding they may well have been tempted to do so.

The fact that they did not is very pleasing to me. I think it would be fair to say that I engage robustly in the activities of this parliament and in its committees, but at all times I trust I abide by the rules and also by the conventions. In a document that I have only had the opportunity to peruse now for 20 minutes, I have noted the findings on pages 100 and 101. I note that the committee unanimously found:

Senator Abetz did not give false or misleading evidence to, or cause any improper interference
with, the hearing of the Economics Legislation Committee.

‘He’—that is, me—’did not know at the time’ that what he was dealing with was a false document:

The committee does not dispute that Senator Abetz was acting in good faith in using material supplied by a source he did not doubt.

Further on, the committee found:

There was no inappropriate pre-arrangement by Senator Abetz of questions and answers for the hearing of the Economics Legislation Committee.

They also found that the hearing of the economics legislation committee:

… was an entirely legitimate use of Senate procedures to explore a matter of possible misfeasance.

When I addressed the Senate on this matter on 11 August 2009, amongst the comments I made were these:

I would point out to the Senate that talking to witnesses before they give their evidence is common practice, so is asking questions provided by a third party. Every senator knows this is true.

Whilst the Hansard does not disclose it, I did pause after that to see—and we had a full Senate chamber at the time—whether any senator was willing to interject and put themselves on the record in denial of that proposition. Not a single senator did and, of course, the committee has now found that there was ‘no inappropriate pre-arrangement’.

This has been a particularly distasteful experience for me in relation to the matters I found myself involved in. Allegations were made by some fellow senators and put on the public record, asserting that I had been into manipulation and involved in inappropriate pre-arrangements et cetera. I refer in particular to the interviews undertaken by Senator Milne and Senator Cameron. They may like to reflect on that. Some journalists took to their keyboards and to the airwaves with a vengeance, making all sorts of allegations. I have got a funny feeling that those same commentators and reporters will not be giving the findings of pages 100 and 101 of this report the same sort of publicity as they did when they sought to condemn and besmirch me. I daresay that is the way that public life is conducted, unfortunately; but if you are willing to make the allegations in your columns and programs, once the findings are made that you are wrong, then I would invite you to give equal airspace and column inches to say, ‘Well, we made the assertions but, in fact, they are now found to be not the case.’

I thank the committee for their diligence and, in particular, the Labor senators who very graciously looked at this with an open mind and came to the findings that they did. It is a relief to me and in particular to my family. I thank the Senate.

Debate (on motion by Senator Brandis) adjourned.

Sitting suspended from 6.30 pm to 7.30 pm

CARBON POLLUTION REDUCTION SCHEME BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2009 [No. 2]

AUSTRALIAN CLIMATE CHANGE REGULATORY AUTHORITY BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CHARGES—CUSTOMS) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CHARGES—EXCISE) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CHARGES—GENERAL) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) BILL 2009 [No. 2]
CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) (CONSEQUENTIAL AMENDMENTS) BILL 2009 [No. 2]

EXCISE TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME) BILL 2009 [No. 2]

CUSTOMS TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME) BILL 2009 [No. 2]

CARBON POLLUTION REDUCTION SCHEME AMENDMENT (HOUSEHOLD ASSISTANCE) BILL 2009 [No. 2]

In Committee

CARBON POLLUTION REDUCTION SCHEME BILL 2009 [No. 2]

Bill—by leave—taken as a whole.

Senator WONG (South Australia—Minister for Climate Change and Water) (7.31 pm)—I table five supplementary explanatory memoranda and an addendum to the supplementary explanatory memorandum relating to five of the bills. These memoranda were circulated in the chamber today.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (7.31 pm)—I overheard a comment from my colleague Senator Milne that we might as well point out the obvious at the outset, which is that this committee is now dealing with a whole raft of amendments and changes to the Carbon Pollution Reduction Scheme legislation and the Minister for Climate Change and Water is tabling explanations as to what she is doing in the debate. The process is one of guided ignorance. The government and the opposition have been negotiating these amendments over the last couple of days. There is a rush to have the amendments come in to be debated. I am not going to prolong it except to say we are now dealing with billions of dollars of Australians’ money through a deal stitched up between the government and the Turnbull opposition without any airing of that deal with the public. There has been no committee to allow the public or business to feed in to this outcome which is going to divert billions of dollars of their money into the big polluting industries. There has been no committee because the Rudd Labor government and the Turnbull coalition voted that down today.

I have never known of a process in here where so much has depended upon the government and opposition getting together and treating the Australian public with utter contempt when it comes to the ability of the Senate to service their interests and take in information from the wider public, including the scientific community which is so important but which has effectively been shut out and had a deaf ear turned to it by this minister, this government and this opposition. There is no point in railing about that because the numbers are in here, and numbers rule in politics. It is the planet that is at stake, and the process here is one that is clearly going on the record but it is one that the government will live to regret and the coalition will live to regret. It is just a pity that the onrush of climate change—and the minister spoke about that in question time today—is only used as a veneer for the government’s failure to act in a proper fashion.

The amendments we are dealing with here will no doubt go through because the government and the opposition are providing the numbers for it. The debate becomes one in which the outcome is known regardless of the content and the submissions in the debate. The first thing the minister does is table her explanation for what is going on with the debate already underway. It is a signal of what a bereft process it is for anybody who thinks this is, as the opposition itself has described, perhaps the most important legislation to restructure Australia since Federation.
The opposition, in league with the government, is treating the Senate and the people of Australia with contempt. At the outset that is a sign of where this committee is going to.

I predict there will be no changes here. There is going to be no listening ear from this minister. There will be no listening ear from the numbers that have it in here. There has been no committee. The Australian people, their businesses and the scientists who want to be heard on this issue, and should be, have been effectively locked out by the process. The government and this minister—is it for or failing climate change?—will live to rue the process that is unfolding here in the next couple of days. That is up to her; that is up to the government; that is up to the opposition.

My colleague Senator Milne, who has had a very large input into the debate on this issue and will continue to do so, has brought forward a series of amendments on behalf of the Greens. We will be speaking to those. We are not going to delay this debate. There is no point in that. But we will be heard; we will put on record the alternative; and we will test the government through the amendments because it is not just a matter of us voting for or against government amendments here. It is a matter for the government and the opposition to vote for or against the amendments that Senator Milne is bringing forward on behalf of the Greens. That is on the record, it will be on the record and it is something that we will be referring to in the future, as climate change continues to grow in the way in which it wrecks havoc on Australia's environment, its lifestyle, its economy, its employment opportunities, its export income and the hopefulness and happiness which a community which respects future generations truly, through legislating in their interest, has a right to enjoy but which it is being deprived of in large measure by this legislation now before the committee.

Senator WONG (South Australia—Minister for Climate Change and Water) (7.37 pm)—I am not sure if the opposition is represented other than by Senator Williams. Do you have a frontbencher for this debate?

Senator Williams—Senator Ronaldson’s supposed to be here.

Senator WONG—I thought I might give you some time—

The TEMPORARY CHAIRMAN (Senator Trood)—I would suggest, Minister, that you proceed in the absence of any other personnel.

Senator WONG—I thought I might just raise that slight technical issue. I would like to make some brief comments. We are keen on this side of the chamber to proceed with the substance. However, there are some things which Senator Brown said which I do not intend to respond to over and over again if they are said over and over again but which I will respond to on this occasion. It is the case that amendments are being moved. It is also the case that the Greens chose not to attend a briefing that I arranged for them with departmental officials which occurred prior to these amendments being publicly announced. They sent a staffer along who was there for 15 minutes and left. They are entitled to do that. If they do not wish to be briefed by the government on the amendments, that is a matter for them. But I make the point that it is difficult to take Senator Brown seriously, coming into this place saying he does not know about or understand the amendments, when the Greens party made so little effort to acquaint themselves with the detail of these amendments at a briefing that the government organised.

Senator Bob Brown—While the Senate was sitting.

Senator WONG—In fact the Senate was not sitting. We made the effort to do that as a matter of courtesy for the Greens, Senator
Fielding and Senator Xenophon. I simply make that point. As I said, the Greens do not have to attend briefings. That is entirely a matter for them. But it is a little unfair to come into this chamber and say, ‘We haven’t known about these amendments,’ if you do not avail yourselves—

Senator Bob Brown—Were you there?

Senator Wong—I was with the Prime Minister.

Senator Bob Brown—You’ve got an excuse already.

Senator Wong—Senator Brown says he is annoyed about me not being there. I would not have thought that a left-winger would be so worried about status. I would have thought a left-winger would be keener on content. I had a bit on yesterday, Senator Brown.

Senator Bob Brown—And you’re arrogant enough to think we didn’t.

Senator Wong—No, it was not arrogance. I was in cabinet, in caucus, with the Prime Minister or doing a media conference with the Prime Minister. I simply make the point that we did offer that. If the Greens do not wish to attend—

Senator Bob Brown—If you arrange a meeting with senators, you be there.

Senator Wong—Senator Brown suggests that he did not want to turn up because I was not there. It is an interesting requirement. I am happy to meet with Senator Brown if that is his request. I was not able to provide the briefing, so we sent a deputy secretary, from memory, of the department and some of my staff to provide that briefing. If Senator Brown does not want to attend, that is fine. But I think it is unreasonable—

Senator Bob Brown—Who do you think you are?

The TEMPORARY CHAIRMAN—Order! Senator Brown, the minister gave you the courtesy of listening to your remarks. Perhaps you could reciprocate.

Senator Wong—As I said, I was not of the understanding that it was a requirement of any senator in this place that a detailed briefing on policy required the attendance of the minister or else the person would not attend. I would have thought, if you were interested in content, you might have been interested in attending. Whatever the reason for it, as I said, the Greens are entitled not to attend if they do not wish. But I am not sure that the criticism that they do not know what is in the amendments holds much water.

There has been an enormous amount of consultation with the community on this debate. I described earlier today some 13—I think it was 13, but I could be wrong—inquiries that Senate, House or joint committees conducted in relation to climate change matters since we came to government. Let us consider just this legislation alone. It has been in draft form to one Senate committee. It has been again to a Senate committee post the bill being introduced. It was introduced into the parliament in May. It has been before the Senate previously, when the Greens voted against the legislation. It has now come back before the parliament at this point. There have been a green paper, a white paper and substantial consultation in relation to this legislation. It is the case that some final amendments now have been negotiated with the opposition. We hope that the opposition will therefore support the legislation. Without the opposition’s support, this legislation will not become law. It is quite clear that the crossbenchers—the Greens and Senator Fielding, which is a rather unusual alliance—and others will vote against this legislation.

Senator Xenophon—What about me!

Senator Wong—I apologise, Senator Xenophon. I forgot to mention you. So the
government is not able to do what it told people it would do prior to the election, which was to introduce an emissions trading scheme, without getting the opposition’s support. I now seek leave to move government amendments (1) and (2) on sheet BE242 together.

Leave granted.

Senator WONG—I move:

(1) Clause 2, page 2 (table item 2), omit “The 28th day”, substitute “The 42nd day”.

(2) Clause 2, page 2 (table item 2), omit “before the 28th day”, substitute “before the 42nd day”.

These amendments simply propose a 14-day delay in the commencement of the CPRS legislation. I am advised this will ensure a smooth handover of responsibilities from existing regulators to the new regulator, given that, if the bill is passed at this time, the handover period would include a Christmas break.

Senator XENOPHON (South Australia) (7.45 pm)—I want to make some comments very briefly in relation to the matters that were raised. I am grateful for the briefing the government provided through the minister’s chief of staff. Brenton Prosser from my office attended and it was useful to get that information. I think it is fair though to say that there have been a number of significant changes. In relation to these particular amendments I will get guidance from you, Temporary Chairman, as to whether it is appropriate to ask this question. As a result of the changes that have been negotiated with the opposition, has any modelling been done in relation to the impact of those changes on, for instance, electricity price rises and the effectiveness of the scheme in terms of abatement? In other words, to what extent does it change the parameters that the government has already put with its existing modelling? That is my broad question. I suppose it would relate reasonably to this whole issue of extending the time of commencement.

The TEMPORARY CHAIRMAN (Senator Trood)—I think it is appropriate to put that question to the minister. She may or may not choose to answer it.

Senator WONG (South Australia—Minister for Climate Change and Water) (7.47 pm)—The government has not done any additional specific modelling on these amendments. My advice is that the changes proposed do not alter the results of previous modelling, which has been released publicly, in relation to the likely, for example, CPI impact including electricity prices. There has been a minor change to anticipating the impact on CPI which was disclosed in the MYEFO, the Mid-Year Economic and Fiscal Outlook, which indicated because of an anticipated lower carbon price that there was a minor reduction in the impact of the scheme over the first two years from 1.2 per cent to 1.1 per cent.

Senator XENOPHON (South Australia) (7.47 pm)—Could the minister advise whether it is proposed to do further modelling as result of the negotiations with the opposition? If so, will that be released in due course? Will the government have an update on its figures on the impact in terms of abatement, electricity prices and other price rises in the community?

Senator WONG (South Australia—Minister for Climate Change and Water) (7.48 pm)—Obviously, given MYEFO you will see that the government will continue to monitor its own forecasts about not only this policy but a range of other policies. That is normal government practice. The Treasury modelling which was undertaken last year is, as I have said in this place before, the largest modelling exercise in Australia’s history. We are not proposing to redo that at this stage,
but the government will always continue to monitor its own forecasts including in relation to the projected effects of this scheme.

Senator XENOPHON (South Australia) (7.49 pm)—I am not expecting the government to model from scratch—that would be ridiculous—but is it proposed that there may be some supplementary modelling from the department as a result of the changes negotiated with the opposition?

Senator WONG (South Australia—Minister for Climate Change and Water) (7.49 pm)—I am advised that the department will undertake an analysis. For example, there are a range of projections associated with the scheme which we will have to ensure continue to be accurate. I have to say that is not a one-off process for these amendments. That is a reasonably regular approach to considerations of, for example, where Australia’s emissions are, what the impact of various policy parameters are and so forth.

Senator MILNE (Tasmania) (7.50 pm)—To follow Senator Xenophon on that, I note with interest that the government recalculated the subsidy to households as a result of the mid-year economic forecasts but there were no other adjustments in the cash payments available in the scheme. Can the minister explain to me why it was only for households that the financial adjustment was made?

While I am on my feet, I want to put on record the facts of the matter in relation to the briefing that the minister just spoke about. The fact is the government has been negotiating with the coalition for many, many weeks. Prior to that the Greens provided the minister with our amendments in full, so she has had them for that period of time. When it became obvious that a deal was to be concluded, I wrote to the minister saying that the Greens would like to have a briefing in confidence before the deal was announced. That did not happen. On the morning in question we received a letter from the minister saying we would get a briefing at 12 o’clock, bearing in mind that the Senate was to sit at 12.30 with the bells ringing at 12.25. My staff rang the minister’s office and asked whether the minister would be there in person or whether she was just sending her staff. We were told that it would be staff. We asked why 12 o’clock when clearly the coalition party room was dealing with the matter at that very moment; therefore the deal should have been made available to other people. We were rudely told that if we wanted to play politics, that would be an end to it.

The issue is that 12 o’clock was the briefing with the minister’s staff and a departmental adviser. When my staff arrived, the minister’s staff were late. They did not get there until after 10 minutes past 12, and the bells rang at 25 minutes past. So let us not have any nonsense here about how long a time was provided at that particular time to brief us on the entire package of amendments that the government had negotiated over many weeks with the coalition. In the course of this committee debate, we will get to trying to find out—no doubt Senator Xenophon and the Nationals will be quite keen to know—the exact details of the deal, and we will go through it in that time. But I think it is disingenuous to be suggesting that there was some comprehensive briefing arranged.

While I am at it, as I provided the minister with my full amendments at least six weeks ago, it was extremely disingenuous—when the minister had our amendments to show that the Greens opposed compensating the energy-intensive trade-exposed industries for their profitability but supported compensating them for their trade exposure—for the minister to say on national television at least twice that the Greens opposed any form of
compensation. That is not true. Our amendments were with her. They are still with her. They are before the Senate now and they will demonstrate that that simply was not the case.

I return to my original question as to why the only adjustment was in household compensation and why other cash payment compensation in the scheme does not seem to have changed.

Senator WONG (South Australia—Minister for Climate Change and Water) (7.53 pm)—The adjustment to the household package was reflective of the lower than expected carbon price. That change resulted from a change in parameters in relation to MYEFO, and accordingly the dollar compensation which had previously been calculated was obviously calculated in relation to a higher carbon price; I think the change was from $29 to $26 for the first year of a floating price under the scheme. Accordingly, the government agreed that we would adjust the household assistance to reflect the lower than previously expected impact on CPI and the lower than previously expected impact on household expenses.

The government is maintaining its commitment, and we have made that quite clear publicly. It has maintained its commitment to 120 per cent compensation for the overall costs of the scheme for low income earners and will continue to make a significant contribution to middle-income families. In relation to the other expenditure items under the scheme—I am not sure which ones the senator is referring to—obviously there are a significant number of programs where assistance is provided in the form of permits, so you would not adjust that. You would cost it differently in the sense that a permit cost post MYEFO might be different to the projected cost pre MYEFO, but, for example, for the electricity sector and the emissions-intensive trade-exposed programs, they are provided in the form of permits. So an adjustment to the carbon price projection is not going to affect the number of permits. It may reflect the costed value in terms of the forward projections.

The TEMPORARY CHAIRMAN (Senator Trood)—The question is that government amendments (1) and (2) on sheet BE242 be agreed to.

Question agreed to.

Senator NASH (New South Wales) (7.56 pm)—The minister will not be surprised to know that I have a number of questions around the area of agriculture. Obviously there will be some significant potential impacts in that area, and I have received a lot of correspondence and communication from those farmers out in the community who are extremely concerned about the impacts of the potential ETS on their farming businesses and their farming practices. While, of course, we are well aware that ‘agriculture’ has been excluded, there will be a number of embedded costs within the emissions trading scheme itself that will impact on those farmers. I firstly ask the minister if she could give me some indication—I will start with a very simple area—of the impact of fuel and of how any increases in fuel prices through the emissions trading scheme will impact on the farming sector.

Senator WONG (South Australia—Minister for Climate Change and Water) (7.58 pm)—Prior to the amendments negotiated with the opposition, the government had already announced that, for a transitional period of three years, we would offset the increase in fuel cost as a result of the carbon price for the agriculture and fishing industries. Subsequent to the negotiations with the opposition, the government has agreed to the opposition demand that that fuel credit should be extended to forestry. The assis-
tance in this transitional measure involves the offset, either in excise or in other taxation on fuel, offsetting for three years the increase in fuel costs due to the introduction of the CPRS and therefore a carbon price.

Senator NASH (New South Wales) (7.59 pm)—Minister, you might explain—I think this is what you said—the excise and other taxation arrangements. Firstly, in relation to the excise, could you explain to the Senate how that is going to work given that—as the minister would of course know—current arrangements for farmers are that they pay but that they get a rebate for the excise anyway. If the arrangements are around the excise provision, how will there be a benefit for farmers in that and how will that operate?

Senator WONG (South Australia—Minister for Climate Change and Water) (7.59 pm)—Senator, I do not seem to have the Treasury officials here who could answer some of the details of that question, because that obviously is dealt with in one of the other bills, but I will see if I can endeavour to get them here shortly. What I can say to you is that, whatever taxation arrangements are utilised to deliver that, the government has made clear that that offset will apply to the industries I have outlined.

Senator NASH (New South Wales) (8.00 pm)—Thank you for the indication that those Treasury officials might be here to answer that. I would say that is a very significant component not only for farmers but across the primary industry sector. It is one that would probably be top of mind for most of our agricultural producers. If the Treasury officials are not able to attend themselves, perhaps some of the other officials might be able to get that information for us in a reasonable time frame. Minister, as part of that answer you also mentioned other taxation measures, apart from the excise, that would apply to the arrangements surrounding fuel. Perhaps you could indicate what they were as well.

Senator WONG (South Australia—Minister for Climate Change and Water) (8.00 pm)—I have really responded to that already, Senator.

Senator NASH (New South Wales) (8.00 pm)—As a separate measure entirely, if you would like to answer that at the same time as the Treasury officials give that information, that would be highly appropriate. Given the fact that this is going to be one of the biggest issues, I would have thought that information might have been readily available. Minister, I think you indicated there would be three years for the offset in the fuel cost. Does the Senate take from that that after that three-year period there will be no further assistance in the provision of offsetting that fuel cost for agriculture?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.01 pm)—Senator, I might be able to assist you by referring to the white paper released in December 2008 which actually went through this. You may not have had an opportunity to read it. Chapter 17.6.3 goes through the fuel tax adjustment. I can photocopy it and pass it across to you if you would like. It indicates that we will:

... reduce excise and excise-equivalent customs duty (fuel tax) on 1 July 2010—this was obviously in place before we deferred the start of the scheme—for all fuels currently subject to the general rate of 38.143 cents per litre. The tax cut will be based on the effect of pricing diesel emissions.

We also indicated:
The Government will periodically assess the adequacy of the initial fuel tax cut and adjust fuel taxes accordingly. At the end of the three years, the Government will review this adjustment mechanism.
The Government will automatically assess the fuel tax rate every six months. Assessment will be based on the average permit price for the previous six months. If the average price exceeds the price used for the previous cut, there will be a further fuel tax cut. Any reductions will take effect on 1 February and 1 August each year.

There is some further assistance, which I could read out but, as I said, chapter 17, pages 16, 17 and 18, deal with this issue also in relation to other fuels.

**Senator NASH** (New South Wales) (8.03 pm)—I am the first to indicate that my knowledge of this in terms of the detail is not at the level the minister’s is. I put that to the minister and thank her for her answer. For those listening, though, just so we can get a very simple answer which perhaps might be helpful to those who really want to understand this, could the minister explain for us in very simple terms if it would be correct to say that after three years there will be no assistance? I understand the minister just mentioned something about a review. I am sorry, that was extremely complicated. Do I understand that after the three years there will be a period of review? Perhaps you could answer that a little more simply, Minister.

**Senator WONG** (South Australia—Minister for Climate Change and Water) (8.04 pm)—I have to say it is unusual for a member of the National Party to take such an interest in this scheme. Generally they are just telling us why it is such a bad idea.

**Senator Williams interjecting**—

**Senator WONG**—I am being civil. Senator, the details of that review have not been finalised or formalised. It is some three years hence. The government is simply saying that we are giving transitional assistance to those sectors because we do understand there is the need to adjust over time and that we would review at the three-year time frame the adjustment mechanism at that point. I am not sure I can really add to that. If you are asking me whether we have set up a committee and determined how it would occur, no, that is not the case. It is obviously a decision government would need to make down the track.

**Senator NASH** (New South Wales) (8.05 pm)—Thank you, Minister. I do indeed take a very keen interest in all the detail of this. Just because I do not have the same view as you does not mean I do not have an incredibly detailed level of interest in this particular piece of legislation. I do thank you, and we will look forward to getting some responses in terms of the detail. I would say it is probably rather concerning then for the agricultural industry to know that after a three-year period the process for any kind of review to determine whether or not there should be any further assistance is still being determined. I think that would lead to a great deal of nervousness for a lot of our farmers. Perhaps the minister might not be aware of the significant financial component that fuel does indeed make up for the costs that our farmers have on an ongoing basis in terms of running their farming businesses. Can I turn to the impact of the increase in electricity prices for the farming sector. What work has the gov-
ernment done to determine what impact, firstly, in general, those increases in electricity prices will have on the profitability of the farming sector?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.06 pm)—Senator, I can provide you with some details, if my adviser could hand me back my brief, of the impact on electricity prices. There have been a range of modelling exercises done which have been in the public arena. I seem to recall you may have even asked me about one of them during question time or at some point. If I can also go back to the fuel tax issue, you are asking me about a review in 2014, given the one-year fixed price and the later start to the scheme. In relation to household electricity prices, the increase in electricity prices which was released from the Treasury modelling I think last year is around $1.50 a week—this is an average increase or the household impact—in the first year of the scheme and about $2.50 a week on average in 2012-13.

Senator NASH (New South Wales) (8.08 pm)—Minister, thank you for that and, given that farmers live in houses, I am sure that will be very useful for them also. In essence, I did not ask you about the farmers’ household prices. I asked you what work the government had done on the impact of the electricity increases on the farming businesses themselves, not the farmers living in their houses. They have a pretty good idea of how much that is going to go up. I am keen to understand what the government has done in determining the impact of electricity prices on the farming businesses, not the households.

Senator WONG (South Australia—Minister for Climate Change and Water) (8.09 pm)—As I said, a range of studies has been done, but I do not have all the names of them to hand. I know of at least one if not two or more reports by ABARE which looked at the projected impact of the scheme on the agricultural sector. I will be happy to provide those—I do not have them to hand now. They are public documents. They have been in the public arena.

Senator XENOPHON (South Australia) (8.09 pm)—I ask a short question along the same lines as Senator Nash. In relation to the whole issue of electricity prices, are the modelling assumptions based on other countries coming into the scheme or are they based on Australia having a stand-alone scheme? I am happy to put that on notice. I am just seeking some clarity on the whole issue of electricity prices.

Senator WONG (South Australia—Minister for Climate Change and Water) (8.10 pm)—This is a question that goes to the modelling which was released last year, so my memory might be hazy. My recollection of that modelling is that we did make assumptions for various scenarios, all of which were referenced in the modelling documentation. We made assumptions about the extent of the action taken internationally, including some assumptions about the extent to which each nation—particularly those economies that will have a very significant impact on the global trajectory—had acted. I am not able to detail all of that. That was quite a detailed piece of work that was undertaken and released in October last year. The basis of the assumptions behind the various modelling scenarios in the Treasury modelling did need to extend to the extent of action taken in other nations.

Senator XENOPHON (South Australia) (8.11 pm)—I do not want to delay the committee stage any more on this particular issue—although I think Senator Nash wants to—but could the minister take on notice, even in broad terms, to bring that back to us and to update us on whether anything has
changed since that time. That would be very useful.

Senator WONG (South Australia—Minister for Climate Change and Water) (8.11 pm)—Can I be clear about what Senator Xenophon wants because, as I said, I can give him a copy of *Australia’s low pollution future: The economics of climate change mitigation*, the October 2008 modelling, but is he seeking something other than that?

Senator XENOPHON (South Australia) (8.12 pm)—Perhaps the most expeditious way of doing this would be for me to talk to the minister’s office to clarify that we are talking about the same page literally. My question is: to what extent have there been any changes in modelling assumptions about electricity price rises since that time? I am happy for you to take that on notice or for that to be communicated by the minister’s office.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.12 pm)—Minister, if we have done the modelling on the presumption that other countries are coming into a carbon reduction scheme, and currently they are not, would that not mean our modelling is now completely out?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.13 pm)—I will listen to Senator Williams, whom I try and listen to because he is a good bloke. He is said to be civil, and I will try and be civil, but I think it is really—perhaps inappropriate is too strong a word—regrettably that Senator Joyce continues to make assertions in this place which are incorrect. He knows that action is being taken in other nations. He conveniently forgets all of Europe, which has been under an emissions trading scheme for quite a number of years. He conveniently forgets New Zealand, which has a very big agricultural sector and which has already legislated its scheme. He conveniently ignores the fact that President Obama is trying to get one through his congress and was elected with a policy to reduce emissions and has adopted a cap-and-trade policy. He conveniently forgets that the Japanese government has pledged to introduce one. The premise of his question is factually incorrect.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.14 pm)—I will conveniently ask a few more inconvenient questions. Does the extent of the modelling that you had done now match the extent of global participation in a carbon emissions trading scheme?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.14 pm)—The modelling assumed a range of scenarios. If Senator Joyce’s question is, since he often talks about them, about China and India, it certainly assumed much later entry into reduction in emissions or, to explain it better, a much later set of actions from developing countries than developed nations. That was already something the government included as part of its assumptions. Obviously the difference between the way in which developed countries like Australia have to undertake action and developing countries such as China and India have to take action will differ. But my recollection is—and, again, this is from October 2008—that the assumptions were of a range of scenarios which included different dates by which different nations might start to restrain and reduce their emissions.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.15 pm)—In that range of scenarios and in your costing of that modelling—because that is very important—is your modelling premised on these countries coming in at an early stage, a latter stage or somewhere in between? To take one
country as an example, is the United States in your modelling in or out?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.16 pm)—The modelling released last year—in fact, some 13 months ago—included a range of assumptions about where nations would act, and those assumptions did vary depending on the nation. I would make the point that the United States, as I think I read out in question time today, has committed to reduce its emissions—not by as much as some would like but it has made that commitment politically. It is not yet implemented because obviously—a bit like what we have been going through here—there is political debate associated with the way in which that should occur.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.17 pm)—I am trying to drill down here. Because your modelling has met budgetary forecasts, it comes to a cost. You do not have a range of budgetary forecasts; you have a specific number and a specific outcome. So I am asking a specific question: does that modelling include the United States being in or out? Does it include China being in or out? With all due respect, New Zealand is not going to have a major effect on global commodity prices for Australia. So let us take the two big ones. Is China in your modelling forecast or out, and is America in or out?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.17 pm)—As I said, there are a range of assumptions in the modelling—from memory, reductions of five, 15 and, I think, 25 per cent—that we released which are on the public record and which make different assumptions about when different nations will act. I would be very happy, if you would like, to get one of the modelling people to explain it to you because they are interesting people. But your question does not have a yes or no answer because the scenarios had to assume different points at which different nations would act.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.18 pm)—This modelling formed part of the budgetary outlook?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.18 pm)—This modelling was the largest modelling exercise this nation has ever undertaken, Senator, and it was undertaken by the people who worked for Mr Costello when you were in government. The modelling was released publicly by the Treasurer and me in October last year.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.19 pm)—I asked a very specific question: does the modelling form part of the budgetary outlook—yes or no?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.19 pm)—I do not quite understand the way in which the question is posed, but I think Senator Joyce is getting at this: the assumptions that Treasury use to calculate what they believe the likely carbon price will be would include a range of parameters, and they would include reference to this work that Treasury had previously done. You may have been out of the chamber, Senator Joyce, but I had an exchange with Senator Milne in which we discussed why MYEFO had changed the projected carbon price. A range of assumptions by Treasury went into that. Obviously one of the assumptions is the likely international price of carbon, and behind that assumption are a range of assumptions about what the rest of the world is likely to do and about the nature of the global carbon market.
Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.20 pm)—There are a range of assumptions and I am very aware of it because they talk about the carbon price internationally going, from memory, from $29 to $26 and the reduction in payments going to houses. So we have a specific number—29 becoming 26. I am asking you the question: in the modelling that came up with that price, is the United States of America in or out of a carbon trading scheme?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.21 pm)—Could you repeat that?

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.21 pm)—Yes, I can, and all night if I have to. In the modelling of that price is the United States of America in or out of a carbon trading scheme? You cannot have a range of variances and say they are sort of in and sort of out. They are either in and it models through to a price, or they are out and it models through to a price. They cannot be in and out at the same time.

Senator WONG (South Australia—Minister for Climate Change and Water) (8.21 pm)—I think we are going around in circles here because you are asking me a yes or no question when there is not a yes or no answer. You are asking a question about a range of assumptions behind a very complex modelling exercise—all of which were released publicly and in relation to which the government modelled a number of reduction targets. Yes, there were assumptions made about United States action—just as there were assumptions about China’s actions, India’s actions and so forth—because you have to do that in order to get some sense of what the likely carbon price is. It was a highly complex and sophisticated process that was gone through, and it was quite transparent.

If the question is, ‘Did the modelling assume a cap and trade system being in place in America by a certain time?’, then of course that is not how it would work. The assumption is not what the mechanism is; the assumption is that the nation will take action. And they may do it by other means. In fact my recollection is that there has been some suggestion in domestic politics in the US that the EPA would utilise its powers to regulate industry so as to effectively impose an emissions reduction policy if the cap and trade bill does not proceed. So, Senator Joyce, if your question is, ‘Did we assume certain nations had a CPRS?’—to use your first intervention—then the answer is no. We assumed that nations would take action. There were different times assumed for different nations, which is logical—of course what the US does is going to be different to what China does—but we did not assume, and I might be corrected here, any specific policy mechanism to drive that change.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.23 pm)—So, Minister, what action did you assume the United States had taken and what action did you assume China had taken when you came up with the price per tonne of carbon of $29, which then became $26?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.24 pm)—Senator, I assume you know, from being in government, that Treasury uses a great many assumptions behind its budget projections. So I could not answer for every single parameter which was assumed, for example, in MYEFO. I can tell you that the MYEFO assumption about the reduced carbon price was made because the Australian dollar was assumed to be at a higher level and therefore, following through, there was an assumption as to a lower Australian dollar carbon price. So I am not sure what your question really goes to—perhaps I am mis-
understanding it. Again I say that we did not assume in our modelling any type of policy action, because that is a matter for domestic policy; we assumed, consistent with, I think, what is logical, that you would see action at various times by developed nations and that you would see growth and then decline by developing nations, particularly India and China.

Senator MILNE (Tasmania) (8.25 pm)—I just want to follow up on the minister’s statements in relation to the mid-year economic forecast and the assumption about the exchange rates in the government’s decision to redirect $5.7 billion away from households and towards the polluters. The government is assuming that the current high exchange rate of around A$1 to US$92c will continue into the future and thus lower the cost of the CPRS for households. Whilst you could assume that is consistent with normal budget process, assuming that the current exchange rate will continue as they are may in fact not be valid—for example, Australia’s current interest rates are higher than the rest of the world therefore encouraging financial capital inflow and raising the value of our dollar, but as the rest of the world recovers their interest rates could be expected to increase thus reducing demand for the Australian dollar. The demand for our mineral resources might be less than expected, reducing our exports and demand for the Australian dollar. As other currencies strengthen against the US dollar—for example, the euro—that will push up the US dollar permit price, and that is something that is beyond Australia’s control. Therefore what I am asking you, Minister, is: does the government reasonably expect that in the long run interest rates will continue at their current levels? What happens if the Australian dollar and costs to households are higher than anticipated by the government’s agreement with the coalition? What are your contingencies for assisting households if this is the case since you have redirected $5.7 billion out to 2019-20 on the basis of exchange rates? From the way we are looking at it, the assumption that you have made to justify the transfer of money from households to business is that there will be stability in foreign exchange markets. I find that extremely difficult to defend as a contention, so I am really interested to know: what is the contingency if indeed interest rates do not continue at their current level and what happens if the Australian dollar falls and the cost to households is greater?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.28 pm)—In that scenario the government already have a mechanism in place to ensure that our commitments to households are retained. There is a white paper commitment, which continues to be the government’s commitment, that we would review the adequacy of assistance to households every year—‘in the budget context’ is, I think, the wording used. That commitment is maintained. I have previously outlined the 120 per cent or more of overall cost-of-living increase for low-income earners, and we will provide additional support to middle-income earners. As you would know, Senator Milne, because you do take an interest in this scheme, the revenue obviously reflects the carbon price. So in the scenario that you talk about the government will be able to scale the assistance to the carbon price. That is what we would propose to do.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.29 pm)—
Minister, you have said that you have changed the price of the permits by reason of the appreciated Australian dollar. Would you have to change the price of the permits if the United States of America did not come into the trading scheme to the extent that you modelled it in 2008?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.29 pm)—The government and I do not change the carbon price. Treasury’s forecasts of the carbon price changed. I just wanted to make sure that was clear. I refer the senator to the MYEFO where the explanation of the parameter change was set out. If the senator does not have a copy, I can provide him with one. That parameter change—assumption is not quite the word to use in these circumstances—was clearly spelt out. I will come back to you, Senator Nash.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.30 pm)—Minister, I refer you to the very front of the white paper from the Australian government where it says:
The Commonwealth expressly disclaims liability for any loss, however caused and whether due to negligence or otherwise, arising directly or indirectly from the use or reliance on information contained in the White Paper by any person.
Do you deem the permits to be a property right?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.31 pm)—I am advised that they are at law a property right. While I am on my feet, I wonder whether I could provide some assistance to Senator Nash.

Senator Nash—I am planning on going back to some of that.

Senator WONG—While I am here, I am going to deal with it, if that is okay. In June 2009 ABARE published a paper entitled ‘Effects of the Carbon Pollution Reduction Scheme on the economic value of farm production’. I have parts of it here. The percentage in total on-farm input costs because of the CPRS, relative to the average calculated over 2003-04 to 2007-08, were as follows: in 2011—this is assuming agriculture is not covered—all broadacre industries were 0.06 per cent; wheat and other crops 0.05 per cent; mixed livestock crops 0.05 per cent; sheep 0.07 per cent; beef 0.05 per cent; sheep/beef—I am not quite sure why that is a different category—0.07 per cent; and dairy 0.18 per cent. That was a 2011 forecast, as I said, in an ABARE publication from June 2009.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.33 pm)—What is that figure of 0.08 in regard to? It is 0.08 of what?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.33 pm)—Sorry, I thought I indicated that. These are per cent increases in total on-farm input costs because of the CPRS, relative to the average over the period 2003-04 to 2007-08. What I read out for each industry was the ABARE calculation for 2011.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (8.33 pm)—The modelling has put forward a price which will be taken as a recommendation into the future as to what that property right is worth?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.34 pm)—I am not sure I understand the question. Are you suggesting that the government is somehow indicating the worth of the permit? No, the government is not. What the government is doing, which is a responsible thing to do, is making assumptions about what the likely price of carbon will be for the purposes of projecting revenue and expenditure, as well as the likely economic effect of the scheme.
Senator Joyce (Queensland—Leader of the Nationals in the Senate) (8.34 pm)—But the recommendation in the modelling deals with certain circumstances, and in the modelling it appears—you might refute this—that the extent of involvement in action by the major emitter, the United States of America, to reduce carbon emissions is beyond the action that America is currently taking—or is that misguided?

Senator Wong (South Australia—Minister for Climate Change and Water) (8.35 pm)—I think we are traversing the same ground. I said there was a range of assumptions in the Treasury modelling. The Treasury modelling has been made publicly available. There were different assumptions about when action would be taken. We did not assume any specific policy mechanism to reduce emissions. In other words, we did not make an assumption about whether the US would have a cap-and-trade system or do it by regulation. We made assumptions about when countries would start to take action.

Senator Joyce (Queensland—Leader of the Nationals in the Senate) (8.35 pm)—You talk about a range of assumptions and the extent to which the United States will take action, but we have come up with a specific price in the modelling. That would suggest that you have to come up with a specific type of action and try to correlate the specific type of action that you presumed the United States would take. Is that the extent to which the United States has taken that action or not? Can you please explain to me how a range of actions from the United States—from no action at all to a 20 per cent reduction; I do not know what your range of actions is—could be all incorporated at exactly the same time to come up with one price?

Senator Wong (South Australia—Minister for Climate Change and Water) (8.36 pm)—The first point I would make is that you are assuming that no action is already being taken, because the Waxman-Markey Bill has not passed yet. In fact, there are already mechanisms in place. For example, there are the renewable energy and fuel efficiency policies of various state governments which are seeking—not as much as I am sure many of us would like—to reduce emissions in the United States.

I again say the assumptions in MYEFO are about the likely carbon price. Obviously, like any budget forecast, they may change. Senator Joyce is an accountant and he knows that budget forecasts may change, and obviously the government would have to ensure the scheme is calibrated when it starts and that the scheme continues to be calibrated against the future projections. That is why we have built in annual reviews, as I said in answer to Senator Milne—in order to ensure that the commitment to compensate and assist Australian families continues to be met.

Senator Joyce (Queensland—Leader of the Nationals in the Senate) (8.38 pm)—I am aware of budgeting and, unfortunately for me, I am an accountant. There are a whole range of baseline assumptions that are made. You cannot make a model out of a range of assumptions. You have to be specific if you want to come to a specific price. Otherwise, you must deliver a range of outcomes and a range of prices. If America are as advanced in the action as you presumed then the demand for permits will be higher. If they are below expectations then the demand for permits will be lower. If there was a presumption in the 2008 modelling that Copenhagen would be successful then the demand for carbon will be higher, the price will be higher and the assumptions about what you will gain on the income side of your budget will be extensively advanced from where it will be if there is not a successful outcome at Copenhagen and you have to purely rely on a domestic set-up.
This is why it is so important to find out exactly what the correlation currently is between the assessments of Treasury and where the world actually is at this stage. The answer that there are a range of assumptions seems to deny us the capacity to hear in this chamber exactly what the assumption was about this point in time. You stated that you are not happy with where the United States is at this point in time. You stated that you 'would like them to have been further along'. Is that also the view of the Treasury modelling?

Senator Wong (South Australia—Minister for Climate Change and Water) (8.39 pm)—Senator Joyce, if I may, I respectfully suggest you are conflating quite a number of issues here. I want to make clear a number of things. The first is that we did not assume in the modelling, nor has Treasury assumed, a specific outcome for Copenhagen. That was one of the assertions you made. That was not assumed.

The second is that you seem, Senator Joyce, to be suggesting that the assumptions about carbon prices were wildly inaccurate. I am advised that the current international carbon price is around $22, so I would have thought an assumption that, as at 2012, the carbon price will be in the order of $26 seems reasonably sensible. Senator Joyce seems to be suggesting the current government has pulled some trick or is wildly inaccurate in its assumptions about the carbon price. As I said, it is reasonably close. You would assume that there would be an increase in the carbon price over the next couple of years. It is around $22 currently. If Treasury forecasts change in relation to the carbon price—as they change in relation to a great many factors, as the senator knows—certainly in relation to Australian households the government has built in an annual review in the budget context to ensure we maintain our commitments.

Senator Milne (Tasmania) (8.41 pm)—I rise to ask a question about the modelling. The minister quite rightly says that Treasury modelled, I think, five, 10, 15 and 25 per cent reductions between the Treasury and the Garnaut modelling, which used Treasury's assumptions and so on. Why did the government refuse to model 40 per cent when it had been shown in the other modelling that there was virtually no difference in cost, or very little difference in cost, between a five per cent reduction and a 25 per cent reduction? Why did the government refuse to ask Treasury to model the 40 per cent reduction when the Greens wrote and asked the government to do so?

Senator Wong (South Australia—Minister for Climate Change and Water) (8.42 pm)—The government did make a decision about what it regarded as being both an ambitious and a credible target, being a target that we could reach. I understand the Greens position that they would seek a 40 per cent target—that is well known. That is not the government's position. The government took the view that a 25 per cent reduction, as the upper end of the likely 2020 target range for consideration, was an appropriate and responsible target. It does, of course, imply a very substantial reduction between 1990 and 2020. My recollection is that that is something in the order of a 48 per cent reduction in the carbon footprint of every Australian over that period, which is a significant reduction. So the government made a decision as to what we regarded as sensible and appropriate targets to model, and that has informed the decisions that were made. We also took the advice in relation to this of Professor Garnaut, who considered that 25 per cent by 2020 was an appropriate target for Australia in the event of an ambitious global agreement.

One of the difficulties or challenges in this debate is that there is a lot of focus on one
milestone, which is the 2020 milestone. We have to remember that 2020 is one of the milestones on the way to a far deeper reduction in emissions. That is what the world has to do and that is what Australia has to do. The government’s election commitment was to a 60 per cent reduction by 2050, which is obviously very significantly beyond 25 per cent. The Prime Minister made clear—last year, I think—that in the event that we believed a more significant midcentury reduction should become Australia’s target he was prepared to make it so, subject to receiving a mandate for same at a subsequent election.

Senator MILNE (Tasmania) (8.44 pm)—The question was about why you would not get Treasury to model it, especially when the modelling had shown that the cost of five, 10, 15 and 25 per cent reductions were virtually the same. Why would you not, if you were keen to reduce emissions, model further out from that to see if there were a point at which there was a step change in costs in which you might make a decision on it? If the modelling showed there was very little in costs between five and 25 per cent reductions, why would you not have gone out to 40 per cent?

Secondly, at the time that this discussion was happening, at the COP in Bali the road map had identified, albeit removed from the text and put in a footnote, 25 to 40 per cent, and the minister herself would be aware of that since she was chairing the umbrella group which supported removing 25 to 40 from the text. Since the Bali UNFCCC said that developed countries should reduce their emissions between 25 and 40 per cent, why would you not have modelled it in line with what the rest of the world was asking of developed countries?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.46 pm)—I have a couple of points. The senator suggests there is not a different economic cost. I just sought advice because I could not recall what the starting carbon price for a 25 per cent reduction was, and the Garnaut model of 25 per cent had a starting carbon price of some $52. So I do not think it is correct to say that the costs are virtually identical. I think that is one of the difficulties in this debate. I respect the Greens having a different policy position on this issue, but I disagree with the assertions that these do not come with different economic costs. The reality is that the transition of our economy—which, as the senator knows, is a highly carbon intensive economy—from one that is highly carbon intensive to one that is low polluting is very substantial economically, and where we differ from the Greens is that we believe that transition has to be dealt with responsibly and effectively. We want to support industry and Australian jobs through that process of transition, so I am a little unclear why the senator says there are virtually identical costs.

Regarding the point about what the rest of the world was asking, I am trying to recall if there is any developed country that has promised that level of ambition. We do face a significant challenge in reducing our emissions precisely because we are such a high per capita emitter. That is not an excuse. We should not use that as an excuse to not act, which is what occurred for too many years under the previous government, but it does demonstrate the scale of the structural change to our economy that we have to achieve in order to reduce our emissions.

Senator MILNE (Tasmania) (8.48 pm)—The point I was making is in relation to the Treasury’s own modelling, which showed that there was very little difference in impact on the gross national product over time. That is what I was referring to and that is what Sir Nicholas Stern’s report showed as well: under all these scenarios there would still be
considerable growth in the economy; it would just be marginally lower than otherwise would have been anticipated. That is the point that I am making. The minister still has not explained why she would not have modelled the Bali road map, since that is the road map that was understood and agreed for developed countries.

The minister also says she does not know of any other countries that have named that level of ambition. I can inform the minister that Britain has said that it would go with a 34 per cent target. The Norwegians, I think, have an even higher target than that. I will check that in a minute. Scotland has gone for a 42 per cent target. So there are other countries. The Europeans have said they will do 20 per cent by 2020 and go to 30 per cent in the context of a global agreement. I would be interested in knowing what the Treasury did say about the impact on GNP over time in those different scenarios.

**Senator Wong** (South Australia—Minister for Climate Change and Water) (8.50 pm)—I do not have that document in front of me. I am advised that the difference in GNP impact was one of 1.7 per cent as opposed to two per cent. In current dollar terms, I am also advised, that is approximately $3.5 billion or more.

**Senator Joyce** (Queensland—Leader of the Nationals in the Senate) (8.52 pm)—It is more the expenditure that I am looking at. You talk about the ETS being in regulation, but I am asking for anything in the actual legislation which we are about to vote on: is there anything in that legislation that actually prescribes where money is going to be spent from the money that is collected?

**Senator Wong** (South Australia—Minister for Climate Change and Water) (8.52 pm)—I have explained that there is, for example—I should have mentioned this—one bill which deals with household assistance. That is one of the bills before the Senate currently. There is another set of bills which deals with the fuel tax expenditure, and that is also before the Senate. For the ESAS—I apologise, I think I called it energy sector, it is the Electricity Sector Adjustment Scheme—there are provisions in the primary legislation. The ET framework is referenced in the legislation and, I think, also in the explanatory memorandum. So, it is not just press releases, this is government policy. We know that business and households want certainty around this framework, and we have sought to provide it.

**Senator Joyce** (Queensland—Leader of the Nationals in the Senate) (8.53 pm)—What is the total amount that is actually pre-
scribed to be expended via the legislation, not by regulations or by statements?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.53 pm)—I am not sure that I could give you a breakdown of which parts of the money were subject to legislation as opposed to delegated legislation—I think that was, essentially, the question? For example, in the explanatory memorandum which was provided in relation to the primary legislation, the government, in fact, put out the fiscal balance table, which indicated how much revenue was being allocated to different aspects of the Australian community: how much was being allocated to emissions-intensive trade-exposed, how much was being allocated to households and how much was being allocated to the Climate Change Action Fund. As I said, there is, in fact a household assistance bill, which is one of the bills currently before the Senate.

Senator MILNE (Tasmania) (8.54 pm)—I just wonder if the minister could point out to the committee what the difference is in GNP out to 2050 between a five per cent, a 10 per cent, a 15 per cent and a 25 per cent cut in emissions?

Senator WONG (South Australia—Minister for Climate Change and Water) (8.55 pm)—Senator Milne, you might have those figures in your head, but I do not have GNP impacts out to 2050. I will endeavour to see if I can provide those.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (8.55 pm)—The minister explained that the difference between a 25 per cent cut in greenhouse gases over 1990 levels by 2020 and a 40 per cent cut was 0.3 of one per cent of gross national product, or $3.5 billion. I think those are the figures she gave to the committee. They indicate that regardless of which you choose there will be a significant growth continuing in the economy when you get to 2020.

When you look at $3 billion or $3.5 billion in 2020 it is very small indeed, compared to the amount that the government suddenly found it could give to the coalition in reaching a deal yesterday in 2009 dollars to get a political fix, which we are now dealing with. It underscores the importance of Senator Milne’s original question. Having known that the Intergovernmental Panel on Climate Change was recommending that the developed countries have a 40 per cent cut by 2020, that it was a target which would achieve a measure of safety way beyond a 25 per cent reduction and that it would, in particular, raise the chances of protecting the Great Barrier Reef—which under this legislation is enormously endangered—and the Murray-Darling Basin and its food producing potential—the minister herself is talking about a 90 per cent potential reduction in this century in its ability to produce food, and this legislation that she has before the parliament is going to do very little to insure against that drastic outcome and many other damages coming to Australia—the question still is: how on earth, except for saving a political argument based on reality and facts that should be available to this committee, did the government make a decision not to model 40 per cent?

That is what the global scientists were saying who informed the government and it was, as Senator Milne said, part of the Bali deliberations. It was very much publicised at the time. It has always been part of the debate in Australia. If you take the Greens out of the debate, you are left with the leading climate change scientists in Australia, who are always calling for their preference—a 40 per cent reduction by 2020. But the government, deliberately, with forethought and with a great deal of political consideration, not only decided not to model a 40 per cent re-
duction but to refuse a very clear request from the Greens to have that reasonable and responsible alternative, which would make this country much safer from climate change, modelled. I put it to the committee that the reason for that is the government did not want to face the reality that that modelling would have shown it was a very reasonable and responsible option—economically as well as in every other way.

This government and this minister studiously refused to allow that modelling to occur so that when we were debating this tonight we could not have that alternative debated from a point of public interest let alone Senate common sense. This minister, this Prime Minister and this government deliberately set out to refuse this Senate and this parliament crucial information to be able to evaluate whether the prime call for scientists to make this country safe was within reasonable economic reckoning. It was deliberate and with aforethought. It was a studied effort to stymie the parliament’s and the public’s right to know whether that alternative was a reasonable one. If you just look at the figures that the minister has revealed about the 25 per cent reduction over the five per cent reduction, a simple extrapolation will tell us that the 40 per cent reduction would have allowed the economy to continue to grow and would have made this country much, much safer, and the government did not want the public to know that.

Before it allowed such modelling to take place the government took a decision that for its own political reasons it did not want this hugely important piece of information to be made available to the House of Representatives, the Senate, the parliament, the people of Australia or business in Australia. It is an abrogation of responsibility not done by mischance, mistake or oversight but a deliberate and studied abrogation of the right of the parliament to be informed. The government made a decision based on its own selfish politics against the wider interests of the Australian people and their right to be informed. Let that be on the record, because it was a disgraceful decision made by the Rudd government not to have an enlightened debate on the alternatives which the best scientific minds in this country said we should be debating here tonight. I cannot go further to express the absolute disgust that should be expressed about that behaviour from the minister, the Prime Minister and the government in cheating this assembly and the people of Australia of their right to have a full and informed debate on a scientifically based option which we should have adequately and equally debated before this chamber tonight.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.02 pm)—I think the one thing I do agree with Senator Brown on in that contribution is that it is possible to grow the economy and reduce emissions. We do believe that as a government. We also believe that if you set targets you should ensure you achieve them and that means taking action and introducing a scheme that delivers that. We also believe that we have a responsibility as the national government to manage the transition. I do not think the proposition that you can ignore the impact of a higher carbon price on different sectors of the economy or disregard it is a sound one. The reality is a higher carbon price will fall very differently depending on the industries involved. Obviously over time what you do want to do is encourage the economy as a whole to move to a much more low polluting economy; you want to encourage much more energy efficient processes and new industries. I think the question here is how you achieve that and how you manage the transition. We do think there is a significant economic dif-
ference, particularly on a sectoral basis, between, for example, a starting carbon price of $50, $60 or $70 and a starting carbon price which is lower. I think that is self-evident, and the question is: how do you best manage that transition?

On the senator’s figures, when I said approximately 3.5 billion—and that was some mental arithmetic being done by some of my departmental officials here—that was in 2009 terms for each year, not one off. I just make the point that out to 2050 it is obviously a much bigger number. The GNP differences in the different scenarios modelled are set out on page 149 of the Treasury modelling. They range between minus 5.1 at 2050 to minus 6.7. We agree you can grow your economy. You can continue to grow jobs and reduce emissions. The government absolutely believes that. That is why we reject some of the scaremongering in this debate and we believe that as the nations of the world increasingly move towards those low carbon goods and services the world will increasingly move towards a global carbon constraint. We do want Australia to be able to compete in that world. In addition, we also know the costs of climate change to this nation. That is why we are doing what we are doing.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.05 pm)—What were the main factors that brought about the downward assessment on the price that Garnaut expected permits to kick off at? I do not know what that price was—$56 or something in that range. Now we are at $26 in the modelling.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.06 pm)—The modelling that I was referring to was Garnaut’s minus 25. The modelling for MYEFO assumes minus five for the purposes of budgeting. Obviously, if Australia goes for a more significant reduction at 2020 then those parameters will change. Again I emphasise that the government will adjust household assistance to continue to meet the commitment we made that 120 per cent of low-income households’ overall costs will be met.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.07 pm)—What is the differentiation in involvement in international trading between those two figures?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.07 pm)—Both scenarios assume international trade. My recollection is the Garnaut modelling assumed a much deeper and more liquid international carbon market because it was predicated on an assumption of greater action. I do not want to speak for Professor Garnaut—my recollection might be hazy—but his report looked at different scenarios. The 25 per cent scenario was in the context of an ambitious global agreement where other developed economies were doing more and developing economies were taking action consistent with an environmental objective of atmospheric stabilisation around 450 ppm.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.08 pm)—So the Garnaut model is predicated on, as you state, deeper action and, therefore, a more advanced permit system. The MYEFO is now predicated on less action and that has an effect on the price. Therefore, the deepness of action, to use a clumsy phrase, correlates to price. Yet we do not seem to be able to get to a clear and decisive statement about what extent of action the current price is actually predicated on. You have now clearly elucidated for the chamber that variations in action produce variations in prices. The range of actions that were predicated in 2008 are
obviously different to where the world is now. What is the state of action that we are now at? Is it in line with what was predicated in 2008?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.09 pm)—I am advised—and this is how I should have answered your question, with hindsight—that the five per cent modelling and costings assume what we call a 550 ppm scenario. The Garnaut 25 per cent assumed a 450 ppm scenario. Obviously one is a greater level of reduction than the other and has a consequently higher carbon price. The greater the level of reduction, the higher you would anticipate the carbon price to be.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.10 pm)—We know that parts per million of carbon dioxide are going to be neither predicated nor affected by what happens in Australia—that is without a shadow of a doubt—or at least the minutia that it would be affected by is so minute it is ridiculous. So are you now saying the MYEFO is predicated on 450 parts per million?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.11 pm)—I am advised the wording is consistent with 550 ppm.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.11 pm)—We are getting somewhere here. What form of reduction in the United States of America would the 550 parts per million be predicated on?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.11 pm)—We are really traversing old ground.

Senator Joyce—I want to get an answer.

Senator WONG—Senator, you are asking a one plus one question when the answer is much more complex than that. You seem to be suggesting, if I have understood you—and I may not have understood you, because I am finding it a little difficult to follow the argument—that somehow the government’s figures are all wrong because we assume that the US will have a cap and trade scheme by 2011 on the dot. That is not how the modelling works. You are talking about action over decades. That is what it will take to start to reduce the growth in global emissions—to get them to peak and then decline—and that is what it will take to stabilise the atmosphere. We did not assume a specific outcome for Copenhagen. We did not assume particular action by the US. This is all in the documents which were released last year. For the purposes of that modelling, we did assume action by developed nations over a period of time. We did assume action over different periods by developing nations consistent with their emissions growing and then declining over time. I do not know how much more I can assist you, because you want a simple answer, a yes-no answer, to a question where there is none.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.13 pm)—With all due respect, Minister, it appears there is no answer at all. The premise of one plus one is perfectly right. One plus one gives an answer. It is two. What we seem to have is a question of, ‘What is one plus one?’ and the answer we are getting is, ‘An apple, a pear and Tuesday morning at sunrise.’ It is really quite simple: are we on track? The modelling has to be based on something. It cannot be so nebulous as to not be able to be defined in any way, shape or form, because the whole thing is premised on an aspiration of collecting $70.2 billion in the next six years. That is a pretty precise figure. I am asking a very simple question: is the consistency of your expectations of global action in
line with where the modelling was in 2008 or not?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.14 pm)—The modelling looked out to 2050 from memory. You are asking me a question about whether in the last 12 months things have happened such that I might change my view on the accuracy of advice to government on a modelling task which went out for 40 years. That is why this is not a one plus one question.

In relation to what lies behind your proposition about whether or not others have acted, it might assist you to know what has been put on the table. Senator Milne referenced the European Union targets of minus 20 to minus 30. They are coming off a lower level, which I am sure you would know, Senator Milne. I think their Kyoto target was 92 per cent off 1990 so obviously their reduction in percentage point terms from where they are is reasonably comparable to that proposed by Australia—but I digress. The European Union target is minus 20 to minus 30 on 1990 levels; they have an established ETS. Japan has announced a target of minus 25 per cent on 1990 levels and has planned an ETS and a renewable feed-in tariff.

Mexico has committed to reduce emissions by 50 million tonnes annually until 2012 against business as usual and by 50 per cent below 2002 levels by 2050. That was announced in June 2009 by President Calderon. The Russian Federation has officially announced a reduction of minus 10 to minus 15 on 1990 levels. The Republic of Korea on 17 November announced its intention to reduce emissions to 30 per cent below business as usual by 2020. The draft legislation in the United States proposes a very significant reduction of up to 30 per cent on 2005 levels, so it is a different baseline, and they are legislating for a suite of policy measures including an ETS. Brazil’s President Lula announced on 14 November 2009 that they would reduce emissions by between 36.1 and 38.9 per cent relative to business as usual by 2020. The majority of that target is a reduction in the rate of deforestation.

China has announced that it will increase its share of non-fossil fuel energy consumption to 15 per cent by 2020. It will increase forest coverage by 40 million hectares, forest stock volume by 1.3 billion cubic metres by 2020 and it has indicated it will announce a reduction in carbon dioxide emissions per unit of GDP by what is described as a ‘noticeable margin’. So we look forward to that announcement. India has a national energy efficiency plan, which includes a cap-and-trade market, to save about five per cent of India’s annual energy consumption by 2015 and reduce annual carbon dioxide emissions by 100 million tonnes. India also has a solar target of 20,000 megawatts by 2020.

President Yudhoyono of Indonesia has announced a BAU, business-as-usual, reduction target of 26 per cent below BAU by 2020 and is willing to increase that to 41 per cent with overseas support. We are of course working quite closely with Indonesia on reduction in emissions from deforestation. South Africa announced a peaking year last year where it indicated it would work to peaking by 2020 to 2025 at the latest, stabilising for up to a decade and then declining. I put those on the record, Senator Joyce, because behind your question appears to be a suggestion that no-one else is acting and they are and so should we.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.18 pm)—I think they are acting very well. Their acting is almost Shakespearean to some extent. The issue is that their acting and our legislation are two different things. I look forward with
foreboding to your monitoring of how India and China actually go with their commitments. It will be something to watch someone tearing around about Hubei province or the Punjab to see how they are going with their carbon emissions. It is also going to be fascinating to see what we tell the United States when their depth of action, as you put it, is not quite what we expect when the Waxman-Markey bill finally finds its way, even if it does, out of the United States Senate. As far as the President of Brazil, I wish you all the best. These are all noble gestures. I note also with a sense of irony or paradox that I think if we did a correlation for all those nations that you just mentioned between the position taken by those nations at Kyoto and where they are now, it is going to be a rather depressing outcome for our nation.

To move on to another issue, with the amendment to exempt agriculture, is there anything exempted in that, Minister, that was not already not in place because your transition period was going to be 12 to 15 months? Is there anything in that exemption that would otherwise have been in place in 2011?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.20 pm)—Senator, as you know, we had a policy which did not include agriculture in this bill but we would consider it for inclusion in 2015 with that decision to be made in 2013. We have agreed with the opposition’s demand that agriculture be excluded indefinitely, so our previous policy position, which you have been, I think, quite critical of, is no longer the government’s policy position.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (9.20 pm)—Confirming this, what you are saying is the much lauded exemption of agriculture is really nothing more than what was, at inception, the status quo?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.21 pm)—I just wanted to check. My recollection is and I think my advice is that there is in fact an amendment to ensure beyond doubt that agriculture is excluded consistent with the agreement with the opposition.

Senator Nash, I have been provided with some advice on fuel credits. I am advised that we are proposing to use an existing arrangement which is the arrangement in relation to fuel tax credits. Agricultural producers will simply claim CPRS credits on their BAS. The agricultural sector will receive CPRS fuel credits to offset the impact of the scheme on agriculture’s fuel costs in the first three years of the scheme as I have advised. We will utilise CPRS fuel credits because agricultural users do not directly benefit from the cent-for-cent excise reduction which is applied for other fuel users.

Senator NASH (New South Wales) (9.22 pm)—At what rate will that happen?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.22 pm)—I am advised that that will be set in advance closer to the commencement of the scheme, when we have clarity around the cost impact and therefore the excise reduction which is required.

Senator NASH (New South Wales) (9.22 pm)—Okay. In very simple terms, will that be a percentage of the impact? What will be the criteria around which that is determined?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.22 pm)—It will be calculated on the cents-per-litre impact of the carbon price.

Senator NASH (New South Wales) (9.23 pm)—So it will be the cents-per-litre impact. But what percentage of that impact will the government determine is an appropriate level of assistance?
Senator WONG (South Australia—Minister for Climate Change and Water) (9.23 pm)—The commitment is to fully offset, so the assumption will be made. I think we said this would be put in place twice a year. Prior to the first in a year, you would make an assumption about the cost impact. The commitment is to fully offset.

Senator NASH (New South Wales) (9.23 pm)—To be absolutely clear, it is fully offset for the three years and after that the review will take place. All right, thanks. Minister, thank you very much for supplying those figures from ABARE around the percentages for the input costs—although I think ABARE was the same organisation that predicted the price of a barrel of oil some time ago. I think you said that is a percentage of on-farm input costs. What inputs were taken into account in determining those figures?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.24 pm)—Perhaps I was not clear. What I was reading was the electricity impact. You asked me about the electricity price increase. There were also electricity, freight and fuel. I did not read those out because I was asked about electricity. I do not know if it is easier if I simply get someone to copy this and provide it to you, Senator. Would you prefer that I do that?

Senator NASH (New South Wales) (9.24 pm)—No, Minister, you are doing an excellent job. I may have heard incorrectly, but when you read those figures I understood that you said they were input costs, and that is fine. But what you are saying is that the percentage figures you gave to me before relate only to electricity—is that correct?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.24 pm)—That is right. I did not read the part of the table which dealt with electricity, freight and fuel. Would you like me to read that?

Senator NASH (New South Wales) (9.25 pm)—Minister, I thought you just said they did relate to electricity and only to electricity.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.25 pm)—There are a number of figures and columns here, and they are described as input costs. I read the column dealing with electricity. There is also a column which deals with the cumulative cost of electricity, freight and fuel, and I am offering to read that table out if you would like me to.

Senator NASH (New South Wales) (9.25 pm)—Marvellous. That would be very helpful.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.25 pm)—Again, this is electricity, freight and fuel, but I emphasise that these are assumed 2015 costs, not 2011 costs. I gave you 2011 figures for agriculture. In percentage terms it was: broadacre industries, one per cent; wheat and other crops, 1.3 per cent; mixed livestock-crops, 1.2 per cent; sheep, one per cent; beef, 0.8 per cent; and dairy, one per cent. I should emphasise—I will check this, but this is my recollection—that this assumes no change.

Senator Back—To what?

Senator WONG—No change in how any aspect of those industries may respond—for example, by changing practices or implementing more efficient processing. So this assumes no change in behaviour.

Senator NASH (New South Wales) (9.26 pm)—That is on the assumption, I would assume, that that change in behaviour might reduce some of those other costs. Is that what the intimation is?
Senator WONG (South Australia—Minister for Climate Change and Water) (9.26 pm)—I am just trying to explain the figures.

Senator NASH (New South Wales) (9.26 pm)—Thanks, Minister. I wonder if you could indicate for the committee whether inputs such as chemicals, fertiliser, cement and packaging have been considered at all in determining what the input cost changes are going to be as a result of the ETS.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.27 pm)—I think you said ‘cement’ at the outset, didn’t you? I just make the point that cement has been given assistance under the government’s scheme as an emissions-intensive trade-exposed activity on the basis that the industry do not believe they can pass on the price.

Senator MILNE (Tasmania) (9.27 pm)—I want to go back to when we were talking about the decision that the government made not to model beyond 25 per cent. I just want to know when you made that decision, because my recollection is that the government had just been elected at the end of 2007 and that the Bali road map was in December 2007. Developed countries were clearly being asked to reduce their emissions by between 25 and 40 per cent in December 2007. When did the government make the decision not to model beyond 25 per cent? Can we clarify what you said about Professor Garnaut’s role in your decision not to model beyond 25? Are you suggesting that it was his idea not to do that or that the government made the decision that it would not be done, whether by him, Treasury or whoever?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.28 pm)—I do not think that, in relation to Professor Garnaut, that was what I said. I made the point that Professor Garnaut modelled, chose and put a view about 25 per cent. This is going back to last year now, but my recollection is that he did that by working back from the 450 ppm to considering what was an appropriate share for Australia as at 2020. There were decisions made about what should be modelled over a period of time. There was certainly a discussion about assumptions. There was consultation. My recollection is that it was Treasury which in fact conducted the modelling.

We are just trying to recall when various decisions were made in relation to Professor Garnaut’s decision, Senator. I am sorry, I might have to take on notice the sequence of that. This was last year sometime. Certainly Professor Garnaut looked at the 450 ppm and worked out the 25 per cent. The government made a decision to model five and 15 per cent in addition to that. I think Professor Garnaut might have modelled 10 per cent as well. So it was a five, 10, 15 and 25 per cent modelling which was undertaken. I understand the Green’s position in relation to 40 per cent. I think I have indicated to you the government’s view about a 40 per cent reduction by 2020. I again say I think what we have to look at is not just one milestone but the turning around of the trajectory. Without action on climate change this country’s emissions will go to 120 per cent of our emissions at 2000. So a 15 or a 25 per cent reduction is a very significant reduction of what we would otherwise be doing. That is why the government would like this legislation passed.

Senator MILNE (Tasmania) (9.31 pm)—Thank you. Actually, it is interesting, because all the government has said is that the government made a decision that it would not go beyond 25 per cent. I am asking: when did the government make that decision? I would really like to know when that was the case. I would also like to know, if you did not model beyond 25, on what basis
you made the decision to not model beyond 25. In the absence of any information, why was 25 it? Was it because you were not looking at the impact on GNP out to 2050 and so on but rather, from what you were saying before, the sectoral impact of various carbon prices, and that you made a political decision about what some of those sectors could bear as far as what the Labor Party could bear in terms of the politics? I really would like to know when. The rest of the world deserves to know why Australia would not model the Bali road map range. I want to know when that decision was made and why it was made.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.32 pm)—I made the point that this was probably one of the largest modelling exercises anywhere in the world in terms of other countries deserving or not deserving to know. Senator Milne, I understand you have a different policy position; I respect that. I do have to put on record my objection, every time there is a difference of policy position that the government takes, that you impute it is because of some base political motive. It seems to escape the Greens that fair-minded people might come to a different view because they come to a different view. It is not because we have been corrupted. It is not because we have been got to. It is not because we somehow do not care about the environment. We just have a different view about what the best way forward is. There is no great conspiracy associated with it. We simply do not have the same view as you about what the appropriate policy is. We do not have to personalise this. I just disagree with the policy proposition you are putting. I again say my recollection—and I would like to hedge this because we are talking about things which occurred last year—is that in fact Professor Garnaut looked at what an ambitious global agreement would look like and then considered what Australia’s reasonable share of that would be, and that was the 25 per cent that he included in his report to the government. Then the government did choose to model a range of scenarios other than 25 per cent.

In relation to the comments about the carbon price, I put those on the record, as you know, Senator, in response to your earlier proposition—and I might be paraphrasing here—that there was virtually no difference in economic cost. I was making a policy point that the difference in GNP is there, but that is not the only issue that you need to look at when you consider the policy implications of different carbon prices. That was the only point I was making.

Senator MILNE (Tasmania) (9.34 pm)—Thank you for your response, Minister, but the point is that it is not a judgment about whether people come down on different sides of a policy question; there has to be a basis for coming down on a different side of a policy question. That is why I am asking the question: how did you choose 25 if you did not know what 40 was going to cost? That is the point that I am making. I am just trying to understand. As I said earlier, given that with five, 10, 15 and 25 there was not very much difference in the GNP out to 2050, what I tried to understand and what the Greens wanted to know was whether there was a point between 25 and 40 per cent in which there was a major step change, in which case you could clearly see that at that point there would be a significant difference in the GNP ramifications over time and you could logically say that was the point at which we could not manage it et cetera. But we do not have anything. All we have got is that the government made a decision not to model it. In the context of the 25 to 40 per cent Bali road map, it is actually an insult to the rest of the world that we did not model the road map. That is what we came home
from Bali with. That was the ask from the developed countries—to make that cut, 25 to 40, and I simply do not understand when the government made the decision to just jettison what the world had asked for in Bali and not model it so that you would not know. It is not that you chose a different figure; it is that there is no basis on which to have chosen it.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.36 pm)—Senator, I do not think it is correct to say the world asked for 40 per cent. The Bali road map referenced the 25 to 40 per cent as one scenario and called on developed countries to put forward mitigation targets and called on developing countries to take, I think, measurable, reportable and verifiable actions. So I think your construction of the international context is perhaps a little skewed, if I could suggest that.

We have a view that 450 or lower is in Australia’s interest. That is what we have outlined as one of the conditions of our 25 per cent target and I think is in the legislation from memory. I know the Greens seek 350. The world has already passed 350 ppm. We think 450 or lower is in Australia’s national interest because it gives us a 50 per cent chance of stabilising the increase in warming to two degrees. We know that that is a more reasonable proposition than six or seven degrees. I think there is a policy issue here. It is about how you transition an economy. That is the fundamental difference in views between the government and the Greens. We take the view that a 25 per cent reduction, which is the top end of the government’s target, is ambitious and credible. It is more off our Kyoto target, which is an important indicator, than many if not most other developed country targets. We also take the view that you do not achieve a target by talking about it; you achieve it by getting on with the action that is needed to reduce emissions. That is why we want passage of the legislation.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.38 pm)—There is not much more to be gotten out of this except to sum it up. The minister came back from Bali, with, as she says, one of the scenarios being 25 to 40 per cent—but, noticeably, that is the one that the Inter-governmental Panel on Climate Change, including top Australian scientists, wanted to see brought into action—and decided to model from 25 per cent down, not up. The decision was made by government not to model the 40 per cent option. In other words, it decided to dismiss a vital option before it had the information about it. It is pretty vital because the minister herself in her presentation said that the 25 per cent would give a 50 per cent chance that the world would go on beyond two degrees of warming, with all the catastrophic consequences of that. She and this government are prepared to take that risk on behalf of the future generations who are going to have to put up with the options. It is playing dice on a huge scale in studied ignorance.

If the government had modelled 40 per cent and decided it was too expensive, that is one thing, but it made a decision beforehand, and one of the reasons it made that decision was that it did not want to upset the huge lobby from the polluters, and it inherently knew that. The minister smiles at that, but she has given no explanation for not modelling 40 per cent, except to say the government did not do it. You would expect in a contribution like this she would give reasons for it, but there are none. It is appalling procedure to dismiss such an important scientifically based, safer option for this country and the planet through the expedience of not looking at it, not studying it. It is a dereliction of duty.
There is not much more to be said about it. The minister can say, ‘That is a Greens option,’ and it certainly is, but more importantly than that it was a Bali option, it was and remains a global scientists option and it was a safe option. That is the important thing about it. It is a very much safer option, according to the minister’s own judgment—and that judgment is based on what the intergovernmental panel itself is saying. To settle for a 50 per cent chance that we would trip into catastrophic climate change and not model an option which would have made us much safer was a complete dereliction of duty. It was a political decision by the government overriding its obligation to look at what was a safer option for this nation.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.42 pm)—Senator Joyce has left the room, but I thought I might refer him to (xi) of Australia’s low pollution future: The economics of climate change mitigation which sets out, perhaps in clearer terms, the assumptions about the rest of the world. There are two scenarios—and I will not bore the chamber by reading them out. The Garnaut minus 10 and minus 25 assumed one set of scenarios in relation to the international action, CPRS minus five and CPRS minus 15. Various assumptions were made about different groups of economies: for example, international emissions trading gradually expanding, developed economies participating from 2010, developing countries joining over time and global participation by 2025. That is an indication of some broad explanation of the assumptions that Senator Joyce was asking about.

Senator WILLIAMS (New South Wales) (9.43 pm)—Minister, I want to take you back to the cost of electricity and ask you to explain some things to me. I believe that where a household earns less than $60,000 a year—I imagine that is a gross wage or is it a net wage?—it will receive a 120 per cent rebate on its electricity account. Could you explain the brackets—I believe the first is from zero to $60,000—and whether that is gross wage or net wage? Those electricity users get a 120 per cent rebate. I think the bracket above that is $60,000 to $100,000 and they get a 50 per cent rebate on their electricity bills. I want you to clarify for the chamber how a household income is defined. When we look at a household’s income, and take a typical example of a mum, a dad and perhaps their eldest son working, are those three incomes part of the household income or is it just the parents’ income? Another example might be a family with three children: mum is a part-time worker, dad is working, the eldest son might be an apprentice mechanic and the other two younger children might still be at school. Do you take the gross of the total household income to determine those brackets for the changes in rebates? And is it gross income or net income?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.44 pm)—First, it is not a rebate. We deliver assistance through the tax and welfare system. It is very important to note that. We deliver through the tax and welfare system through various means. Whether it is low-income tax offset or family tax benefit or other allowances, that is how the assistance will be delivered. That is how it is delivered in the bills before the chamber. Because of that, we utilise the existing definitions of low and middle income which already exist in the social security system. For example, a low-income single person is defined as somebody earning $30,000 or less, which is linked with the minimum wage, whilst the top end of middle income for a couple with children is defined in the advice to me, and I hope this is correct, as $160,000. That is related to the particular threshold in relation to family tax benefit B. So there are a range of different
definitions of what would be low and middle income—as there are currently in the social security system, as I am sure the senator would know.

Senator WILLIAMS (New South Wales) (9.46 pm)—How does household income affect what benefits are returned to the consumer by government payment or tax deduction? Is that what you are saying comes under the family allowances? Just going on what I had explained to me yesterday by Mr Macfarlane, he was saying that household income would determine those levels of changes. The question I ask is: is it a total of everyone in that household working—for example, if the parents are working and one of the children is working? Is that how it works?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.47 pm)—As I said, we are using criteria eligibility and thresholds that already exist in the tax and welfare system. As you know, the eligibility for family tax benefit B is an issue of income and the number of children, and we are utilising existing markers in the social security system to determine what assistance is provided and how. In terms of how we assume it, Treasury models various scenarios—various types of households—and looks at what the average overall cost increase would be for a particular household type, and that assumption is used to calculate how much additional assistance should be delivered through the tax and welfare system. I understand those are available on the Department of Climate Change website.

Senator WILLIAMS (New South Wales) (9.48 pm)—On another totally different issue, I believe under the Kyoto agreement that carbon in the soil, and soil sequestration of carbon, are not included. Is the government going to take an argument to the gathering in Copenhagen next month that the storing of carbon in the soil should be acknowledged? Does the government have the goal of realising that carbon can be stored in the soil and that it can be increased? I know it is very good for the soil and I have seen a lot of improved farmland as a result of it. Is your government going to take that argument to Copenhagen so that the conference actually realises soil carbon?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.49 pm)—As you know, there are international accounting rules for carbon. This is a good thing because in the international community we want everyone to play their part and do their fair share. To know what is fair we need to be able to measure it. Accounting rules provide ways and methodologies for measurement of what a tonne of carbon is and therefore what has to occur in order for it to be regarded as being sequestered.

Through the negotiations, Australia has advocated for what we regard as more sensible accounting rules. There are some anomalies, and one, which I think you would be aware of, is where there is difficulty in differentiating between the emissions from natural disturbances such as bushfires and emissions from human activity. This is important because a country should not have to account for emissions from disturbances like a bushfire but should be able to account for land management activities that are properly measurable. There are certainly potential benefits in soil carbon and a whole range of other sequestration opportunities. The issue is: can we measure that properly? Can we ensure that we have consistent measurement of that? Australia is absolutely advocating for a better set of rules that reflect our national circumstances, and this includes a more comprehensive and fairer way to look at land sector management.
Senator WILLIAMS (New South Wales) (9.51 pm)—My final question at this stage, Minister, refers to those bushfires and the emissions that you are saying are excluded from human behaviour. Bushfires in the country have around 50 tonnes per hectare of fuel levels on the ground, and, if we look at bushfires such as those of Black Saturday in Victoria this year, I believe 450,000 hectares burnt. That was some 90 million tonnes of carbon dioxide in the atmosphere. Around 200 tonnes per hectare is what the scientists believe is a result of bushfires. You mentioned land management. Surely it would be in the interests of everyone to actually manage that land properly, especially national parks, and to take actions to reduce the fuel levels in preparation for the prevention of severe bushfires?

I come back to the point that so much of Australia is now locked up in national parks but is not managed. We are now seeing the threat that people in the New South Wales national parks service—some 200 people—will be put out of work. Surely a serious argument to reduce carbon dioxide emissions around Australia would include those bushfires and looking to take appropriate action to reduce fuel levels. In much of our country—hundreds of thousands of hectares—there is simply a fire bomb waiting to happen because a lot of that land is locked up and left. Hence we face huge amounts of carbon dioxide being put into the atmosphere. Surely this must be a priority for your government.

Senator WONG (South Australia—Minister for Climate Change and Water) (9.53 pm)—I think that is very similar to a question you asked me in question time on either Monday or Tuesday this week. I know that the minister has just said. Does the government envisage that the credits created in the proposed voluntary market are going to be of equivalent value to those created in the Kyoto compliant CPRS market?

Senator NASH (New South Wales) (9.54 pm)—I know Senator Xenophon is keen to ask some questions but I have a question that relates directly to what the minister has just said. Does the government envisage that the credits created in the proposed voluntary market are going to be of equivalent value to those created in the Kyoto compliant CPRS market?
to make the transition to the internationally agreed framework when that recognises these activities.

So I suppose it is a staged process whereby if we can demonstrate that this works well as a voluntary measure and there are sound methodologies then I think that will be good evidence internationally for Australia to continue to advocate for what we regard as more comprehensive and more sensible international accounting rules. But to do that we have to show that this can be done robustly and sensibly, that it can be measured and that people can have confidence that a tonne of carbon sequestered through these activities is in fact a tonne of carbon sequestered.

Senator XENOPHON (South Australia) (9.56 pm)—I would like to go back to the point raised earlier in relation to the 350 parts per million figure. I think the minister acknowledged there are some countries saying, in terms of the science, that that would be a more desirable target than 450 parts per million in terms of managing the risks inherent in climate change and temperature rises. My question is: in relation to the construct of these particular bills, is the government constrained if the evidence provided down the track indicates that we need to go to 350 parts per million rather than the current target?

Senator WONG (South Australia—Minister for Climate Change and Water) (9.57 pm)—I think it is important to remember that the time at which stabilisation will be likely to occur will be well after all of us have gone—we are talking about next century, because there is already so much stock in the atmosphere. So I think that, with respect, this is a bit of a false debate—that might be too strong a way of putting it—or perhaps a misleading debate when we talk about targets whilst we are not acting and Australia’s emissions continue to rise. We know that every year we delay we emit more and we lock in more growth in our emissions. That is the policy reality. To get to 350 parts per million you have to go through 450 parts per million first. Let us be clear: to get to 450 parts per million is an enormous challenge for the world. It will require international action and cooperation on a level that probably humanity has not really achieved to date because it will require everybody to be part of it and it will require us fundamentally to change our economies.

Clearly the scheme does allow us to continue to reduce emissions. Under the provisions of cap setting and gateways we set caps for five years and up to 10 years ahead we will set a range of data—that is, what we call a gateway. We will continue to set caps. Obviously over time if we as an economy and as a nation do far better—and I hope we do; I hope we are much more energy-efficient and much quicker at adapting and changing—then we will have the capacity to go further. But it will take some time.

I think it is wrong to think about us locking in a particular outcome for 2020 or 2025. Those targets will be set after Copenhagen, and we have laid out in the white paper the process by which that will occur. I cannot speak for future governments but I can say that this government, in setting its targets, will consider action around the rest of the world and a whole range of environmental and economic factors.

Senator XENOPHON (South Australia) (10.00 pm)—An earlier line of questioning from Senator Milne was about modelling higher figures—I think Senator Milne was referring to a 40 per cent target. Can the minister advise whether there was any consideration given to at least looking at the additional costs of modelling a higher figure? Was that considered in the extensive modelling exer-
cise of the government? For instance, was it largely a linear exercise? Was any consideration given at least to what the costs would be of undertaking that further modelling?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.01 pm)—I just make the point—Senator Xenophon and I have talked about a lot of modelling—that this should not be just a battle of the modellers. There have been an enormous number of different modelling reports commissioned by industry, by Senator Xenophon and by the government through Treasury. They are important but they are not determinative in the sense that government still has to make a decision about what it thinks the right policy outcome is.

At the front of the Treasury modelling which was released last year, it is clear the way this was approached by Treasury and Professor Garnaut was to look at where you want to get to—that is, to 450 or 550 parts per million; I think we also looked at 510 parts per million, from memory, which was the CPRS minus 15—and then to work back and ask what a reasonable share is for Australia at 2020. I again emphasise that there is a political debate here about whether the target should be 15, 25 or 40. I have made the point that we have to get to 40. We are actually having an argument about whether that should be on the table now, through this legislation, for 2020—Senator Milne says yes—or is that something that Australia would achieve some years later, perhaps around the middle of the next decade. So some time around 2025 you would assume, if we have a linear reduction, you would get to that level of reduction, if you achieve 25 per cent at 2020.

This is not about a milestone; it is about a path downwards. The question is what is the judgment about the appropriate path for the nation, bearing in mind that this is not an easy adjustment. I wish it were. I wish that we had a no-emissions source of energy for baseload tomorrow, but we do not. I wish we were able to work out how we could quickly transition so many emissions intensive industries to being much more efficient. I wish we could simply develop clean energy, low pollution industries quickly, but these things are inherently an economic transition. This is fundamentally a discussion about how we best make the economic transition, because it is the economic transition which will deliver the result for the climate.

Senator XENOPHON (South Australia) (10.04 pm)—These questions are along a slightly different path and relate to the issue that was raised earlier by Senator Williams on the issue of household assistance. What analysis or modelling has been done on the additional assistance provided by the government to households for the anticipated increase in electricity prices, the 120 per cent compensation that has been referred to? What impact will that have on abatement within households? And, in this context, did the government consider a white certificate type scheme or approach being used to maximise that reduction in abatement? The concern that has been expressed to me is that, if households are simply getting extra compensation that is not tied in with abatement activities or white certificates, people can go and buy a plasma TV or other energy-guzzling appliances and that you will not maximise the benefit in abatement.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.05 pm)—I am not an economist, but I think the first proposition that is important to recognise is that we are delivering assistance, as I answered to Senator Williams, through the tax and welfare system. The relative price signal will still be there. In other words, people will still face an increase in their energy
costs of the amounts I have spoken about. We will offset that for a significant number of Australian families through the tax and welfare system, but the relative price will change. I know white certificates have been discussed, but the most recent consideration by the International Energy Agency in fact suggests that white certificates may not be the most effective way of achieving energy efficiency measures. Obviously, there is more work to be done on energy efficiency. The government has made some steps on energy efficiency through Minister Garrett’s portfolio and the COAG agreement, but there is no doubt that is one of the, I think you would call it, complimentary policy areas that we will need to continue to work on in the years to come, because that is a source of abatement and reduction in emissions, and it is obviously lower cost.

The introduction of a carbon price to include some of the costs of climate change into our economy is an important way of starting to give that signal. Right now, as you know, we do pay the costs of climate change—they are just not visible in the same way. They are not visible in terms of the prices that businesses face. The costs and the economic decisions and investment decisions a business makes do not have the costs of climate change visible. We think it is important to have that, because that is how you actually start to change how your economy operates.

Senator MILNE (Tasmania) (10.07 pm)—I want to follow up a few things with the minister and I would like to go back to bushfires. Up until now, as I understand it, one of the reasons why we have opted not to include our land-use sector is that the emissions from our bushfires would be quite significant. You said that Australia is working to have bushfires excluded from our accounts. I would like to know, since the majority of bushfires in Australia are deliberately lit, whether the emissions from bushfires generated by human activity count. Secondly, in relation to land clearing, if you succeed and Australia does not have to account for the emissions from bushfires, does it mean that a person can light a bushfire to clear land in order not to pay a carbon penalty?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.09 pm)—I think I used bushfires as an example. I was making reference to the way in which the international accounting rules do not differentiate between human disturbance and natural disturbance. I think not just Australia but a number of countries have said that that is problematic in terms of trying to encourage what Senator Williams talked about, for example—abatement activity in the land management sector or the agricultural sector, subject to appropriate methodologies and measurements being developed. That is the point I was making, and I may not have expressed it clearly.

Senator MILNE (Tasmania) (10.10 pm)—Yes, I know that is the point you were making, but I also understand that at the international negotiations Australia is pushing to have fires, as natural disturbances—bushfires, if you like—excluded from having to be counted in Australia’s accounts. I would like to know if that is Australia’s position in the negotiations, and I am asking this second question: how do you determine whether a bushfire is a natural disturbance—that is, caused by a lightning strike—as opposed to most of our bushfires, which are deliberately lit? What are you pushing for in the negotiations in relation to that issue? That is an important one. The second thing is: if you succeed in having the emissions from bushfires taken out, wouldn’t that mean that Australia would automatically get a substantial reduction in its emissions from actually doing nothing?
Senator WONG (South Australia—Minister for Climate Change and Water) (10.11 pm)—The reason I am having difficulty is that we seem to perhaps have a factual difference. My recollection is Australia has not elected under the Kyoto rules to include—

Senator Milne—That’s right.

Senator WONG—So when you say we are pushing at the international negotiations to not have it included, I do not quite understand the position. I think the position is as I have articulated, which is that Australia—

Senator Bob Brown interjecting—

Senator WONG—I am sorry, Senator Brown?

Senator Bob Brown—You’ve elected to exclude it.

Senator WONG—I am sorry—I am really not clear, Senator Milne, about the question you are asking. Can I also say I do not have my international negotiators here to advise me in relation to your question about what Australia is pushing for at X negotiations. I do not have those officials here, but I think the position is as I articulated—about Australia, amongst a number of other countries, suggesting that the current accounting rules do include both natural disturbance and active, human disturbance, and that does not necessarily lead to the best outcomes.

Senator MILNE (Tasmania) (10.12 pm)—That is precisely what I am saying—that currently that is the case. That is why Australia has opted for the position we have. But I understand that Australia, in the current negotiating process, is trying to change the accounting rules to have natural disturbance excluded from the way that emissions are accounted for in the future. If natural disturbance were excluded then the accounting rules would be changed, if that is what was agreed, and then Australia would opt in. That would mean that bushfires in Australia would not be counted in Australia’s inventory, which means we would automatically get a substantial reduction in our emissions from not actually doing anything. The question I am asking is this: if you want to exclude natural disturbance, as in bushfires, and since most bushfires are deliberately lit, are you pushing in the negotiations to have bushfires taken out and how are you going to account for the different emissions—the emissions from a fire that is deliberately lit, which is not a natural disturbance, and a fire caused by a lightning strike, which is a natural disturbance?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.13 pm)—This is a factual difficulty I am having. I do not believe—other than in managed forests, where they may be counted—that bushfire on agricultural land, for example, is counted. It is not currently counted in our inventory. That is the premise I disagree with. I think that is the advice. As I said, I do not have—

Senator Milne—Yes, I know that. Are you pushing for the change in the accounting rules?

Senator WONG—You are suggesting, Senator, we are pushing for a change to exclude something that is not included in our current inventory.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.14 pm)—The minister said that forest management for fires is included but may not be included. The question Senator Milne is asking is: as far as forest management is concerned—leave aside agriculture—is Australia moving to exclude bushfires which involve forests from future inventory?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.14 pm)—My understanding is we are
negotiating for broad coverage with appropriate accounting rules in this area. If you want further detail on that—this is a highly technical area that is not covered for us in the legislation—I am happy to provide that advice but I would have to take it on notice.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.15 pm)—I thank the minister for taking it on notice. It is highly technical, but it is information that is being sought in the committee system and which cannot be dismissed because it is highly technical. I would like to ask, in the same arena, about the provisions that have come out of the agreement of the last couple of days. What changes have been made relating to the forest sector?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.15 pm)—Can you explain what you mean by the ‘forest sector’? Are you talking about land management or other policy mechanisms?

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.16 pm)—We are talking about land management, including native forests and plantation forests.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.16 pm)—The offsets aspect of the proposal indicates:

The Government will introduce amendments to provide for crediting of abatement from agricultural emissions and other sectors not covered by the CPRS … that are counted towards Australia’s international climate change obligations …

This is subject to the development of robust methodologies. In that section there is a reference to ‘avoided deforestation’. Second, in the voluntary market offsets section there is reference to the voluntary market opportunities in relation to enhanced forest management. In addition, the government has said it will:

- provide credits for regrowth forests on deforested land (legally cleared between 1990 and 31 December 2008);
- provide credits for soil carbon on deforested land (for land legally cleared between 1990 and 31 December 2008) from 2013;
- include conditions for forests earning forest credits to have adequate water entitlements and planning approvals; and
- require that offset projects do not involve, or include material obtained as a result of, clearing or harvesting of native forests.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.18 pm)—Thank you. I will come back to this when the relevant amendments come up, so it may be that the minister will have more detailed information then, but when it comes to credits for regrowth on legally cleared land between 1990 and 2008 I ask what the definition of regrowth is and if the minister could say what the difference is between this and the pre-existing situation—in which, presumably, there was no crediting for whatever happened on legally cleared land between 1990 and 2008.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.19 pm)—It is the case that these are new arrangements.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.19 pm)—Can the minister explain in what way they are different from the pre-existing arrangements?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.19 pm)—What I read out were the changes that have been negotiated that were not contained in the previous scheme.
Could the minister give an indication of the cost of the new arrangements, who will benefit from them and what the difference will be in terms of the greenhouse-gas-equivalent emissions or absorption that are taken account of?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.19 pm)—In relation to those sources of abatement which are included in the CPRS, subject to appropriate robust methodologies, and that count towards Australia’s international commitments, obviously the benefit there is for those persons who can abate and, therefore, obtain a permit. The value of that permit is the value. In relation to the national carbon offset sector—this is the voluntary market—that will obviously depend on what the voluntary market is willing to pay for that activity. In terms of funding, we have included $50 million in additional funding for R&D investment. This is primarily on-farm. We have also included a $40 million green carbon fund to build the resilience of natural ecosystems under threat from climate change.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (10.21 pm)—To go back to the bushfires: I am still a little bit perplexed. As Senator Williams has pointed out, the emissions of the Victorian bushfires were more than the emissions of Australia. Either you have bushfires that are actually going to be accounted for or you are not going to include them, in which case the whole thing is a fallacy.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.21 pm)—I will give a short answer now because, as I said, the official who deals with this is not one of the officials in the box. I am advised that through the international negotiations we are seeking to address the problem of exceptional natural disturbances that are not controllable by human management.

I think the policy issue that is problematic here is that if you have a very large and exceptional bushfire that is treated as part of your emissions, I am advised that it can be multiples of your annual inventory. So if there is a wild variation or large fluctuation, then obviously you would not want those sorts of exceptional circumstances to be included in the country’s national inventory.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (10.23 pm)—This makes the whole thing fallacious. You are saying that we are going to count carbon emissions from that fire, but we are not going to count carbon emissions from that other fire. What someone is going to say is, ‘Well, they were both started by a lightning strike and therefore they are both natural.’ If the carbon emissions of the Victorian bushfires were greater than the total carbon emissions of Australia, this is going to cause a slight problem. What happens if I see a lightning strike that I could have put out, but I let it get away—is that a natural fire or an unnatural fire?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.24 pm)—There are very clear international rules about how these emissions are counted—how our national inventory, as it is called, is counted. We release these figures—I cannot recall when the last one was, but these are public figures. I am happy to take these questions and I will ask the department to get the official who is the expert in these areas here tomorrow morning because I do not have an official who is an expert in the international accounting rules in the box. I make the point that we have had some three hours of debate, and we have done one amendment. Senator Joyce, I am very happy to have a discussion with you about it for a
number of hours, but you have already made it clear that you are going to vote against the bill.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (10.25 pm)—With all due respect, my voting against the bill is not the issue. I am here on behalf of the Australian people, and specifically the people of Queensland, to ask questions of the executive—of which you are a part. The job here is that I ask the questions and you answer them.

Now we have got the situation where if there is a lightning strike, and I see the lightning strike, it is a natural start to a fire—if I let it get away and it burns out half of New South Wales or half of Queensland that is a natural occurrence and I should not worry about it—but if I drop a cigarette butt—and I know you should not smoke—that is an unnatural fire and it must be accounted for. Who is going to be wandering around the scrub to determine which fires are natural and which ones are unnatural?

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.26 pm)—The minister is not answering that question.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.26 pm)—I will just make this comment. I have said that I do not have the official here. I have given the chamber an assurance that I will ensure he is here tomorrow morning. We can continue this debate about a highly technical issue, talking about lightning strikes and cigarette butts, but I do not think that is going to assist. We on this side of the chamber advocate for consistent and coherent international accounting rules that do encourage appropriate practices. That is what we do. If you want technical detail about bushfires, I have said I will bring the official. I do not have the official here tonight. Senator Joyce or Senator Brown, you can continue to talk about this issue, but I have indicated to the chamber that I will ask the official to come tomorrow morning.

Again, I make the point: we are debating the Carbon Pollution Reduction Scheme. We are not debating the international accounting rules.

Senator Bob Brown—Yes you are.

Senator WONG—They are not a matter for decision in this chamber.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (10.27 pm)—With all due respect, the carbon pollution reduction rules are definitely part of this. In fact, they are substantially the premise of this legislation, which is what we are discussing.

We cannot talk about unnatural and natural fires because the person is not here. I find that peculiar in the extreme, seeing it is such a glaringly obvious question. If this thing is going to stack up, you would expect the person to be here—especially when we are in the middle of the bushfire season, for goodness’ sake, and this town that we are sitting in tonight is one that was devastated by a bushfire. It seems an interesting question that should have been able to be answered. It obviously blows an absolutely mammoth hole in the whole carbon accounting process if it is unable to be answered. If you say you are going to leave it out, the whole thing is fallacious. If you say you are going to put it in—boy, haven’t we got a major problem coming our way. I think you should use about $70 billion of your $70.2 billion to invest in the rural bushfire brigade, otherwise we are all going to be broke.

You talked about the depth of action that is currently present in the world and you gave a great endorsement of that, and how we have a premise that nothing is happening but you assure us that something is. From the assertion you gave with that great rendition
of all the countries and the things they are doing, can you please now tell me—for whatever time frame you want—what the current global prediction is for parts per million under the current trajectory of all those countries and all the things they are doing; how they are going and where we are going to be—in five years or 10 years time, I will leave that up to you.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.29 pm)—I do not know if that calculation has been done but, if I may say so, that would be quite misleading because we are going through a process leading up to Copenhagen and then at Copenhagen where countries are progressively making commitments. You might make a judgment this week and the level of ambition in international pledges would be different next week or the week after depending on who pledged, and I laid out some of the pledges on the table for you. For example, what China’s notable margin is in its emissions per unit of GDP or its emissions intensity targets will be a very significant factor, because that will give an indication of what sort of change from business as usual China will be striving for. It would be somewhat misleading now—and frankly, inaccurate—to try and construct current pledges or current commitments and to work out what that would lead to when we know the whole purpose of Copenhagen is to try and get a clear commitment to global action, and there are a number of countries which have said they will set a target and they will come to Copenhagen with targets. But they have not yet done so.

Senator BOSWELL (Queensland) (10.31 pm)—I would like to ask a question on something a little different. I am very concerned about the money that is going to be paid to the developing countries for their mitigation actions, and I am told there is a recent UN report that calls for existing climate change funding of $21 billion to be astronomically increased to $500-$600 billion a year. I think you owe it to the Australian public to give us a price on what we are going to pay for asking the developing countries to become part of climate change action. I have asked you this question on a number of occasions and you have ducked it. I think you should be prepared to tell Australia what the cost is to developing countries. We are told it could be up to $600 billion a year. If that is the case, what is Australia’s share of that and how will that be worked out? On a population proportion, a world proportion, an area proportion—

Senator Milne—Capacity to pay.

Senator BOSWELL—On capacity to pay? And if it is capacity to pay, who makes the judgment of the capacity? Is it by GDP? This is important. Senator Milne says it is very important. If it is going to be a couple of billion dollars I think the people of Australia deserve to know. In a couple of weeks time you will be going over to Copenhagen and you obviously have this amount of money apportioned in your budget. You are not going to go over there and try and work out the amount of money that Australia owes on the back of an envelope. You know now—and if you do not know now you should know—how much you are prepared to pay to get developing countries to join the climate mitigation process.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.33 pm)—Firstly, rather than the situation that the senator described—I think he said ‘pay developing countries to join’—the better way of thinking about it is that climate finance internationally from developed countries is necessary to support developing country action on climate change.

Senator Milne interjecting—
Senator WONG—I am sorry, Senator Milne. Do you have something to say?

Senator Joyce interjecting—

The TEMPORARY CHAIRMAN (Senator Troeth)—Order! Let the minister speak and then you can ask further questions.

Senator WONG—I do not know why people in this chamber have such an issue with China. Part of the reason for international climate change finance is that it is in our interests to encourage developing countries to take a different path and not follow the path that we have followed which is to become more highly polluting. We want to support low pollution development and low emissions development, and it is in Australia’s interest to do that. The Prime Minister has said that once a global agreement on climate finance is shaped Australia would always be prepared to put forward our fair share. There is no global agreement as yet as to what those long-term financing arrangements should be. Obviously that is one of the things that need to be worked through at Copenhagen, so I am not able to give you the answer you want, Senator Boswell. What I will say is that there has been a range of figures put out for the global contribution. There have been figures put out by the United Kingdom. I think Gordon Brown talked about a figure of 100 billion by 2020 from memory. The EU has more recently put out another proposal, and these are all looking at 2020 figures. These are still things which are being developed, and I again make the point that—

Senator Joyce—What was that second figure?

Senator WONG—The European Union put out some figures, I think, last month. I think they were higher than the UK figures because they were in euros. I do not have that figure right now. My recollection is it was the equivalent of 140. It might have been 100 billion. This is the global—

Senator Milne—100 billion.

Senator WONG—Yes, 100 billion at 2020. Senator Boswell, I make the point that one of the things that is not yet determined or agreed is what proportion of that is private finance and what proportion is public. For example, I have said publicly on a number of occasions that the scale of the transition that is required is beyond the capacity of governments alone to finance. That is why we need cap-and-trade systems to give private sector the incentive to invest in abatement activities in developing countries. We need the private sector to get that incentive. That is a good thing. These are still matters that will be the subject of discussion and negotiation. I cannot really add to the Prime Minister’s words that Australia obviously wants an agreement, is finalised and would be prepared to put forward its fair share. I again emphasise that the mix of how that would be funded, publicly and privately, is still something that is the subject of negotiation.

Senator BOSWELL (Queensland) (10.37 pm)—That is very interesting, but ‘fair share’ can mean anything. Is it a fair share of $100 billion? Is it $1 billion or $10 billion? You will be going to Copenhagen, and I am asking you what offer you are going to put on the table. People are getting very concerned about this. They think they are being taken for a ride on the emissions trading scheme, and that sends them into overdrive. But when they realise that they have to pay someone for else’s climate change they just get absolutely furious, and I do not blame them. If they are going to pick up the tab they should know what they are going to pay. It is their money. It is not your money. It is the public’s money. It is the working families’ money. It is the battlers’ money. It is the businessmen’s money. It is not your money.
You should tell the Senate how much money it is going to cost. You can have a guesstimate. Are you telling me that you are going over there with a completely blank page, that you do not know what it is going to cost, that you have not worked out what it is going to cost, that you have no idea what you are going to put on the table or that you do not care what it costs?

This is a serious parliament, and if you want to be taken seriously you have to tell the people. You have to take them into your confidence. If you think this is such a great idea you have to get out there and sell it. People are ringing us up and emailing us, and they want to know what the cost is. What can I tell them: ‘It’s going to be your fair share’? What is our fair share? No-one knows what our fair share is. How are you going to calculate our fair share? The people of Australia deserve to know this. They deserve to be able to open their computers tomorrow or the next day and access the information that is provided by the Senate and you as a senator in the executive. I do not think you are being particularly forthcoming about this. You have dodged it for the last three months. I have asked you continually, and you tell me it is a ‘fair share’. Forget about Ron Boswell; that does not really matter in the scheme of things. People out there want to know what it is going to cost, so please tell them.

Senator MILNE (Tasmania) (10.41 pm)—I will follow on from Senator Boswell on exactly the same issue. I can probably elicit a little more of the framework that Senator Boswell is asking about. He and I come at this from different points of view, but we agree—

Senator Wong—You vote with him though.

Senator MILNE—Quite right. The Greens do not support the government’s scheme because it is not environmentally or economically efficient. I agree with Senator Boswell that the Australian people need to know what Australia’s approach is to the issue of equity as part of a global agreement. There are two aspects to what is being negotiated. One is the target that we put on the table in Copenhagen. The other is the finance mechanism: how much Australia is prepared to contribute to the global financing. As you would be aware, Madam Chair, I have an amendment to put into the legislation to ensure we do put in financial support for developing countries. Either way, it is going to be required.

As has just been said, the European Union have said that they think 100 billion out to 2020 is probably what is required. They have said recently that 5 billion to 7 billion will be needed per year over the three years from 2010 to 2012 as fast-start finance. I understand that there was a pre-COP ministerial meeting last week. As the minister, you obviously either were there or had your officials there. I note that Japan announced at that fast-start finance meeting a figure of $9.2 billion to 2012. So Japan has put that on the table as its fast-start finance. The European Union have said they think 5 billion to 7 billion would be their fair share in that three-year period. What did Australia put on the table as fast-start finance between 2010 and 2012 at that ministerial meeting?

In the broader context, what does Australia regard as the parameters for judging what our fair share of burden-sharing should be? Are we looking at capacity to pay, a formula for who took early action, a formula on the historic legacy or a formula on population growth? What are the parameters that we are going to be negotiating on to say what our fair share ought to be? I have a very strong view that, if we are not going to cut the mustard in our effort on the target, we will end up quite rightly having to contribute more in
terms of the global financing figure. It would be unjust to opt out on both. Senator Boswell is right: people who are following these negotiations want to know what Australia’s position is in putting money on the table for the financing mechanism so that there will be a global deal. Without a fair financing mechanism there will be no global deal.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.45 pm)—Senator Milne suggested that I must have been there. I do not know if she noticed, but we were sitting last week and I was here. So, no, I was not at the pre-COP ministerial meeting because we sat last week. Australia has not made any formal offer in relation to financing. I have made that clear. When the terms of the international agreement are clear, obviously, any announcement of any funding by Australia would clearly be made public. Senator Boswell, I agree with you—we do not agree on this bill and we do not agree on a lot of things—but, yes, if Australia does make these sorts of policy decisions, the Australian government should explain it, absolutely. But there has been no announcement and no pledge of funding at this stage.

We do know that financing arrangements are the subject of negotiations. Some countries have made offers, many have not and there is a lot of discussion about the mechanisms and frameworks for that. As I said to you, Senator Boswell, and you have asked me the question in the chamber before, there is also a very live discussion about what proportion of that is public finance and what proportion is private finance and there are different views about that. These continue to be issues that Australia and others will negotiate and consider and it is the case that climate finance is something that needs to be looked at—and why is it? It is because we do need to try and encourage developing nations to take a lower pollution development path.

It is actually in our national interest to do that because if you believe, as the government does, that climate change has an effect on this country then we do have an interest in trying to support reductions in emissions elsewhere and/or adaptation.

We do have an election commitment which is being delivered to an International Climate Change Adaptation Initiative of $150 million. That money is being expended by AusAID and other mechanisms and that is primarily focused on Australia’s region, so from memory, the Pacific, PNG and East Timor—I might be wrong on that, but that is my recollection. We also have consistent in fact with Mr Turnbull’s own initiative prior to the last election a $200 million International Forest Carbon Initiative which assists developing countries in reducing emissions from deforestation, which can account for around 18 per cent of global emissions—that is, deforestation and forest degradation. Through that program, Senator Boswell, we are working in Indonesia; we have demonstration activities there. We are working with the Indonesians on how we can help to support them in reducing emissions from deforestation given that is a significant source of emissions. These are partnership arrangements. The sorts of figures that are being discussed are global figures at 2020 and there is no agreement as yet about the proportion of public and private finance or the mechanism.

That is the status of the negotiations. I think the merit of some of the assistance to date is that there have been some very good projects in the Pacific, for example, and also in Indonesia arising out of Australian assistance just as—as Senator Boswell will know—under both governments Australia provided aid and continues to provide development aid to many developing nations.
Senator NASH (New South Wales) (10.49 pm)—I am a little perplexed about the lack of clarity that surrounds all of this. If we take the assumption—and there has been much discussion this evening around assumptions and how they relate to this whole process—that at some point this assistance will go forward perhaps the minister might like to inform the chamber, given the current level of Commonwealth debt which is around $115 billion would the minister envisage that we may well potentially in the future be in a situation where we are borrowing money from China to give back to China to enable them to go down this lower pollution development path?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.50 pm)—I have to say I find a little bit disturbing the way in which both the Greens and the National Party keep talking in these terms about China.

Senator Milne—I have not mentioned China.

Senator WONG—You did, Senator.

Senator Milne—Madam Temporary Chairman, I rise on a point of order. I have not mentioned China at all or by interjection; it was others, but I wish to make a very strong point of order and ask the minister to withdraw. I have not mentioned China at all in any context in this whole evening.

Senator WONG—On the point of order, Senator, if I misheard you then I apologise and I withdraw, but I thought you interjected in relation to China when Senator Boswell was on his feet. If you did not, absolutely, I withdraw. In relation to Senator Nash, there are already developed countries, including Australian firms, investing in China under the CDM. Do you really have a problem with that? Do you really have a problem with an Australian firm investing in a renewable energy project in China in a way that displaces emissions which would otherwise be emitted from a coal fired power station—is that such a bad public policy position?

Senator NASH (New South Wales) (10.52 pm)—I think that perhaps the minister has overreacted to that somewhat. I merely posed the question: given the debt level the country has, is there the potential that we will need to borrow money to be able to assist the developing nations and might China be in the future a country that we would look to borrow money from? That was not a disparaging remark about any country whatsoever; it was merely a straightforward question. Whether the minister says yes or no or has a particularly different answer, it was simply a question: is that a possible course of action?

Senator WONG (South Australia—Minister for Climate Change and Water) (10.52 pm)—Senator, I think most people would know what sort of scaremongering lies behind your question. I think most people would know that. Frankly, Senator Nash, I would have thought better—

Senator Nash—Madam Temporary Chair, on a point of order: I ask the minister to withdraw that. The minister is off on a frolic of her own. I asked a very straightforward question. There was nothing disparaging or scaremongering about it.

The TEMPORARY CHAIRMAN (Senator Troeth)—Senator Nash, there is no point of order. Do you wish to ask a further question?

Senator NASH (New South Wales) (10.53 pm)—Yes, I do. On another matter—

Senator Milne—Could I follow up on this?

Senator NASH—Yes.

Senator MILNE (Tasmania) (10.53 pm)—Thank you. Following up on the question that I asked before in relation to the fi-
nancing mechanism, I asked what negotiating parameters Australia was taking to the negotiation in relation to framing what would be a fair burden share. I am aware that capacity to pay, early action, historical legacy and population are four of the parameters some countries are using, and others are using a variety of those and others. I am just asking: in terms of what we are taking to Copenhagen, what are the parameters around which we are going to be negotiating our burden share in relation to a finance mechanism?

Senator Wong (South Australia— Minister for Climate Change and Water) (10.54 pm)—First, these are obviously the subject of discussion in the negotiation. The OECD has put forward a range of parameters and ideas, from recollection. I know the European Union, in their proposal, also spoke of categories—I think those that you identified. These are matters still under discussion, and I do not think it would be correct to say that Australia has a rigid view about these issues. We think that ultimately this comes down to getting agreement around what people think is a reasonable way to approach this. I keep emphasising this: we have made no announcement, nor have we put forward any pledges to finance, and we have also said that we need to consider the very important role of private finance. One of the live issues in these discussions, as I have said in response to a question from Senator Boswell, is the mix of private and public funding. I would have to say that that is still a matter under discussion.

Senator Nash (New South Wales) (10.55 pm)—The minister may well be aware that certainly the Nationals are receiving thousands and thousands of emails at the moment begging us to say no to this ETS, so I think it might be worthwhile to ask the minister to clarify, taking on board her earlier comments that some countries are already doing a certain amount towards the reduction of the carbon pollution. Can the minister explain very clearly for the Senate and those people listening at the moment what the global situation will be as a result of those who are undertaking some kind of carbon pollution reduction scheme if no other countries come on board when Australia does?. I just want to be very clear that I am talking not about any countries coming on board in future but about the existing ones. When this scheme does come in, if it gets through the chamber in the manner that is being put forward to the Australian people at the moment, exactly how much will the world’s emissions reduce by? I ask this question because it is one of the key questions that are being asked via my National Party colleagues consistently: exactly how much will the reductions be when Australia goes down this CPRS road without any other countries doing it at the same time?

Senator Wong (South Australia— Minister for Climate Change and Water) (10.57 pm)—Again, it is regrettable that the National Party choose to put things on the record which are simply not true. You again asserted, Senator Nash, that—

Senator Joyce—We want an answer.

Senator Wong—I am happy to answer, Senator Joyce, and I have never run away from a debate with you.

Senator Nash interjecting—

Senator Wong—If I can answer, Senator Nash—

Senator Nash (New South Wales) (10.57 pm)—I would just like a clarification. I ask the minister to clarify what it was that we placed on record. I simply asked a question about what the reduction would be—

Senator Joyce—From the Australian scheme.
Senator Nash—From the Australian scheme, I do not see that I placed anything on record.

Senator Wong (South Australia—Minister for Climate Change and Water) (10.57 pm)—I thought you referred, Senator Nash, to a scheme where no other countries were acting.

Senator Joyce—It doesn’t really matter. What’s the effect of the—

Senator Wong—I will take that interjection. He says it does not really matter. The point is that it does. I think it does matter in this debate to try and at least have a discussion that is factually based. The fact is—

Senator Ian Macdonald—Just answer the question.

Senator Wong—Oh, you are here? Are you on that side at the moment, Senator Macdonald?

The Temporary Chairman (Senator Troeth)—Senator Macdonald, the minister is on her feet.

Senator Wong—It is wrong to keep asserting that no other country is acting.

Senator Joyce—How much will the Australian scheme reduce carbon emissions by?

Senator Ian Macdonald—A very simple question.

Senator Wong—We know—

Senator Joyce—We don’t, actually.

Senator Wong—I would like to answer the question, but Senator Macdonald and Senator Joyce might like to have a discussion among themselves. I suppose that would be an option.

Senator Ian Macdonald—Can’t you answer the question?

The Temporary Chairman—Order! Senator Wong is attempting to answer the question and I would appreciate some order while she does that.

Senator Wong—Thank you, Chair. First, the extent to which Australia’s national emissions are reduced will depend on what the government sets the Australian targets and caps at. We put on the table a range depending on how much the rest of the world is doing. That range is between five and 15 per cent off 2000 levels, or 25 per cent off 2000 levels if the world is doing an ambitious agreement. The extent to which the world acts will be a question of what targets and reductions all nations of the world are prepared to put on the table. That is self evident. So the extent to which a global agreement can achieve a particular environmental outcome will be a question of how much all of us are prepared to put on the table. Unlike the National Party, the government does not believe that simply because Australia produces about 1.5 per cent of global emissions we should just say, ‘It’s not our problem.’ If everybody sits back and says, ‘We’ve got to wait for everyone else to act, not just some,’ we will all still be waiting. That is the reality. It is just simple logic. If we all sit there and say, ‘I’m going to wait till they do it and they do it and they do it,’ everyone will still be waiting. So we take the view that if you believe climate change is real and is bad for Australia then we have to do our part and try to help build a global agreement.

Progress reported.

Adjournment

The Acting Deputy President (Senator Troeth)—Order! It being 11.00 pm, I propose the question:

That the Senate do now adjourn.

Fusion International

Senator Barnett (Tasmania) (11.00 pm)—Tonight I would like to acknowledge the outstanding contribution of the Australian based organisation Fusion International as they celebrate 2010 with having contributed 50 years as a Christian based voluntary youth
and community organisation. I recently attended Fusion’s expo day at Poatina, in the northern midlands of Tasmania, where I launched Fusion’s 50th anniversary year and the next 50 years of excellent work. The expo day was attended by Fusion leaders from every continent, many of whom I met. They shared stories of the work Fusion is doing across the world.

Having been established by Mal Garvin AM in Hornsby, Sydney, in 1960 as a community movement aimed to ‘bring young people and their communities together with hope’, Fusion now has operations in almost 30 centres in Australia, operating in every state and territory, and in over 20 centres overseas. These centres support thousands of volunteers who contribute to their local communities through Fusion’s programs—a fantastic effort.

Incredibly, Fusion provides 40,000 nights of accommodation for people at risk annually in its 12 housing service centres in Australia. Fusion now also manages a new purpose built community residential facility in Geraldton, Western Australia, for individuals with mental health needs. Fusion is also now a registered training organisation offering nationally recognised training in youth and community work and a range of vocational areas that have proven effective, in Australia and overseas, in building strong social capital. Through values based practical training Fusion has been able to bring personal development, self-awareness and life skills to people who want to make a difference in developing networks of care with others.

In 1995 Fusion acquired and developed the village of Poatina, a former hydro village, which has been a highly successful social experiment in which at-risk young people have become productively integrated into a safe and supportive community.

**Senator Barnett**—Yes, Senator Boswell, in Poatina, in the northern midlands of Tasmania—a beautiful spot just below some great fishing opportunities for anybody who would enjoy them in the central highlands of Tassie. The village has a population of over 200 and commercial enterprises include a motel and self-contained accommodation, a general store, a gift shop, an art gallery and a picture-framing business. I enjoy visiting Poatina and in particular I appreciate their can-do attitude, especially on Australia Day.

Poatina village also serves as Fusion’s international office and training centre. Over the past three years Poatina village has seen students from Albania, Canada, China, Germany, Ghana, Greece, India, Indonesia, Jamaica, Nigeria, South Africa, UK and USA participate in training programs and take away valuable skills to implement in their communities around the world on their return.

Poatina village is operated under strata title and governed by a body corporate. Individuals who purchase property in the village can receive a discount in return for serving within the community. Regular working bees and community get-togethers also ensure that the residents have a strong connection to the general amenity and quality of life in the village. Based on the success of the Poatina model, Fusion is establishing a community of low-cost houses at Rocherlea, a northern suburb of Launceston, able to be purchased by current Housing Tasmania rental clients with repayments no more than they are presently paying in rent. It utilises a number of the concepts successfully developed within the Poatina village experience and translates them into the suburbs. The unique feature of the ‘villagette’ concept is that it provides not only ownership of affordable housing but also a sense of belonging and community within a caring community. It offers hope.
and a future for some of those from sectors of society that often are not doing so well.

The project so far has been able to advance to this stage because of architects, town planners, property developers, solicitors, surveyors, builders, and others of goodwill from the Launceston community who have already contributed pro bono or discounted services. For example, a major hardware group have committed to providing a significant reduction on a wide range of building materials. As well as that there has been the support of the Launceston City Council. However, there are still considerable material and labour outlays in constructing the houses. But Fusion is continuing to liaise with the wider Launceston community to make this project happen. They have a can-do attitude and I am sure they will gain success.

This plan has caught the attention of community leaders in Ghana, Nigeria, Canada, and India. As well, ministers of the South African government are keenly interested, with a senior minister insisting it is not just an idea; it is now, in fact, government policy. I am advised that the South African government has invited Fusion to partner them as they address the significant challenges they face in housing and employment. Fusion has developed extensive local networks across South Africa and in a number of parts of India. As with Poatina, support is being given to facilitate development of local enterprises to enable the emergence of local autonomy as quickly as possible.

Anthropologist Margaret Mead said, ‘It takes a village to raise a child,’ and for some years Fusion has worked under this adage and has been investing in urban renewal, seeking to capacity build towns and suburbs so that young people have the best chance of growing and making a contribution to their communities. Mal Garvin, the founder and former head of Fusion, has always been very strong on the need to build communities, grow communities and network amongst communities. He is a man of vision and has delivered a tremendous outcome for Fusion and indeed for many other organisations around Australia.

Globally, Fusion has developed a successful pattern of involving themselves in high-profile sporting events as a legitimate pretext in countries around the world for community-gathering events where locals have identified with the goals and values of the program and formed new partnerships with one another to make a difference through a range of entrepreneurial activities. Fusion has already embarked on programs to coincide with the FIFA World Cup in South Africa and the Commonwealth Games in Delhi for 2010, with community ‘open crowd’ festivals being planned to coincide with these events—again, community-building efforts.

In addition, with thousands of local street children in mind, a mango farm has been purchased in Vijayawada, India for vocational training, housing development and enabling sustainable local income sources. In Delhi, local Indian leaders who have joined Fusion have commenced small businesses and are developing a range of grassroots community services supported by these entrepreneurial ventures—a real spirit of enterprise.

Locally Fusion’s home base at Poatina Village is also the home of 95.7 HeartFM community radio station, a northern midlands owned community radio station. This radio station was opened in Longford and I enjoyed the celebration at the opening with other community and business leaders just a few months ago. Through HeartFM, Mal Garvin has hosted the radio program *Conversation of the Nation* which goes out via satellite to over 70 stations every Sunday.
around Australia. I have enjoyed being interviewed by Mal Garvin and being part of this program.

Countless men and women have contributed to Fusion’s first 50 years of success. On a special note, I would like to refer to Fusion’s national administrative directors, Michael Cleary and Noel Sewell, as well as Ian l’Anson, Ken Ferdinands and John Latten. Anne Nanscawen, a long-term backbone facilitator for the movement, should also be noted. The emerging field leadership team of Perry Anderson, Matt Garvin, Wells O’Neil and Dave Hammond are a tremendous attribute for Fusion. The wonderful Marty Woods is a passionate man of great character and a good friend. He is currently developing the work of Fusion International in Europe and Africa and the last I heard was that he was based in Berlin, Germany.

I want to say congratulations and well done to Fusion for their first 50 years, and I hope and pray that the next 50 years will be equally or indeed more successful than the last. Recently I read from Ephesians 3:20 and 21: ‘and believe that the Lord will grant to them more than they can ever imagine or ask’. I certainly hope and pray that that will be the same for Fusion International.

**Senate adjourned at 11.09 pm**

**DOCUMENTS**

**Tabling**

The following documents were tabled by the Clerk:

-[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

- **Broadcasting Services Act**—
  - Broadcasting Services (Simulcast Period for Metropolitan Licence Areas) Determination (No. 1) 2009 [F2009L04281]*.
  - Broadcasting Services (Simulcast Period for Mildura/Sunraysia Licence Area) Determination (No. 2) 2009 [F2009L04283]*.

- **Civil Aviation Act**—
  - Civil Aviation Regulations—
    - Instruments Nos CASA—
      - 518/09—Direction – number of cabin attendants [F2009L04115]*.
      - EX100/09—Exemption – design of modification or repair [F2009L04155]*.
  - Civil Aviation Safety Regulations—
    - Airworthiness Directives—
      - AD/ARRIEL/19 Amdt 1—Fuel Metering Unit Acceleration Controller Axle [F2009L04309]*.
  - Currency Act—Currency (Perth Mint) Amendment Determination 2009 (No. 1) [F2009L04327]*.
  - Customs Act—Tariff Concession Orders—
    - 0909967 [F2009L04270]*.
    - 0910407 [F2009L04275]*.
    - 0911258 [F2009L04271]*.
    - 0911262 [F2009L04273]*.
    - 0911338 [F2009L04230]*.
    - 0912025 [F2009L04274]*.
    - 0912064 [F2009L04244]*.
    - 0912065 [F2009L04245]*.
    - 0912093 [F2009L04247]*.
    - 0912095 [F2009L04249]*.
    - 0912098 [F2009L04248]*.
    - 0912099 [F2009L04264]*.
    - 0912184 [F2009L04246]*.
    - 0912299 [F2009L04266]*.
    - 0912405 [F2009L04265]*.
    - 0912407 [F2009L04258]*.
    - 0912435 [F2009L04251]*.
    - 0912636 [F2009L04267]*.
    - 0912799 [F2009L04255]*.
    - 0912987 [F2009L04259]*.

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**CHAMBER**
Migration Act—Migration Regulations—Instrument IMMI 09/128—Classes of persons [F2009L04288]*.

National Health Act—Instruments Nos PB—
114 of 2009—Amendment Special Arrangements – Chemotherapy Pharmaceutical Access Program [F2009L04291]*.
116 of 2009—Amendment Special Arrangements – Highly specialised drugs program for public hospitals [F2009L04304]*.

Navigation Act—Marine Orders Nos—
8 of 2009—Marine pollution prevention – Packaged harmful substances [F2009L04163]*.
9 of 2009—Construction – Fire protection, fire detection and fire extinction [F2009L04161]*.

* Explanatory statement tabled with legislative instrument.

Table

The following documents were tabled:
Anglo-Australian Telescope Board—Anglo-Australian Observatory (AAO)—Report for 2008-09.
Australian Radiation Protection and Nuclear Safety Agency—Quarterly report for the period 1 July to 30 September 2009.
IIF Investments Pty Limited, IIF (CM) Investments Pty Limited, IIF BioVentures Pty Limited, IIF Foundation Pty Limited, IIF Neo Pty Limited—Reports for 2008-09.

Sydney Airport Demand Management Act 1997—Quarterly report on the maximum movement limit for Sydney airport for the period 1 July to 30 September 2009.

Treaties—
Bilateral—Text, together with national interest analysis—
Agreement between Australia and the Republic of Poland on Social Security (Warsaw, 7 October 2009).

Multilateral—
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Treasury
(Question No. 2132)

Senator Ronaldson asked the Minister representing the Treasurer, upon notice, on 10 September 2009:

(1) Did the Minister have any ministerial letterhead produced using the funds or resources of his or her home department; if so: (a) how many sheets of letterhead were produced; and (b) what was the cost of the production of the letterhead.

(2) What was the total postage cost of mailings conducted by the Minister and/or Parliamentary Secretary using their departmental-funded franking machine.

(3) (a) What was the total cost, including production and distribution, of all direct mail pieces produced by the department, including as part of a government communications campaign, where the Minister or Prime Minister was the nominal author of the piece; and (b) can an itemised list be provided of: (i) production costs, and (ii) distribution costs.

Senator Sherry—The Treasurer has provided the following answer to the honourable senator’s question:

(1) No.
(2) Nil.
(3) Nil.

Defence
(Question Nos 2134 and 2163)

Senator Ronaldson asked the Minister for Defence, upon notice, on 10 September 2009:

For the 2008-09 financial year:

(1) Did the Minister have any ministerial letterhead produced using the funds or resources of his or her home department; if so: (a) how many sheets of letterhead were produced; and (b) what was the cost of the production of the letterhead.

(2) What was the total postage cost of mailings conducted by the Minister and/or Parliamentary Secretary using their departmental-funded franking machine.

(3) (a) What was the total cost, including production and distribution, of all direct mail pieces produced by the department, including as part of a government communications campaign, where the Minister or Prime Minister was the nominal author of the piece; and (b) can an itemised list be provided of: (i) production costs, and (ii) distribution costs.

Senator Faulkner—The answer to the honourable senator’s question is as follows:

(1) Defence Ministerial letterheads for standard letters are embedded in electronic letter templates and printed onto blank paper with the text of the letter. However, the total cost for production of other letterheads, specifically ‘with compliments’ slips, A5 notepads and envelopes, was $5,769.88 for 2008-09.

(2) Please see the table below.

<table>
<thead>
<tr>
<th>Office</th>
<th>Expenditure 2008-09</th>
</tr>
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<tbody>
<tr>
<td>Minister for Defence</td>
<td>Nil</td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
Office | Expenditure 2008-09
---|---
Minister for Defence Personnel, Materiel and Science | Nil
Former Minister for Defence | $772.89
Former Minister for Defence Science and Personnel | $1,092.35
Total | $1,865.24

(3) Due to the intensive effort required to manually collate information on production and distribution of all direct mail pieces for 2008-09, I am not prepared to authorise the diversion of resources solely for the purpose of answering this part of the question.

**Treasury: Website**

*(Question No. 2220)*

Senator Abetz asked the Minister representing the Treasurer, upon notice, on 16 September 2009:

1. Does the Minister and/or Parliamentary Secretary have a departmentally maintained website or websites; if so, can a list of these websites be provided.

2. Can a list be provided of all redevelopments (including re-skins) of these websites since 24 November 2007, including: (a) the total cost for each redevelopment; (b) who undertook each redevelopment; and (c) whether the website, or draft versions thereof, were market-tested before going live; if so, by whom and what was the total cost of the market testing.

3. Does the department: (a) post all of the Minister’s and/or Parliamentary Secretary’s press releases, speeches and transcripts on these websites; and (b) have any guidelines for the posting of political material on these websites.

4. Has the department ever refused to post material on these websites due to their political nature; if so, on how many occasions.

Senator Sherry—The Treasurer has provided the following answer to the honourable senator’s question:

1. Yes. The Treasury maintain a ministerial website for the Treasurer, the Hon Wayne Swan MP at www.treasurer.gov.au.

2. The Treasurer’s website was developed in December 2007. No redevelopments or re-skins have occurred since then. (a) Nil (b) N/A (c) The website was not market tested.

3. (a) Yes.
   (b) Yes. The Treasury’s Internet/Intranet Services team maintain guidelines for posting of material on ministerial websites. These guidelines refer to the Australian Government Information Management Office’s guidelines for ministerial and departmental websites.

4. No.

**Resources and Energy, and Tourism: Website**

*(Question Nos 2236 and 2237)*

Senator Abetz asked the Minister for Resources and Energy and Minister for Tourism, in writing, on 16 September 2009:

1. Does the Minister and/or Parliamentary Secretary have a departmentally maintained website or websites; if so, can a list of these websites be provided.

2. Can a list be provided of all redevelopments (including re-skins) of these websites since 24 November 2007, including: (a) the total cost for each redevelopment; (b) who undertook each rede-
(3) Does the department: (a) post all of the Minister’s and/or Parliamentary Secretary’s press releases, speeches and transcripts on these websites; and (b) have any guidelines for the posting of political material on these websites.

(4) Has the department ever refused to post material on these websites due to their political nature; if so, on how many occasions.

Senator Carr—The Minister for Resources and Energy and Minister for Tourism has provided the following answer to the honourable senator’s question:

(1) Yes the Minister has a departmentally maintained website. The Minister’s website is accessible from http://www.minister.ret.gov.au.

(2) There has been no redevelopment of the Minister’s website since 24 November 2007. The initial development of the Minister’s website (http://www.minister.ret.gov.au) was undertaken by the Department of Innovation, Industry, Science and Research (DIISR) in December 2007.

(a) Nil
(b) Not applicable

(3) (a) Yes
(b) Yes the Department has an administrative process document, known as the ‘Online Communication Procedural Rule’. This Procedural Rule as well as the Australian Government Information Management Office (AGIMO) guidelines set the framework for staff posting online material to the Minister’s website.

(4) No the department has never refused to post material on this website due to their political nature.

Treasury: Website

(Question No. 2247)

Senator Abetz asked the Assistant Treasurer, upon notice, on 16 September 2009:

(1) Does the Minister and/or Parliamentary Secretary have a departmentally maintained website or websites; if so, can a list of these websites be provided.

(2) Can a list be provided of all redevelopments (including re-skins) of these websites since 24 November 2007, including: (a) the total cost for each redevelopment; (b) who undertook each redevelopment; and (c) whether the website, or draft versions thereof, were market-tested before going live; if so, by whom and what was the total cost of the market testing.

(3) Does the department: (a) post all of the Minister’s and/or Parliamentary Secretary’s press releases, speeches and transcripts on these websites; and (b) have any guidelines for the posting of political material on these websites.

(4) Has the department ever refused to post material on these websites due to their political nature; if so, on how many occasions.

Senator Sherry—The answer to the honourable senator’s question is as follows:

(1) Yes. The Treasury maintain a ministerial website for the Assistant Treasurer, Senator the Hon Nick Sherry at assistant.treasurer.gov.au.

(2) The website was developed when Senator Sherry was sworn in as Assistant Treasurer in June 2009. No redevelopments or re-skins have occurred to the site since then. (a) Nil (b) N/A (c) The website was not market tested.

(3) Yes
(b) Yes. The Internet/Intranet Services team maintains guidelines for ministerial staff requesting internet content changes. These guidelines refer to the Australian Government Information Management Office’s guidelines for ministerial and departmental websites.

(4) No.

Special Purpose Aircraft Flights
(Question Nos 2284 to 2289, 2291 to 2318 and 2320)

Senator Barnett asked the Minister for Defence, upon notice, on 17 September 2009:

(1) What is the number, cost and routes of all Prime Ministerial and ministerial jet services since November 2007.

(2) Have ministerial staff, other political staff or anyone else other than jet service personnel, travelled on such jet services unaccompanied by the Prime Minister or Minister; if so, can details of these occurrences be provided.

(3) What are the rules or protocols applicable to the use of ministerial travel, including travel by the Prime Minister.

Senator Faulkner—The answer to the honourable senator’s question is as follows:

(1) and (2) The number, cost and routes of all Prime Ministerial and Ministerial Special Purpose Aircraft Flights are listed in the Schedule of Special Purpose Flights, tabled in Parliament every six months. The last Schedule of Special Purpose Flights was tabled in Parliament 25 June 2009 and included details of travel for the period 1 June to 31 December 2008. The next Schedule of Special Purpose Flights is planned to be tabled in Parliament on 26 November 2009 and will include details of travel for the period 1 January 2009 to 30 June 2009.

(3) The rules and protocols which dictate the use of Special Purpose Aircraft are outlined in the "Revised Principles for the Use of Special Purpose Aircraft" that was issued by the Special Minister of State on 23 September 2002. These are currently being reviewed by the Office of the Minister for Defence in conjunction with Air Force.

Royal Australian Air Force
(Question No. 2377)

Senator Bob Brown asked the Minister for Defence, upon notice, on 21 October 2009:

(1) What action has the Royal Australian Air Force (RAAF) taken to remediate its contamination of Warrill Creek in Queensland.

(2) How did this contamination occur.

(3) (a) What has/will the clean-up cost; and (b) what fine or fines has the RAAF paid for contaminating the creek.

(4) What steps have been taken at the base to ensure that this does not occur again.

(5) Have there been any health complaints from local residents or defence force personnel that could have resulted from exposure to the heavy metals the RAAF released into the creek; if so, what action has the RAAF taken to help these people.

Senator Faulkner—The answer to the honourable senator’s question is as follows:

(1) Defence has diverted all waste water generated by industrial processes at RAAF Base Amberley, and assessed as potentially high risk, from the sewage system. This high risk waste water stream is now being transported to appropriate commercial facilities for disposal off-site.

Re-sampling and testing of water and sediment upstream on Warrill Creek, down stream 400m on Warrill Creek, and below the junction of Warrill Creek and the Bremer River was also conducted.
Defence and the Queensland Department of Environment and Resource Management (DERM) has conducted testing to verify Defence’s original survey results, the degree of contamination and its source. Defence’s results have yet to be fully reviewed but they appear to indicate that the contamination levels and the extent of contamination are not as high as earlier results indicated. The results of the investigation will be analysed, reviewed and compiled into a report for DERM and submitted by 30 November 2009.

Defence and DERM will consult to establish what remediation work might be required.

(2) The potential sources of the contamination have been investigated, confirming that a major source of heavy metal contamination is the electroplating workshop, which until recently discharged treated trade waste water into the RAAF Amberley Sewage Treatment Plant.

(3) (a) The need and cost of any clean-up will not be known until results from the environmental investigations are complete. Defence will submit its report and discuss contamination or remediation options with the Queensland Department of Environment and Resource Management. (b) Defence has not been issued with any fines due to this contamination.

(4) In addition to the strategies outlined above, Defence is investigating a range of options to improve waste water management at Amberley to reduce the risk of contamination re-occurring.

(5) Defence has received a number of enquiries from members of the local community regarding the health impacts. Defence is not currently planning to test local residents. Defence has not received any evidence of occupational heavy metal exposure that is likely to cause any acute (or chronic) health affects. Advice from DERM is that the contamination represents a low risk to the public but that the community should limit contact with the waters of Warrill Creek. A hotline has been established for residents who have concerns. Defence will reconsider current plans if the results of current and future testing, or recommendations of DERM, suggest that the risk profile has changed.

Medical and Diagnostic Imaging Services
(Question No. 2383)

Senator Cormann asked the Minister representing the Minister for Health and Ageing, upon notice, on 26 October 2009:

With reference to the increasing prevalence of joint venture companies offering medical and diagnostic imaging services which are owned, or part owned, by medical specialists providing referrals to those same companies:

(1) Is it correct that the Royal Australian and New Zealand College of Radiologists has made complaints to the department about these practices; if so, what action was taken by the department as a result of these complaints.

(2) Is the department currently investigating these practices; if so: (a) when are these investigations likely to conclude; and (b) when are the results of these investigations likely to be made public.

(3) Is the department investigating specific shareholding arrangements where shareholding is linked to the volume, value and type of referrals.

(4) Is there any evidence of over-servicing in these joint venture arrangements.

(5) Is the current legislation effectively encouraging over-servicing by allowing these joint venture arrangements to go ahead.

(6) Is the department aware of evidence from the United States of America which indicates that up to 7 per cent more tests occurred when these types of arrangements existed.

(7) Unless this issue is addressed effectively, is there a further risk of this kind of over-servicing expanding with the introduction of the cardiac computed tomography rebate in December 2009.

(8) What health risks are associated with over-servicing of medical and diagnostic imaging.
Senator Ludwig—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

(1) The Department is aware of the concerns of the Royal Australian and New Zealand College of Radiologists. The Department encourages all stakeholders who have information about commercial arrangements between requesters and providers that may be in breach of the legislation to report their concerns to Medicare Australia. The Department has also referred a case to the Australian Competition and Consumer Commission to consider whether the particular arrangement is in breach of the Trade Practices Act.

(2) Medicare Australia is responsible for enforcing the laws relating to prohibited practices. The Department of Health and Ageing has referred a number of examples of potential breaches to Medicare Australia for investigation.

(3) The Department does not investigate any alleged breaches. They are referred to Medicare Australia.

(4) Medicare Australia is responsible for investigating any alleged cases of inappropriate ordering of Medicare services.

(5) The legislation regulates commercial relationships between requesters and providers of diagnostic services. The provisions apply to all requesters and providers, regardless of the type of business structure within which they operate. Medicare benefits are only payable for services which are deemed to be clinically necessary for the management of a patient.

(6) The Department is aware of a 1992 article in the Journal of the American Medical Association (Hillman, B J JAMA 1992 Oct 21:268:2050-4) which showed that self-referral (defined as diagnostic services provided in the offices of the doctor requesting the service) resulted in 1.7 to 7.7 times more frequent performance of imaging than radiologist-referral. The Department is cautious about extrapolating results from one health system to another.

(7) Computed Tomography of the Coronary Arteries (CTCA) is a less invasive procedure already undertaken by cardiologists. The Royal Australian and New Zealand College of Radiologists has been involved in the development of the new CTCA item. CTCA will not be commencing in December 2009 but at a later date to be determined.

(8) All diagnostic imaging procedures that use ionising radiation (computed tomography, plain x-ray, fluoroscopy and mammography) result in radiation exposure. However the additional exposure is very slight and must be weighed against the benefits of diagnosis.

All diagnostic imaging procedures must be clinically relevant in order to be eligible for a Medicare benefit. The Australian Government has funded the National Prescribing Service to develop advice for medical practitioners on the clinical relevance of diagnostic imaging procedures. The Royal Australian and New Zealand College of Radiologists has also developed a range of information sheets for patients on the benefits and risks of a range of diagnostic imaging procedures.