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RADIO BROADCASTS

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FORTY-SECOND PARLIAMENT
FIRST SESSION—EIGHTH PERIOD

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

Senate Officeholders

President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Hon. Alan Baird Ferguson
Temporary Chairs of Committees—Senators Guy Barnett, Thomas Mark Bishop, Suzanne
Kay Boyce, Carol Louise Brown, Michaelia Clare Cash, Patricia Margaret Crossin,
Michael George Forshaw, Annette Kay Hurley, Stephen Patrick Hutchins, Scott Ludlam,
Gavin Mark Marshall, Julian John James McGauran, Claire Mary Moore, Scott Michael
Ryan, Hon. Judith Mary Troeth and Russell Brunell Trood

Leader of the Government in the Senate—Senator Hon. Christopher Vaughan Evans
Deputy Leader of the Government in the Senate—Senator Hon. Stephen Michael Conroy
Leader of the Opposition in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Opposition in the Senate—Senator Hon. George Henry Brandis SC
Manager of Government Business in the Senate—Senator Hon. Joseph William Ludwig
Manager of Opposition Business in the Senate—Senator Stephen Shane Parry
Deputy Manager of Opposition Business in the Senate—Senator Mitchell Peter Fifield

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. Eric Abetz
Deputy Leader of the Liberal Party of Australia—Senator Hon. George Henry Brandis SC
Leader of the Nationals—Senator Barnaby Thomas Gerard Joyce
Deputy Leader of the Nationals—Senator Fiona Nash
Leader of the Australian Greens—Senator Robert James Brown
Deputy Leader of the Australian Greens—Senator Christine Anne Milne
Leader of the Family First Party—Senator Steve Fielding
Chief Government Whip—Senator Kerry Williams Kelso O’Brien
Deputy Government Whips—Senators Donald Edward Farrell and Anne McEwen
Chief Opposition Whip—Senator Stephen Shane Parry
Deputy Opposition Whips—Senators Judith Anne Adams and David Christopher Bushby
The Nationals Whip—Senator John Reginald Williams
Australian Greens Whip—Senator Rachel Mary Siewert
Family First Party Whip—Senator Steve Fielding

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

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(1) Chosen by the Parliament of South Australia to fill a casual vacancy vice Amanda Eloise Vanstone, resigned.
(2) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Ian Campbell, resigned.
(3) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Christopher Martin Ellison, resigned.
(4) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

**PARTY ABBREVIATIONS**

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

**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
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, Energy Efficiency and Water
Minister for Environment Protection, 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 and Minister for Population
Minister for Resources and Energy and Minister for Tourism
Minister for Human Services and Minister for Financial Services, Superannuation and Corporate Law

[The above ministers constitute the cabinet]
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<tr>
<td>Minister for Veterans’ Affairs and Minister for Defence Personnel</td>
<td>Hon. Alan Griffin MP</td>
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<tr>
<td>Minister for Housing and Minister for the Status of Women</td>
<td>Hon. Tanya Plibersek MP</td>
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<tr>
<td>Minister for Home Affairs</td>
<td>Hon. Brendan O’Connor MP</td>
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<tr>
<td>Minister for Indigenous Health, Rural and Regional Health and Regional Services Delivery</td>
<td>Hon. Warren Snowdon MP</td>
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<tr>
<td>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</td>
<td>Hon. Dr Craig Emerson MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>Senator Hon. Nick Sherry</td>
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<tr>
<td>Minister for Ageing</td>
<td>Hon. Justine Elliot MP</td>
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<tr>
<td>Minister for Early Childhood Education, Childcare and Youth and Minister for Sport</td>
<td>Hon. Kate Ellis MP</td>
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<tr>
<td>Minister for Defence Materiel and Science and Minister Assisting the Minister for Climate Change and Energy Efficiency</td>
<td>Hon. Greg Combet AM, MP</td>
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<tr>
<td>Minister for Employment Participation and Minister Assisting the Prime Minister for Government Service Delivery</td>
<td>Senator Hon. Mark Arbib</td>
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<tr>
<td>Parliamentary Secretary for Infrastructure, Transport, Regional Development and Local Government</td>
<td>Hon. Maxine McKew MP</td>
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<tr>
<td>Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water</td>
<td>Hon. Dr Mike Kelly AM, MP</td>
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<tr>
<td>Parliamentary Secretary for Western and Northern Australia</td>
<td>Hon. Gary Gray AO, MP</td>
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<tr>
<td>Parliamentary Secretary for Disabilities and Children’s Services and Parliamentary Secretary for Victorian Bushfire Reconstruction</td>
<td>Hon. Bill Shorten MP</td>
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<tr>
<td>Parliamentary Secretary for International Development Assistance</td>
<td>Hon. Bob McMullan MP</td>
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<tr>
<td>Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade</td>
<td>Hon. Anthony Byrne MP</td>
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<tr>
<td>Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for Voluntary Sector</td>
<td>Senator Hon. Ursula Stephens</td>
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<tr>
<td>Parliamentary Secretary for Multicultural Affairs and Settlement Services</td>
<td>Hon. Laurie Ferguson MP</td>
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<td>Parliamentary Secretary for Employment</td>
<td>Hon. Jason Clare MP</td>
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<td>Parliamentary Secretary for Innovation and Industry</td>
<td>Hon. Richard Marles MP</td>
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**SHADOW MINISTRY**

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<tr>
<td>Leader of the Opposition</td>
<td>Hon. Tony Abbott MP</td>
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<tr>
<td>Shadow Minister for Foreign Affairs and Deputy Leader of the Opposition</td>
<td>Hon. Julie Bishop MP</td>
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<tr>
<td>Shadow Minister for Trade, Transport and Local Government and Leader of The Nationals</td>
<td>Hon. Warren Truss MP</td>
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<tr>
<td>Shadow Minister for Energy and Resources</td>
<td>Hon. Ian Macfarlane MP</td>
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<tr>
<td>Shadow Minister for Employment and Workplace Relations and Leader of the Opposition in the Senate</td>
<td>Senator Hon. Eric Abetz</td>
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<tr>
<td>Shadow Treasurer</td>
<td>Hon. Joe Hockey MP</td>
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<tr>
<td>Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House</td>
<td>Hon. Christopher Pyne MP</td>
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<td>Shadow Attorney-General and Deputy Leader of the Opposition in the Senate</td>
<td>Senator Hon. George Brandis SC</td>
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<td>Senator Hon. David Johnston</td>
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<td>Shadow Minister for Health and Ageing</td>
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<td>Shadow Minister for Families, Housing and Human Services</td>
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<td>Shadow Minister for Climate Action, Environment and Heritage The Nationals</td>
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<td>Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals</td>
<td>Senator Hon. Nigel Scullion</td>
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<td>Shadow Minister for Regional Development and Water and Leader of the Nationals in the Senate</td>
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<td>Shadow Minister for Small Business, Deregulation, Competition Policy and Sustainable Cities</td>
<td>Hon. Bruce Billson MP</td>
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<td>Shadow Minister for Broadband, Communications and the Digital Economy</td>
<td>Hon. Tony Smith MP</td>
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<td>Shadow Minister for Immigration and Citizenship</td>
<td>Mr Scott Morrison MP</td>
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<td>Shadow Minister for Innovation, Industry, Science and Research</td>
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<tr>
<td>Shadow Minister for Finance and Debt Reduction and Chairman of the Coalition Policy Development Committee</td>
<td>Hon. Andrew Robb AO MP</td>
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*The above constitute the shadow cabinet*
<table>
<thead>
<tr>
<th>Shadow Ministry Role</th>
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<tbody>
<tr>
<td>Shadow Minister for Tourism and the Arts and Shadow Minister for Youth and Sport</td>
<td>Mr Steven Ciobo MP</td>
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<tr>
<td>Shadow Minister for Employment Participation, Apprenticeships and Training</td>
<td>Senator Mathias Cormann</td>
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<td>Shadow Minister for Consumer Affairs, Financial Services, Superannuation and Corporate Law and Deputy Manager of Opposition Business in the House</td>
<td>Mr Luke Hartsuyker MP</td>
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<td>Shadow Assistant Treasurer</td>
<td>Hon. Sussan Ley MP</td>
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<td>Shadow Minister for COAG and Modernising the Federation</td>
<td>Senator Marise Payne</td>
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<td>Shadow Minister for Early Childhood Education and Childcare and Shadow Minister for the Status of Women</td>
<td>Hon. Dr Sharman Stone MP</td>
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<td>Shadow Minister for Justice, Customs and Border Protection</td>
<td>Mr Michael Keenan MP</td>
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<td>Shadow Minister for Defence Science and Personnel and Assisting Shadow Minister for Defence</td>
<td>Hon. Bob Baldwin MP</td>
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<td>Shadow Minister for Veterans Affairs</td>
<td>Mrs Louise Markus MP</td>
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<td>Shadow Minister for Ageing</td>
<td>Senator Concetta Fierravanti-Wells</td>
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<td>Shadow Minister for Seniors</td>
<td>Hon. Bronwyn Bishop MP</td>
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<td>Shadow Special Minister of State and Scrutiny of Government Waste</td>
<td>Senator Hon. Michael Ronaldson</td>
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<td>Shadow Parliamentary Secretary Assisting the Leader of the Opposition and Shadow Parliamentary Secretary for Infrastructure and Population Policy</td>
<td>Senator Cory Bernardi</td>
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<td>Shadow Parliamentary Secretary for Northern and Remote Australia</td>
<td>Senator Hon. Ian Macdonald</td>
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<td>Shadow Parliamentary Secretary for Roads and Transport</td>
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<td>Shadow Parliamentary Secretary for Regional Development and Emerging Trade Markets</td>
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<td>Shadow Parliamentary Secretary for Education and School Curriculum Standards</td>
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<td>Shadow Parliamentary Secretary for the Murray Darling Basin and Shadow Parliamentary Secretary for Climate Action</td>
<td>Senator Simon Birmingham</td>
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<td>Shadow Parliamentary Secretary for Public Security and Policing</td>
<td>Mr Jason Wood MP</td>
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<td>Shadow Parliamentary Secretary for Defence</td>
<td>Mr Stuart Robert MP</td>
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<td>Shadow Parliamentary Secretary for Regional Health Services, Health and Wellbeing</td>
<td>Dr Andrew Southcott MP</td>
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<td>Shadow Parliamentary Secretary for Disabilities, Carers and the Voluntary Sector and Deputy Manager of Opposition Business in the Senate</td>
<td>Senator Mitch Fifield</td>
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<td>Shadow Parliamentary Secretary for Families, Housing and Human Services and Shadow Parliamentary Secretary for Citizenship</td>
<td>Senator Gary Humphries</td>
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<td>Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry and Shadow Parliamentary Secretary for Innovation, Industry, Science and Research</td>
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Thursday, 17 June 2010

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

NOTICES

Presentation

Senator Bob Brown to move on the 22 June 2010:

That so much of the standing orders be suspended as would prevent the Preventing the Misuse of Government Advertising Bill 2010 having precedence over all government business until determined.

BUSINESS

Rearrangement

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.32 am)—I move:

That the order of general business for consideration today be as follows:

(1) general business notice of motion no. 822 standing in the name of the Leader of the Opposition in the Senate (Senator Abetz) relating to statements by the Prime Minister relating to the Senate; and

(2) orders of the day relating to government documents.

Question agreed to.

NOTICES

Postponement

Senator MILNE (Tasmania) (9.33 am)—by leave—I move:

That general business notice of motion no. 821 standing in her name for today, relating to energy efficiency, be postponed till 21 June 2010.

Question agreed to.

COMMITTEES

Rural and Regional Affairs and Transport Legislation Committee

Meeting

Senator O’BRIEN (Tasmania) (9.33 am)—by leave—I move:

That the Rural and Regional Affairs and Transport Legislation Committee be authorised to hold a public meeting during the sitting of the Senate today, from 3.30 pm, to take evidence for the committee’s inquiry into the provisions of the Excise Tariff Amendment (Aviation Fuel) Bill 2010 and a related bill.

Question agreed to.

LEAVE OF ABSENCE

Senator PARRY (Tasmania) (9.34 am)—by leave—I move:

That leave of absence be granted to Senators Johnston and Cormann for the period 17 June 2010.

Question agreed to.

COMMITTEES

Rural and Regional Affairs and Transport References Committee

Reference

Senator BACK (Western Australia) (9.34 am)—I move:

That the following matters be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 30 August 2010:

(a) the implications to the Australian horse industry of committing to an Emergency Animal Disease Response Agreement (EADRA);

(b) the options for equitable contributions by horse owners to a levy scheme to meet their obligations under an EADRA in the event of an emergency animal disease outbreak in horses;

(c) the criteria by which the cost burden of a levy would be shared between Commonwealth, state and territory governments, horse industry groups and owners;
(d) quarantine and biosecurity threats to Australia’s horse industry; and
(e) any other related matters.

Question agreed to.

IMPACT OF GAZA BLOCKADE

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.35 am)—I, and also on behalf of Senator Xenophon, move:

That the Senate—

(a) notes that basic food products, including pasta, coriander, fruit jams, instant coffee and fresh meat, none of which have any link to national security, have been banned under Israel’s blockade on Gaza; and

(b) expresses its concern for the social, humanitarian and economic impact of Israel’s blockade on Gaza.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (9.35 am)—Mr President, I seek leave to make a short statement.

The PRESIDENT—Leave is granted for two minutes.

Senator LUDWIG—I thank the Senate. The government will not support this motion in its current form. As has been stated on previous occasions, the government objects to using formal motions to deal with complex international matters, particularly those involving other governments. This motion in its current form is unbalanced and fails to recognise Israel’s genuine security concerns. The motion is also outdated; the government’s latest advice is that the Israeli government has relaxed restrictions on a number of items listed in the motion. Australia has already made its views on the Gaza blockade clear with both the Australian public and the international community. We have consistently registered our deep concern over the humanitarian situation in Gaza. We have called on a number of occasions for Gaza border controls to be eased for the purpose of the delivery of humanitarian supplies and aid. We have expressed this view in both the United Nations Security Council and the United Nations Human Rights Council. Prime Minister Rudd has also expressed this view directly to Israel’s Prime Minister, Benjamin Netanyahu. I thank the Senate.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.36 am)—I seek leave to make a short statement.

The PRESIDENT—Is leave granted? Leave is granted for two minutes.

Senator BOB BROWN—What a craven attitude from the government and the Special Minister of State, that by their own words they are prepared to express a point of view in the United Nations, the Human Rights Council and various other places, including in public, but not here in the Senate. It seems as if this Labor Party—which is now on a course of attacking the Senate, as we have heard from the Prime Minister and several others in recent days—believes that the Senate is an obstruction to the discourse that should be fostered in a democratic nation like ours.

Senator Xenophon drew up this motion and I have been very pleased to co-host it. It simply calls for the Senate to note that there is an Israeli blockade of essential goods to the people of Gaza and to express its concern for the social, humanitarian and economic impact of that blockade. The government, including the Prime Minister, have expressed publicly their opposition to that blockade, but when it comes to the Senate they disassemble and go weak-kneed. They seem to be affronted by the Senate debating issues of the day which affect all Australians. All Australians watched with horror at nine people being gunned down by the Israeli forces that took over the boat bringing aid to Gaza a couple of weeks ago. There was general horror and revulsion around this country at what
happened there. This motion does not go to that matter. It simply expresses concern about the blockade and the government says, ‘We can’t have the Senate expressing concern.’ What do you think the people of Australia think about this? It is time you got a bit of backbone.

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

A division having been called and the bells being rung—

Senator Bob Brown—Senator Xenophon is not able to be here today and I just want to have it noted that he would obviously have supported this motion were he here.

The Senate divided. [9.43 am]

(The President—Senator the Hon. JJ Hogg)

<table>
<thead>
<tr>
<th>Ayes</th>
<th>B</th>
<th>Noes</th>
<th>41</th>
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<td>Majority</td>
<td>36</td>
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AYES
Brown, B.J. Hanson-Young, S.C.
Ludlam, S. Milne, C.
Siewert, R. *

NOES
Adams, J. Back, C.J.
Bernardi, C. Bilyk, C.L.
Bishop, T.M. Boswell, R.L.D.
Brown, C.L. Bushby, D.C.
Cameron, D.N. Cash, M.C.
Colbeck, R. Collins, J.
Coonan, H.L. Crossin, P.M.
Farrell, D.E. Feeney, D.
Ferguson, A.B. Fielding, S.
Fifield, M.P. Furner, M.L.
Hogg, J.J. Hurley, A.
Hutchins, S.P. Kroger, H.
Ludwig, J.W. Lundy, K.A.
Marshall, G. McEwen, A.
McLucas, J.E. Minchin, N.H.
Moore, C. Nash, F.
O’Brien, K.W.K. Parry, S. *
Polley, H. Pratt, L.C.
Ryan, S.M. Sterle, G.
Troeth, J.M. Williams, J.R.
Wortley, D.

* denotes teller

Question negatived.

WORLD REFUGEE DAY

Senator HANSON-YOUNG (South Australia) (9.45 am)—I move:

That the Senate—

(a) recognises that:
(i) 20 June 2010 marks World Refugee Day 2010,
(ii) the global theme for 2010 is ‘Home’, in recognition of the plight of more than 40 million uprooted people around the world, and
(iii) as a signatory to the 1951 United Nations Geneva Convention Relating to the Status on Refugees, Australia is obliged to protect those seeking asylum from persecution;

(b) notes, with concern:
(i) the Government’s commitment to re-opening desert detention centres across the country, and
(ii) the effect that the suspension of processing claims for asylum seekers from Sri Lanka and Afghanistan will have on the mental health of some of the world’s most vulnerable; and

(c) calls on the Government to immediately lift the imposed suspension and process all claims for asylum, irrespective of race or ethnicity.

Question put.
The Senate divided. [9.47 am]

(The President—Senator the Hon. JJ Hogg)

Ayes...........  5
Noes...........  33
Majority........  28

AYES

Brown, B.J.     Hanson-Young, S.C.
Ludlam, S.     Milne, C.
Siewert, R.*

NOES

Adams, J.       Back, C.J.
Bernardi, C.    Boswell, R.L.D.
Brown, C.L.     Bushby, D.C.
Cameron, D.N.   Cash, M.C.
Colbeck, R.      Collins, J.
Coonan, H.L.    Crossin, P.M.
Ferguson, A.B.  Feeney, D.
Hogg, J.J.       Hurley, A.
Hutchins, S.P.  Ludwig, J.W.
McLucas, J.E.   Minchin, N.H.
Moore, C.       Nash, F.
O’Brien, K.W.K.* Parry, S.
Polley, H.      Pratt, L.C.
Ryan, S.M.      Troeth, J.M.
Wortley, D.

* denotes teller

Question negatived.

PRIME MINISTER: STATEMENTS RELATING TO THE SENATE

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.49 am)—Mr President, I rise on a point of order. Later we will be dealing with Senator Abetz’s motion 822, which states:

That the Senate notes the Prime Minister’s continued unprincipled attacks upon the Senate.

I ask you to look at that motion in view of standing order 193(3) to ensure its complies with that standing order.

The PRESIDENT—There is no point of order, Senator Brown. As I understand it, it does comply.

Senator BOB BROWN—Mr President, I seek leave to make a short statement.

The PRESIDENT—Leave is granted for two minutes.

Senator BOB BROWN—Standing order 193(3) reads:

A senator shall not use offensive words against either House of Parliament or of a House of a state or territory parliament, or any member of such House, or against a judicial officer, and all imputations of improper motives and all personal reflections on those Houses, members or officers shall be considered highly disorderly.

I agree with the intent of this motion but to call the Prime Minister ‘unprincipled’ is not just a personal reflection, and it is more than an imputation of improper motive. I have asked you, Mr President, to rule a number of times before on this very matter. I just think we are getting into the practice where 193(3) is no longer being applied to debate in this place. If that is to be the case, why not abolish it? Why not get rid of it? If this continues, I will so move. If we have standing orders which by the efflux of time or by the slow movement of practice do not mean what they say then we should remove them from the standing orders. I do not agree with this ruling, and I think it is a matter that the Procedure Committee perhaps might look at. But if it is going to be a vestigial component of the standing orders, it ought to be removed.

Senator PARRY (Tasmania—Manager of Opposition Business in the Senate) (9.51 am)—Mr President, I seek leave to make a short statement.

The PRESIDENT—Leave is granted for two minutes.
Senator PARRY—I totally refute and disagree with Senator Brown’s consideration of this matter. The motion 822 reads:
That the Senate notes the Prime Minister’s continued unprincipled attacks ...
It is the unprincipled attacks not that the Prime Minister is unprincipled, so I refute the assertion in the first instance. Secondly, could I suggest to Senator Brown that he should defend the Senate as we wish to defend the Senate. We have been attacked by the government of the day, in particular Minister Albanese and the Prime Minister in recent days, about how the Senate operates. Those attacks are totally untrue. I believe that Senator Brown should be defending the Senate rather than not supporting motions which go to that end. We certainly reject the imputation that Senator Brown has raised under standing order 193. I certainly do not believe that that matter refers to the Prime Minister as being unprincipled; rather, it refers to the attitude of the government of the day.

Senator Bob Brown—Mr President, I raise a point of order. At no point in my delivery did I indicate support or otherwise for the motion. I was taking a point of order, and the honourable senator might look at the difference between the two. I will explain it to him if he does not get it.

The PRESIDENT—There is no point of order. Latitude is allowed in substantive motions, Senator Bob Brown. That has been the past practice of the Senate and I am following the past practice of the Senate. Your point has been registered, though.

COMMITTEES

Appropriations and Staffing Committee Report

The PRESIDENT (9.53 am)—I present the 50th report of the Standing Committee on Appropriations and Staffing, *Ordinary annual services of the government.*

Ordered that the report be printed.

NOTICES

Presentation

Senator Ludwig to move on the next day of sitting:

That, in accordance with the recommendation made in the 50th Report of the Appropriations and Staffing Committee, the Senate resolves:

1. To reaffirm its constitutional right to amend proposed laws appropriating revenue or moneys for expenditure on all matters not involving the ordinary annual services of the Government.

2. That appropriations for expenditure on:
   a. the construction of public works and buildings;
   b. the acquisition of sites and buildings;
   c. items of plant and equipment which are clearly definable as capital expenditure (but not including the acquisition of computers or the fitting out of buildings);
   d. grants to the states under section 96 of the Constitution;
   e. new policies not previously authorised by special legislation;
   f. items regarded as equity injections and loans; and
   g. existing asset replacement (which is to be regarded as depreciation),

are not appropriations for the ordinary annual services of the Government and that proposed laws for the appropriation of revenue or moneys for expenditure on the said matters shall be presented to the Senate in a separate appropriation bill subject to amendment by the Senate.

3. That, in respect of payments to international organisations:
   a. the initial payment in effect represents a new policy decision and therefore should be in Appropriation Bill (No. 2); and
(b) subsequent payments represent a continuing government activity of supporting the international organisation and therefore represent an ordinary annual service and should be in Appropriation Bill (No. 1).

(4) That all appropriation items for continuing activities for which appropriations have been made in the past be regarded as part of ordinary annual services.

Senator Bob Brown—Mr Acting Deputy President, I raise a point of order. We have just been given notice of a motion, the full terms of which have been given to the Clerk, but there has been no indication to the Senate as to what the motion is about. I would ask leave of the Senate for the honourable senator to indicate to the Senate what the motion is about.

The ACTING DEPUTY PRESIDENT (Senator Marshall)—I am not in a position to make any senator do anything, Senator Bob Brown. I can inform you that it will be circulated very shortly.

COMMITTEES
Legal and Constitutional Affairs
Legislation Committee
Additional Information
Senator O'BRIEN (Tasmania) (9.54 am)—On behalf of the Chair of the Legal and Constitutional Affairs Legislation Committee, I present additional information received by the committee relating to estimates hearings.

Parliamentary Library Committee
Membership
Message received from the House of Representatives notifying the Senate of the appointment of Mr Oakeshott to the Joint Standing Committee on the Parliamentary Library.

EXCISE TARIFF AMENDMENT (AVIATION FUEL) BILL 2010
CUSTOMS TARIFF AMENDMENT (AVIATION FUEL) BILL 2010
First Reading
Bills received from the House of Representatives.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (9.55 am)—I move:
That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.
Bills read a first time.

Second Reading
Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (9.55 am)—I move:
That these bills be now read a second time.
I seek leave to have the second reading speeches incorporated in Hansard.
Leave granted.
The speeches read as follows—
Excise Tariff Amendment (Aviation Fuel) Bill 2010
This Bill seeks to establish in legislation an increase in the excise applying to aviation fuel. On 11 May 2010, the Treasurer, the Hon Wayne Swan, announced as part of the Federal Budget that the excise on aviation fuel would increase by 0.702 cents per litre on and from 1 July 2010. This will see the excise on aviation gasoline and aviation kerosene rise from 2.854 cents per litre to 3.556 cents per litre. The excise-equivalent customs duty on comparable imported aviation fuel will be increased by the same amount. All of the funds raised through this levy will go directly to the Civil Aviation Safety Authority (CASA), Australia’s aviation safety regulator. The legislation that I introduce today will bring the increase in excise into effect and, together with the Customs Tariff Amendment (Aviation
Fuel) Bill 2010, will provide an extra $89.9 million over four years to fund critically important safety activities.

The funds will be used to recruit almost 100 additional frontline safety staff including safety specialists, safety analysts and airworthiness inspectors. This will allow CASA to expand its surveillance activities and fulfil its increasingly complex regulatory responsibilities.

This long-term funding will also ensure that CASA can continue random testing for alcohol and other drugs within the aviation industry, invest in the development and maintenance of safety standards; and provide expanded and ongoing training for its staff.

Full details of the Excise Tariff Amendment (Aviation Fuel) Bill 2010 and the Customs Tariff Amendment (Aviation Fuel) Bill 2010 are contained in the explanatory memorandum.

As with the amendments to the excise applying to aviation fuel, the amendments to the Customs Tariff Act 1995 will take effect from 1 July 2010.

Debate (on motion by Senator Ludwig) adjourned.

COMMITTEES
National Broadband Network Committee Report

Senator PARRY (Tasmania) (9.56 am)—On behalf of the Chair of the Senate Select Committee on the National Broadband Network, Senator Ian Macdonald, I present the final report of the committee on the National Broadband Network, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator PARRY—by leave—I move:
That the Senate take note of the report.
I seek leave to continue my remarks later.
Leave granted.

Senator LUDLAM (Western Australia) (9.57 am)—This is the final report of the Senate Select Committee on the National Broadband Network, which was set up shortly before I arrived here. In the months between the coalition losing the 2007 election and then losing absolute control of the numbers in the Senate, they established a number of select committees in order to prosecute a number of issues including this one, the National Broadband Network.

We have had quite a number of iterations of the report and I think, on balance, this is a committee that has done a deal of valuable work. Some of the work has been highly politicised, as this issue obviously is, and that unfortunately has infected some of the work of the committee, but on balance I think everybody who participated in it would agree that it has been a valuable experience. We have taken a lot of evidence over nearly two years from the industry, from commu-
nity groups and from consumer groups, and that has brought us to where we are today.

I will briefly touch on some of the additional comments the Australian Greens made, which have been published in the report tabled today. Maybe unlike some of the past reports, the final report represents quite a balanced summary of the evidence we heard. We did not have a great deal of time—the extension of time was really only for a month or so—but essentially we set ourselves the task of analysing and critiquing the $25 million consultants' report into the implementation study. We are actually quite comfortable with the majority's sole recommendation concerning the public release of the underlying assumptions and calculations that resulted in the implementation study. That is a $25 million piece of work that the government commissioned. It is the only quasi-independent assessment of the business case for the National Broadband Network or for the colossal public investment in the NBN, so we fought quite hard for—and the Senate requested—the minister to put that implementation study into the public domain. For quite a period of time it was not clear whether the minister even intended to table that document, so it was with some relief that we got it. Of course, that tabling occurred on the eve of the last report of this committee, so we supported the extension of time.

We made it quite clear in the committee’s previous reports that we do not subscribe to a view that a cost-benefit analysis will result in an unequivocal answer about the value of the government’s plans for the NBN. It is a bit alarming to see the coalition’s entire case in one sense hinging on the ability of the government or perhaps some consultants, some economists, to conduct a cost-benefit analysis. I think the coalition believes that perhaps this will provide us with a sense of certainty as to whether or not the government’s proposal is going to be value for money. Of course, it will not do any such thing.

But, as our additional comments outline, why not? We had Professor Henry Ergas in the hearings in Canberra a couple of weeks ago tell us it would probably be three days work if he was given the underlying data that was commissioned and put to McKinsey KPMG, the consultants. Then they could probably knock together a cost-benefit analysis within a period of three days, at which point I figure: knock yourself out; let us go ahead and do that as long as the underlying assumptions are transparent and are put into the public domain so that we can see areas of certainty and areas of complete guesswork. In a cost-benefit analysis of a proposal such as this, which involves enormous public investment, some of the costs are relatively easy to define, but estimating and monetising the public benefits or the public good of bringing rapid broadband to virtually the entire country, I would argue, are extraordinarily difficult to estimate and then monetise. If you go to the trouble of doing that work and then come across the final dollar figure that says this is what the NBN will be worth, you would want to be very careful about how much reliance you put and how much you rest your argument and your case on whatever number fell out of that analysis.

In our contributions to the committee’s previous reports, we raised the issue of the geographic and socioeconomic digital divide and the importance of building bridges across that divide. During the most recent round of submissions and hearings, some very interesting comment was made on the ubiquity of online services, which is of course relevant to this issue. We are hearing quite similar things in the Joint Select Committee on Cyber-Safety about the ubiquity of social networking, particularly as it applies to young people, and that these systems al-
ready are gaining the status of an essential service, certainly in some parts of the country and in some subcultures.

According to ACCAN—the consumer protection network that was established by the Australian government—in the context of endorsing the implementation study’s recommendation relating to the universal service obligation and that that be reviewed, we are already well on our way towards ubiquity. It pointed out that online services were already a practical necessity in everyday life because there are so many basic transactions that are exclusively or preferentially performed online. Access to the internet is already a matter of social inclusion. We are going to see, as this debate progresses, as the NBN rolls out and as services become more and more ubiquitous, that being used as an argument for closing public libraries, for closing postal services, for taking free-to-air broadcasters offline and so on. As services move into the online environment, that sense of ubiquity is going to become more and more important, given that somewhat more than 20 per cent of Australian households do not have a computer. We are not even talking about what kind of connection speeds they have; they do not have a computer. We should not necessarily be forcing people to receive government services and entertainment, health care, education and so on through a system unless we are certain that we have brought everybody with us.

The NT Minister for Information, Communications and Technology Policy urged the government to pursue ubiquity to make the NBN a truly visionary and transformational national building initiative. In that case, they cautioned against the implementation study’s cost-saving recommendation that premises only be connected to the NBN on demand. Their comment was:

The fundamental value proposition of the NBN is not so much its speed, although that is important, but its potential ubiquity to connect 25-30 per cent of homes that are not internet connected and enable a whole range of services including some government services to be delivered to householders regardless of whether they have subscribed to retail broadband service or not.

Speaking to some of the local government authorities who were in the building yesterday from the Pilbara, Port Hedland and from the Shire of Roebourne, their communities, which are some of the most important economic powerhouses in the country, are still getting by on dial-up and still getting by on wireless and that services to some of these townships, which are large and quite substantial, are still basically substandard. These are economies and regional communities that are going to desperately need to diversify their economies to reduce their reliance on mining, oil and gas, and non-renewable resources. The Australian Greens believe that providing ubiquitous rapid telecommunications services is one quite important way of doing that because it links people not just to the rest of the Australian economy and to Australian society but to the rest of the planet as well.

We need to be very careful about how we move forward. Unfortunately, we have not had as much time as I probably would have liked in the work of this committee to discuss that end-user side of what people would—

Senator Ian Macdonald—You could always have an extension of time.

Senator LUDLAM—I am not taking that interjection—actually do with these services if they were provided. We focused mostly on competition aspects rather than the end-user aspects. In closing, I would like to thank everybody who worked on this committee. It has been really quite an enjoyable piece of work. We have met some of the best minds in the country pursuing telecommunications issues from a corporate side, research, social policy,
and from the end-users side. It is a really exciting time in Australia to be working in this field. There is a lot going on. I think we may have disagreed with some of our colleagues at different times on some of the recommendations, but I think we would all agree that the work has been valuable and that we have rested and relied very heavily on the work of our former chair, Senator Fisher, who is just leaving the chamber, and our current chair, Senator Macdonald, who I think has carried the work forward in style. But, as usual, we could not have done it without the brilliant and diligent supporting work of the secretariat and the staff, beginning with Ms Alison Kelly and now Dr Ian Holland. I would like to put, from the Australian Greens perspective, our thanks to all the work that goes on behind the scenes.

This is really a story only half written. We are winding up this committee, and it is with a sense of regret and profound relief that we are winding it up, but really this is a story that is only just beginning because the NBN rollout is still in the balance. It has become highly politicised. There is not consensus within this parliament or, indeed, within the community that it is a good idea. The Australian Greens will be watching this process very closely. We believe it is a proper role of this chamber to investigate these issues and the consequences of such a colossal spend of public funds, and at all times we will be pursuing the public interest.

Senator IAN MACDONALD (Queensland) (10.07 am)—At the beginning of my contribution, and as the current and final chairman of the Senate Select Committee on the National Broadband Network, I want to particularly thank my colleagues on the committee and the first chairman, Senator Mary Jo Fisher, who, as Senator Ludlam has rightly said, did put a certain style and a certain expertise into the work of this committee. It was a committee that was blessed by having, apart from myself, committee members who really understood the issues and contributed some real expertise and understanding to the debate. As well as Senator Mary Jo Fisher, I also want to mention Senator Kate Lundy, Senator Scott Ludlam, Senator Fiona Nash—the deputy chair—Senator Simon Birmingham and Senator Glenn Sterle, all of whom made a very significant contribution to the quite detailed and lengthy work of this committee.

I also want to comment on and thank particularly the secretariat staff who have assisted the committee very substantially over the term of the committee’s existence—the secretaries, originally Alison Kelly and Stephen Palethorpe and currently Dr Ian Holland; and the support staff, currently Ms Fiona Roughley, the principal research officer, and Ms Christina Tieu. We are very fortunate to have Ms Roughley, who has some expertise in this area and also legal expertise—coming to us with a very significant legal background. The help given by all of the secretariat staff was particularly useful.

I highlight that, in its final report, the committee again confirms its view that the Rudd government should scrap this $43 billion project. The whole history of the National Broadband Network has been a fiasco for this government from day one. I will not go through the history—it is all set out in the five reports of this committee. But I think it is telling that answers to questions we placed on notice with the ACCC at our last hearing—answers which came to us only late last night—make it clear that the ACCC has cast doubt on the government’s method of financing the NBN, and that casts even further doubt on whether the NBN would ever be built. Using the most diplomatic language possible, the ACCC said:

The internal rate of the return of a project or a firm is a different concept to the regulatory weighted average cost of capital and is not a con-
cept that has been accepted by the ACCC in making its regulatory decisions.

The ACCC went on to say that financing arrangements could adversely affect competition in the internet industry, saying:

NBN Co.’s financing arrangements could potentially have implications for competition in markets in which NBN Co. operates as well as downstream markets.

It is clear that the 27 full-time employees of the ACCC who have been working on this NBN project have very serious concerns about the methodology used in the NBN implementation study and the consequences for competition in Australia.

I think Senator Ludlam was balanced in his description of the evidence we heard throughout our inquiry. Some people who gave evidence were wildly in favour of this project, but I have to say that my calculation is that most of the witnesses expressed the sort of concern that the committee has ended up reporting on. Certainly Australia needs a national high-speed broadband network. But whether this model is the right one is the question that has been the subject of this inquiry and particularly the last couple of reports of this committee.

The report is there for everyone to read, but there are very severe doubts that this project will ever reach fruition. There are serious doubts about its financial efficacy. There are very serious concerns that the optimism expressed by the Minister for Broadband, Communications and the Digital Economy and the Prime Minister in saying that this broadband network would become a commercial enterprise and would pay its own way is not justified—and that was pointed out in the various hearings of the committee and in the committee’s reports. The implementation study, for which Australian taxpayers paid $25 million, was done halfway through the rollout of the NBN. Of course, any reasonable person would understand that it should have been done at the beginning of the process.

There has not been a cost-benefit analysis. Why will the government not do it? We were told at our last hearings that, following the implementation study, all of the information and detail necessary to do a cost-benefit analysis was there and that all that had to be done was for Treasury or Finance to feed that information into their models and you would have a cost-benefit analysis within a few days, we were told. And if the government for some reason did not want the Department of Finance and Administration and the Treasury—with all their resources—to do it, a very significant Australian economist, Dr Ergas, said that he would do it for free and that it would take only a few days to do. Why would the government not take up that very generous offer—unless it had something to hide? I think it is quite clear that the government does not want a cost-benefit analysis because it knows that it will not stack up.

We learnt in the committee hearing and at estimates that NBN Co. in Tasmania—currently rolling out and to be officially launched on 1 July, in a few days time—is actually giving away its services on the network to the retail service providers so that they can compete with the existing networks. How good a competition is that? We learnt at estimates that all NBN were charging—and it is really not money going to them—was $300 to fix-in the box in every premises and that NBN was not going to charge anything for its network for a period of time. It is clear to me that unless the government succeeds in destroying Telstra and other retail service providers NBN Co. simply cannot compete at a cost of $43 billion—and that is the problem.
The committee believes that a network certainly is needed but that there are better ways of doing it. As an aside, if the OPEL contract which was signed way back in 2007 had gone ahead, most of Australia would currently have that fast broadband network. But Senator Conroy and the Rudd government capriciously cancelled that contract—I think, only because it was not their idea—and came up with this $4.7 billion contract, spent $20 million doing a request for tender process and then worked out that what they were talking about was all rubbish. They cancelled that and came up with the great idea of spending $43 billion of taxpayers' money on this network, which nobody believes will operate commercially and which will continue to be a drain on the taxpayer for many years to come.

We have not been given any of the information we needed to look at the proper financing of this. NBN Co. is going ahead with the rollout even before it has received the implementation study. The whole process is typical of the Rudd government’s mismanagement and inability to properly run anything they touch, and I fear that the NBN process will end up in disaster and tears.

This final report and all the previous reports are useful contributions to this very complex debate. I recommend all of the reports to anyone at all interested and I conclude by thanking, particularly, the secretariat staff and my colleagues. (Time expired)

Senator LUNDY (Australian Capital Territory) (10.17 am)—I also am very pleased to speak to this report and to draw the Senate’s attention to the government senators’ report, which my colleague Senator Sterle and I prepared. I would like to begin by acknowledging also the hard work of the secretariat and thanking the witnesses who appeared, in many cases on multiple occasions, before the various iterations of the Senate Select Committee on the National Broadband Network. Many of those witnesses were prevailed upon again and again, given that every time something changed in the broadband landscape the Senate select committee would determine to revisit all of the issues.

This committee was constructed as a Senate select committee, with the opposition in full control prior to the coalition losing their control of the Senate. Labor has consistently expressed concern about that and has opposed the references on the basis that Labor felt strongly that the longstanding Senate Standing Committee on Environment, Communications and the Arts—initially the combined committee and later, when the committee separated to legislation and references, the references committee—was a suitable location. Given that there is legislation before the Senate, all of the legislation inquiries would have dealt amply with the range of issues that we have explored over many months within the Senate select committee.

Nonetheless, I and Labor have participated fully and enthusiastically through the course of this inquiry because of course it is an incredibly important issue for the nation. Whether or not they have expressed a view about the specific government model for a national broadband network, the sentiment of the vast majority of people who have appeared before the inquiry is clear—that is, Australia is best served by a high-bandwidth network that is universally available across our cities, across our regions, in our country towns and in our remote, rural and isolated areas. This is critical economic infrastructure for our future. We do not need to look too far in comparable countries around the world where high-bandwidth networks have been invested to see the benefits that come economically, socially and indeed culturally. Labor watched the coalition founder for 11 or 12 years as they played with telecommunications policy to the detriment of the inter-
ests of all Australians. We learnt from their mistakes, and that is why we were able to present such a comprehensive vision for a national broadband network that systematically addressed all of the flaws and all of the issues that were preventing Australia from creating an environment whereby this investment would occur.

There are a couple of key features of the national broadband network that are worth emphasising. First of all of course is its universal high bandwidth. Fibre-to-the-home technology is the primary technology for delivery of this. Our policy was 90 per cent. The implementation study says it is potentially up to 93 per cent, with the rest being backed in by wireless, terrestrial and satellite services with a guaranteed 12 megabits per second—so, guaranteed up to 100 megabits per second for fibre to the home and 12 megabits per second for the rest. This is the best in the world. Coupled with not just this aspiration but this vision for a high-bandwidth network was the structure proposed: a wholesale-only, open access, fibre-to-the-home network is the correct model. It is a model that addresses industry structure, provides for a highly competitive regime at the retail service provider end and, most importantly, given our experience with gaming in the regulatory area of telecommunications, is independently regulated by the ACCC.

I would just like to take Senator Macdonald to task for citing statements by the ACCC, no doubt out of context. Any statement or anything expressed by the ACCC at this point is worthy and it is interesting, because they will be the regulator. So any view put forward by the ACCC at this point needs to be seen in the context that they are the independent regulator. This is not the government setting the regulations in place for the operation of this network; it is the government assigning that responsibility to the ACCC.

Senator Ian Macdonald—Did you read their answers?

Senator Lundy—I have not seen the evidence, Senator Macdonald, if these questions came back late last night. But I can assure you and all those opposite that, with the ACCC as the independent regulator of access to this network and all of the associated regulatory issues, that gives us confidence that it is the right model, the right structure. The ACCC will take care to ensure that it is a genuinely competitive regime and that the regulations are not gamed and that will be backed up by an appropriate structure with a wholesale only, open access, fibre-to-the-home national broadband network.

I cannot tell you how proud I am of this policy. It puts in place the foundations that countries around the world are still struggling with. You do not need to look further than some of the countries in Europe, which cannot quite grasp the combination of the regulatory regime with industry structure and which will continue to have digital have-nots. Because of the National Broadband Network policy, Australia is the only country in the world that can proceed with confidence, and say, ‘We can close the digital divide.’

Unfortunately, the coalition, for whatever reason, have recently determined they will not support the National Broadband Network. I am flabbergasted by this. I think it shows an appalling sense of political opportunism. It is a political strategy that has well and truly backfired on the coalition, because they decided through this inquiry—and there have been, I think, four interim reports and now a final report—to place all their eggs in the implementation study basket. Many of the extensions to this committee inquiry were on the back of the need for an assessment of the implementation study. The coalition placed all of their eggs in the basket of
the implementation study, saying: ‘This will be the ultimate test.’ I can imagine how dev-astated they were when the implementation study reported back to all—and, as we know, was released by the Minister for Broadband, Communications and the Digital Economy—that not only was the National Broadband Network financially viable but it was financially viable in a way that delivered affordable and competitive services to the vast majority of users on the network.

We saw a sort of quick twostep by the coalition, as they shuffled around and started talking about a cost-benefit analysis, when the implementation study did not provide them with the political foundation to proceed with opposition to this visionary policy. Now we hear that the cost-benefit analysis is in fact the key. I note with interest that, at our recent hearing, Dr Ergas offered to do a cost-benefit analysis, which is very helpful of him, given that he has probably already done one either for Telstra or indeed for one of his former clients, the Liberal Party.

I do not believe there is genuine opposition to this policy anywhere in Australia. I think we are seeing a contrived opposition on behalf of the coalition and the opposition parties in this place, because they still do not know where to go. I find it incredibly disappointing. I would like to encourage those opposite to consider accurately all the evidence that we have heard, to at least have the good grace and share the insight into the needs of all Australians and join with us in espousing a vision for this country of a high bandwidth network for all. Play the politics all you like but share the vision, because that is what this country needs the most.

The debates of the previous government were all about raising the bar. Who is best able to deliver a universal high bandwidth network? Suddenly, on the eve of an election in 2010 we have a major difference. One party is arguing for no national broadband network and the government is arguing for not only a national broadband network but one that will deliver a high bandwidth universal service and will close that divide once and for all.

Senator FISHER (South Australia) (10.27 am)—I rise to speak on the final report of the Senate Select Committee on the National Broadband Network. Senator Lundy suggested that what is required is vision. Indeed, what is required is vision but not vision alone. We require vision with some value, Senator Lundy. The government is continuing to fail to display any sort of empirical evidence to back its—

Debate interrupted.

NATIONAL SECURITY LEGISLATION AMENDMENT BILL 2010
Report of Legal and Constitutional Affairs Legislation Committee

Senator O’BRIEN (Tasmania) (10.28 am)—Pursuant to order and at the request of the Chair of the Senate Legal and Constitutional Affairs Legislation Committee, Senator Crossin, I present the report of the committee on the National Security Legislation Amendment Bill 2010, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator O’BRIEN—I move:
That the Senate take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.
ELECTORAL AND REFERENDUM AMENDMENT (HOW-TO-VOTE CARDS AND OTHER MEASURES) BILL 2010

Report of Finance and Public Administration Legislation Committee

Senator O’BRIEN (Tasmania) (10.28 am)—Pursuant to order and at the request of the Chair of the Standing Committee on Finance and Public Administration Legislation Committee, Senator Polley, I present the report of the committee on the Electoral and Referendum Amendment (How-to-Vote Cards and Other Measures) Bill 2010, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator O’BRIEN—I move:

That the Senate take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

PAID PARENTAL LEAVE BILL 2010
PAID PARENTAL LEAVE (CONSEQUENTIAL AMENDMENTS) BILL 2010

In Committee

Consideration resumed from 16 June.

The TEMPORARY CHAIRMAN (Senator Marshall)—Order! The committee is considering the Paid Parental Leave Bill 2010 as amended and subject to requests. We are now considering Australian Greens amendment (12) on sheet 6111 moved by Senator Hanson-Young.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (10.29 am)—I seek leave to recommit to a vote on opposition amendments (1) to (5), (7), (10), (11), and (15) to (20) on sheet 6134.

Leave granted.

Senator FIFIELD—This proposition has been discussed and advised to all parties. There was some uncertainty yesterday about the views of Senator Xenophon in relation to these opposition amendments. As a result, there is, I guess you could say, an incongruity in some of the amendments. Recommittal, if successful, would allow these amend-
ments to be brought into line, and it would also allow an opportunity for the will of the Senate to be appropriately expressed and for this chamber to ensure that it was accurately expressed.

It is certainly not our desire, should this recommittal be successful, to imperil this bill. The opposition has been very responsible at every step through this debate. The opposition did not, for instance, seek to divide on the second reading amendment that I moved. The opposition did not support a number of amendments which would have actually given effect to elements of our own policy, because it was clear that the government would not entertain those in the House of Representatives. So we have been very responsible in the way that we have approached this bill.

We do, however, have a number of concerns about the impact on small business of the bill as it is currently drafted—in effect, it makes small business the paymaster for the PPL scheme. The opposition’s substantive amendments were designed to put the Family Assistance Office in that place, to continue the six-month plan which the government has, and to extend that, given the investment in that. So, as I say, it is not our desire to imperil this bill at all. If we were successful, it would not be our intention to insist, but we would hope that it would give the government pause for some thought.

Senator O’BRIEN (Tasmania) (10.34 am)—I wish to respond to Senator Fifield’s comments about Senator Xenophon’s position in relation to these amendments. He suggested that there was some confusion yesterday about the position. Can I say, on behalf of the government—and as someone who was involved in the pairing arrangements, given that Senator Xenophon was absent ill yesterday—that there was absolutely no confusion on our part in relation to those pairing arrangements. As far as I am concerned, we had an unequivocal, clear-cut statement in writing, via Senator Xenophon’s staff, that he wished to oppose the opposition amendments. We then paired him on that basis.

We now have in writing a statement saying that Senator Xenophon wants to support these particular amendments. Senator Xenophon is entitled to change his position. He is entitled to clarify his position. His staff certainly approached this matter in what I would describe as a professional way.

But, lest it be inferred that somehow the government made some error in its pairing arrangements yesterday, I put on the record now, absolutely and unequivocally: we were under the clear understanding, as delivered to us in writing by email, that Senator Xenophon was opposing the opposition amendments. He was therefore paired in that way. He will be paired in any division, if there is one, on this matter in accordance with his now-advised instruction that he wishes to support the opposition’s amendments.

Senator BOSWELL (Queensland) (10.36 am)—I thank the Government Whip for that explanation. But I support the recommittal of these amendments because they will truly reflect the wishes of the Senate, and the wishes of the Senate, if this vote is carried, will reflect the wishes of millions and millions of small business people—and not only small business people but pharmacists, newsagents, solicitors—who would all have to be paymasters for a government plan.

We are putting forward the proposition that the government, through its Family Assistance Office, directly pay the women who are having the children. The government’s proposition is that for the first six months they will do exactly that, but after six months they will pay the employers and the employers will then pay the women who are on paid
parental leave. If that is not a conflict of words and an absolute extension of unnecessary costs that will be passed on to Australia’s already hard pressed business sector, I do not know what is. I do not know the reason why it is being done.

I say to the Leader of the Government in the Senate: a lot of people are listening to this debate at the moment. A lot of people know that, if they are saddled with the administration of this Paid Parental Leave scheme, it will cost them a heap of money. I have something from the Pharmacy Guild wrote to me and I would like to read it into the Hansard:

A local ACT member made enquiries as to the cost of completing upgrades to his payroll software to accommodate the required changes. He has advised that in his particular case he will be able to complete the software upgrade ... in-house, which will not be the case for the majority of community pharmacy employers. Without this in-house expertise, he estimated a cost of $600 - $700 to complete this upgrade. In terms of the ongoing administration as a paymaster, his experienced ... payroll processing staff estimates approximately one hour per employee, per pay plus additional set up and close off time per employee. In the event that he was to have 6 employees on PPL at once, to perform the role of paymaster for the Government, he estimates the time cost to his business for the payroll processing would be half a day each ... fortnight.

I know it does not apply to this government but, in Queensland, the state government has put in a new payroll system, and issues have been going on for six months. People have not been paid, the payments have been different and overtime has not been put in. It has just been a complete farce.

I do not know why we have to go through this process of passing on an oncost that has to be administered by the Family Assistance Office. They have to pay an employer and the employer then pays the employee. Let us cut out the middleman and go direct and save Australia’s small businesses—and big businesses, for that matter—millions and millions of dollars in costs that are completely unnecessary. We are putting up this amendment. If the amendment goes up and the government does not accept it, it will be on their head. They will have inflicted costs of millions of dollars, hundreds of millions of dollars, on the Australian small business sector—and on the big business sector, for that matter. The big businesses might be able to cope because they have officers committed to these sorts of payroll issues, but small business does not.

Madam Temporary Chairman Boyce, being a majority shareholder in a business, you would know from your experience that the costs just keep moving up. There is land tax and other costs which just keep escalating for small business. There are electricity charges. Every day a new charge is inflicted on Australia’s small businesses. It has got to the stage that small businesses are coming to me. I had one person yesterday saying: ‘It’s not worth it anymore to employ 60 or 70 people. Every day I get an increase in my costs that I have to absorb.’ We are killing the goose that laid the golden egg, and not only by inflicting a mining tax upon Australia’s most productive sector. With this scheme, we are going to inflict a huge cost on a sector that provides the majority of Australia’s employment.

There is absolutely no need for it. So bear in mind, Minister, that, when you take this to your cabinet, what you are doing is neglecting Australia’s business sector for no reason at all. You already have an office set up that can make the payments. Just direct the cheque to the women who are having the babies and you will get a pretty general acceptance of this bill. It will not be altogether. There will be people out there, the non-working mums, who will say that they are being underrepresented and underconsidered,
and that they are not being taken for the value they give in bringing up their own children. Yes, there will be those people, and I have a great deal of sympathy for them.

But that is not the amendment at the moment. What we are debating at the moment is inflicting costs on Australian businesses. I know, Minister, that you are a fair-minded man; I know that you will take this and make representations to accept this amendment. It will not cost the government one cent more, but it will cost business millions and millions of dollars. If you do not accept this amendment I will be out there, leading the charge, saying: ‘We did our best. Senator Xenophon, Senator Fielding and the National and Liberal parties have done their best for business.’ You will have pulled the rug right out from under them if you do not accept this amendment.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (10.43 am)—The first thing I ought to do for the many people who are listening is make it clear that we are actually debating a resolution to, as I understand it, recommit the motion. I indicate on behalf of the government that we have agreed to that because we always take the view that the will of the Senate ought to be reflected in any votes. We should not have results that do not reflect the will of the Senate. I think Senator O’Brien explained what occurred as a result of Senator Xenophon’s absence yesterday. It appears that Senator Xenophon’s instructions for yesterday were not clear in terms of his view. But I want to confirm that Senator O’Brien acted appropriately in accordance with the instructions he had. It is always difficult to manage these things when a senator who is not from a major party is absent on leave. The whips are challenged in that regard, but Senator O’Brien acted appropriately in accordance with the instructions. Anyway, we will be supporting the resolution to recommit the motion so that the view of the Senate is properly reflected in any decision. The lights have gone out!

The TEMPORARY CHAIRMAN (Senator Boyce)—The microphones appear to still be working.

Senator CHRIS EVANS—So we will press on the dark?

The TEMPORARY CHAIRMAN—It is just a gloom!

Senator CHRIS EVANS—It is always said that senators have good faces for radio, and perhaps this is commentary that is best heard in the dark! Can I indicate to Senator Boswell that we will not be supporting these amendments. While he brings to this debate the same sort of passion that Senator Fielding brought to it yesterday, it does not seem to have much to do with the bill and I think it is a little misplaced. Senator Boswell, you say that hundreds of millions of dollars in imposts will be thrust upon small businesses. In fact, only nine per cent of all businesses, and only three per cent of small businesses, will be involved in paid parental leave in any given year. So I think you might be guilty of a little hyperbole in this respect.

The fact is that small businesses will only be involved in this when one of their employees goes on maternity or paternity leave. If you are a small employer with two or three employees it will not be such a regular occurrence—even if the person is having a big family. The reality is that you will not be involved in paid parental leave arrangements on a regular or long-term basis if you are a small employer. That is the first point. So the hyperbole about hundreds of millions of dollars in imposts on small business is, quite frankly, a nonsense. So, Senator Boswell, while I always listen to your contributions, in this case I think it is misplaced, so I will not be making representations on behalf of the case that you have argued. And, quite
frankly, it is a bit rich for a senior member of a government that was responsible for introducing the GST to lecture me about imposts on small businesses. I think we ought to bring this into perspective. Compared to the GST and the impositions on small businesses in terms of accounting costs and their dealings with government, I think it is fairly clear that paid parental leave is a fairly small impost.

The main focus of the debate is whether this is seen as a welfare payment or whether it is about parental leave and the right to have time off work. As Professor Marian Baird said in the Financial Review last week:

If paid maternity leave aims to recognise women’s workforce attachment, then that is an important consideration on how the payment is made—this is why the Productivity Commission recommended an employer link, otherwise it’s seen as a welfare payment.

We want women to maintain a strong connection to the workforce by receiving their government funded parental leave pay through their employer as they would other work entitlements. These are work related entitlements. As I said, only nine per cent of all businesses, and only three per cent of small businesses, will be involved in paid parental leave in any one year. As the Senate is aware, to help employers prepare for the scheme, we have organised a phase-in period over the first six months. We have ensured that employers can receive advances of funds in as little as three instalments. They will only be required to pay when they have received sufficient funds. So a whole range of arrangements have been put in place to work with employers to make this effective and have as little impost on them as possible. Employers will provide parental leave on a business-as-usual basis. They will not be required to lodge regular reports with the Family Assistance Office or establish special bank accounts. Parental leave pay will be paid in accordance with an employer’s normal pay practices and an employee’s usual pay cycle. It is not a payroll tax and there is no workers compensation payable. The design is very much based in the employment contract and the connection to work. That is the way the scheme is designed to operate.

The government will not be supporting the opposition’s amendments, which fundamentally go against the whole basis of and rationale for the scheme. We think the approach the government has adopted is the appropriate response. But we will be voting for the recommittal, because we are always concerned to make sure that the will of the Senate is reflected in the votes.

The TEMPORARY CHAIRMAN—I am advised that a major power spike has caused the lights to dim. Building Services have leapt into immediate action. Unless there are any strong objections, given that everything apart from the lights is working perfectly, I would like us to continue.

Senator Chris Evans—Like the British did in the Blitz, we’ll battle on!

The TEMPORARY CHAIRMAN—Exactly. Senator Hanson-Young.

Senator HANSON-YOUNG (South Australia) (10.50 am)—The Greens will not object to recommitting the motion if that is what needs to be done to reflect the true will of the Senate, but I would like to take this opportunity to highlight the hypocrisy of the opposition. Yesterday we heard over and over again about how they want a better scheme, they want six months, they want superannuation—they want all these things included in paid parental leave, but they were not prepared to stand by them when those amendments were put up. They said, ‘When we get into government we’ll do this, this, and this.’ It is fairly clear. But their argument was, ‘We didn’t want to frustrate the process.’ I think the antics of yesterday
afternoon and again this morning show that the opposition are more than happy to frustrate the process.

In fact, where you are frustrating the process is that you are looking after the bosses, not the mums who have to work and care for their kids. You were not standing up for them yesterday. You were not prepared to put their needs ahead of your issues in relation to frustrating the process or frustrating the government. But you are more than happy to simply stand up for the bosses. Rather than ensuring that women get the length of time that they need, six months, which is apparently your policy, and rather than giving them superannuation, which you agree should be included, you are now not standing up for the policy that you said you held and said you want. Instead, now you are frustrating the process by saying that you want to get rid of the one thing in this bill that is any type of attachment to the workplace.

There are flaws in this bill. It is interesting to hear the minister stand up and say, ‘Oh, well, we need this because this scheme is not about a welfare payment; it is about an entitlement to leave.’ We obviously know that that is a flaw. I spoke about it in my speech and at the Senate inquiry. It is out there on the public record. The government’s own department and drafters of this bill admit that this is a payment scheme, not a scheme that gives you a right to leave. Yet the one part of this legislation which ensures that there is some element—it may be small, but there is some element there— of the idea of attachment to the workplace for women and which therefore perhaps leads in some way to deal with that workforce participation criterion and objective is this issue of the payroll master. That is the only piece of this bill that does that, and the opposition want to kick it out. They are prepared to stand up for the bosses but not stand up for the mothers. That is what this is about.

Your leader goes out there and says, ‘We want six months; we want superannuation,’ but you do not stand for it when it counts. It is spineless—absolutely spineless. Here you are bowing to the bosses because they are obviously your constituents. You do not care about the mothers. You do not care about the dads. You do not want a good scheme in place. This is all politics for you. You had a chance to introduce a six-month scheme to improve this piece of legislation. You had a chance to include superannuation, which is apparently your policy. And you wimped out. Not only is Tony a phoney but he is a wimp too.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (10.54 am)—I must say that I could get used to this mood lighting! Certainly, Senator Evans has never looked so good! I would like to make it absolutely crystal clear that the opposition, if it is successful with its amendments, has no desire to imperil the bill and has no desire to delay the bill. If we are successful and the bill bounces back from the other place, we will not be insisting on the amendments. But we do hope that the government does pause for thought about this and about these amendments.

In response to Senator Hanson-Young’s comments as to why we are supporting these amendments and not other amendments which had a flavour or reflected some elements of our policy, the reason is quite simply that we knew that the government would not entertain for one second in the other place, we will not be insisting on the amendments. But we do hope that the government does pause for thought about this and about these amendments.
ments as genuine and at face value and does seriously consider them.

If these amendments are successful, there is no need for that to represent a delay to this legislation. Whether this legislation is delayed is entirely in the government’s hands. How long it takes to be dealt with in the other place, if it is successful, is entirely a matter for the government. How quickly it comes back here is entirely a matter for the government. Mr Albanese was on Sky this morning saying that the opposition was being frustrating and was seeking to delay the PPL legislation and that it was unlikely the legislation would be passed today. The opposition is not frustrating. The opposition is not delaying. We are seeking to make a significant improvement to the bill in the interests of small business. If there is a delay, it is not because of the opposition; it will be because of the government.

The opposition make the commitment that, if a message comes back from the House today, in the event that this motion is successful, we are happy to support the government in interrupting whatever business is taking place in the Senate to facilitate the passage of the legislation. I just want to make it clear that the opposition is being responsible, despite what Mr Albanese has been saying and despite what the Prime Minister has been saying. We are simply seeking to do our job. We are simply seeking to make sure that the Senate does its job. There is no need for delay, and we stand ready to be cooperative with the government in the event that this is successful and bounces back.

Senator BOSWELL (Queensland) (10.58 am)—I have to correct something that Senator Evans said. Yes, I made a plea for small business and I also made a plea for business. This is not only going to affect small business. I read out an extract from the Pharmacy Guild saying that one pharmacist estimated the cost for him to have to amend his calculations, his computer and his program at $700. That was just to alter the computers. Seven hundred dollars multiplied by 4,000 is a considerable amount of money, but that is just a start. Then you have to chase things. Mabel is going on paid parental leave and the cheque is not in, so you have to ring up the family unit and chase them, and the girl at the family unit is not there—she has gone on leave or something. It is going to be quite hard.

When you go into places like the building I have my offices in, to take a case in point—say, Minter Ellison, to take a name out of the hat—they would have maybe 200 ladies working there. Some of them, from time to time, will be taking paid parental leave. To say flippantly, as you did, that it is only three per cent or nine per cent or whatever you said, is typical Labor. You do not understand business; none of you have ever run a business. You have all been up through the union ranks. Once we would get the odd worker in here who picked up a shovel by mistake, but you do not get that anymore in the Labor Party. You just get union hacks who have never had any experience running a business. Not one of you over there has ever run a business. You flippantly get some researcher to say, ‘Don’t worry about it.’ The difference now is that you are responsible. We have tried. If you do not put this up, I do not expect it will collectively cost you a lot in votes, because I can never find anyone in small business who has ever voted for you—or anyone who is prepared to admit that they have ever voted for you, although there must be some around. You are not going to lose a lot of small business votes, but you would increase your credibility in the business community.

Senator Hanson-Young says that it is a great concern that a woman gets a cheque from her employer. I would suggest, Senator
Hanson-Young, that this may affect you but most women would say: ‘As long as I get that cheque—I don’t care whether it’s from the employer or the government—it’s not going to worry me. As long as I have that cheque, as long as I can put it in the bank, as long as I can go on my leave, I’m okay.’ We are double dipping and double handling for no apparent reason other than to say that it is a benefit. It is a benefit, and the benefit is paid by the government. The government has the capacity to fund a woman who is going on maternity leave. The simplicity of that seems to have escaped the Greens, but I would not have thought it would escape the members of the government. As for the comments on the leader of the Liberal Party, I find them pretty offensive. I thought you were above that. One cannot really help people who have to go down to that level, but I did not think it would be you, Senator Hanson-Young.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.02 am)—I do not want to extend the debate, but I want to briefly reply to the statement made on behalf of the opposition. I want to make the point that we would certainly appreciate cooperation in finalising the bill today, but we are now debating a recommittal of amendments that were defeated yesterday in order to go back to the House of Representatives with a clear indication that the opposition will not insist upon them when they come back. It can only delay the process for no impact, unless the opposition is to insist on those amendments. I do not want to lengthen the debate or argue the point and delay the Senate. For the record, this is a recommittal to support amendments that will not be insisted upon. Therefore, there will be no impact from this other than delaying the parliament. I do appreciate the offer from the opposition to facilitate the bill this afternoon. If we can organise that we will.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (11.03 am)—I will not take much time at all. What the opposition is seeking to do is give the government the opportunity to reconsider this in the other place and the opportunity to fix this bill to reduce the impact on small business. I am an eternal optimist. I like to think the best about people and that the government might take this amendment seriously and consider it. It is of a different nature to other amendments that have been put in relation to this legislation. We are simply giving the government the opportunity to consider the impact on small business again, and I would hope that the government would want to make sure that any impact or impost on small business was minimised.

The TEMPORARY CHAIRMAN (Senator Boyce) (11.04 am)—Leave has been granted for the question to be put again on certain opposition amendments on sheet 6134. The question is that opposition amendments (1) to (5), (7), (10), (11), and (15) to (20) be agreed to.

Question agreed to.

The TEMPORARY CHAIRMAN—We now have a postponed amendment from yesterday—government amendment (6) on AF249?

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.05 am)—I am happy to move that amendment—I was yesterday too when I stood up, but it was the wrong one. Please correct me, Chair, if I am wrong in my second attempt. I move government amendment (6) on sheet AF249:

(6) Page 86 (after line 29), at the end of Division 2, add:
99A Payment of paid parental leave does not affect other employer obligations

An obligation of an employer to pay a person parental leave pay under this Act is in addition to any other obligation the employer may have in relation to the person, however that other obligation might arise (including, for example, under another law of the Commonwealth, a State or a Territory, or an industrial instrument (however described)).

I think there was some debate about this yesterday when I was not in the chamber. This amendment seeks to address a question that was raised at the Senate Community Affairs Legislation Committee inquiry into the paid parental leave bill as to whether the government’s scheme was offering entitlements that were in addition to those that already exist or whether employers could use the government funding to offset their own schemes. The government’s legal advice is that the clear implication from the bill as originally drafted is that employers cannot use parental leave pay to fulfil an existing obligation to provide paid parental leave. However, the inquiry process revealed a degree of speculation about the issue, and senators rightly pursued those issues. This amendment seeks to put that matter beyond doubt. The amendment makes it clear that an employer cannot use government funded parental leave pay to meet an obligation to provide employer funded paid parental leave—for example, under an employment contract or industrial agreement.

This amendment clarifies that our paid parental leave is in addition to any existing employer entitlements that may exist from time to time. Nothing in this amendment affects the negotiation processes under the Fair Work Act. Enterprise agreements can be renegotiated in accordance with the provisions of the Fair Work Act, and common law contracts can also be renegotiated and varied in accordance with the law. This amendment simply confirms that the government’s PPL cannot be used to satisfy any other employer obligations, as they may exist from time to time. I request that the Senate support the amendment.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (11.07 am)—The opposition yesterday requested that the government put this amendment to the end of the list of amendments in order to provide us with a briefing. These amendments were drafted on the 11th of this month and circulated on the 16th, so there was a delay in getting these to the other parties in this chamber. That did not afford us the opportunity to form a full view on the amendments put by the government, so we sought and received a briefing this morning. That briefing did not provide the opposition with total comfort, partly because we have not had the opportunity to consult with the range of stakeholders and experts that we would have in the usual course of events. We did flag in the second reading debate that we feared the government would seek to find a way for small business to top up the government’s own scheme. This part of the legislation has clearly been rushed.

The opposition will not be seeking to oppose this, because we do not want to frustrate this legislation. But be it on the government’s head how this particular section is drafted. We do maintain some serious reservations. I know some of my colleagues—including, I think, Senator Fisher—will be ventilating some of those. I state that the opposition, although it has reservations, will not be opposing these amendments.

Senator HANSON-YOUNG (South Australia) (11.10 am)—As I indicated yesterday, I withdrew the Greens amendment that sought to do exactly this, because the government had obviously put forward an
amendment that did the same thing. It is a good acknowledgment from the government that this was a flaw within the legislation. It is really important that, when we are only offering 18 weeks at the minimum wage and when there is clearly no commitment from either side anymore to extending that in the near future, we ensure that the government scheme is used in addition to existing employer funded schemes. It cannot be used as a replacement. It is a really important aspect. Of course, we know that many of the women who do not have access to any type of paid leave other than the government funded scheme will simply still have to sit on the only-18-week scheme the government has put forward in this legislation. That is unfortunate. We would have liked to have seen it at six months. But we cannot allow for any lack of clarity or misunderstanding: this taxpayer funded paid parental leave scheme cannot be simply absorbed by employers or indeed used to replace their existing schemes. That is why the Greens will be supporting the amendment.

The TEMPORARY CHAIRMAN (Senator Boyce)—Senator Hanson-Young, as I understand it you actually deferred consideration of your amendment yesterday rather than withdrew it. Once we have finished dealing with the government amendment here, we will need to formally deal with yours.

Senator FISHER (South Australia) (11.12 am)—I have some questions about the intent and effect of the amendment, and I thank the Senate for the opportunity to ask them. I also thank the government for its attempt—albeit belatedly—to brief the opposition for some 20 minutes or so this morning on this amendment, which the opposition learnt about when it was first tabled in the Senate some 24 hours ago. I understand some key stakeholders only became aware of it yesterday as well. I am going to try to keep my questions as brief as possible, but I do want to try and ascertain from the government a clear description of what it intends with this amendment and a reassurance that it will achieve that intention.

Minister, the heading of the amendment uses the words ‘does not affect’. The amendment itself uses the words ‘is in addition to’. Minister Arbib yesterday used the words ‘cannot be used to satisfy’ and you this morning used the words ‘cannot be used to fulfil’. Is there any difference between the meanings of those words? If so, why are the words ‘does not affect’ used in the heading to the amendment, the words ‘is in addition to’ used in the guts of the amendment and the words ‘cannot be used to satisfy’ and ‘cannot be used to fulfil’ used by the respective ministers to describe the effect of the amendment? There is a substantive reason for asking. It is not just playing with words. They all have meanings.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.14 am)—I suppose the general answer on the wording used by ministers is that we are not a scripted government. Ministers choose their own words when responding to issues in the Senate, so I would not place too much emphasis on the particular words chosen by the ministers in the debate. I certainly would not place any on mine, in the sense that they were not meant to carry legal or technical connotations; they were only used to try and explain the purpose of the amendment. I am advised, though, that in the drafting of the amendment we do not have any concerns that the impact of the use of those words will be any different. Our advice is that the amendment achieves what we want it to.

I will just point out that the amendment was drafted in response to concerns raised in the Senate committee process, which is ob-
viously the appropriate process for teasing out any concerns. It serves the Senate and the parliament well. I am advised that we do not have any concerns about how the wording is used in various sections such as the heading and content of the amendment. If you have any particular concerns or you think either of the terms used have some other meaning then I am happy to respond to that. If there is something that you think does not work then we are happy to try to address it.

Senator FISHER (South Australia) (11.15 am)—You now have your special adviser in Senator Collins sitting behind you, so hopefully she can assist. Let me put the same question another way: does this amendment simply ensure that the 18-week parenting payment must be passed on to an employee by the employer or does it do more than that?

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.16 am)—I think all it does is mean that it must be passed on. It is designed to deal with the concern about the impact of this matter on other policies or terms of industrial instruments that may apply in a particular workforce, but the intent is that that entitlement be passed on.

Senator FISHER (South Australia) (11.16 am)—If the intent is simply that—to ensure that an employer who receives the 18-week payment to which an employee is entitled passes that payment on—then why does the guts of the amendment not simply use the words in the heading of the amendment, which are ‘does not affect’. Why does the guts of the amendment not say ‘an obligation of an employer to pay a person parental leave under this act does not affect other obligations’?

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.17 am)—In the heading we talk about ‘does not affect’, but the amendment makes it clear that it is an additional obligation. It is drafted in a way to make it clear that that obligation is additional. As I say, we do not have any concerns. If you are asking, ‘Why was it drafted in that way and why was a particular term used?’, I cannot quite answer that. You know what we seek to achieve by the amendment. If you have a concern that we are not achieving that, I am happy to respond to that. As to what is in the ‘guts’ of the amendment, to use your delightful term, I am advised that it achieves what it set out to. From the advice I am receiving, we do not think anything hangs on it. If you are mounting the argument that something hangs on it then I am happy to respond to that.

Senator FISHER (South Australia) (11.18 am)—The concern may be that employers and employees may think from the heading to the amendment that it simply compels the passing on by an employer to an employee the 18-week parenting payment rather than going further. You have now confirmed the government does intend the amendment to go further in saying that not only must an employer pass on to an employee the 18-week parenting payment but that employer cannot use the passing on of that 18-week payment to satisfy or fulfil other obligations. In the words of the guts of the amendment itself, it must be in addition to an obligation that an employer has to that person arising in a different way, be it under a Commonwealth or state law or an industrial instrument. So potentially it is arguable that the heading to the amendment has a very different effect from the guts of the amendment. You are saying to the Senate, if I understand you correctly, that the guts of the amendment is what the government actually intends the amendment to achieve, so you might reflect on how that is a potentially misleading heading.
Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.20 am)—I understand the point you are trying to make. We argue that the legal meaning is that contained in the clause. You raise concerns about whether or not the heading accurately reflects the full policy intent. I guess I regard that as a bit of an argument on semantics. We do not think anything turns on it. The legal meaning is reflected in the clause. I think it is fair to say that most people will get information about their obligations through publications from the department, information sheets and advice from both government and industry bodies where the language will probably be more user-friendly and designed to make clear what the implication of the policy is. You, Senator, and a few others interested in industrial law will be a small group who will come to terms with the detail of the legislation. I must admit that it is more than 20 years since I have grappled with industrial law, so I do not pretend any great expertise any longer. But we think the legal effect is in the clause. We think it properly reflects the government's policy intention. We think this amendment achieves what we intend for it to achieve.

Senator FISHER (South Australia) (11.21 am)—Semantics keeps a plethora of people outside this place very well occupied. They are called the IR club, and very well cushioned indeed they are. They will be hanging off the words of these amendments. But my concern more so is that employers who have concerns about this amendment may be misleadingly reassured by the heading of the amendment and the popular vernacular with which it will subsequently be described for the purposes of brevity and, potentially, a media grab. On the other hand, employees may well be concerned by the publication of this amendment if the heading is used.

Going to the next aspect of the same concern, can you please clarify whether this amendment allows an employer and an employee to renegotiate a workplace agreement, to which prospect you referred in your opening description of the effect of the amendment? Does this amendment mean that an employee and employer can renegotiate a workplace agreement, either a workplace agreement that exists today or one existing in the future? Can an employee and an employer renegotiate a workplace agreement so that the 18-week parenting payment payable under this bill satisfies an obligation that an employer has today under a workplace agreement to provide a worker with 18 weeks paid parental leave?

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.23 am)—This provision makes clear that this obligation is additional to any obligations that the employer has as part of their employment contract or industrial instrument with a worker. Your question is in terms of any renegotiation of that agreement in the future: under normal circumstances involving the Fair Work Act or contract law, can an employer seek to alter the terms as part of that negotiation? Of course the answer to that is yes. In accordance with whatever the term of their agreement is or the nature of their arrangements under the Fair Work Act or contract law, if they are seeking to renegotiate the provisions of that industrial instrument, that is clearly something that an employer or employees can put on the table as part of that process. But the provision here is in addition to whatever other terms are contained in those contracts or industrial instruments.

Senator FISHER (South Australia) (11.25 am)—Let me ask the same question in another way. Say that today an employer has a workplace agreement that obliges the employer to provide a worker with 18 weeks
paid parental leave. In six months time the agreement is up for negotiation. Can the employer and the employee, perhaps collectively, agree to provide in their workplace agreement that the employer will provide 18 weeks paid parental leave, both leave from work and pay accompanying, and that the 18-week payment that the employer would otherwise make to the employee will be satisfied in whole for those workers who are earning the minimum wage with the employer—who hopefully will be few—and/or in part for those workers who are earning more than the minimum wage with the employer by the employer passing on to those employees the parenting payment payable under this bill? Sorry, it is still not clear.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.26 am)—The bill provides the obligation to provide 18 weeks paid parental leave. That obligation exists outside of any other obligations entered into by employers and employees. The other arrangements entered into can be additional to those, but this is a provision that must be delivered. The negotiation process beyond that is available to people as they make their arrangements under industrial instruments or contract law. That is the clearest way I can explain it.

Senator FISHER (South Australia) (11.27 am)—If the payment is delivered, does this amendment have a bearing on anything else, in particular workplace negotiations? If so, what and how?

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.28 am)—It does not have any impact on the Fair Work Act or anything else outside of the bill. It provides an entitlement that has to be met and it does not impact on those other arrangements.

Senator FISHER (South Australia) (11.28 am)—To the extent that the obligation of an employer to pass on the parental leave payment under this bill cannot be used to satisfy an obligation that an employer may otherwise have to a worker, is it the payment component that cannot be used and/or the 18-week period? So is it just the money bit, or is it also the period to which the money relates?

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.30 am)—People will, if they seek to access this payment, be entitled to 18 weeks paid parental leave without impacting on the other arrangements that they may have. They do not have to apply for it, but if they apply for it they have that entitlement.

Senator FISHER (South Australia) (11.30 am)—Under this bill, they will be entitled to an 18-week payment of the minimum wage. The bill does not give them an entitlement to 18 weeks paid leave, but I will leave that aside. Given the lack of consultation about this amendment, I fear that there will be large parts of the workplace community hanging off our clumsy attempts here this morning, but I will do my best with my final two questions to help, I hope, to clarify the amendment in terms of its application to any other obligation the employer may have to the employee. This may seem pedantic; however, in workplace parlance it is not. Does ‘obligation an employer has to a worker’ also encompass what might be regarded as a statement of intent—for example, in a policy statement? I ask because it has been argued in the very quick discussion that there has been about this amendment that it is the employer’s right because, to the extent that employers provide paid parental leave, many of them do it by way of a statement of policy which is left outside any sort of legal obligation. So the question is: does the meaning of the word ‘obligation’ in the amendment extend to statements of intent, or is it a legal obligation?
Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.32 am)—I am advised that, where a policy forms part of an employment contract or industrial instrument, this amendment makes clear that the obligation is additional to parental leave pay. Where a policy is applied in a purely discretionary way—that is, it is not part of the employment contract or industrial agreement—this amendment does not impact on the employer’s ability to vary its own policy. So it is the nature of being included in an industrial agreement or employment contract that is the key, as I understand it.

In terms of your concern in relation to the discussion we have just had, there is an implementation group which includes representatives of businesses to work through the implementation of these policies. If there is concern and confusion around the issue you raise, then that is the appropriate venue for that to be pursued. There will be an opportunity for us to work through that if there is any continuing concern.

Senator FISHER (South Australia) (11.33 am)—Thank you, Minister. I am more reassured by that answer than I am afraid I had been by the preceding answers to the different questions. My final question—and I thank the Senate for its indulgence—relates to the employer and the employees to which the amendment refers. Does the amendment apply to all employers and all employees in Australia, or is it possible that the amendment only applies in respect of employers who are constitutional corporations and employees of constitutional corporations?

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.34 am)—I think the answer is—and I am taking this on advice—that it only applies to employers who have an obligation to pay parental leave under the act. So it is those employers who are bound by the provisions of the act.

Senator FISHER (South Australia) (11.34 am)—I note in closing for the government to consider that, if that be so, that may then mean that the second limb of the amendment—that is, other obligations the employer may have in relation to the employee, howsoever arising—can only apply to employers who are constitutional corporations. The government might indicate whether it has received legal advice to that end, but I may leave that in the lap of the committee now because I understand time is short.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.35 am)—We are advised that we have had the appropriate legal advice to support this framework and that the measures do not rely on the corporations power. So they do not anticipate that is an issue. That is the advice that was received in drafting this amendment.

Senator FISHER (South Australia) (11.35 am)—I understand that the provisions of this bill are not based on that power, but it is the reference to ‘other obligations howsoever arising’ that may attempt to go beyond the basis of the power for this bill.

Question agreed to.

The TEMPORARY CHAIRMAN (Senator Cash)—We will now move to Greens amendment (11) on sheet 6111.

Senator HANSON-YOUNG (South Australia) (11.36 am)—This is one of the amendments that I flagged earlier that the Greens would be withdrawing in light of the fact that the government have agreed to introduce a review into the legislation, so we can be assured it will happen and that there will be some importance placed upon that. The government have obviously accepted that is an issue. They have put forward
their amendment, so I am happy to withdraw ours.

The TEMPORARY CHAIRMAN—Thank you, Senator Hanson-Young. You have withdrawn amendment (11) on sheet 6111.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.37 am)—I move government amendment (7) on sheet AF249:

(7) Page 236 (after line 20), after clause 307, insert:

307A Review of the operation of this Act

(1) The Minister must cause a comprehensive review of the general operation of this Act to be begun by 31 January 2013.

(2) The review must consider the following matters:

(a) the amount of time off work that primary carers are taking to care for newborn or newly adopted children;

(b) the availability and amount of leave and payments provided by employers in relation to the birth or adoption of a child, and the interaction of those entitlements with parental leave pay provided under this Act;

(c) the operation of the work test;

(d) whether primary claimants’ partners should be paid parental leave pay separately from, or in addition to, primary claimants;

(e) whether employers should make superannuation contributions in relation to parental leave pay;

(f) the results of any evaluations conducted in relation to the operation of this Act;

(g) the administration of this Act;

(h) any other matter relevant to the general operation of this Act.

(3) The Minister must ensure that public submissions are sought in relation to the review.

(4) The Minister must cause a copy of a written report of the review to be tabled in each House of the Parliament within 15 sitting days of the day on which the Minister receives the report.

The government are making this amendment in order to give legislative effect to our firm commitment to have a comprehensive review of the PPL scheme. The amendment makes clear that the review will commence by 31 January 2013, two years after the scheme commences. The review will be wide-ranging and cover all issues relevant to the operation of the act, including its administration. We also specify particular issues that must be considered in the review: the amount of time off work that primary carers are taking to care for newborn or newly adopted children; the availability and amount of leave and payments provided by employers and the interaction of those entitlements with parental leave pay; the operation of the work test; whether the primary claimant’s partner should be paid parental leave pay separately from or in addition to the primary claimant; and whether employers should make superannuation contributions in relation to parental leave pay, an issue we debated yesterday.

The views of stakeholders and the public will also be sought during the review and the result of any evaluations will be incorporated. We think this is a sensible amendment which allows for proper consideration of the legislation’s impact after an appropriate length of time. It is a device we use in many other bills and we think it is a sensible legislative procedure. I urge the Senate to support the amendment.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (11.39 am)—I indicate that the opposition will not be opposing the amendment.

Senator HANSON-YOUNG (South Australia) (11.39 am)—As the Greens had a very similar amendment, which was withdrawn
subsequent to the government putting theirs forward, we are happy to see this legislative review included.

Question agreed to.

Senator HANSON-YOUNG (South Australia) (11.40 am)—by leave—I move Greens amendments (13) and (14) on sheet 6111:

(13) Page 236 (after line 25), after clause 308, insert:

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

(14) Page 236 (after line 25), at the end of the bill, add:

Schedule 1—Amendments relating to paid parental leave
Fair Work Act 2009

1 Subsection 67(1)
Omit “An”, substitute “Subject to section 67A, an”.

2 Subsection 67(2)
Omit “A”, substitute “Subject to section 67A, a”.

3 After section 67
Insert:

67A Additional application—paid parental leave

(1) This section applies in relation to an employee if:
(a) the Secretary makes a determination under Part 2-2 of the Paid Parental Leave Act 2010 that parental leave pay is payable to the employee for a child; and
(b) at the time the Secretary makes that determination, the employee does not meet the requirements of subsection 67(1) or (2); and

(c) the employee has, or will have, completed at least 3 months of continuous service with the employer immediately before the day the Secretary makes the determination.

(2) The employee is entitled to leave under this Division.

Note: An employee qualifying under this section is entitled to leave during the employee’s PPL period for the child (see section 70A).

(3) In this section, unless the contrary intention appears, any term that is defined in the Paid Parental Leave Act 2010 has the meaning given in that Act.

4 Section 70
Omit “An”, substitute, “Subject to section 70A, an”.

5 After section 70
Insert:

70A Modified application—entitlement to paid parental leave

(1) This section applies to an employee who is entitled to leave under this Division because of section 67A.

(2) The employee is entitled to:
(a) unpaid parental leave during the employee’s PPL period for the child; and
(b) if the leave is associated with the birth of a child—an additional period of unpaid parental leave of up to 6 weeks before the birth.

(3) In this section, unless the contrary intention appears, any term that is defined in the Paid Parental Leave Act 2010 has the meaning given in that Act.

These amendments are quite significant. They deal with a significant flaw in this entire legislation, which is that this is a stand-alone piece of legislation. It does not amend the Fair Work Act, which contains the unpaid maternity leave provisions. The government themselves, through both their advisers and
the secretary of the department, have acknowledged that, yes, this piece of legislation is simply an entitlement to a payment, not necessarily an entitlement to leave. That is because the maternity leave provisions are held within the Fair Work Act. This bill as it stands does not amend that.

Some women—I hope most women—would be entitled to the payment on the criteria set out in this legislation, which would marry with their eligibility for entitlement to unpaid leave in the Fair Work Act, but there would be some women who would not be. That is because the entitlements for the payment are different to the existing entitlements for leave in the Fair Work Act. It is going to be very difficult for the government to continue to argue that this is a paid parental leave scheme, rather than simply a payment for parents who happen to have to leave their job but are not necessarily given a guarantee that they will get their job back. It is very hard for the government to argue that this is anything more than a payment for parents as opposed to a paid parental leave scheme that is based on a foundation of workplace attachment, of workforce participation of women in particular, and of ensuring that it is a workplace entitlement. The minister himself—in response to some of the comments, whether they are relevant or not, made by Senator Boswell—indicated that this piece of legislation, this scheme, is all about a workplace entitlement. Yes, it should be about a workplace entitlement. Unfortunately, though, because of the way that the bill is drafted—it does not amend the Fair Work Act—it is not a workplace entitlement. You can say it is, but it is not. There is an entitlement to a payment; there is not an entitlement to leave.

It astounds me, to be honest, that the government were not forward thinking enough to be able to say, ‘Look, we are so committed to a paid parental leave scheme, we will put forward a bill that will amend the Fair Work Act to ensure that the entitlements marry with each other.’ So you are not just introducing a social welfare benefit; you are introducing a workplace entitlement. You are not just dressing up the baby bonus but implementing a proper paid parental leave scheme. One of the issues that has been raised in this debate since the moment the government put forward their exposure draft of the bill is that this is a very complex piece of legislation. The attitude is: ‘We can’t play with bits of it because it is so complex. Let’s just ram it through the parliament.’ We have seen that the parliamentary process, and the Senate process in particular, has been able to articulate that there are flaws. We have been able to fix some of them, but this is a major one that we have not yet been able to fix. That is why this amendment is on the table.

If they had indeed simply put forward a piece of legislation that amended the Fair Work Act and included payment for the existing leave entitlements for parents then it would have been a much simpler act to deal with. The piece of legislation that was tabled last year by me on behalf of the Greens amended the Fair Work Act. It was not the 200-odd pages that the government’s bill is; it was not as complex. It was upfront about the fact that this paid parental leave scheme should be a workplace entitlement. To make that the case, we must amend the Fair Work Act. Otherwise, it is all show with no substance behind it—aside from the payment, which I accept. A paid parental leave scheme needs to ease the burden on families and on mums in particular who have to leave the workforce in order to have their babies. It needs to allow, help and support them to do that. But a paid parental leave scheme needs to ensure that they are not discriminated against or disadvantaged in the workplace because they have to take time off work in
order to look after and care for their newborn baby.

We need to amend the Fair Work Act and ensure that there is a marrying of the eligibility criteria for those who are entitled to payment and those who are entitled to leave. Those women who the government rightly suggests do not generally have access to any employer funded scheme—casuals, seasonal workers and those in lower paid income brackets—are women who do not necessarily fit into the unpaid leave provisions. While they will be able to access the payment, they are not guaranteed of getting their job back. It will be up to the employer and whether or not they have the goodwill to say, ‘That’s okay: we’ll give you that time off and you can come back.’ That is not a good foundation for government policy: ‘She’ll be right, mate. The boss’ll look after you.’ I cannot believe that that is the type of approach that is coming from the Labor Party, but that is the approach in this legislation: ‘She’ll be right, mate. The boss’ll look after you.’ They are not guaranteeing in the piece of legislation that is before us today that all parents who are eligible for the payment will be eligible to get their job back once their leave period is over. It is a fundamental flaw in the legislation. It is tricky to clean up. Nonetheless, the Greens amendments try to do that.

I would like to see the government’s response to this. If they are indeed committed to the idea of expanding this scheme—if they are indeed committed to including superannuation and extending the length of time—how are they going to do that if they do not bed down a scheme that is about a workplace entitlement and not just another form of the baby bonus?

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.47 am)—The government does not support these amendments. The Productivity Commission recommended that the eligibility for paid parental leave be more generous than eligibility for unpaid leave under the National Employment Standards. The government accepts that recommendation. This enables more working women to access the scheme, including women who work in casual, seasonal and contract employment, as well as self-employed women. The scheme allows women who have recently changed jobs to also receive parental leave pay.

The National Employment Standards were the subject of extensive consultation prior to being finalised. They have only been in operation since 1 January this year. Most employees eligible for parental leave pay will be eligible for unpaid parental leave under the standards. The government does not believe that it is appropriate to expand them at this time and require employers to provide unpaid leave and a return to work guarantee in the absence of a longer term relationship between the employer and the employee. You are trying to meld in these amendments two different frameworks, which, as the senator admitted, is a little complex and a little difficult. We do not think that it is appropriate to expand the employment standards at this time to put that extra requirement on employers to provide unpaid leave and a return to work guarantee in the absence of that long-term relationship which is at the core of the PPL scheme.

I note also that these amendments do not propose to provide all people eligible for paid parental leave with an unpaid leave entitlement and a return to work guarantee, only those with three months continuous service. Effectively, it is just drawing the line in a different spot. Senator Collins also raises with me that this would see the final employer of someone who had a series of employers over a period of time being the one who would have to guarantee the job, even
though the person might have had quite a different set of employment relationships with a number of employers.

The government do not support these amendments. I take the point that the senator is trying to make, but we think that this is not a sensible way to proceed at this stage. We have only just put the National Employment Standards in place. It would put an extra burden on employers and we do not think that the complication in the attempt to marry the two different frameworks that apply is a sensible thing to do.

Senator HANSON-YOUNG (South Australia) (11.50 am)—Thank you, Minister, for giving the government’s response. I am not surprised by it. It was consistent with what you have been saying all along. I have moved these amendments because I obviously think that it is very important. If the government are not going to support them, then they should do the right thing by ensuring that in their promotion of this scheme, when it is eventually passed, they are upfront and honest about the fact that they are not guaranteeing that every person who is entitled to the payment has a guarantee of getting their job back. That is not the way that the government have been speaking about this policy initiative to date. They have been saying that people will get paid parental leave. But not everybody does under the government’s scheme. People are entitled to a payment, yes. But they are not necessarily entitled to leave. The government need to be upfront about that. The minister responsible must be upfront with Australian families and say, ‘I can’t guarantee that you’re going to get your job back.’

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.51 am)—All I can do is assure the Senate that the government will be upfront with people as to what the impacts of both this legislation and the National Employment Standards are and what their rights are. We will obviously seek to provide as much material and information as possible so that employers and employees understand those rights.

Question put:
That the amendments (Senator Hanson-Young’s) be agreed to.

The committee divided. [11.56 am]

(The Chairman—Senator the Hon. AB Ferguson)

<table>
<thead>
<tr>
<th>Ayes</th>
<th>5</th>
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<td>Noes</td>
<td>41</td>
</tr>
<tr>
<td>Majority</td>
<td>36</td>
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</tbody>
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AYES

Brown, B.J. Hanson-Young, S.C.
Ludlam, S. Milne, C.
Siewert, R. *

NOES

Abetz, E. Adams, J.
Back, C.J. Bilyk, C.L.
Boyce, S. Brown, C.L.
Bushby, D.C. * Cameron, D.N.
Cash, M.C. Colbeck, R.
Collins, J. Coonan, H.L.
Crossin, P.M. Eggleston, A.
Farrell, D.E. Feeney, D.
Ferguson, A.B. Fielding, S.
Fifield, M.P. Fisher, M.J.
Forshaw, M.G. Fowler, M.L.
Humphries, G. Hutchins, S.P.
Ludwig, J.W. Lundy, K.A.
Marshall, G. McEwen, A.
McLucas, J.E. Minchin, N.H.
Moore, C. Nash, F.
Parry, S. Polley, H.
Pratt, L.C. Scullion, N.G.
Sterle, G. Troeth, J.M.
Trood, R.B. Williams, J.R.
Wortley, D. *

* denotes teller

Question negatived.

Bill, as amended, agreed to, subject to requests.
Paid Parental Leave (Consequential Amendments) Bill 2010

Bill—by leave—taken as a whole.

Senator FIFIELD (Victoria) (12.00 pm)—I move opposition amendment (1) on sheet 6133:

(1) Schedule 2, Part 1, page 29 (line 2) to page 32 (line 28) TO BE OPPOSED.

This is ancillary to the substantive amendments that the opposition have moved in relation to the primary bill to take the burden off small business in terms of administering the Paid Parental Leave scheme. This is ancillary to that purpose.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (12.01 pm)—I think that is a correct short iteration of what the amendments seek to do. They are consequential to the removal of the role of the employers—that is, the amendments on instalments to be paid by the secretaries, which was dealt with in the substantive bill and which we considered in the context of the main bill as I think it was outlined. The government does not support removing employer involvement in the Paid Parental Leave scheme, for the reasons which were outlined by my colleagues when they dealt with the substantive bill. So, for those reasons and the reasons articulated in the main bill, we do not support the consequential amendment.

Senator FIFIELD (Victoria) (12.01 pm)—I note that Senator Fielding has an amendment identical to this one. Also, Senator Xenophon has indicated by email to the whips that he will be supporting the opposition amendment. I noted that in that situation, with the opposition’s previous substantive amendments, the government did not seek to divide, recognising the numbers in the chamber.

Senator HANSON-YOUNG (South Australia) (12.02 pm)—For similar reasons to those for which the Greens would not support the amendment put forward by the opposition to the substantive bill, we cannot support this amendment either. It is really important—particularly in view of the amendment that the Greens put forward to ensure that there was a direct linkage between this Paid Parental Leave scheme and the Fair Work Act and therefore having a workplace entitlement—that the only existing piece of connection that parents will have with their workplace is through the employer being the paymaster. It is absolutely vital that that connection remain in this piece of legislation. I still do not quite understand where the opposition are going with this. If they are not committing to insist on these amendments when the bill comes back from the House, I am not sure why we are going through this facade.

Senator FIFIELD (Victoria) (12.03 pm)—I can answer Senator Hanson-Young: it is because we like to believe the best about the government. We would like to believe that the government might seriously consider this particular amendment and the earlier substantive amendments to the primary bill, because they seek to lift the burden off small business. We know that the government would not entertain a number of the other amendments which were moved by other parties and that had no prospect of success in the other place, but we do hope that the government will seriously look at this. We did indicate that we are not going to seek to imperil the bill or to frustrate it and that, if this is successful and bounces back from the House, we will not insist. That is because we have two objectives. One is that we want to see a paid parental leave scheme in Australia, although this scheme is not perfect. We have another objective, which is to lighten the burden on small business wherever we can. We would hope that the government would share that objective and take the opportunity
that a successful amendment would provide for the government to consider that in the other place. So that is what we hope the government will do.

Question put:
That part 1 of schedule 2 stand as printed

The committee divided. [12.09 pm]
(The Chairman—Senator the Hon. AB Ferguson)

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

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

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

PAIRS
Carr, K.J.  Cormann, M.H.P.
Faulkner, J.P.  Johnston, D.
Evans, C.V.  Fierravanti-Wells, C.
Pratt, L.C.  Xenophon, N.
Sherry, N.J.  Birmingham, S.

* denotes teller

Question negatived.

Bill, as amended, agreed to.

Paid Parental Leave Bill 2010 reported with amendments and requests and Paid Parental Leave (Consequential Amendments) Bill 2010 reported with amendments; report adopted.

Third Reading

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (12.13 pm)—I move:
That the Paid Parental Leave (Consequential Amendments) Bill 2010 be now read a third time.

Question agreed to.

Bill read a third time.

TAX LAWS AMENDMENT (MEDICARE LEVY AND MEDICARE LEVY SURCHARGE) BILL 2010

Second Reading

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

That this bill be now read a second time.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (12.14 pm)—I rise to speak on the Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Bill 2010. This bill increases the low-income thresholds in line with CPI to ensure that low-income earners continue to be exempt from the Medicare levy and Medicare levy surcharge. The low-income thresholds for the levy and surcharge have been increased according to CPI in all years since 1996-97 except 1998-99, when the CPI was a negative figure. The Medicare levy is not payable by low-income
families with incomes below the Medicare levy low-income threshold.

In addition there is a low-income threshold for the Medicare levy surcharge that applies to the low-income earner in a couple or a family. The low-income earner does not have to pay the surcharge if their income is below the low-income threshold. However, their partner with an income above the threshold must pay the surcharge if they do not have private health insurance. This bill maintains the intention of the low-income thresholds by ensuring that individuals and families on low incomes remain exempt from the Medicare levy and Medicare levy surcharge according to changes in the CPI. The amendments apply to the 2009-10 year of income and later income years. The coalition supports the bill.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (12.16 pm)—I thank those opposite for their contribution on the Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Bill 2010 and I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

CHILD SUPPORT AND FAMILY ASSISTANCE LEGISLATION AMENDMENT (BUDGET AND OTHER MEASURES) BILL 2010

Second Reading

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

That this bill be now read a second time.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (12.17 pm)—I rise to speak on the Child Support and Family Assistance Legislation Amendment (Budget and Other Measures) Bill 2010. The coalition has a strong record in family assistance and child support and supports this bill. Unlike Labor, we on this side of the chamber value helping families stay together and we value the services we provide in that respect and for other areas such as marriage counselling funding. That is why I am disappointed with the government’s attack on family and relationship service related funding. Here is a government that wastes billions of dollars on myriad policy failures and when it needs to claw something back it looks to pensioners, as we saw with the pensioner solar rebate clawback, where rebates they received from returning excess electricity from their solar panels to the grid was treated as income for social security purposes. Now the government has decided to target families. In fact, all that is missing today is the Prime Minister holding yet another press conference to tell us to get out of the way of this bill as well.

Labor has slashed $43.9 million from family relationship centres, which was not revealed in the budget. The government slashed $4½ million from marriage counselling services and the government decided not to replace four judges in the Family Court and Federal Magistrates Court, which placed unnecessary pressure on the judiciary and means that family law matters will now take even longer to get to court, let alone be resolved. In total almost $50 million has been cut from important services which help families stay together and save marriages.

The bill before us is designed to streamline legislative arrangements. The bill will align care determinations under both the family assistance law and child support legislation and will essentially allow parents or carers who are entitled to family tax benefit and are also child support payers or payees to have the same care determinations made
for a child where the care of the child involves more than one carer. Furthermore, the bill aligns the payer’s income estimate periods with financial years rather than child support years, which in effect changes the period over which income estimates are reconciled from 15 months to a financial year. This will ultimately ensure greater accuracy and efficiency as the proposed amendment will result in a far simpler process to assess a payer’s taxable income. Indeed this will also reduce delays in the automated reconciliation process.

The bill will also allow for any payments of family tax benefit to recipients who have not lodged their tax returns in the hope of having a lower assessable income to be cancelled. The amendments limit the non-payment of FTB to a claimant or the non-entitlement of a claimant to FTB so that it applies only if the claimant or his or her partner has an outstanding FTB debt as a result of relevant tax returns not being lodged. The coalition supports this bill. I know this bill is non-controversial and so I apologise as I could not help but make a few of the observations that I made earlier about the government’s hypocrisy.

**Senator Ludwig** (Queensland—Special Minister of State and Cabinet Secretary) (12.21 pm)—I thank, not unguardedly, Senator Fifield for his contribution. The Child Support and Family Assistance Legislation Amendment (Budget and Other Measures) Bill 2010 implements changes to make assistance simpler for families and I commend the bill to the Senate.

**TAX LAWS AMENDMENT (2010 GST ADMINISTRATION MEASURES No. 2) BILL 2010**

**Second Reading**

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

That this bill be now read a second time.

**Senator Fifield** (Victoria) (12.22 pm)—I rise to speak on the Tax Laws Amendment (2010 GST Administration Measures No. 2) Bill 2010. This bill seeks to implement some of the recommendations made by the Board of Taxation in its recent review of GST administration, namely the review of the legal framework for the administration of the goods and services tax. The aim of this review, and the accompanying bill, is to simplify and streamline the administration of GST in the areas of groupings, invoicing and rulings. The coalition supports measures aimed at simplifying and streamlining the administration of the GST and tax provisions, and we will not stand in the way of this bill.

The bill deals with three schedules. Schedule 1 seeks to adopt more principled and flexible rules for GST groups and GST joint ventures by amending the Taxation Administration Act 1953 and A New Tax System (Goods and Services Tax) Act 1999, one of my favourites and one that I remember well. The schedule will enable entities to self-assess their eligibility to form or change a GST group or joint venture and need only notify the commissioner of their action before the due date of lodgement of the GST return for the tax period. As it currently stands, the commissioner must formally approve such changes. The first schedule also seeks to increase the flexibility of the grouping rules by allowing entities to form, change and dissolve a GST group or joint venture at any time during a tax period rather than needing to wait until the beginning of a tax period, as current provisions dictate.
period or unwinding transactions back to the start of a tax period.

Schedule 1 also seeks to enable entities to enter into indirect tax sharing agreements to limit their joint and several liabilities in respect of indirect tax law liabilities to a contribution amount agreed with the representative members for GST groups or joint ventures. This is expected to increase certainty for members in GST groups and joint ventures in relation to their exposure to group debts.

Schedule 2 deals with rulings. It seeks to include indirect tax rulings and excise advice in the general rulings regime. This is expected to address problems arising from not having an express legislative framework for GST rulings, no formal review rights and no framework setting out taxpayers’ rights and obligations. Under this schedule income tax rulings will be expanded to include GST, luxury car tax, wine equalisation tax and excise matters.

Schedule 3, the final schedule of this bill, seeks to introduce a more flexible set of requirements for tax invoices. It will allow recipients of supplies to disregard certain areas in the document intended to be a tax invoice, where missing information can be obtained from other documents provided to the recipients by the supplier. As stated at the outset, the coalition supports this bill.

**Senator Ludwig** (Queensland—Special Minister of State and Cabinet Secretary) (12.25 pm)—I thank Senator Fifield for his contribution to the debate. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

**Third Reading**

Bill passed through its remaining stages without amendment or debate.

**TAX LAWS AMENDMENT (2010 MEASURES No. 2) BILL 2010**

**Second Reading**

Debate resumed from 13 May, on motion by Senator Stephens:

That this bill be now read a second time.

**Senator Fifield** (Victoria) (12.26 pm)—I rise to speak on the Tax Laws Amendment (2010 Measures No. 2) Bill 2010. I note that, while the vast majority of this bill is non-controversial, there are certain elements in schedule 1 that are of concern to stakeholders and the coalition, which I will outline shortly. I also note at the outset the coalition’s disappointment at the way the government has handled this piece of legislation. It has rushed this bill through parliament and did not give the Senate Economics Legislation Committee adequate time to thoroughly analyse the bill in detail. The government facilitated rushed hearings and the committee was not briefed by Treasury officials prior to the commencement of hearings. In fact, Treasury did not appear before the committee until the last day of hearings.

But, despite the rushed process, the submissions and the hearings of the committee inquiry have managed to expose a number of issues of concern and outline recommendations, particularly with regard to schedule 1. Schedule 1 seeks to amend the non-commercial loan rules in division 7A of the Income Tax Assessment Act 1936 to prevent a shareholder of a private company or an associate of the shareholder accessing tax-free dividends through the use of company assets for less than their market value. The schedule also makes a range of other technical amendments seeking to strengthen the non-commercial loan rules by ensuring that they cannot be circumvented by the use of corporate limited partnerships or by interposing entities between a private company and its shareholders.
The committee made three main recommendations: firstly, that the bill be amended so that company title apartments, where the company title arrangement, its memorandum and articles create a right for the occupier, are clearly excluded from its coverage before the bill is passed; secondly, that the Commissioner of Taxation review draft ruling 2009/D8 following passage of the schedule 1 amendments to ensure it is operating appropriately; and, thirdly, that item 2 of the bill, dealing with the commencement date of the provisions, be amended to reflect that schedule 1 take effect from 1 July 2010. The committee was of the view that this time frame strikes the appropriate balance between providing taxpayers with time to prepare for the changes and the need to strengthen the integrity of the tax laws.

The coalition understands that the government is making amendments to the section dealing with company title apartments and we support that, but we understand the government is not making any changes to the commencement date. The coalition supports the committee’s bipartisan view that the commencement date should take effect from 1 July 2010. The committee’s report stated:

Throughout the course of the inquiry, this particular feature of Schedule 1 received much criticism, stakeholders generally of the view that the retrospective nature of the changes does not provide taxpayers with the opportunity to restructure their affairs if they will be unintentionally affected by the changes. That is on page 14 of the report. However, despite these concerns the government will stick to the 1 July 2009 date. Why? Because they have already banked and spent the money. Good tax law has been thrown out of the window because of this government’s addiction to spending.

In total there are six schedules to this bill. Leaving aside schedule 1, the remaining five are less controversial. Schedule 2 of this bill seeks to amend taxation laws to extend tax file number withholding arrangements to closely held trusts including family trusts to facilitate data matching and enhance compliance. Currently, arrangements for TFN withholding apply to various entities such as unit trusts that pay or distribute income but not to situations involving closely held trusts.

Schedule 3 exempts the value of the Higher Education Contribution Scheme-Higher Education Loan Program, known as HECS-HELP, benefit received by an eligible applicant for income tax. The benefit gives eligible recipients a reduction in their HECS debt repayment and/or their HELP debt repayment or, in some cases, where a repayment is not required due to low income, a direct reduction in their HELP debt.

Schedule 4 makes amendments to the list of deductible gift recipients in the Income Tax Assessment Act 1997 to add the Sichuan Earthquake Surviving Children’s Education Fund and the Bali Peace Park Association to the list. It also seeks to extend the period for which the Yachad Accelerated Learning Project Ltd may collect deductible gifts for another three years. At this point, I should indicate that I am an unpaid member of the advisory board of the Yachad Accelerated Learning Project.

Schedule 5 seeks to make the Global Carbon Capture and Storage Institute’s income tax exempt for a four-year period. The aim of this institute is to accelerate the development and global adoption of safe commercially and environmentally sustainable carbon capture and storage technology.

The last schedule in this bill, schedule 6, seeks to repeal a large number of provisions—over 100—in the tax laws that provide the Commissioner of Taxation with an unlimited period to amend taxpayers’ assessments. This will reduce the volume of unnecessary and redundant provisions in the
taxation laws and provide more certainty to taxpayers in their taxation affairs.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (12.33 pm)—I table a supplementary explanatory memorandum relating to the government amendments to be moved to this bill. The memorandum was circulated in the chamber today. By leave—I move government amendments (1) and (2) on sheet BU259:

(1) Schedule 1, item 13, page 9 (after line 10), after subsection 109CA(7), insert:

(7A) Subsection (1) does not apply to the provision of a dwelling to the entity if:

(a) the dwelling is a flat or home unit that is part of a complex of 2 or more flats or home units; and

(b) the provider of the dwelling is a company that owns a legal or equitable interest in the land on which the complex is erected; and

(c) there is more than one share in the company, and each share (whether singly or as part of a parcel of shares) gives the relevant shareholder the right to occupy a flat or home unit in the complex; and

(d) each flat or home unit in the complex is covered by a share, or a parcel of shares, in the company; and

(e) the dwelling is provided to the entity because a shareholder holds such a share, or parcel of shares; and

(f) the company does not have legal or equitable interests in any assets other than legal or equitable interests in:

(i) the complex, and the land on which it is erected; and

(ii) any related land and buildings; and

(iii) any related plant, machinery, equipment, furniture or fittings; and

(iv) any assets relating to the matters mentioned in paragraph (g); and

(g) the assessable income of the company is derived predominantly from:

(i) managing and maintaining the complex (including the assets mentioned in subparagraphs (f)(i), (ii) and (iii)); and

(ii) interest and dividends relating to income derived from managing and maintaining the complex (including the assets mentioned in those subparagraphs).

(7B) Subsection (7A) does not apply in a case to which Subdivision E (about interposed entities) applies, if the company mentioned in that subsection is interposed between:

(a) a private company; and

(b) a shareholder, or an associate of a shareholder, of the private company.

(2) Schedule 1, item 13, page 9 (lines 12 and 13), omit “subsections (6) and (7)”, substitute “subsections (6) to (7A)”.

Question agreed to.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (12.35 pm)—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.
TAX LAWS AMENDMENT (TRANSFER OF PROVISIONS) BILL 2010
Second Reading

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

That this bill be now read a second time.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (12.35 pm)—I rise to speak on the Tax Laws Amendment (Transfer of Provisions) Bill 2010. This bill makes no policy changes; this bill is about a rewrite. Specifically it seeks to rewrite five provisions from the Income Tax Assessment Act 1936 into the Income Tax Assessment Act 1997 and the Taxation Administration Act 1953. Essentially the rewritten provisions relate to the collection and recovery of income tax, commercial debt forgiveness, luxury car leases, farm management deposits and general insurance. The bill deals with five schedules which I will outline very briefly.

Schedule 1 of the bill rewrites the remaining sections of part 6 of the Income Tax Assessment Act 1936 into the Income Tax Assessment Act 1997 and the Taxation Administration Act 1953. Part 6 contains rules about the collection and recovery of income tax including rules about when income tax becomes due and payable, rules allowing the commissioner to make estimates of certain tax debts and to take recovery action based on those estimates and rules imposing penalties on directors of a company that fails to pay certain tax debts.

The rewritten rules of collection and recovery include giving the commissioner power to seek security from a taxpayer for an existing or future tax liability in certain situations such as a serious risk of tax liability not being paid. It also includes expanding security deposit rules to cover all taxes administered by the commissioner and new machinery rules and higher penalties for non-compliance.

Schedule 2 relates to commercial debt forgiveness. It rewrites the remaining schedule 2E to the Income Tax Assessment Act 1936 into the Income Tax Assessment Act 1997 and contains the rules of the income tax treatment of the gains made when a taxpayer’s debt is forgiven. I know you have been hanging out for that one, Madam Acting Deputy President.

The ACTING DEPUTY PRESIDENT (Senator Hurley)—Indeed!

Senator FIFIELD—Schedule 3 relates to luxury car leases and rewrites the remaining schedule 2E to the Income Tax Assessment Act 1936 into the Income Tax Assessment Act 1997. Schedule 2E ensures that a lessor and a lessee of a luxury car get the same income tax treatment they would have got had the lessor sold the car to the lessee and lent the lessee the money for the purchase. It is not something I am personally acquainted with or have to do myself, I must say.

Schedule 4 is on farm management deposits. It rewrites the remaining schedule 2G to the Income Tax Assessment Act 1936 into the Income Tax Assessment Act 1997. This schedule 2G establishes the Farm Management Deposit Scheme that allows eligible primary producers to set aside pre-tax income in profitable years for subsequent withdrawal in low-income years.

The last schedule, schedule 5, relates to general insurance and rewrites the remaining schedule 2J to the Income Tax Assessment Act 1936 into the Income Tax Assessment Act 1997. Schedule 2J ensures that general insurance companies are taxed on premium income received and can deduct liabilities for outstanding claims over the period of risk under the policies to which the income and deductions relate.
As I stated at the outset, this bill is not about policy change; it is a rewrite. It is about rewriting the archaic and often difficult to interpret rules from the 1936 act into the 1997 plain English act. The coalition supports this bill.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

MINISTERS OF STATE AMENDMENT BILL 2010

Second Reading

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

That this bill be now read a second time.

Senator RONALDSON (Victoria) (12.40 pm)—I rise to talk on the Ministers of State Amendment Bill 2010 which, of course, is non-controversial to a certain extent; but for the benefit of honourable senators, this bill is related to a funding appropriation for ministerial salaries. There may be those in the chamber who are wondering how many of the Rudd government ministers are actually deserving of a salary increase.

I am sitting beside my colleague on the left here, Senator Fierravanti-Wells, and she quite rightly in the last 24 hours has raised the matter of Minister Roxon dumping the centrepiece of the health reforms: the national health funding authority. There may be those in the chamber who are wondering how many of the Rudd government ministers are actually deserving of a salary increase.

Senator Fierravanti-Wells—that’s right.

Senator RONALDSON—‘Dumped,’ Senator Fierravanti-Wells said. So why does Minister Roxon deserve a pay rise, quite frankly? What about in this chamber? Minister Wong and, in the other place, Minister Garrett—they are ministers without portfolio. They have got more responsibilities in their representative capacities than they have in their own ministerial capacities. I look at the pink batts—what would you call it?—fiasco, debacle.

I want to talk about Minister Gillard. Is Minister Gillard actually deserving of a pay rise? I will just go through Ms Gillard’s track record as a Minister for Education. We will talk about the school hall rip-off: $16.2 billion spent on school halls—a $1.7 billion blow-out and at least $5 billion wasted through mismanagement, gouging and state government substitution. There was no requirement for value for money. Non-government schools were allowed to self-manage their projects while the government schools were ripped off.

The same minister, Minister Gillard, was responsible for a $1.2 billion blow-out in the computers in schools program; 300,000 laptops delivered out of 970,000 promised and no broadband hook up to schools as it was promised in 2007. I am sure that colleagues here will have a look and say, ‘There are people like the member for Corangamite, Darren Cheeseman’—another abysmal failure in the other place—his name, I am sure, will be mentioned by Senator Colbeck in due course if we get onto the mako shark legislation. What has he delivered? About 28 per cent of those computers—a complete and utter failure. He, of course, is not a minister, and is unlikely ever to be one.

Just returning to Minister Gillard; she is responsible for the abolition of the Australian technical colleges in the introduction of trade training centres. There were 2,650 promised in every government secondary school; and how many delivered? Thirteen—13 delivered. So you can go through it. We have got the Minister for Ageing, Justine Elliott, described in February by the Financial Review—as I understand it, according to Senator Fierravanti-Wells—as incompetent.
I could go on, but I will not. This bill allows for appropriation for ministerial salaries, but I will not discuss it any further.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (12.44 pm)—I might just have to correct the record fractionally. The bill does not, I say again, increase ministers’ salaries.

Senator Ronaldson—I said ‘funding for ministerial salaries’.

Senator LUDWIG—The record will show what the opposition spokesperson said. The ministers’ salaries are determined by reference to Remuneration Tribunal determinations and reports and the Remuneration and Allowances Act 1990 and regulations. The Ministers of State Act 1952 does not itself provide for increases to ministers’ salaries; rather, it provides for the maximum annual salary payable for those salaries in a financial year as outlined in section 5 of the act. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading
Bill passed through its remaining stages without amendment or debate.

ELECTORAL AND REFERENDUM AMENDMENT (PRE-POLL VOTING AND OTHER MEASURES) BILL 2010

Second Reading
Debate resumed from 16 June, on motion by Senator Arbib:

That this bill be now read a second time.

Senator RONALDSON (Victoria) (12.45 pm)—I have been told by the whip that I have 30 seconds. I think I can renegotiate that to a minute. I want to make a very quick comment in relation to this matter. It is a pity that we have had to go through a convoluted process, quite frankly, to get this non-controversial Electoral and Referendum Amendment (Pre-poll Voting and Other Measures) Bill 2010. The government breached convention in relation to these electoral bills. Historically, they have always gone in by way of two packages—one controversial and one noncontroversial. The government chose to bring them in together—so one bill with controversial and one with non-controversial measures. That of course then failed and they were required to split the bills according to convention and bring them back. I hope the government have learned a salutary lesson in relation to this matter.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (12.46 pm)—I am not aware of any convention, but I am happy to try to do that in the future. I thank the Senate.

Question agreed to.

Bill read a second time.

Third Reading
Bill passed through its remaining stages without amendment or debate.

CUSTOMS TARIFF AMENDMENT BILL (No. 1) 2010

Second Reading
Debate resumed from 13 May, on motion by Senator Sherry:

That this bill be now read a second time.

Senator BRANDIS (Queensland) (12.47 pm)—The Customs Tariff Amendment Bill (No. 1) 2010 amends the Customs Tariff Act 1995 to incorporate end dates for three concessional items in schedule 4, which deals with concessional rates of duties. The bill contains three amendments to the Customs Tariff Act 1995, two of which relate to import concessions for the textile, clothing and footwear industry and the third of which provides a mechanism to reduce the general rate of duty for certain goods not of a kind used as components in passenger vehicles.
Item 53C of schedule 4 of the Customs Act 1995 provides a mechanism to reduce the rate of customs duty from 10 per cent to five per cent for certain goods entering Australia on or after 1 January 2005. These goods are non-passenger motor vehicle goods that are classified to the same tariff classifications as passenger motor vehicle parts and components. The rate of customs duty applicable to passenger motor vehicle parts and components was 10 per cent. On 1 January 2010 the rate of customs duty on passenger motor vehicle parts and components fell to five per cent, making item 53C of schedule 4 redundant from that date.

As the proposed amendment to the Customs Act 1995 will insert an end date of 31 December 2009 and hence have a retrospective commencement, the Senate Standing Committee for the Scrutiny of Bills examined the proposed amendment and made the following comments in relation to it. The committee said in respect of the retrospective commencement of clause 2, item 2 and schedule 1, item 1:

As a matter of practice, the Committee draws attention to any bill that seeks to have retrospective impact and will comment adversely where such a bill has a detrimental effect on people.

These items relate to the commencement and completion dates of a mechanism in item 53C in Part III of Schedule 4 to the Customs Tariff Act 1995 to reduce the general rate of customs duty from 10% to 5% for certain goods for home consumption. They initially appear to have a retrospective effect because Clause 2, item 2 provides that the commencement date of Schedule 1, item 1 is 14 December 2009 and Schedule 1, item 1 provides for a commencement date of the mechanism of 1 January 2005 and a completion date of 31 December 2009. However, there is no detrimental result because this is essentially a technical amendment giving effect to Customs Notice (No. 3) 2009 published in Special Commonwealth Gazette S213 of 14 December 2009. In addition, the Committee notes from the Explanatory Memorandum that the general rate of the relevant customs duty fell to 5% from 1 January 2010...

Thus the Senate committee opined.

In relation to the Clothing and Household Textile (Building Innovative Capability) Scheme, on 12 May 2009 the government introduced a retargeted textile, clothing and footwear assistance package from 2009-10 to 2015-16. Under the package, the Clothing and Household Textile (Building Innovative Capability) Scheme would replace the textile, clothing and footwear package post 2005 scheme from the scheme’s 2010-2011 program year. The new package redirected $55 million towards innovation, mainly to the clothing and household textile sectors, with $25 million in additional funding. The package also included a new Textile, Clothing and Footwear Strategic Capability Program to support innovative capability in the textile, clothing and footwear industries. As recommended in the review of the textile, clothing and footwear industry by Professor Roy Green, Building Innovative Capability, the new package would be partially funded by discontinuing the Textile, Clothing and Footwear Product Diversification Scheme and not proceeding with the textile, clothing and footwear supply chain opportunities program. The product diversification scheme applied to the clothing and finished textile sectors and was legislated to continue until 30 June 2017.

The principal legislation implementing the new textile, clothing and footwear assistance package, the Textile, Clothing and Footwear Strategic Investment Program Amendment (Building Innovative Capability) Bill 2010, was passed by the Senate on 18 March 2010 with two amendments which were agreed to by the House of Representatives on 18 March 2010. The Textile, Clothing and Footwear Expanded Overseas Assembly Provision Scheme commenced on 9 June
1999 and provides assistance through duty concessions to firms that assemble footwear and clothing overseas from predominantly Australian made fabric and leather and then import them back into the Australian market. Since the scheme began the duty or revenue forgone has totalled $40 million, with annual duty forgone of approximately $3 million.

The scheme was scheduled to expire in 2005. It was extended under the Textile, Clothing and Footwear Post-2005 Assistance Package, announced by the Howard government in November 2003. However, there has been only limited use of the EOAP in recent years, as textile, clothing and footwear tariffs have fallen, and the scheme is scheduled to conclude on 30 June 2010. In his review of the textile, clothing and footwear industry, Professor Green gave the following assessment of the scheme:

It has generated a pull-through of Australian-made fabric and leather for firms assembling clothing and footwear offshore and bringing them back for domestic consumption. However, because of the reducing rate of tariffs for the finished product, the value of the scheme is declining.

That is from 1 January 2010. Two different tariff rates apply across a range of textile, clothing and footwear goods: a 10 per cent tariff for clothing and for certain finished and household textiles, these making up the bulk of textile, clothing and footwear imports, and five per cent for cotton sheeting, woven fabrics, sleeping bags, table linen, tea towels, carpets, footwear, textile yarns, sewing threads and finished leather. For all of those reasons, the opposition supports the bill.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (12.53 pm)—I thank the opposition for that short contribution. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

HEALTH LEGISLATION AMENDMENT (AUSTRALIAN COMMUNITY PHARMACY AUTHORITY AND PRIVATE HEALTH INSURANCE) BILL 2010

Second Reading

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

That this bill be now read a second time.

Senator FIERAVANTI-WELLS (New South Wales) (12.54 pm)—I rise to speak on the Health Legislation Amendment (Australian Community Pharmacy Authority and Private Health Insurance) Bill 2010. I concur with the comments of Senator Ronaldson, most especially about Ministers Roxon and Elliot. The Fifth Community Pharmacy Agreement is not very different from past agreements which were negotiated by the coalition. This indicates that the government has realised the value of such agreements and has carried on these past arrangements. I note that important aspects of previous agreements have been retained in this agreement, most especially the retention of the community pharmacy location rules, the prohibition on a community pharmacy being co-located in a supermarket and the continuation of the wholesaler community service obligation payments.

I remind the Senate that it was the coalition that introduced the location rules in a past agreement. This was to ensure provision of widespread community access to pharmaceutical services. They were later amended by the then health minister, Tony Abbott, to prohibit co-location of pharmacies in supermarkets to maintain that access. The coalition supports free market principles and we
are keen to see competition in the pharmacy sector. However, we recognise that the supply of pharmaceuticals, which includes dangerous drugs, is very different to the selling of other items and products. So, as a government, we were prepared to take the decisions that ensured pharmacies were kept away from the big supermarkets and their retail chains. This was welcomed by the Pharmacy Guild. It is still our view that replacing focused, often family-oriented, businesses with departments of major retail chains would not improve existing arrangements. Delivery of effective, efficient and professional pharmacy services to consumers through a unique community pharmacy model is an arrangement that has served Australians well for a long time.

There are two further matters regarding the fifth agreement which I would like to comment on. Under the fourth agreement a review of the location rules, amongst other matters, was carried out. The coalition notes that the results of that review are due to be provided to the government and to a consultative committee established under the new agreement in the very near future. Secondly, there is one change in this agreement that has attracted some criticism—namely, the suggestion of allowing pharmacists to dispense some medicines without a doctor’s prescription. The coalition notes the agreement allows for such dispensing under specific circumstances only—for example, where a patient is unable to get to his or her doctor to obtain a timely prescription renewal. The coalition understands that further details surrounding this change are yet to be finalised and that consultations with stakeholders are yet to occur. The coalition will not oppose the amendment bill, which will bring the Fifth Community Pharmacy Agreement into operation.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (12.57 pm)—I thank Senator Fierravanti-Wells for her contribution and commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

AUSTRALIAN WINE AND BRANDY CORPORATION AMENDMENT BILL 2009

Second Reading

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

That this bill be now read a second time.

Senator COLBECK (Tasmania) (12.58 pm)—I rise in support of the Australian Wine and Brandy Corporation Amendment Bill 2009 and indicate the coalition will be supporting it. To provide some background to the bill, in 2003 Australia and the United States each challenged the EU’s rules regarding geographical indications, GIs, for agricultural products and foodstuffs such as cheese and processed meat. In April 2005 a WTO panel ruled that Australia and other countries have the same rights to protect product names within the EU as are available to EU producers.

Australia’s key concern was that EU rules required Australia to protect all their EU GIs before any Australian GIs could be protected within the EU. The panel found the EU’s approach to be inconsistent with its WTO obligations. Australia and the United States agreed that the EU had until 3 April 2006 to implement the panel’s findings. By this stage the EU had adopted the new framework legislation and the new procedures. Australia considered that some of the minor aspects of the new framework legislation were likely to be inconsistent with the EC’s WTO obligations and raised these with the EU. Wine and
spirits were not part of this dispute as they are covered by separate rules.

On 1 December 2008, the Minister for Foreign Affairs, Stephen Smith, formally signed the Australia-European Community Agreement on Trade in Wine. The EU signatory was the European Commissioner for Agriculture and Rural Development, Mariann Fischer Boel. That agreement was formally initialled in Canberra in June 2007 and replaced the first of such agreements signed in 1994.

The agreement ensures that winemakers have continued access to Australia’s largest export market. During 2007-08, Australia exported 397 million litres of wine to the EU, worth $1.3 billion, and imported 1.8 million litres from Europe, valued at $212 million. The EC accounted for just over half of all Australian wine exports in 2007-08. The main benefits of this measure to Australian wine producers are the European recognition of an additional 16 winemaking techniques, simpler arrangements for approving winemaking techniques that may be developed in the future, simplified labelling requirements, protection within Europe for Australia’s 112 registered GIs and capacity for wholesalers and retailers to sell down their stock under the old terms.

Australia has agreed to protect more than 2,500 registered European GIs—including from member states who have joined the EC since 1994—to protect 12 sensitive European GIs that have previously been used to describe Australian wines and to prevent Australian producers from using a range of European TEs in the language specified in the agreement, one of which is to phase out use of the term ‘tokay’ to describe Australian fortified wines within 10 years. The coalition, which has obviously been a part of the development of this program, is happy to support this legislation.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.02 pm)—I thank Senator Colbeck for his contribution. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

TRANSPORT SECURITY LEGISLATION AMENDMENT (2010 MEASURES No. 1) BILL 2010

Second Reading

Debate resumed from 13 May, on motion by Senator Sherry:

That this bill be now read a second time.

Senator IAN MACDONALD (Queensland) (1.03 pm)—Since the terrorist attacks in the United States on that fateful day of 11 September 2001, there have been significant efforts made right around the world to improve transport security. Consistent with this, the former coalition government made ongoing efforts to ensure Australia had a security regime suitable for protection against potential terrorist threats and attacks. The Transport Security Legislation Amendment (2010 Measures No. 1) Bill 2010 relates to both aviation transport security and maritime transport and offshore facility security.

Both these forms of transport in the air and on the sea are particularly important to Australia, bearing in mind that one has to travel approximately 4,000 kilometres from east to west to cross our continent. Our aviation industry is central to the Australian economy. We are all aware that our maritime industry is equally critical to our economic prosperity. Australia relies on sea transport for 99 per cent of our exports, and a substantial portion of our domestic freight is also sent by sea.
This bill amends both the Aviation Transport Security Act and the Maritime Transport and Offshore Facilities Security Act. The amendments to the first act are designed to increase the flexibility of the aviation transport security framework to rapidly respond to an aviation security incident. In relation to the maritime act there are various amendments, which, amongst other things, give or allow for increased powers to various maritime security officials for various purposes. This bill seeks to introduce new security arrangements for both civil aviation and passenger ships.

The Minister for Infrastructure, Transport, Regional Development and Local Government mentioned this bill at some length in his speech in the other place. The coalition supports any legislation that continues to improve both maritime and aviation security. These amendments do that. We recognise in the coalition that threats to our security are increasingly complex and unpredictable and that we must get on the front foot with a coordinated and uncompromising approach to protecting our marine borders and our aviation spaces. This bill does that and for that reason the coalition supports it. We commend the bill to the Senate.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.06 pm)—I thank Senator Ian Macdonald for his contribution and for his support for the bill. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

SOCIAL SECURITY AMENDMENT (FLEXIBLE PARTICIPATION REQUIREMENTS FOR PRINCIPAL CARERS) BILL 2010

Second Reading

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

That this bill be now read a second time.

Senator PARRY (Tasmania) (1.07 pm)—The Social Security Amendment (Flexible Participation Requirements for Principal Carers) Bill 2010 follows on from recommendations in the Participation Review Taskforce report published in August 2008 and implements a related 2009-10 budget measure relating to more flexible participation requirements for parents. The bill alters or creates exemptions available to principal carers on income support. I wish to make it clear that the coalition sees these exemptions as reasonable ways to address some oversights in the legislation. However, I wish to also restate the coalition’s very firm commitment to the principle of mutual obligation.

Mutual obligation breaks the cycle of idleness and habits of apathy that can develop during long periods on welfare, which I am sure all those in this chamber would agree. It allows people to give back in return for welfare assistance. It gives welfare recipients new experiences, including positive work experiences—sometimes for the first time in their lives. It also makes welfare a disincentive for those who may see it as an excuse not to work.

The Labor government has been soft on mutual obligation. The proportion of Newstart allowance recipients having an obligation to work has declined under Labor. The coalition does not believe that this is necessarily good public policy for a variety of reasons. According to industry sources, the number of individuals on income support
gaining exemptions from mutual obligation requirements has increased from a low of less than 10 per cent under the Howard government to in excess of 30 per cent in some areas. Also, the number of penalties imposed for breaches of mutual obligation requirements fell from 32,000 in 2007-08 to 19,406 in 2008-09.

The ‘three strikes and you’re out’ penalty has not been rigorously applied. The Labor government has done away with the requirement for jobseekers to be present at Centrelink and from 1 July unemployed people will not have to be present to hand in forms in person at Centrelink offices; instead, Newstart recipients will be able to report online or by phone. Under this government the Work for the Dole timeframe extended from six months to 12 months and Work for the Dole numbers have been slashed from 22,362 in 2005 to 12,695 in 2010.

The mutual obligation is the cornerstone of our welfare system. To ensure that the system is functional, the Australian people need to have information about the number of people fulfilling their mutual obligation requirements, what sort of requirements they are fulfilling and those with exemptions. On behalf of the coalition, I move a second reading amendment that has been circulated in the chamber:

At the end of the motion, add:

but the Senate:

(a) expresses its grave concern about the lack of enforcement of mutual obligation participation requirements under the Rudd Government; and

(b) calls on the Government to regularly publish transparent statistics regarding the number of benefit recipients with no participation requirements.

Senator SIEWERT (Western Australia) (1.10 pm)—The Greens will be supporting the Social Security Amendment (Flexible Participation Requirements for Principal Carers) Bill 2010 because it shows that the government is taking a more compassionate approach to foster carers and to the people who will benefit from these amendments, while winding back slightly the punitive Welfare to Work approach of the former government. I will continue to say this until it is fixed: this amendment does not go far enough in dealing with the issue of principal carers. It is an issue I raised when the Welfare to Work legislation was brought in by the former government, which was around the same time that the changes were made to family law.

There is a group of principal carers who I believe are still not being given the income support they should, such as parents who have the equal shared care arrangements that are now the presumption under the family law. We can have an argument about whether the family law changes actually say that, but there is a de facto presumption of equal shared care in our family law as it stands now due to the changes by the previous government.

Some exemptions where granted under Welfare to Work for situations where you have two principal carers. In other words, if you have parents who have equal shared care, under the Social Security Act only one of those parents can be a principal carer. Therefore, one parent will not get the same benefits and will continue to struggle under the more punitive Welfare to Work arrangements and cannot get the benefits of being a principal carer. Even though that parent provides equal shared care they still cannot be designated as a principal carer.

In other words, there are two conflicting pieces of law: there is one that sets up equal
shared care and another that does not recognise the arrangements of equal shared care. I know that in estimates the government said there is only a handful of people affected by this, but those people are important—those children are important. They should have the benefits. If they are being recognised for equal shared care under our family law and those arrangements are made, our other law should reflect that and give those parents the ability to provide the benefits to their children and have the benefit of recognition as a principal carer under our social security law.

I know I have made this point a number of times. I commend the government for bringing in these particular changes, which I support, but they have missed another opportunity to make it fair for those parents who are currently missing out. Whether there is a handful or not, they are still important and their children are important. I believe that the government should have taken this opportunity to recognise all principal carers and rectify the anomaly between these two pieces of legislation.

They know I will continue to pursue this, but I will put on the record that we will support this legislation. I will also put on record that we do not support the second-reading amendment moved by the opposition. The opposition appear to be continuing the approach of demonising those on income support. Their punitive legislation did not work. I am glad the government have made some previous amendments about participation requirements and have taken a new approach, which I think is much more compassionate. Again, they did not go as far as we wanted them to go but it is a much fairer and more compassionate approach.

Those people who were being breached under the previous approach, which Senator Parry referred to, suffered substantially and I believe there were many people who dropped out of income support, particularly many Aboriginal people. We know from the statistics that were published that the previous arrangements impacted on Aboriginal people particularly harshly. I think it has been recognised that that approach does not work. The Greens and I think a more compassionate and caring approach is a much better approach. So we will not be supporting the opposition amendment.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.15 pm)—I thank senators for their contribution in the debate. I commend the bill to the Senate.

Question negatived.

Original question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

INDIGENOUS EDUCATION (TARGETED ASSISTANCE) AMENDMENT BILL 2010

Second Reading

Debate resumed from 13 May, on motion by Senator Stephens:

That this bill be now read a second time.

Senator PARRY (Tasmania) (1.15 pm)—I indicate that the coalition will support the Indigenous Education (Targeted Assistance) Amendment Bill 2010. The bill amends the funding tables in the Indigenous Education (Targeted Assistance) Act 2000 to include the additional $10.93 million allocated to the Sporting Chance program announced in the 2009-10 budget. There is no additional appropriation in this bill. It simply transfers $10.93 million from the Appropriations Act (No. 1) to the Indigenous Education (Targeted Assistance) Act from 1 January 2010.
The Sporting Chance program is an initiative of the previous coalition government and was originally announced in the 2006-07 budget. This program is successfully achieving its desired outcomes in engaging Indigenous boys and girls in school through involvement with sport. We are certainly justifiably proud of introducing and implementing this program. I am pleased to note that, as a result of this program, more than half of the academy students were reported by the schools to be improving their academic performance and many were also reported to have made significant gains with respect to behaviour and self-esteem, which is incredibly important.

The government have made promises to Indigenous Australians through Closing the Gap yet have failed to deliver the new programs or deliver any improvements in Indigenous education outcomes. The reality is that if anything the gap is widening under Labor with the only good news coming from policies and programs implemented by us when in government. The Sporting Chance program is delivering positive results for Indigenous students, particularly from remote and rural areas of Australia. I commend the bill to the Senate.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.17 pm)—I thank the opposition for their contribution to the debate. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

DEFENCE LEGISLATION AMENDMENT BILL (No. 1) 2010

Second Reading

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

That this bill be now read a second time.

Senator PARRY (Tasmania) (1.18 pm)—I rise to support the Defence Legislation Amendment Bill (No. 1) 2010 on behalf of the coalition. The main objective of the bill is to amend the Defence Act 1903 to formally establish the Defence Honours and Awards Appeal Tribunal. In addition, this bill contains amendments that will ensure that there is procedural fairness in the termination and the discharge process which arises from a defence member testing positive for a prohibited substance. It will also have amendments that will clarify that certain determinations made in accordance with the Defence Act are disallowable instruments. It further amends the Defence Home Ownership Assistance Scheme Act 2008 to include all Reserve members. It will make minor amendments to the discipline scheme in the Defence Force Discipline Act 1982. This is non-controversial legislation from the coalition’s perspective, and I commend the bill to the Senate.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.19 pm)—I thank the opposition for their contribution to the debate. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.
PERSONAL PROPERTY SECURITIES (CORPORATIONS AND OTHER AMENDMENTS) BILL 2010
Second Reading
Debate resumed from 15 June, on motion by Senator Stephens:
That this bill be now read a second time.

Senator BRANDIS (Queensland) (1.20 pm)—The initial suite of personal property securities legislation was passed with coalition support in 2009. The acts received royal assent on 14 December 2009. Various states and territories have long had their own mechanisms for the registration and management of securities given over personal property to secure financial obligations. Familiar examples include fixed and floating charges, bills of sale, chattel mortgages and registers of hire purchase agreements. I must say, it is a nostalgic occasion for me because those of us who studied the law of personal securities under Professor Sykes at the University of Queensland were devoted to his great textbook *The Law of Securities* and its arresting discussion of such exotic personal securities as wool liens, crop liens and even, a peculiarity to Queensland, sugar cane liens—alas, all are gone. It has also been unrecognised that there is a need for national harmonisation of these arrangements to provide greater certainty for borrowers and lenders, and to increase efficiency in this sector, even at the expense of such arcane and exotic legal instruments.

The former Attorney-General, the Hon. Philip Ruddock, gave this issue particular priority during the term of the previous government. In October 2008, COAG signed an intergovernmental agreement to effect the proposed legislation as part of the seamless national economy agreement among the Commonwealth and the states and territories. The principal act applies with very few exceptions to all types of personal property, including motor vehicles, contractual rights, intellectual property rights and uncertificated shares. It provides for rules for the creation, priority and enforcement of security interests and establishes a national register of them. There are detailed specific provisions in relation to certain classes of property.

The principal purpose of the Personal Property Securities (Corporations and Other Amendments) Bill 2010, currently before the chamber, is to make amendments to the Corporations Act 2001 to harmonise the language and to ensure conceptual consistency between the two acts. These amendments comprise terminological changes to the provisions relating to charges and other security interests. Reference to charges, mortgages, liens and pledges in the Corporations Act will be replaced with the omnibus term ‘security interests’. Floating charges will become, sadly and prosaically, ‘circulating security interests’. Fixed charges will become, even more prosaically and perhaps predictably, ‘non-circulating security interests’. It is enough to break my heart, Madam Acting Deputy President. Similar changes will be made in reference to holders of security interests. The old terms will be retained to refer to security interests to which the Personal Property Securities Act does not apply.

The extension of the Corporations Act concept of property to include property subject to a retention of title agreement is also provided for. Currently, the holder of a security interest over the whole or substantially the whole of the property of an insolvent company is entitled to appoint an administrator. Under the amendments, where the whole or substantially the whole of the property of a company comprises property subject to a retention of title agreement the holder of that interest will be entitled to appoint an administrator in the event of insolvency.
Next, the bill effects the repeal of chapter 2K of the Corporations Act. Chapter 2K provides for the registration of company charges, which function will be subsumed by the Personal Property Securities Act regime. Provisions as to charges void against an administrator or liquidator will be retained.

Finally, the bill deals with retention of existing rights in the Corporations Act. Examples include provisions relating to priority in the distribution of proceeds, administrators’ rights of indemnity and the priority payment of certain unsecured creditors, including employees. The bill also provides for streamlined transitional provisions.

The bill reflects recommendations made by the Senate Legal and Constitutional Affairs Legislation Committee, which has reported several times on the proposed legislative regime—this is a very, very substantial piece of law reform. As I previously said, this was a project to which Mr Ruddock, as Attorney-General in the Howard government, devoted particular energy. It will streamline and simplify the regime of personal property securities in this country and it has the coalition’s support.

Senator IAN MACDONALD (Queensland) (1.25 pm)—I am encouraged to enter the debate for just 60 seconds to note the passing—from what I heard Senator Brandis say—of the Liens on Crops of Sugar Cane Act, a Queensland act that did so much in the early days to support and develop the sugar cane industry, which is so very important to Queensland.

I might just say in passing that crop liens, which were security for loans as well as leases, did do a lot in their own way to encourage people who perhaps did not have the money to get involved in the sugar cane industry, particularly in times when it was not very profitable—although I pause to say it is now again a reasonably good industry with better international market prices.

I was shocked to hear what Senator Brandis said. It has obviously been done for a very good reason and there will be alternative securities available, but I just could not let pass into history crop liens, which were so much a part of my early life, in particular my life as an articled clerk.

Senator Brandis—And very exciting, too.

Senator IAN MACDONALD—They were very exciting. They were quite interesting, actually.

Senator Brandis—Professor Sykes explored the derivation of crop liens as hypothecated securities.

Senator IAN MACDONALD—I did study Professor Sykes’s volumes, though obviously not as closely as you did, Senator Brandis.

Senator Brandis—Not with the same excitement.

Senator IAN MACDONALD—that perhaps might be why you have ended up as a Senior Counsel, whereas I was a mere country solicitor. Without delaying the Senate further: rest in peace, sugar crop liens.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.37 pm)—I thank those opposite for their contributions, including Senator Brandis and Senator Macdonald. I recognise that it was former Minister Ruddock who commenced this. It is one of those areas I followed in opposition. You are right, Senator Brandis: the idea of a floating charge is long gone, now crystalline, and we are now going to have circulating and non-circulating security interests. The language is certainly a little less bright. With those remarks, I commend the bill to the Senate.

Question agreed to.
Bill read a second time.

Third Reading

The bill passed through its remaining stages without amendment or debate.

INTERSTATE ROAD TRANSPORT CHARGE AMENDMENT BILL 2010

Second Reading

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

That this bill be now read a second time.

Senator IAN MACDONALD (Queensland) (1.28 pm)—The Interstate Road Transport Charge Amendment Bill 2010 is a fairly technical bill that ensures that owners of heavy vehicles registered under the Federal Interstate Registration Scheme will not pay a higher registration than owners of similar trucks registered under the state registration schemes.

There are approximately 20,500 heavy vehicles registered under the federal scheme, which is an alternative to the state based registration schemes and is designed for operators who run heavy vehicles which are engaged solely in interstate operations. This scheme is designed to provide uniform charges and operating conditions for heavy vehicles in those interstate operations.

The National Transport Commission is responsible for reviewing national heavy vehicle charges and calculating annual adjustments, and the new adjustment figure that has been established by the National Transport Commission was agreed upon by the Australian Transport Council in April this year. We in the opposition accept that it is appropriate for the commission to regularly review the means by which it calculates the cost of trucks on our roads, particularly given the mix of heavy vehicles using the road system is continually changing. The new adjustment figure is 4.2 per cent.

Unfortunately, there are administrative complexities that mean that the new rate cannot be applied without this legislation. If this amendment were not passed, then approximately 1,000 owners involved in the federal scheme would receive a renewal notice and the charge would be at the rate of the regulation currently in force which is applying an old formula, and that old formula would impose a charge increase of something like 9.7 per cent. That is clearly unacceptable. Under a 9.7 per cent increase, the owner of a typical B-double vehicle would pay an additional $808 in registration charges. The Liberal and National parties agree that that is far too much.

We understand that state governments are now applying the 4.2 per cent figure. Obviously, the federal scheme should charge the same; otherwise, the federal scheme would collapse, being much more expensive. As I understand the law, there is no non-legislative option for remedying the problem; hence, we do agree with this legislation to ensure that the 4.2 per cent figure applies. In the other place, Mr Truss, who is the shadow transport minister, put forward a much clearer explanation of the bill and some of the reasons for supporting it. In view of the time constraints in the Senate, I will leave my support there; only to repeat that the coalition supports the legislation.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.32 pm)—I thank Senator Ian Macdonald for his contribution and the support of the coalition. I commend the Interstate Road Transport Charge Amendment Bill 2010 to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.
INTERNATIONAL ARBITRATION AMENDMENT BILL 2010
Second Reading

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

That this bill be now read a second time.

Senator BRANDIS (Queensland) (1.33 pm)—The International Arbitration Amendment Bill 2010 is intended to give additional force to the recognition of foreign arbitration agreements and awards and accord primacy to the UN Model Law on International Commercial Arbitration—known by the somewhat awkward acronym of UNCITRAL—and to make miscellaneous amendments to the principal act. Arbitration is the primary means by which parties to transnational commercial agreements resolve disputes without having to have resort to national courts. They have the advantage of avoiding complex choice of law and enforcement issues that can arise in national courts. They also typically provide for a process that is specifically formulated to the parties’ requirements. It is therefore more likely to preserve the relationship between them.

The principal act, the International Arbitration Act 1974, implements Australia’s commitments under the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 and the Washington Convention 1965 and gives the force of law to the UNCITRAL model law. However, problems have gradually arisen in the interpretation and application of the act over the years, particularly as to the application of competing state legislation and the means by which arbitral laws can be challenged. The amendments effect an agreement with the states for a uniform arbitration legislative scheme based on the UNCITRAL model law, provide for limitations on court intervention and give clearer guidance on the interpretation of the model law. Miscellaneous amendments will supplement the operation of the model law as it relates to interim measures, disclosure of information, interest and costs.

This is the second amendment that the government has made to the international arbitration regime, the first being the Federal Justice System Amendment (Efficiency Measures) (No. 1) Act 2008. Both pieces of legislation seek to increase the attractiveness of Australia as a venue for international commercial arbitration. This is a high-value service in which Australia should enjoy a particular competitive advantage. Any initiative that seeks to enhance that advantage should be welcomed. The opposition therefore is glad to support the bill.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (1.35 pm)—I commend the International Arbitration Amendment Bill 2010 to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

AIRPORTS (ON-AIRPORT ACTIVITIES ADMINISTRATION) VALIDATION BILL 2010
Second Reading

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

That this bill be now read a second time.

Senator IAN MACDONALD (Queensland) (1.36 pm)—It is with some genuine trepidation that I speak in support of this bill currently before the Senate, the Airports (On-Airport Activities Administration) Validation Bill 2010. For those litigious persons amongst us who may have received a park-
ing ticket at a particular airport in recent times—

Senator Conroy—My airport?

Senator IAN MACDONALD—You have received one, have you, Senator Conroy?

Senator Conroy—No; I am interested in whether you have picked my airport.

Senator IAN MACDONALD—No. If you had received one, Senator Conroy, and you had paid it you perhaps could have got it back, because the government has just found out that a lot of the infringement notices that have been issued since 2004 are in fact invalid, and this bill retrospectively validates them. As a former lawyer who may have at some time challenged the, what many complain to me as being, quite outrageous parking arrangements at many airports around Australia, one might be hesitant to support this retrospective validation of parking fines that have been issued.

Senator Conroy interjecting—

Senator IAN MACDONALD—I think Senator Conroy is indicating—

Senator Conroy—I withdraw.

Senator IAN MACDONALD—that the Rudd Labor government are about to re-nationalise airports, as they are re-nationalising the telecommunications system in Australia. We know Senator Conroy is very keen on the re-nationalisation of the telecommunications system. This broadband debacle that is being very enthusiastically overseen by Senator Conroy is a clear indication of the socialist input of the Labor Party. We thought socialism went out when the Berlin Wall fell, but you will find under the Rudd Labor government that socialism is back in play. It seems from Senator Conroy’s interjections to my speech on this particular matter that he wants to re-nationalise the airports around Australia.

I have to say that whilst it at times annoys me to have to go through the renovations at both the Canberra and Cairns airports—which seem to have been going on for ages—I do have to concede that, under private ownership, those airports are in fact being modernised and made more and more usable by all those hundreds of thousands of Australians who regularly use those airports. So I think we do have a lot to thank the private owners for in upgrading airports.

Notwithstanding that—and notwithstanding Senator Conroy’s attempt to divert me from the important matters at hand—I do want to indicate that there is a valid reason that we should support this retrospective validation of parking infringement notices. Infringement notices—on-the-spot notices, so to speak—could only be handed out by authorised persons and the regulations required the authorised persons list to be updated regularly. The result, of course, of not updating them has been that, as people moved on or as contractors came in and employees of contractors were actually doing this work, a lot of the infringement notices since 2004 would have been invalid. It is suggested that up to 100,000 infringement notices, mainly relating to parking offences, may well be invalid and without legal effect.

However, I point out that if the infringement notices were not valid, the only option to those who enforce parking at airports was that they would have to actually sue them in court, where there would be increased fines and of course a lot of costs for the lawyers involved in prosecuting these offences. So I guess we can say that by validating these infringement notices retrospectively we are saving those who might have received one the prospect—only the prospect, I might say—of having to go to court to either de-
fend or plead guilty to a parking infringement notice. There is also the element that those who paid the invalid infringement notices would have thought that they would have received immunity from other prosecution. If the infringement notices are said not to be valid, then there is some uncertainty about whether that immunity applies, and they might have already paid under an invalid notice and be prosecuted a second time for the parking offence.

Most of us on this side are very hesitant about supporting retrospective legislation—and it does arouse suspicions amongst many Australians—but I think in this particular instance it is probably valid that we should support this bill. The bill is simply an administrative fix aimed at ensuring that the option of paying notice remains in play. It also guarantees that those who have paid infringement notices over the past six years remain immune from prosecution. There are other examples of where this type of action has been taken. I do want to emphasise that the bill is not going to impose new parking fines on the many Australians who park at Commonwealth leased airports; it just provides an administrative solution to the problem of the invalidity of issued infringement notices that were issued because of an administrative mix-up and it guarantees immunity from prosecution for those who have paid the fines associated with those infringement notices. For those reasons, the coalition will be supporting this government initiative.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.43 pm)—I thank Senator Ian Macdonald for his contribution to the debate on the Airports (On-Airport Activities Administration) Validation Bill 2010 and for his support. The bill does validate actions performed in the past, including the issue of parking infringement notices. As such, it does not impose retrospective obligations, but I do understand the opposition’s concern about it. I thank them for their support. I commend the bill to the Senate.

Question agreed to.
Bill read a second time.

Third Reading
Bill passed through its remaining stages without amendment or debate.

EXPORT MARKET DEVELOPMENT GRANTS AMENDMENT BILL 2010

First Reading
Bill received from the House of Representatives.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.45 pm)—I move:
That this bill may proceed without formalities and be now read a first time.

Question agreed to.
Bill read a first time.

Second Reading
Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (1.45 pm)—I move:
That this bill be now read a second time.

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

Leave granted.

The speech read as follows—
The EMDG scheme remains the Government’s key financial assistance program for aspiring and current exporters. This financial year the EMDG scheme will deliver export marketing assistance to more than 4,900 SME exporters.

In this Government’s first term we have modernised the scheme through legislation in 2008 and we have increased its funding in 2008-09 by $50m dollars and again in 2009-10 by $50m. This increased funding of $100 million over two years was made at exactly the right time to support our
important SME exporters during the global financial crisis.

The modernisation of the scheme and increased funding has received a very positive response from business, over the last two years the number of applications has increased 21 percent.

As international markets continue to improve and as the Government brings the budget back into surplus it is now appropriate to review the provisions of the scheme to focus its assistance on those SME exporters who can benefit most.

Accordingly this legislation:

• reduces the maximum number of grants from eight to seven, this is a significant increase on the Mortimer review recommendation of five grants,

• limits the maximum grant to $150,000,

• increases the minimum level of expenditure required to qualify for a grant from $10,000 to $20,000, I note that this is a lower threshold than the $30,000 threshold proposed by the Mortimer review; and,

• caps the maximum amount claimable for intellectual property expenses at $50,000.

The bill sets out the provisions of the grant scheme going forward and most importantly extends the life of the grant scheme by five years to 2015-16. This five-year extension will clear the way for business to plan their export marketing efforts in the knowledge that the EMDG scheme will be there to support them as they develop crucial overseas markets.

In preparing this legislation we have consulted closely with business, and they understand the realities of the environment we are in at the moment, they understand the need for a focused and balanced program. They have indicated to me that they support this legislation.

In conclusion, I am confident that the amendments contained in the EMDG Amendment Bill 2010 will provide a sound basis for the EMDG scheme into the future and will be warmly welcomed by the business community.

Senator PARRY (Tasmania) (1.45 pm)—I rise to speak on the Export Market Development Grants Amendment Bill 2010. My esteemed colleague Senator Ian Macdonald will be talking substantively to this bill. However, I wish to place on record some remarks, and to make two requests of Senator Ludwig, through the opportunity presented by this debate on the second reading.

I ask that Minister Ludwig request that the Prime Minister and Minister Albanese apologise to the Senate for the comments that they have made in the media in the last 48 hours indicating that the Senate does not progress matters and that the Senate is ‘obstructionist’. Nothing could be further from the truth.

Eighteen pieces of legislation have just been passed in this chamber. That legislation has been negotiated and discussed behind the scenes over the last three weeks. Minister Albanese should have realised that discussions take place between shadow ministers and ministers concerning legislation. We came to an arrangement. We deemed that the legislation was in the best interests of the country and brought it into a session called ‘non-controversial legislation’. We have been going for nearly two hours discussing that legislation, and it has passed the chamber.

I remind the minister to put it to the Prime Minister and Minister Albanese that 18 pieces of legislation have gone through the Senate—and this one, the 19th piece of legislation, is going through the Senate—in this ‘non-controversial legislation’ section. Secondly, I again ask the minister to ask the Prime Minister and Mr Albanese to apologise to the Australian people for indicating that the Senate is ‘obstructionist’—and also for Minister Albanese indicating this morning that the PPL legislation would not pass this place. It has passed. It has gone to the House of Representatives. And what is more, we will facilitate the passage of this legislation when it comes back from the House of Representatives this afternoon. We will inter-
rupt, again, our own matters for discussion in general business this afternoon to facilitate the progress of this legislation. So I request very strongly that we receive that apology from the Prime Minister and Minister Albanese, and also that they both apologise to the public for their very misleading comments blaming the Senate for their own inadequacies in developing a proper legislative agenda.

Senator IAN MACDONALD (Queensland) (1.48 pm)—As Senator Parry has indicated, the coalition will be supporting this bill, in our approach of cooperating to get essential legislation through the parliament, in spite of the rhetoric of Mr Albanese and Mr Rudd—rhetoric used purely to try and confuse the Australian public. As Senator Parry has said, we are demonstrating again today our keenness to ensure that essential legislation is taken through the parliament before the end of this fortnight—which, it is my personal view, we can expect will be the last time this parliament will meet before the next federal election.

We know that, since the Rudd government has been in power, the number of sitting days—the number of days this parliament has been called together to debate essential legislation—has continually been reduced. One wonders why it is that Mr Rudd does not want the parliament of the nation to have more time to more thoroughly investigate some of the bills that his government is putting through. There is, as I understand it, a huge backlist of bills waiting to be dealt with, but the government never seems to be in any hurry to bring them forward. And they keep reducing the number of days that this parliament sits so that we cannot look at these bills—which, I expect, are important to Australia, otherwise the government would not have introduced them. This bill before us, the Export Market Development Grants Amendment Bill 2010, is one which, perhaps, in some circumstances, we might have been reluctant to support, but we understand that the government has got itself into a predicament in relation to the Export Market Development Grants Scheme and that it does need a little legislative support to get this through.

I have indicated that we will be supporting the bill. But I just want to take the opportunity provided by this debate on the second reading to indicate that this is another piece of legislation where Mr Rudd has been all talk and no action. You will remember that, before the last election, he made promise after promise after promise, and very few of those promises have been kept. If I had half an hour, I could run through every single one of the promises Mr Rudd made before the last election that he has since broken. I do not have that sort of time. But this is another one of those bills.

In 2007 the Labor Party promised that it would ‘revitalise the Export Market Development Grants Scheme’. The Labor Party said it would increase the maximum grant by $50,000 to $200,000. It said it would allow the cost of patenting products in the international marketplace to be treated as an eligible export marketing activity. It said that it would allow approved, regional, not-for-profit economic development bodies, including tourism bodies, which promote Australia’s exporters to access the scheme. It promised it would lift the maximum turnover limit from $30 million to $50 million. It promised it would cut the minimum threshold of expenditure by $5,000 to a $10,000 minimum. It further promised to extend the limit on the number of grants from seven to eight annual grants, and to replace the list of eligible services provided in Australia with a negative list which meant that all services would be considered eligible unless otherwise specified.
These were fairly sensible proposals that the coalition itself was getting around to, because it was all about updating the EMDG and assisting businesses, especially small businesses, to break into the export market. The program was to be more accessible, especially to businesses in the services sector and those based in regional areas. This promise, like so many of the Labor Party’s promises, has been broken. They did something for one year, but they have taken it back again. So we find in this bill that the government is actually reducing the maximum grant from $200,000 to $150,000, in direct contradiction of the promise that Mr Rudd made before the last election. In this bill they are also reducing the maximum number of grants available to an individual recipient from eight to seven, again directly negatively a solemn promise Mr Rudd gave to the Australian public before the last election. Under this bill the government will cap intellectual property registration expenses at $50,000 per application, again contrary to the indication given before the last election. They are increasing the minimum expenses threshold from $10,000 to $20,000 and increasing the eligibility income limit for members of approved joint ventures from $30 million to $50 million.

All of these things are contrary to the indications Mr Rudd gave before the last election. That is why so many people now refer to Mr Rudd as ‘blah, blah, blah’: promise everything, do what you need to do and say what you need to say to get elected, but when you get to government just ignore it. Remember the promises about a million computers for high school students? How many have been delivered? I think it is 220,000, which is nowhere near the million promised by Mr Rudd. As I said, if time permitted, I could go on for an hour on all of the promises Mr Rudd made before the last election which he has capriciously broken as he struggles to try to manage this economy.

The Labor Party commissioned a Mr David Mortimer to carry out a review of the EMDG Scheme.

Senator Conroy—A very good man.

Senator IAN MACDONALD—A very good person, do you say, Senator Conroy? Senator Conroy, if you know him he must be somehow associated with one of your stacks in some of your branches or something.

Senator Conroy—He is the chairman of Australia Post.

Senator IAN MACDONALD—I in no way impugn Mr Mortimer that he would be so silly as to be a member of Senator Conroy’s branches. But he did, as I understand it, carry out the review. He reported in September 2008, and Minister Crean promised that a government response would be available by the end of the year. I remember questioning the government at length about this at the estimates committee hearings in 2008, and the indication was, ‘Yes, we’ll have a response by the end of December 2008.’ That response did not eventuate, but it was promised again in the 2009-10 budget and then again in the 2010-11 budget. We are still waiting for a response from the government and the minister to the Mortimer report. We suspect that there has not been a response from the government because most of what Mr Mortimer recommended—and I take Senator Conroy’s interjection that he is a very good and very clever man and that he would have done a very good report—was that the earlier changes of Minister Crean be reversed. So obviously Mr Crean is not too keen on an investigation that more or less says, ‘Mr Crean, you have no idea what you are doing and I recommend that your proposals be reversed.’

As a result of this administrative activity and mismanagement by the Labor Party in
relation to supporting and developing our exports, particularly by small business, we find that there is no certainty, and business needs certainty. Mr Truss, the shadow minister for trade in the other place, in dealing with this issue listed at length the impact on a number of small businesses that the government’s lack of certainty has caused. People who have spent money in the expectation of getting a full grant or an almost full grant have been disappointed. They have spent the money and they are not going to get reimbursed by the government, in spite of every expectation the government gave them that they would be reimbursed. That again demonstrates that the Labor Party, as is being shown in the mining tax debacle, has no interest in business. They do not understand business and do not understand the certainty necessary. As I indicated, we will be supporting the bill and I commend it to the Senate.

Question agreed to.

Third Reading

Bill read a second time.

QUESTIONS WITHOUT NOTICE

Asylum Seekers

Senator BRANDIS (2.00 pm)—My question is to the Minister for Immigration and Citizenship, Senator Evans. I refer to the minister’s failure to answer the question directed to him yesterday by the Leader of the Opposition in the Senate, Senator Abetz. Firstly, will the minister confirm reports that 170 people have drowned trying to get to Australia since the government softened the border protection policy? Secondly, does the government accept responsibility for these deaths?

Senator CHRIS EVANS—I again express my disappointment at the low road which the Liberal opposition are prepared to go down. Can I indicate that the reference I saw to 170 people I think was in an article by Andrew Bolt, who seems to have very similar lines to the opposition on such matters. I am not sure who writes whose stuff. But I cannot confirm how many people may have drowned in the sense of whether they drowned in Indonesian waters, in Sri Lankan waters or in other waters off Malaysia et cetera. I have no capacity to accurately describe who or the numbers of persons who might have drowned. There are a number of cases that we know of, such as the Sri Lankan expedition where we rescued a Sri Lankan boat. Clearly people had left that boat and swum, and they were missing and presumed drowned. As we know, we had the deaths of SIEV36, when the fire on the boat occurred and at least four died then. But there have been other reports from Indonesia at various times about persons having drowned. There was one only a day or two ago, as yet unconfirmed. I think the Indonesians have confirmed potentially two persons drowned, but there are reports that there were more. These things clearly are not capable of being confirmed by us. We have to rely on other authorities.

But we do not accept responsibility for those deaths, Senator, just as I remember you did not accept responsibility for the 380 or so people who died on SIEVX. I do not remember you coming into the Senate saying you as the government of the day took responsibility for those deaths. It is an outrageous claim. It does you no credit at all and I suggest the moderates in the Liberal Party just have a think about where they are headed with this sort of attack.

Senator BRANDIS—Mr President, I ask a supplementary question. May we take it from the minister’s answer to my question that the government has taken no steps to investigate the reports of these drownings? If that is not the case, what steps has the gov-
ernment taken to investigate reports of these drownings? Can the minister also confirm reports that 12 people drowned last week trying to get to Australia? Does the government take responsibility for those deaths?

Senator CHRIS EVANS—Clearly the opposition have decided to persist in this endeavour to try and take this debate about asylum seekers in Australia to new depths. As I said in answer to the primary question from the senator, we obviously liaise with Indonesia, Malaysia and other authorities when reports of drownings or reports of boats in distress are received. We work with those authorities to try and ensure the rescue of those boats or to try and determine the accuracy of information that is provided. We have followed up on the question of the Australian article which said 12 asylum seekers had been reported to have drowned. The minister for customs and border protection, Mr O’Connor, had his officials following that up. The Indonesian advice, as I understand it at this stage, is that they had no record of that particular incident, but there is reporting that two men may have drowned in an incident off— (Time expired)

Senator BRANDIS—Mr President, I ask a further supplementary question. Minister, is it not true that there are currently more than 427 children in immigration detention in Australia? Is it not also true that, at the time the Howard government left office, there were 21 children in immigration detention? Does the Rudd government take responsibility for the 21-fold increase in the number of children behind bars?

Senator CHRIS EVANS—The senator is dripping with insincerity. What I can confirm for the senator, who formerly had a reputation for balance and liberal views, is that this government places children in alternative places of detention with their family members. We do not put them into detention centres, as the previous government used to. We do not intend packing them off to some remote South Pacific island, as is now the coalition’s policy. Your intention, as I understand it, is to take children and put them into detention centres on islands in third countries. So don’t come in here and try to pretend you have any compassion. You want to bring back the Pacific solution and bring back temporary protection visas, which ensured families were separated for up to five years. So you have no credentials in this debate. There is no sincerity but, rather, very cheap politics behind this question. (Time expired)

Budget

Senator HURLEY (2.07 pm)—My question is to the Assistant Treasurer, Senator Sherry. Can the Assistant Treasurer detail to the Senate how the government’s tax reform package will secure a stronger economy for all Australians? In particular, can the Assistant Treasurer outline how the government’s proposed tax reforms will benefit individuals, small businesses and companies by reducing tax rates, providing tax incentives and cutting red tape?

Senator SHERRY—I thank Senator Hurley for her question. The government is engaged in a process of major tax reform that will broaden and strengthen the economy for all Australians. This reform package is funded by the resource super profits tax. We are unapologetic about that. It is to fund a major reform of our tax system; it is not to bring the budget into surplus, as is claimed by those opposite. Australia avoided a recession, unlike most other comparable countries in the world. We have a larger economy today than many other countries had two or three years ago before the worst of the global financial and economic crisis. We are bringing our budget back to surplus in three years time, three years ahead of schedule. The re-
source super profits tax is not for that purpose. It funds tax reform; it does not bring the budget back into surplus.

There is an extensive range of tax cuts and improvements for the benefit of the broader community. I touched on one yesterday. The government is to reduce the company tax rate from 30c to 28c in the dollar and increase instant write-off of assets for small business from $1,000 to $5,000. A further initiative, which will not proceed without the resource super profits tax, is that from 1 July 2012 taxpayers will be able to claim a $500 standard tax deduction for work related expenses. This will increase to $1,000 one year later. There is also a significant reduction in red tape. Some 6.4 million Australians will be net beneficiaries of this new standard tax deduction. It will be introduced via what is known as a tick-and-flick tax return. It is a significant improvement in benefit for over six million Australians, a very significant simplification of our tax system and a reduction in red tape. (Time expired)

Senator HURLEY—Mr President, I ask a supplementary question. Does the Assistant Treasurer have specific examples of the benefits to Australians in various parts of the country of the government’s proposed standard deductions tax plan?

Senator SHERRY—As I have said, no resource super profits tax: no standard deduction and no standard simplification at tax time. There is a very significant benefit.

Senator Bernardi interjecting—

Senator SHERRY—In Senator Hurley’s home state of South Australia—Senator Bernardi might want to listen to this instead of rudely interjecting all the time—there will be 460,000 South Australians who will be better off under the standard deductions system. They will receive a total of $121 million over two years, Senator Bernardi. In my home state of Tasmania, there will be 140,000 Tasmanians who will be better off by some $35 million as a result of the standard work deduction. In Western Australia, there will be 666,000 people who will be $170 million better off as a result of standard deductions. No-one is worse off. No resource super profits tax: no standard deductions. (Time expired)

Senator HURLEY—Mr President, I ask a further supplementary question. Is the Assistant Treasurer aware of any alternative policies on major tax reform to benefit all Australians? Are there risks to the government’s forward-looking tax reform package aimed at securing our country’s long-term economic wellbeing?

Senator SHERRY—The Liberal and National parties have pledged to scrap the system of standard deductions, to which I was referring. They will not introduce it. They will not cut company tax from 30c to 28c. They will not improve the write-off of up to $5,000 for small business. They have committed to scrapping these tax cuts, which are a very significant and massive benefit not just to those companies but also to many small businesses and millions of individual Australians through the standard write-off. Those opposite have one tax policy: to increase company tax. That is the one and only tax policy that the Liberal and National parties have announced. They are going to increase company tax by 1.7 per cent, from 30c to almost 32c in the dollar. That will not assist the Australian economy and jobs. (Time expired)

Hospitals

Senator FIERRAVANTI-WELLS (2.13 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. The ink is barely dry on Mr Rudd’s COAG agreement and the government has dropped a major plank of the grand health plan that was to provide transparency and accountability.
Mr Rudd has dumped the national funding authority in an answer to a question on notice slipped out by his department late yesterday. When will the government admit that the states are still in control, that it is actually business as usual on hospitals and that the blame game continues?

Senator CHRIS EVANS—I thank the senator for her question, which was one of the most rhetorical I have heard. She got a whole range of rhetorical phrases into one question—she did very well. Unfortunately, none of them actually went to representing the facts of the situation. The National Health and Hospitals Network will be funded nationally and run locally. The Commonwealth will fund 60 per cent of the efficient cost of hospital services. There will be a jointly governed National Health and Hospitals Network funding authority in each state and territory. This was agreed at COAG. These authorities will be funding warehouses through which both Commonwealth and state government funding will be paid directly to local hospital networks.

This means that for the first time funding from both levels of government will be used to pay for services directly and will not be paid from or administered by state treasuries or health departments. The original proposal would have still had state funding provided by state government bureaucracies without transparency. This new arrangement represents an unprecedented new level of transparency in health funding. Both state and Commonwealth funding for hospitals will flow automatically based on the number of services actually being delivered. There will not be the possibility for state government funding to be shuffled around in state budgets or skimmed for other purposes. The price for services will be determined by the independent hospital pricing authority, which will have Reserve Bank style independence from government. Each local hospital network will be funded for the services that it provides and the information on the funding provided will be transparent to communities. There will also be a national performance authority to monitor and report on the performance of local hospital networks, individual hospitals and Medicare locums.

As the senator quite rightly confirmed, when she asked for that information from this government we provided it in accordance with normal procedures, which is that questions are taken on notice. The answer was provided to the senator. That is open, transparent and in accordance with Senate procedures.

Senator FIERRAVANTI-WELLS—Mr President, I ask a supplementary question. It has certainly changed in the last two weeks, because that is not what—

Senator Sherry interjecting—

The PRESIDENT—Order, Senator Sherry! When there is silence on both sides, we will proceed.

Senator FIERRAVANTI-WELLS—Since the national funding authority was supposed to stop the states from siphoning money from hospitals, are the states now just going to have free reign with extra billions of dollars that they have extracted from Mr Rudd’s latest backflip?

Senator CHRIS EVANS—This confirms that senators ought to listen to the primary answer and not just read the supplementary question that the tactics committee has provided for them. I provided the answer to that question in the primary response. I indicated that there will be a jointly governed National Health and Hospitals Network funding authority in each state and territory. That was agreed at COAG. That means that for the first time funding from both levels of government will be used to pay for services directly and will not be paid from or administered by state treasuries or health depart-
ments. The original proposal would have still had some state funding provided by state government bureaucracies without transparency. So it does represent an unprecedented level of transparency in health funding. There will not, therefore, be the possibility for state government funding to be shuffled around in state budgets or skimmed for other purposes.

Senator FIERRAVANTI-WELLS—Mr President, I ask a further supplementary question. Since Labor’s health reform advertising campaign promises that the network will be run locally and the COAG agreement states that clinical expertise on the local hospital networks will be ‘external to the LHN wherever practical’ when will the government withdraw its deceptive and misleading campaign or, at the very least, come clean and tell the Australian public the truth—that ‘local’ does not mean local?

Senator CHRIS EVANS—There is an enormous leap in logic in the claims made in the apparent question by the senator. What I have made clear is that the network will be funded nationally and it will be run locally. We will have unprecedented transparency in terms of that process. It is the case that the advertising properly reflects the changes that our health reform is driving. We have brought together the money in one place, we are going to be able to directly fund services and it will not be administered by state treasuries or health departments. We are achieving our objectives. We are ensuring that we have a new basis for funding our health system. We will start tackling the many issues that the previous government left untackled.

Climate Change

Senator MILNE (2.19 pm)—My question is to the Minister representing the Treasurer, Senator Sherry. Minister, given that at last year’s G20 leaders meeting in Pittsburgh the Prime Minister committed to phase out subsidies to fossil fuels as a critical part of efforts to tackle climate change, and undertook by the next leaders meeting in Toronto—which is in nine days time—to set out the implementation plans for the phase-out, has the Australian government prepared a time line and implementation plans to phase out fossil fuel subsidies to meet this commitment? If so, what are those plans and when will they be released?

Senator SHERRY—Thank you, Senator Milne, for your question. The government supports the G20 commitment from the Pittsburgh summit to rationalise or phase out inefficient fuel subsidies that encourage wasteful consumption. Australia’s response on this matter was finalised and submitted to the G20 on 11 June 2010 after the G20 finance ministers meeting in Busan in Korea, which the Treasurer, Mr Swan, attended some two weeks ago. The G20 energy experts group is compiling a report to leaders based on submissions from the G20 members. It is not appropriate for me today to pre-empt the processes. There is a meeting later this month, as I understand it, in Toronto. It is on 26 and 27 June. The government understands that the publication of the response of the G20 members to the commitment will be discussed at the forthcoming leaders summit in Toronto.

Obviously, Australia will be outlining its position in detail at that meeting in Toronto. There will be, I am sure, very extensive discussion about the issue of the rationalising of fuel subsidies that encourage wasteful consumption. So, with respect, Senator Milne, we have to be a little patient for a couple of weeks longer to see what the outcomes—

Senator Abetz—Until the election is called.

Senator SHERRY—Senator Abetz, 26 and 27 June are only a week away.


Senator MILNE—I have a supplementary question, Mr President. I ask the minister when he is going to table that report that Minister Swan gave to the Korean meeting. Can he also tell us what the government’s definition of a fossil fuel subsidy is and whether it will include such clear subsidies as the fuel tax credits and fringe benefits tax concession for motor vehicles, or is it the government’s intention to define direct subsidies just as those that reduce the price of fossil fuel, such as those used in developing countries?

Senator SHERRY—I think a fair number of the questions you asked there, and there were I think about eight or nine questions in that question, relate to the primary question, which I believe I have answered. As I have indicated, at that G20 meeting there was a commitment to remove inefficient fuel subsidies. I do not have the definition, if indeed one was adopted, of fuel subsidies that arose from that meeting of the G20. As I said, Senator Milne, certainly I would hope that there is significant progress that arises from the meeting in Toronto on 26 and 27 June.

Senator Bob Brown—Mr President, I raise a point of order. We are mindful that there are five days of sitting before the winter break. Senator Milne clearly asked the minister to state when he would present the report given to other governments at Busan to the Australian Senate. He should answer that question.

The PRESIDENT—I believe the minister is answering the question. The minister has 10 seconds remaining to answer the question.

Senator SHERRY—As I indicated, there were about eight questions in that supplementary and I think I got to answer one or two of them and I was just getting to—(Time expired)

Senator MILNE—I ask a further supplementary question, Mr President. Given that New Zealand and Sweden last week launched a Friends of Fossil-Fuel Subsidy Reform group to lobby the G20 leaders for more ambitious and transparent action on the promised fossil fuel subsidy phase-out, is Australia committed to transparency as well as ambition in this regard? If so, why won’t you tell Australians what you are proposing and have proposed already and give us a date as to when you are going to release it and what your definition of a fossil fuel subsidy is?

Senator SHERRY—To get back to the third question in the first supplementary, I think the third question in the first supplementary, I will take on notice for the Treasurer the information, the paper, that Senator Milne is requesting. Forgive me, I cannot recollect the other four questions in the first supplementary, so I will come to your second supplementary. In terms of New Zealand and Sweden, I am not familiar with the process, the definitions, the phase-out proposals of New Zealand and Sweden. I do not think that would surprise Senator Milne. Nevertheless, wanting to be helpful, I will take on notice and obtain the details of the New Zealand and Sweden phase-out proposals. I am not familiar with them. I will take that on notice, and let us hope for a positive outcome to the meeting in a couple of weeks. (Time expired)

Budget

Senator IAN MACDONALD (2.26 pm)—My question is to Senator Wong representing the Minister for Resources and Energy. Is the minister aware of the admission by former mining company executive, former general secretary of the Labor Party and now Parliamentary Secretary for Western and Northern Australia, Mr Gary Gray, that the great big new tax on mining had created uncertainty in the mining sector, saying, ‘We wouldn’t want to have the current degree of debate and uncertainty in play in August’? Does the minister agree with Parliamentary
Secretary Gray and concede that the great big new tax on mining has created uncertainty in the mining industry?

Senator WONG—I thank Senator Macdonald for the question. Mr Gray has made a range of comments over the period of time which are consistent with the fact that he is a strong supporter of the mining sector and a person who understands the need to ensure a sustained economic growth and a sensible tax reform in relation not only to the mining sector but more broadly. It is the case—

Honourable senators interjecting—

The PRESIDENT—Order! When there is silence on both sides, we will proceed.

Senator WONG—It is the case that we on this side of the chamber believe that this is necessary tax reform. We believe this is tax reform which shares more reasonably the proceeds of the mining boom and provides a profits based rather than volumetric tax, which we believe—consistent with what has been put to the Henry review by many participants—is a more economically efficient tax. Our view is that there is also merit in the other aspects of the tax reforms, which include some of those outlined by Senator Sherry today: a reduction in the company tax rate, a more generous taxation regime in relation to small business, as well as a greater share for working Australians through an increase in superannuation.

We do think this is a debate that can be progressed sensibly. We are engaged, as Mr Gray outlined, in sensible consultations with the resources sector. We will continue to do that in a measured and sensible way. We have no doubt that that will not be the approach taken by the opposition, who are determined in relation to any aspect of any policy to run a scare campaign, to run politics—

Senator Sterle—Mistruths.

Senator WONG—To run mistruths—thank you, Senator Sterle—and to put a whole range of things on the record which are not factually correct. (Time expired)

Senator IAN MACDONALD—Mr President, I ask a supplementary question. I thank the minister for telling me that Gary Gray understands the mining industry. Is that why he opposes Mr Rudd’s great big new tax on mining, and is that why his father-in-law, Peter Walsh, also opposes that? Minister, do you agree with Parliamentary Secretary Gray that the Prime Minister’s repeated refusal to put a deadline on the tax negotiations is creating even more uncertainty in the mining sector and that this uncertainty is bad for the Australian economy?

Senator WONG—I would remind the Senate of the fact that Mr Gray went on in the same interview—which I think the senator is seeking to paraphrase and perhaps misquote—to say, ’I am absolutely confident that the discussions and the way in which the matters of difficulty are being resolved will allow us to go forward in the right time frame.’ What we do know—

Senator Ian Macdonald interjecting—

Senator WONG—I am asked about what would be bad for the Australian economy. Well, Senator Macdonald, what would be bad for the Australian economy is if this government had taken the economic advice of those opposite. That is what would have been bad for the Australian economy, because we know that this nation would have fallen into recession. We know that we would have had a recession—a recession that those opposite were pleased to foist on the Australian people. We would have seen more Australians unemployed. We would have seen more small businesses going to the wall. That is what would have happened to our economy if we had taken the economic advice of those opposite.
The PRESIDENT—Order! Senator Cameron, Senator Macdonald is entitled to be heard in silence.

Senator IAN MACDONALD—Mr President, I ask a further supplementary question. I further ask the minister: how can families living in mining communities in Northern Australia plan for their futures with any degree of certainty when this government has now admitted that the great big new tax on mining has created uncertainty in the mining industry? Minister, what is the government going to do for the families of the 60 contractors at the Ernest Henry mine who are already suffering as a direct result of this great big new tax on mining?

Senator WONG—One wonders whether or not the Liberal Party and the National Party were considering the working families that Senator Macdonald refers to when they voted against the government’s economic stimulus package, the package which ensured that this nation stayed out of recession—which ensured that we prevented this country falling into recession. We have not seen in this nation some of what has been seen in comparable economies in terms of the levels of unemployment and in terms of the growth levels or the contraction of those economies. We recognise the importance of the mining industry to Australia. These reforms are about growing and strengthening that industry as well as cutting business taxes for businesses and boosting the retirement savings—

Honourable senators interjecting—

The PRESIDENT—Senator Wong, resume your seat. Order! When there is silence, we will proceed.

Senator WONG—As I said, the reforms are about boosting the retirement incomes of Australians, reducing taxation for other companies and providing a more sensible tax regime in the mining sector.

Employment

Senator FURNER (2.34 pm)—My question today is to the Minister for Employment Participation, Senator Arbib. Can the minister advise the Senate on recent unemployment data released by the Australian Bureau of Statistics? In particular, can the minister inform the Senate about the results of the regional labour force figures released today? Given the strong growth in employment recorded last week, what do these regional unemployment figures tell us about jobs growth in Australia? Are there areas that are still at high risk from unemployment? How have the government strategies helped to promote job growth throughout Australia?

Senator ARBIB—On Tuesday this week, I reflected on the recent unemployment figures dropping to 5.2 per cent, which was fantastic news for Australian job seekers. It means that, over the year to May, 280,000 jobs were created in this country for Australians. This is critical when you compare it to what is happening overseas: unemployment up to 9.9 per cent in the United States; in Ireland, 13 per cent; in Spain, up to 19 per cent; and, in this country, unemployment continuing to drop to 5.2 per cent. Today also we have seen the release of the regional Labour Force Survey, and there is more good news, with unemployment falling in New South Wales, Victoria, Queensland, South Australia and Western Australia.

But there is more work to do. In some regions, like Far North Queensland, we have seen drops in unemployment, but in other areas, such as Western Sydney, there have been difficulties. Long-term unemployment continues to grow, but very long-term unemployment has dropped by 1.4 per cent. This shows the need for the stimulus package, the infrastructure package and the 50,000 pro-
jects that are taking place right now around the country.

The biggest risk to employment in this country is those sitting opposite. If we had listened to their advice and done nothing when the global financial crisis hit, this country would be in recession and 200,000 Australians would be out of work. And what is their latest plan? Their latest plan is to stop the schools infrastructure package. Thousands of workers would lose their jobs if we listened to Tony Abbott. Thousands of small businesses would go under. (Time expired)

Senator Fierravanti-Wells interjecting—

The PRESIDENT—I remind senators, Senator Fierravanti-Wells, that interjections across the chamber are quite disorderly.

Senator FURNER—Mr President, I ask a supplementary question. Those are very positive results for Australia, Minister. You mentioned Far North Queensland. Can the minister explain and provide an example of how the government’s strategies are working to keep people in jobs at a local level? How effective have those strategies been in fighting unemployment? What would be the impact of cutting spending on jobs in local communities?

Senator ARBIB—Of course, we know that Far North Queensland was the community hardest hit by the global recession. Today we have had some good news. While these figures are monthly and obviously we need to be tentative, the figures show that the unemployment rate has gone down in Far North Queensland from 10.4 per cent in April to 8.9 per cent in May—a drop of 1.5 per cent. As all senators know, a great deal of work has gone into this. I thank Jim Turnour, the member in Cairns, and also Senator McLucas for the work she has done. I also thank the local community, from Advance Cairns to local business and community groups, and also the council for the work for they have done as well.

Senator Ian Macdonald interjecting—

Senator ARBIB—Senator Macdonald raised the local community. I want to put on the record a couple of quotes from the Cairns Post. Master Builders Far North regional manager, Ron Bannah, said the BER has:

… been the survival of the industry, particularly in Far North Queensland, and it will continue to be in coming months.

The Housing Industry Association— (Time expired)

Senator FURNER—Mr President, I ask a further supplementary question. Given that it has been almost a year since the introduction of Job Services Australia, what indicators are there for the operations of the program? How is Job Services Australia progressing in assisting unemployed Australians to find work or to find the training and skills they need to get a job? How has the performance of the new Job Services Australia compared with that of the old Job Network, and what have been the key changes in the new system?

Senator ARBIB—I can report that Job Services Australia has had an outstanding transition. Since July last year, when the new program was introduced, 343,000 job seekers have been placed in jobs. We can remember the former employment minister and now Leader of the Opposition said that Job Services Australia would be a disaster. Well, he got it completely wrong. We are seeing a big increase in the number of job seekers and, when you compare the first nine months of Job Services Australia with the first nine months of the old Job Network under the former coalition government, there has been an increase of 13 per cent in terms of placements.

To go back to North Queensland and the work that has been done there, the Housing
Industry Association Executive Director John Futer said that the stimulus funding had benefited a cross-section of trades:

Even for those members who didn’t directly benefit from it, it left more work out there in the market …

The stimulus is having a big effect on supporting jobs and supporting more business, and that is why—(Time expired)

**Building the Education Revolution Program**

**Senator MASON** (2.41 pm)—My question is to Senator Arbib, Minister representing the Minister for Education. Does the minister agree with education department officials who claimed during estimates hearings that school halls built at state schools are more expensive than those built by Catholic schools because of the school facility standards—that is, the intent to build buildings that are going to last a long time? Does the minister therefore claim that buildings built by Catholic schools are of inferior quality and not built to last?

**Senator ARBIB**—As I was saying, supporting countless tradespeople, countless small businesses and supporting apprentices. More importantly, we are seeing schools get infrastructure that they would never have gotten under the coalition. I would be more likely to believe Mr Laming than Senator Mason on school infrastructure projects. There is no doubt about it: Building the Education Revolution is delivering on its goals. It is keeping countless Australian workers employed. It is keeping tradespeople, carpenters, plumbers and electricians employed on sites. It is employing apprentices.

**Senator Brandis**—Mr President, I rise on a point of order on relevance. The question was specifically directed to comments made in estimates by the education department bureaucrats about the different standards for Catholic schools and non-Catholic schools. The minister has not addressed the question; he has not gone near it. This answer is not directly relevant. It is not even relevant to the question.

**The PRESIDENT**—Minister, you have one minute and two seconds remaining. I draw your attention to the question.

**Senator ARBIB**—As I was saying, supporting countless tradespeople, countless small businesses and supporting apprentices. More importantly, we are seeing schools get infrastructure that they would never have gotten under the coalition. What is the coalition’s most outstanding achievement? Their most outstanding education achievement from 12 years in government was 3,000 flagpoles. The Rudd government is building 3,000 school libraries—a record we are proud of.

**Government senators interjecting—**

**Senator Heffernan**—Mr President, on a point of order, the minister is misleading the Senate. The minister has just said this program is providing buildings for schools. At the Yurrandubbee school Laing O’Rourke have charged $100,000 to decide they cannot build the building.

**Honourable senators interjecting—**

**The PRESIDENT**—Senator Heffernan, you are debating the issue. Time for debating
the issue is at the end of question time. Order! I remind senators on both sides that interjecting is disorderly.

Senator ARBIB—Not only are workers, tradespeople, small businesses and apprentices benefiting from the Building the Education Revolution, schools are also benefiting—and we are not talking about flagpoles. We are talking about classrooms—3,000 classrooms, 222 early learning centres, over 3,000 libraries—(Time expired)

Honourable senators interjecting—

The PRESIDENT—Senator Mason is entitled to be heard in silence. If you want to have a private discussion, go outside.

Senator MASON—I never thought I would say this, but I am missing Senator Carr. Mr President, I have a supplementary question. Since the New South Wales Catholic block grant authority as well as leading construction industry expert Rawlinsons have now disproved claims made at estimates by Minister Carr and education department officials that Catholic school building costs are much lower because they do not include the costs of furniture and fit-outs, what other desperate excuse can the minister offer for the fact that state school buildings are two to five times more expensive than the same types of buildings built by non-government schools?

Honourable senators interjecting—

The PRESIDENT—Order! As I said, the time for debating this is at the end of question time.

Senator ARBIB—I certainly do not accept that and the government does not accept that. It is a complete misrepresentation of what happened in Senate estimates. But we do now know what the coalition’s plan is for the stimulus and for education, because Mr Pyne let the cat out of the bag when he said about the money being spent on schools:

We’ll come to some arrangement with you about whether you keep half of that or all of that or give some back to the Coalition …

We know what they are going to do now: they want to stop the stimulus, stop the school projects and take the money for their other election commitments, robbing schools across the country. Senator Mason wants to rob Queensland schools of vital infrastructure, vital funding. That is the coalition’s plan for schools. Twelve years of robbing them, cutting education funding, putting in place flagpoles and that is their plan if they get back into government—shame on them. (Time expired)

Honourable senators interjecting—

Senator MASON—Mr President, I have a further supplementary question. Can the minister then confirm that the New South Wales state government is furnishing their schools with Louis XIV furniture and gold plating all the fittings and will the minister finally admit that billions of dollars for this program have been wasted by Labor state governments on grossly overpriced buildings?

Senator ARBIB—I say to Senator Mason that he should spend less time doing his research in the newspapers and a little bit more time talking to principals and school communities because school communities and school principals across the country are supportive of what the government is doing. This is infrastructure they would not have seen for decades. Remember: 3,000 flagpoles under the coalition government, 3,000 school libraries under Labor. I remind you of what the construction industry is saying about these projects. Mr Peter Jones, Master Builders Australia chief economist said: ‘Public spending on education and social’—

Senator Hutchins interjecting—

Senator Joyce interjecting—

CHAMBER
The **PRESIDENT**—Senator Arbib, resume your seat. Senator Hutchins and Senator Joyce, we are not proceeding until there is reasonable silence in this place so I can hear the answer.

**Senator ARBIB**—The Chief Economist with Master Builders Australia said:

In the past 12 months, building work done for the public sector has more than doubled, offsetting a big fall in private work.

The builder at the Woollahra Public School, Peter Manning, said that he was born and raised in Bondi, was a student at the school in 1969 to year 6— *(Time expired)*

*Honourable senators interjecting-*

**The PRESIDENT**—Order! I remind senators that this is totally disorderly—people from both sides shouting across the chamber during question time.

**Gulf of Mexico Oil Spill**

**Senator SIEWERT** *(2.52 pm)*—My question is to the Minister representing the Minister for Resources and Energy, Senator Wong. Given the similarity in possible causes of the current disastrous oil spill in the Gulf of Mexico and the Montara oil spill in the Timor Sea, particularly the cementing process for the wells carried out by the same company, which is the second largest company carrying out this operation in Australia, and considering evidence in the US that 90 per cent of the oil spill contingency plans were the same and evidence to the Montara inquiry was that the Well Operations Management Plan was so generic as to be useless, have the government or their designated authorities completed safety checks on all the oil rigs drilling in Australian waters, and has the government completed reviews of the industry oil spill contingency plans in place to ensure their adequacy?

**Senator WONG**—I thank the senator for the question. In relation to offshore operations in Australia, I make the point that a number of the safety measures which are now being implemented in the United States have been in operation in Australia for some time. An example of that is that Australia introduced a discrete standalone safety regulator, the National Offshore Petroleum Safety Authority in 2005, a step that the United States is only now implementing following the incident in the gulf.

It is the case that the commission of inquiry has concluded its public hearings. The government is awaiting Commissioner Borthwick’s report. I am advised that the Minister for Resources and Energy is closely monitoring developments and sharing information in relation to the Montara incidents with our American counterparts. In relation to the steps the government has taken following the Montara incident, these have included, obviously, commencing the commission of inquiry to provide recommendations to government and industry in order to prevent another such incident from occurring; requesting the Northern Territory government as the delegated, designated authority to undertake a review of the status of wells suspended by PTEP at the Montara wellhead platform; moving amendments to the Offshore Petroleum and Greenhouse Gas Storage Act to enhance the safety and integrity regulation for offshore petroleum activity; commencing a review of the findings and recommendations arising from the US Department of the Interior’s report on increased safety measures for energy development on the outer continental shelf for relevance for Australian legislation regulations; and requesting all designated authorities to undertake a compliance review of existing well approvals. Senator, I think you referenced that last one in your question. *(Time expired)*

**Senator SIEWERT**—Mr President, I thank the minister for her answer and I ask a supplementary question. Could the minister
confirm whether all the wells in Australia that have been cemented by the company that was responsible for the cementing of the well with regard to Montara and that is reported to be the same company that did the BP well in the Gulf of Mexico have been audited by the relevant authorities?

Senator WONG—As I was saying at the conclusion of my answer, I note that the advice provided to me is that the government has designated authorities to undertake a compliance review of existing well approvals. I do not appear to have advice about the status of that, which may be relevant to the question you have asked, so I will see whether I can obtain further information from my colleague, the minister for resources, on that issue.

I would again note that the government has taken a number of steps to improve safety in this industry. I note that the minister for resources has flagged that he will move on the Productivity Commission’s recommendations for a single national offshore petroleum regulator, and I am advised he is working with his state colleagues to get the best possible model in place. This is a model that the government will seek to ensure can provide the community as well as government industry with an assurance that exploration and development activities meet world-class safety standards—(Time expired)

Senator SIEWERT—Mr President, I thank the minister for her answer, and I ask a further supplementary question. The Montara commission of inquiry is reporting to the minister for resources tomorrow. When will the government be releasing the report to the public for public review?

Senator WONG—I believe the senator is correct that the report is due on 18 June, and the government is awaiting the provision of that report. Obviously a decision as to its release is a matter for government. I am not in a position to indicate to you at this point what the minister’s intentions are in relation to that report. I would again indicate that the minister for resources has outlined his intention to deal with a range of these issues. The government has already sought to improve the environmental and safety framework in relation to this incident. I am also advised that the Department of the Environment, Water, Heritage and the Arts has also initiated an audit of PTEP’s compliance under the EPBC Act, and Minister Ferguson has previously released an initial response to the review by the NOPSA. (Time expired)

Home Insulation Program

Senator FISHER (2.59 pm)—My question is to the Minister Assisting the Prime Minister for Government Service Delivery, Senator Arbib. How many homes have an electrified roof from foil insulation installed under the Home Insulation Program, often by unqualified and untrained workers?

Senator ARBIB—I thank the good senator for her question. Minister Combet is the minister responsible for the remediation issues that are taking place within the former insulation project. Minister Combet has provided a ministerial statement which mentioned the issues and also mentioned the work that has been undertaken. The government has expanded its proactive and targeted risk based safety inspection program to a minimum of 150,000 homes with non-foil insulation installed under the HIP. (Time expired)

Opposition senators interjecting—

The PRESIDENT—Order! Senator Arbib, continue.

Senator ARBIB—Of course, as has been stated numerous times by Minister Combet and also the Prime Minister an urgent insulation inspection program is underway that prioritises households where there are significant concerns about safety. The govern-
ment’s Foil Insulation Safety Program will offer 50,000 homes that have had foil installed under the HIP a safety inspection and the option of having the foil removed or, with the advice of a licensed electrician, of having safety switches installed.

Senator Fisher—Mr President, I rise on a point of order to do with relevance. My question was: how many homes have an electric roof?

The President—I believe the minister is answering the question. The minister has 46 seconds remaining.

Senator Arbib—As I was saying that is why the government is undertaking inspections and we are offering the 50,000 homes that had foil installed under the HIP a safety inspection.

Senator Fisher—Mr President, I ask a supplementary question. Today I got a letter from the Prime Minister declining my invitation that he give evidence to the Senate committee inquiring into this matter. He declined on the basis that this parliamentary question time is the appropriate forum for him and you, Minister, to answer questions of this nature. Why was the environment committee told at budget estimates that 19 roofs of a small sample of roofs were found live when the real number is clearly much higher? Minister, do as promised by the Prime Minister: face up, fess up—what is the real number?

Senator Arbib—I find that question quite unbelievable. I sat through two days of Senate estimates and Senator Fisher was 10 metres in front of me and guess how many questions she asked on insulation? Zero questions on insulation. Let me tell you how many questions she asked on the insulation workers package. Have a guess at how many questions she asked.

The President—I draw your attention to the question, Senator Arbib.

Senator Arbib—Yes, Mr President, zero questions on the workers.

The President—Senator Arbib! I am drawing your attention to the question. Are you finished answering the question?

Senator Arbib—Yes.

The President—Order! I am waiting for silence so that Senator Fisher can ask her question.

Senator Fisher—Mr President, I ask a further supplementary question. After the deaths of four installers and 174 house fires, 18 in the last 21 days—that is almost one a day—why won’t the government do as bid by Melbourne’s fire chief, Ian Hunter, and commit to inspecting every one of the 1.1 million homes insulated under the bungled and botched Home Insulation Program?

Senator Arbib—As I said earlier on this very serious issue the government has expanded its proactive and targeted risk based safety inspection program to a minimum of 150,000 homes with non-foil insulation. Also a dedicated safety hotline has been established for households that are concerned about the safety of their foil or non-foil insulation installed under HIP and has been in operation since February. Households can call the number 1417—

Opposition senators interjecting—

The President—Senator Arbib resume your seat. Order!

Senator Arbib—The department is organising rectification work where there is a fire or electrical safety risk identified within an inspection report associated with insulation installed under the household insulation program.

Senator Chris Evans—Mr President, I ask that further questions be placed on the Notice Paper.
ANSWERS TO QUESTIONS ON NOTICE

Question No. 2734

Senator WONG (South Australia—Minister for Climate Change, Energy Efficiency and Water) (3.05 pm)—by leave—Senator Mason asked me a question on notice on 10 March 2010. I am now tabling the answer.

PAID PARENTAL LEAVE BILL 2010

Returned from the House of Representatives

Message received from the House of Representatives has made the amendments requested by the Senate to the bill

Third Reading

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (3.07 pm)—I move:

That this bill be now read a third time.

Question agreed to.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Asylum Seekers

Senator SCULLION (Northern Territory) (3.07 pm)—I move:

That the Senate take note of the answer given by the Minister for Immigration and Citizenship (Senator Evans) to questions without notice asked by Senator Brandis today, relating to asylum seekers.

The questions provided by Senator Brandis were very clear. They were questions that the minister should have expected, given that an identical question was asked the day before and clearly not answered.

What we had was a spray of indignation from the other side, which talked about the low road and about base politics and which basically did not answer the question. We would have thought that the minister would have been able to provide answers to an absolutely essential question about the number of deaths and the circumstances surrounding the reporting of the number of deaths. I quote from Tuesday’s Sydney Daily Telegraph:

The constant arrival of claimed asylum seekers off Australia’s northern coastline comes with a dreadful toll.

More than 150 men, women and children, lured by the promises of people-smugglers and a belief that Australia offers easy sanctuary, have drowned at sea since 2008.

It clearly makes the connection between policy and an outcome.

It is very sad that we saw, in what can be described as no better than an artifice of indignation, the minister, who has become an absolute high priest of hypocrisy, standing in this place and saying that we are the ones who are lowering ourselves, asking how low we can go and then talking about the low road. Perhaps he should refer himself to a contribution made on Tuesday by the Attorney-General, Robert McClelland. Again, it has been reported:

The federal opposition has been urged to rethink its plan to restore temporary protection visas (TPVs), with the policy having been blamed for the deaths of hundreds of women and children.

That may be quoting from a media article, but I have satisfied myself by reading the Hansard that that is the case.

This is the height of hypocrisy; it was an important question. Instead of puffing up these feathers of false indignation the minister should actually answer the question. Of course, he is in complete denial that there is any aspect of this policy that can be connected with people making the choice and allowing people smugglers to ensure that people make for these shores. He said in his response today, ‘I take no responsibility. It is not our policy to blame at all.’ Let’s hear what an Afghan asylum seeker had to say last week about what is attracting people to
Australia. This man was interviewed in Indonesia on ABC’s The 7.30 Report and he had an expectation of coming to Australia. He said in the interview that he prayed for the Rudd government.

Senator Brandis—I bet he prays for their re-election!

Senator SCULLION—Indeed. And then he said that they are accepting asylum seekers and, ‘God willing, they will win the next election.’ It is absolutely clear that it is the policies that are ensuring that we are driving innocent people into the hands of international criminals, who are the people smugglers. Of course, that environment is being caused by people who are in complete denial that it is their policies that are driving this movement.

It is not only the tragic cost in lives; it is a great cost to our economy. They are in complete denial about the numbers. More people have arrived this month than arrived in total during the last six years of the Howard government, once our full suite of measures were in place. One month and there were more than the entire last six years of the Howard government! It is absolutely appalling, and it is due, clearly, to those policies.

But as I said, the policies have cost us on a number of fronts. Senator Evans has decided that forecasted illegal boat arrivals are going to drop by 60 per cent in the next two weeks. He was not all that confident—he said:

I am not very confident that we can with any surety say that the 2,000 figure that is used for accounting purpose in that budget paper can be supported.

He does not believe it; he does not even believe his own budget papers. When he was asked in estimates about when there was any change to policy to back up the 60 per cent fall in illegal arrivals his answer was, ‘No, there is no change of policy; we just think it is going to happen.’ Can you give me a tip on the seventh, mate? We are not down at the races now; we are talking about a budget. This is a budget that has predicted a surplus of over $1 billion. Quite clearly, even Senator Evans does not believe his own budget, and if we look at the rate of three boats per week carrying more than 600 people per month, Labor’s projected surplus will clearly vanish.

The reality is that unless the government policy is changed and an Australian permanent visa is removed the only possible outcome is that people will keep coming, our borders will be crushed—they are completely porous—and our budget will never be in surplus.

Senator McEWEN (South Australia) (3.12 pm)—I find it disappointingly that once again I am standing here addressing the issue of how Australia deals with people who come to this country seeking asylum and our protection. I am also extremely disappointed that once again we get the yelling from Senator Scullion, who seems to think that by screeching we are somehow going to justify the previous government’s attitude towards asylum seekers.

I would just like to take the opportunity to actually outline what our government’s position is on the treatment of illegal boat arrivals and people who come here seeking asylum. Before I do that, I just remind the Senate that across the world there are 42 million displaced persons seeking safe haven for themselves and their families. We are not going to be able to stop people wishing to come to countries like this and seeking a better life for their families, but what we can do is to ensure that when they do come here we treat them humanely and respectfully, and in a way that the Australian people would want us to.
I would like to remind the Senate that under the previous government the tragedy of the SIEV X occurred, where some 350 people died. I do not think we attempted to blame the previous government for that, and it was appalling that Senator Brandis’ question today was prefaced by a statement which implied that the government was responsible for deaths that may have occurred recently. Any death at sea is a tragedy, and the government extends its sympathy to the families of those people who died. It will not try to make political mileage out of it as we have seen here today from the opposition.

Who can forget the SIEV X? Who can forget the children overboard scandal? Who can forget the women and children who risked their lives on boats coming to Australia as a direct result of the previous government’s failed terrible temporary protection visas which, of course, they want to return to—and we know that they will.

Just on that point, we know that the Howard government introduced TPVs in 1999 and, after that, nearly 8,500 people arrived by boat. More than 90 per cent of those people are now living in Australia quite successfully and quite happily. The Pacific solution also failed. That was another initiative of the Howard government. Seventy per cent of those people who were detained on Nauru and Manus Island under appalling conditions have now ultimately settled successfully in Australia or elsewhere. We should not forget that most people who come to this country seeking asylum do end up settling here or elsewhere because their claims of asylum are found to be legitimate. This government intends to process all people who come here under the international obligations that we have, and in fact we are doing that.

I was very proud to be part of a government whose initial initiative when dealing with the issue of asylum seekers who travel to this country by boat was to introduce seven key immigration detention values which indicated immediately that Australia was going to act in a much more humane and civilised manner towards people who come here. I am a member of the Joint Standing Committee on Migration and I have seen the impact those seven immigration detention values have had. For example, I can say that the Department of Immigration and Citizenship now has a much better and widespread culture of acting humanely towards people who come and ask for our assistance. The government is determined to process claims, as I said, in accordance with our international obligations but as quickly as possible and in a way that gives certainty to people who come here.

While we are adopting a much more humane attitude than the previous government, we are also not forgetting that our borders do need to remain strong. The government has undertaken many initiatives, including pursuing people smugglers to attempt to bring an end to that terrible trade in human cargo. But we are realistic as well. We are not going to make outrageous promises to the people of Australia that what we are doing is going to bring an end to the terrible situation that confronts us. *(Time expired)*

**Senator TROOD** (Queensland) *(3.17 pm)*—Senator McEwen says that she regrets having to stand in the chamber once again to defend the government’s policy in relation to asylum seekers. I feel rather similarly. It is a source of some concern to me that we have to stand here each day and draw attention to the abject failures of the Rudd government’s policy. The way in which the Rudd government has managed the issue of refugees and asylum seekers coming to our country from abroad—particularly Afghanistan and Sri...
Lanka—has been a textbook study of disaster from the start of the policy to this very day we are standing here.

As you know, Mr Deputy President, there are a rich number of examples we could use to draw attention to the failures of the Rudd government’s policy making. We could look at the insulation program. We could look at the Building the Education Revolution program. Now today we have the example of the government backflipping on its proposal to have an Asia-Pacific community. For any student of political science or public policy there are any number of examples of the way in which this government has completely failed to undertake sensible, sound public policy.

But this policy in relation to asylum seekers is a classic. From the very time it entered office, the government said: ‘We will ease what was’—supposedly and allegedly—‘an inhumane policy put in place by the Howard government and we will ease it in a fashion which will have absolutely no impact on the number of people who come seeking asylum in Australia. We can do this. We can do it confidently. We are absolutely certain that it will have absolutely no impact on the number of people coming here.’ It did this notwithstanding the advice received from the very beginning from those agencies who were aware of the extent of this trade. It did this notwithstanding the advice from the Australian Federal Police. It did this notwithstanding the advice from the Indonesian government, who of course have a long-standing association with these difficulties. It did it notwithstanding the advice of the International Organisation for Migration. All of them said, ‘If you ease this policy it will have consequences.’ But the government from the very beginning was in denial. From the very beginning it said, ‘It will not happen.’ So piece of legislation after piece legislation and bill after bill came into this place, as they went into the House of Representatives, and were passed and the policy was eased.

Of course, as time went on, the number of boats and people coming to Australia increased. I will just take a couple of random examples. In September 2009 there were 468 people on nine boats. In October 2009 there were 385 people on nine boats. In November 2009 there were 399 people on 11 boats. And so the numbers kept on rolling on into thousands of people and hundreds of boats. Then we got to the point in April of this year when the government suddenly discovered that the policy, as everyone had been telling it, was a disaster. The easing of these policies have had a very direct impact on the number of people who have been seeking asylum in Australia. The government suddenly changed its policy with no discussion and no public debate about the matter. On 9 April it was suddenly decided that the applications for anybody coming to Australia would not be processed, that the applications from Sri Lankans and Afghans would not be processed for three months. This presumably was in response to a rising concern from the public about the number of people who were coming.

What has happened since that period of time? The numbers have kept rolling on. There has been absolutely no change in the number of people who have come to Australia. The consequence of it all is that there is nowhere to put them. The Christmas Island detention centre is full and they are now being spread right across the country. (Time expired)

Senator FORSHAW (New South Wales) (3.22 pm)—Here we go again. There is an election looming before the end of this year and, sadly, the opposition are going to resort to the great scare campaign that they resorted to back in 2001 regarding asylum seekers,
boat people and refugees. I well remember that campaign. I remember the *Tampa* incident, where the Labor opposition was given about 20 minutes notice of the new legislation, the most draconian legislation to be brought in by the Howard government. Twenty minutes notice the Leader of the Opposition was given before the bills were introduced into the House of Representatives.

We opposed that legislation at the time—it is often forgotten that we opposed it—and we suggested a range of amendments to it. Ultimately, many of those amendments were picked up when the legislation was finally passed by the Senate. I remind the parliament and indeed the public of that, because one of the most disgraceful accusations that was levelled against Kim Beazley, the then leader, was that he had gone soft on opposing the Howard government’s policies. The Howard government changed its policy position to enable agreement to be reached on the final legislation following the *Tampa* incident.

Of course, you made it worse. You then went on and did a whole range of other things which resulted in some of the most draconian and disgraceful situations to exist in this country with regard to the confinement and detention of asylum seekers. Children behind barbed wire fences—we all recall those scenes, which eventually led your government to understand that those sorts of places had to be closed down. It was the Labor government that brought humanity back into our refugee and asylum seeker policies, at the same time as ensuring strong border security.

I also recall that it was an election that was conducted not long after the September 11 tragedy in New York. There was a fever pitch created by the then Prime Minister, Mr Howard, about the hordes of potential terrorists coming to this country. The irony is, looking at the immigration figures over the Howard government years, how many people from those particular countries were allowed into this country legally, including just about all of the asylum seekers that came on the *Tampa*.

But here we go again—it is going to be raised, the old race issue. All around the world there are refugee pressures. We are not the only country that faces them. Indeed, the number of asylum seekers seeking to escape Africa and enter into Europe is phenomenal, incredible. We are not immune from this worldwide problem. We have to deal with it. In my view it is a problem that should be above political partisanship. If you get into government you are going to have to deal with it, and you are not going to solve the problem with the sorts of draconian policies that you are proposing, such as bringing back TPVs and reintroducing the so-called Pacific solution. You cannot even get Nauru to tell us that they will agree with that policy.

I was born in Cronulla and lived there for many years. One of the most shameful days in the history of this country was 11 December 2005, the day of the Cronulla riots. It is a wonder no-one was killed on that day when these unfortunate incidents occurred, whipped up by the frenzy created by Alan Jones and others who supported your policies. I never want to see that again in this country. *(Time expired)*

**Senator Back** (Western Australia) *(3.27 pm)*—What the Labor government cannot dispute is that the Howard government faced a problem and found a solution. It handed that solution to the incoming government, who rejected it and who have now created a problem. Neither Senator Forshaw nor any of his colleagues can actually stand up and say that there is any border protection in this country. It is decimated. What we see are a desperate government. We are seeing the last
resort of the directionally destitute when it comes to the actions of the government. They are poll driven and, as my colleague Senator Trood has said, they are reacting to polls. And to have Senator Forshaw comment on the proximity of this event to the election is most unusual.

It is now the case that the Christmas Island detention centre, decried by the Labor Party, is full and overflowing. They cannot control the people smugglers or the messages that the people smugglers are getting back to communities in Afghanistan, Sri Lanka and elsewhere. They have failed to halt the boats. It is the middle of winter and they are unsafe waters, and those leaking, unsafe, unseaworthy boats continue to come. As I have said before, it is a remarkable coincidence that these asylum seekers or would-be refugees have no interest in remaining in countries like Malaysia and Indonesia, which are of the same ethnic and religious persuasion as many of them, and keep coming to Australia.

But the destitution of this government came to its height yesterday, when we in Western Australia learnt that the agricultural campus of a university was the subject of speculation. There was consideration of the possibility of asylum seekers being placed at the Muresk institute. Subsequently we had the denial from the minister and his department that there had been any approach at all from the Department of Immigration and Citizenship to those who run Muresk for Curtin University of Technology. Then in this morning’s media Minister Evans laid it at the hands of the Premier of Western Australia and his staff. I have availed myself of the truth of this matter and indeed it did start with an officer of the department of immigration contacting the local council, the Northam shire. In the company of the CEO of the Northam shire it was a department of immigration officer who went to Muresk to see whether an agricultural campus of a university might be an appropriate place for asylum seekers. How much lower do you want to get?

The second question I want to ask is: what is the legal status of these people who are now being placed in asylum locations in Australia? What legal protection do they get that those on Christmas Island do not get as a result of previous legislation, and what circumstances are they going to face as a result? Only 10 days ago did we see asylum seekers placed in the Northern Goldfields town of Leonora—hardly an appropriate place, one would have thought, for people of this kind. I hope the minister will be able to refute the rumour that I heard, and that is that military bases in this country have been approached to see if there might be vacant barracks which could be used by asylum seekers. What an amazing irony, that we might have vacant barracks because our ADF personnel are in Afghanistan, in the gulf and in other places creating vacant barracks which, upon the inquiry of the department, might be able to be filled by asylum seekers. What a lamentable and regrettable situation. This government has got to get on top of this problem. This government has got to face up to the fact that it has failed and failed and failed.

Speaking of people smuggling, the point was made only recently that it is costing the citizens of Western Australia some $10 million per annum, because those found guilty and those on remand, numbering in excess of 100, are in Western Australian jails, which costs approximately $100,000 per head. I will finish on the question of people smugglers. The average fee charged is $15,000 per head and these boats have an average of 50 people. That is $750,000 per vessel. It is not bad money, tax free.

Question agreed to.
Climate Change

Senator MILNE (Tasmania) (3.33 pm)—
I move:

That the Senate take note of the answer given by the Assistant Treasurer (Senator Sherry) to a question without notice asked by Senator Milne today, relating to fossil fuel subsidies.

I spoke to Senator Sherry during estimates, when he was appearing at the Treasury estimates, and I raised this issue again today. The Prime Minister made an agreement at the last G20 meeting in Pittsburgh in the United States that Australia, with the other G20 countries, would phase out inefficient fossil fuel subsidies. At that meeting the Australian Prime Minister agreed that there would be an implementation plan and a timetable for the phase-out of those fossil fuel subsidies by the meeting in Toronto in nine days time. There was a meeting of finance ministers in Korea a week or two ago and nobody in Australia can find out to this day which fossil fuel subsidies Australia is putting on the table as those that it would phase out. Nor do we know what the timetable is, nor do we know what Australia has said or agrees is a definition of a subsidy for fossil fuels.

This is critical, because the Prime Minister has wedged himself on this issue. He not only agreed in Pittsburgh last year as part of the G20 communique; he also did it at APEC. So it is not once but twice he has told other countries that Australia will phase out its fossil fuel subsidies, as it should do if it is serious about climate change. I support the Prime Minister in making that commitment to the global community, but what I think is disgraceful is that, because we are now in the midst of a big fight with the mining industry over a superprofits tax, the Prime Minister is not coming out and telling Australians which fossil fuel subsidies are on the table for phase-out and over what period of time.

I asked specifically today: is the fuel tax credit on the table? That is critical, because the mining industry in Australia gets $1.7 billion per annum as a fuel tax credit. It is a direct fossil fuel subsidy. Is that a fossil fuel subsidy that Australia has on the table for the phase-out, and what is the time frame for it? What about the fringe benefits tax concession for motor vehicles? The Henry tax review said to get rid of it and most submissions to the Henry tax review were about this particular issue, and yet the government has not had the courage to get rid of it. Is it on the table?

What people want to know is: what is Australia going to agree is the definition of a fossil fuel subsidy? The Australian taxpayer subsidises the coal industry $50 million for research by Geoscience Australia identifying holes in the ground where you might pump carbon dioxide. Is that a subsidy? Is the $50 million that Geoscience gets to do exploration work for the oil and gas industry a subsidy to the fossil fuel industry? Well, of course it is, but is Australia going to agree to that? Or are we going to argue for the lowest common denominator definition of what constitutes a fossil fuel subsidy and argue that it really is only the direct subsidies that you might use to reduce the price of fossil fuels—where a government just puts in money to reduce the price, as the CPRS did? Is that all we are going to do? Are we going to disregard all these other subsidies to the fossil fuel industry? Australians have a direct interest in knowing right now what our definition of a fossil fuel subsidy is, what it is that Wayne Swan and the Prime Minister put on the table in Korea and will put on the table in Toronto in nine days time, what the time frame is and what Australia’s attitude is.

I find it appalling that Senator Sherry, as the minister representing the Treasurer, was not aware that New Zealand and Sweden launched last week a Friends of Fossil-Fuel
Subsidy Reform group. They are countries outside the G20. They formed this group to lobby the G20 leaders for more ambitious and transparent action on the fossil fuel phase-out. The reason they used ‘transparent’ is that countries outside the G20 do not know what G20 are up to. Nobody has told them what has been on the table in Korea or what indeed is likely to be on the table in Toronto. Those papers should be public so that the whole world—every country—knows what the G20 are prepared to do. This plays into the climate negotiations. We want to know in Australia before other countries know—exactly at the same time, at least—what it is that our government is putting on the table about a timetable for the phase-out of fossil fuels, a definition of a fossil fuel subsidy and indeed which subsidies we are phasing out.

Question agreed to.

MINISTERIAL STATEMENTS

Australian Federal Police

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for the Voluntary Sector) (3.38 pm)—I table a ministerial statement relating to the Australian Federal Police. The statement was made in the House of Representatives on 16 June 2010.

COMMITTEES

Economics Committee

Report: Government Response

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for the Voluntary Sector) (3.38 pm)—I present the government’s response to the report of the Senate Standing Committee on Economics into Australia’s mandatory last resort home warranty insurance scheme. I seek leave to have the document incorporated in Hansard.

Leave granted.

The document read as follows—

GOVERNMENT RESPONSE TO THE SENATE STANDING COMMITTEE ON ECONOMICS REPORT ON AUSTRALIA’S MANDATORY LAST RESORT HOME WARRANTY INSURANCE SCHEME

BACKGROUND

Australia’s mandatory last resort home builders’ warranty insurance (HBWI) scheme was, with the support of the Government, referred to the Senate Economics Committee on 19 March 2008. The Committee released its final report on 13 November 2008.

Regulatory responsibility for HBWI resides with State and Territory governments, which determine whether, and in what form, to mandate HBWI. The Commonwealth’s role in this area is limited to the regulation of insurers under the Insurance Act 1973, corporations regulation, including under the Corporations Act 2001, and generic consumer protection provisions under the Trade Practices Act 1974.

State and Territory governments also have broader regulatory responsibilities for the building industry. Importantly, this means that the form and scope of HBWI can be considered in conjunction with other aspects of the building industry, including licensing requirements and dispute resolution mechanisms. The Government considers it essential that HBWI be considered in this broader context. Evidence to the Committee from the hearings and submissions, from a variety of stakeholders, also indicated a strong view that HBWI should be considered as part of building industry regulation as a whole.

The Committee’s report contains four recommendations, the principal recommendation being that COAG and the Ministerial Council on Consumer Affairs (MCCA) should pursue a nationally harmonised ‘best practice’ scheme of consumer protection in domestic building. The report’s other recommendations relate to provision of the insurance certificate to all parties, the name of the insurance, and HBWI data collection and reporting arrangements.

The report also includes a dissenting report by Australian Greens Party members of the Committee which contains four recommendations. The dissenting report’s principal recommendation is
that Australia adopt a national system based on Queensland’s model, the design of which would be overseen by the Australian Government. The other recommendations relate to interim arrangements, HBWI data collection and Australian Government regulatory oversight of HBWI.

The Government’s response to each of the recommendations is outlined below.

THE COMMITTEE’S RECOMMENDATIONS

Recommendation 1
The committee recommends that all parties receive a copy of the insurance certificate, summary of product and dispute resolution procedures. The committee recommends changing the name of the insurance.

Recommendation 2
The committee recommends that COAG and the Ministerial Council on Consumer Affairs should pursue a nationally harmonised ‘best practice’ scheme of consumer protection in domestic building.

The scheme should include but not be limited to:
• disciplinary procedures and penalties;
• clearer definition of defective work;
• quicker and easier dispute resolution;
• the proposed ‘loss of licence’ insurance trigger;
• the HIA’s ‘guarantee of completion’ and related proposals;
• and better information for consumers (including information on builders’ licence record and average cost of premiums).

Recommendation 3
The committee recommends that COAG and the Ministerial Council on Consumer Affairs should pursue a nationally harmonised scheme of detailed reporting of home warranty insurance.

Recommendation 4
The committee recommends that home warranty insurance should be included in the National Claims and Policies Database.

Government response to the Committee’s recommendations
The Government notes these recommendations. The Government is concerned that HBWI has been a source of frustration for consumers and builders. In response to these concerns, and following the recommendations of this Senate Inquiry, the Government placed the issue of improving consumer protection in regards to home warranty insurance on the MCCA agenda for its May 2009 meeting.

The Government agrees with the Committee’s recommendation that MCCA is the most appropriate body to pursue the issue further, noting that it includes representatives of State and Territory governments, which are responsible for regulating HBWI.

MCCA noted the findings of the Senate Inquiry’s report and agreed to refer this matter to the Standing Committee of Officials of Consumer Affairs to consider as part of the review of the harmonisation of conduct provisions for the national licensing system. The Council also agreed to place this issue on the MCCA Strategic Agenda.

More broadly, the Government notes that a number of HBWI providers have either departed the market in recent months or signalled their intention to do so. Given that HBWI is mandatory in most States and Territories, it is crucial that the insurance remains readily available.

The Government calls on States and Territories to explore options to harmonise and improve broader consumer protection measures in the building industry through the MCCA process.

THE DISSENTING REPORT RECOMMENDATIONS

Dissenting report recommendation 1
Australia should adopt a national approach to this issue and rapidly move to a system based on the Queensland model of home warranty insurance. The Federal government should oversee the design of the scheme and seek to have it implemented through the COAG process. A timeframe should be adopted such that the new model comes into operation by January 2010.

Dissenting report recommendation 2
Between November 13 2008 and January 2010, last resort home warranty insurance should not be mandatory. If an insurance product provides good cover it will be supported voluntarily.
Government response to dissenting report recommendations 1 and 2

The Government does not support these recommendations.

As noted above, regulatory responsibility for HBWI resides with State and Territory governments, rather than the Australian Government. Those governments, through their representation on MCCA, have determined that rather than move rapidly to a national system based on the Queensland model, the matter requires further review. The Government will await the outcomes of that review process.

Dissenting report recommendation 3

The Greens agree that any form of home warranty insurance should be included in the National Claims and Policies Database.

Government response to dissenting report recommendation 3

The Government notes this recommendation. The Government will request that HBWI data collection and reporting arrangements be examined as part of the MCCA review. However, the Government understands that some States are already collecting data on HBWI, or are proposing to do so. This will need to be taken into consideration in any examination of the matter by the MCCA review.

Dissenting report recommendation 4

If any loopholes remain in Commonwealth regulation or legislation such that home warranty insurance is exempted in any way from oversight by APRA, ACCC and ASIC, then that legislation or regulation must be amended immediately to close the loophole.

Government response to dissenting report recommendation 4

The Government does not consider that there are any 'loopholes' in Commonwealth legislation or regulation such that HBWI is exempted from appropriate oversight by APRA, the ACCC or ASIC.

In the course of the inquiry, the rationale behind, and operation of, Corporations Regulation 7.1.12(2) was questioned. The regulation excludes state-mandated HBWI from the definition of a home building insurance product for the purposes of the Corporations Act 2001, which has the effect of making it a wholesale rather than retail product.

Consistent with the Australian Treasury's evidence to the inquiry, the Committee found that the regulation does not remove the product from all Australian Government regulatory oversight and has no connection with APRA's information-gathering powers or with the National Claims and Policies Database.

Senator MILNE (Tasmania) (3.39 pm)—by leave—I move:

That the Senate take note of the document.

I am fascinated that the government has at last gotten around to responding to the Senate Standing Committee on Economics report on Australia’s mandatory last resort home warranty insurance scheme. This report was tabled in the Senate on 13 November 2008, and I am delighted that finally, in June 2010, we have the government’s response. I ask myself, ‘Why is it that the government, having not bothered with this for all time, should suddenly decide that it is going to respond to the report right now?’ The answer is that it is now a back-covering exercise. The reason is that this committee report, as indicated in my dissenting remarks, was an extremely weak report in the first place. I was very disappointed about it and made a number of dissenting remarks. The reason I am saying it is now a back-covering exercise is that everything that was alleged about this insurance product has come to pass between the tabling of the report and now. As the government itself notes, a number of home builders warranty insurance providers have either departed the market in recent months or signalled their intention to do so, given that the insurance is mandatory in most states and territories and the government says it is crucial that the insurance
remains readily available. That is because they have left the marketplace and, come 1 July, we are going to have a crisis in the building industry across Australia.

Since that time there have been changes in New South Wales and there is yet another inquiry in Victoria. What is the Commonwealth’s response? Extraordinary! The response is: ‘The government calls on states and territories to explore options to harmonise and improve broader consumer protection measures in the building industry through the Ministerial Council on Consumer Affairs process.’ We are exploring options through ministerial process to a crisis that is going to take place on 1 July because builders are going to be left without this mandatory insurance. They will either have to build illegally, without the insurance, or not build, because from 1 July it is going to be very difficult for many builders to get this insurance product. They already owe under other schemes. They are already held under those other schemes and they cannot transfer easily to any that might suddenly be available.

What is the building industry supposed to do? Is it a solution to tell them that we are about to have a crisis and that the states and territories should explore options to harmonise and improve broader consumer protection measures in the building industry through the Ministerial Council on Consumer Affairs process? Too bad; too slow. This is not going to cover the back of the Commonwealth. There was an opportunity to deal with this issue two years ago. At the time, I said what should happen is that the Commonwealth should step in, stop it being a mandatory product and go with the system that is in Queensland, which works incredibly well, where the government sorts out this process and provides the kind of security that both the consumer and the builder need. But no, the government refused to do that.

After the Senate inquiry process it was demonstrated through an ombudsman’s report that information that was available on the public record was withheld from the Senate committee. I did not take too kindly to that. Nor do I take too kindly to the fact that the Housing Industry Association seems to have such incredible power over a number of state governments and, it would seem, in relation to the Senate inquiry. I am extremely unhappy with this vague response. The government thinks it is enough to say on the record now: ‘Oh dear, at the end of the month—this is terrible—a number of providers will have left the industry. It is crucial that the insurance remains available.’ No. It is crucial that the product ceases to be mandatory. If it is such a good product people will take it up voluntarily. It should not be mandatory. If we want to avoid a crisis in the building industry come 1 July, we should be moving here to say that every state must remove the mandatory nature of this insurance as it currently stands in order that the onus is not left on builders. I am extremely unhappy about the government’s response.

As to the other responses the government has made to my recommendations, I pointed out here that there was a deal done at one point during the Howard years where the builders warranty product was made a wholesale product rather than a retail product and then it escaped the scrutiny of some of those organisations that have oversight over financial products. The government said: ‘No, that is not a problem. Consistent with the Treasury’s evidence, the committee found that the regulation does not remove the product from all Australian government regulatory oversight.’ But it does remove it from some. My point here is that it ought not to be removed. There has never been an adequate explanation to the Senate or anywhere else as to why the government of the day and the minister of the day decided to make this
product a wholesale rather than a retail product. At some point in the future, we will get an answer to that. But we do not have it now. I still maintain that we do not have the proper oversight and we do not have the information-gathering powers that we need.

As I argued at the time, we should have any form of home warranty insurance included in the national claims and policies database. The government noted the recommendations but said that some states are already collecting data on home building warranty insurance or are proposing to do so and that will need to be taken into consideration in the ministerial council’s review. That is not good enough. Why shouldn’t the data have to be collected and included in that national claims and policies database? There is no satisfactory explanation for why that is not the case.

This whole thing has been a really questionable process. It is a questionable product. Inquiry after inquiry has demonstrated that it is junk insurance. Tasmania had the courage to abolish it, and the sky has not fallen in in Tasmania since its abolition. Queensland has a good system. Other states go through inquiry after inquiry and we have now ended up in a situation in which the builders of Australia—particularly those in Victoria and New South Wales—are in a very vulnerable position.

If we have the crisis in the building industry that I anticipate come 1 July, I put the government on notice now that just putting in a response to the Senate committee’s report some 18 months after the committee reported saying, ‘Oh, dear: the product seems to have been removed. It’s crucial that the product remains available. Options should be explored and that should happen through a ministerial council process,’ is not good enough. This is going to swing right back to the government in this winter break.

I urge the government right now to get serious about this and move immediately to remove the mandatory nature of this product to stop the crisis in the industry that is about to ensue.

Question agreed to.

AUDITOR-GENERAL’S REPORTS

Report No. 45 of 2009-10

The President—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Audit report No. 45 of 2009-10: Performance audit—Contracting for Defence Force recruiting services.

DOCUMENTS

Return to Order

The President—I present a letter from the President to the Minister for Health and Ageing, Ms Roxon, relating to Senate orders for the production of documents.

The correspondence contained the following advice about the application of standing order 164(3):

Paragraph (3) of standing order 164 provides a procedure for any senator to seek an explanation from the relevant minister for non-compliance with the order once 30 days have elapsed after the deadline set by the order. It does not limit any other remedy or sanction that a senator may choose to initiate under the procedures of the Senate. It is of no application to the person to whom the order is directed and, in particular, does not provide an implicit extension of time for a minister to respond to the order.

Senator Fierravanti-Wells (New South Wales) (3.49 pm)—by leave—I move:

That the Senate take note of the document.

I want to make a number of comments. I put on record my thanks to the President for clarifying this matter yet again with Minister Roxon. What this has clearly demonstrated is that this is either a deliberate attempt to obstruct the rules of the Senate or somebody in
the minister’s department cannot read standing orders. Given the mess that the department and health generally are in in this country, it does not surprise me that yet again the President has had to clarify the position to Minister Roxon.

The reality is that this request for the production of documents was made to Minister Roxon in light of the fact that there was a Senate Community Affairs References Committee inquiry into consumer access to pharmaceutical benefits. The terms of reference are very explicit. We had a hearing in relation to this matter. Just yesterday, the Senate referred the provisions of the National Health Amendment (Pharmaceutical Benefits Scheme) Bill 2010 for inquiry by the Senate Community Affairs Legislation Committee. Therefore, not only will these documents be relevant for the inquiry of the references committee but also, I foreshadow, relevant to the new legislation inquiry that has been referred to the Senate Community Affairs Legislation Committee.

These documents need to be produced. While I appreciate the comments that have been made by the minister about it taking considerable time to locate these documents, the minister has had more than ample time. For the sake of the process, I am happy to allow another short period of time for Minister Roxon and her department to get their house in order and to produce the required documents. They have had sufficient time. We will give them a little bit more time. But I foreshadow that at some stage I will be formally requesting the production of those documents in the not-too-distant future.

Question agreed to.

PRIME MINISTER: STATEMENTS RELATING TO THE SENATE

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (3.53 pm)—I move:

That the Senate notes the Prime Minister’s continued unprincipled attacks upon the Senate. The Labor Party’s continued unprincipled attacks on the Senate are regrettable. The Senate is a vital part of Australia’s parliamentary democratic framework, which is in fact the envy of the world. Some would say the Senate should be thankful for small mercies because we have not been spoken about in the same way as the Chinese officials in Copenhagen. But when a Prime Minister speaks to demean the Senate in the way this Labor Prime Minister has and this Labor government has, the Australian people need to simply ask a one-word question: why? The answer is that the Prime Minister and his government are desperately thrashing around, drowning in a self-made quagmire of incompetence and duplicity. So as the Prime Minister and his government’s collective head is sinking beneath the surface, they thrash around desperately thinking that unprincipled attacks on the institutions of this parliament, namely the Senate, will somehow provide them with an electoral lifebuoy by distracting the Australian people from their self-made fiascos. I have a message for Labor: attacking the Senate will not be a lifebuoy, but working with us could in fact have been a lifebuoy. Let us have a look at what the Prime Minister has been saying. Just this week he has said about the Senate:

So we have a very simple message for the Senate, which is get out of the road, guys, just get on with it.

The following day he said about the Senate:

No delays, no stuffing around, get on with it. Mr Albanese was trotted out as well to say:

… the Senate is being so obstructionist …

They are the lines. It is a wonder that Labor have not in fact been reflecting and saying, ‘Isn’t it a pity that we haven’t in fact listened to the Senate more.’ If Labor would have listened to the coalition in this place, they
would not have wasted the $78 million they did on that cash splash by sending it overseas. The Building the Education Revolution would not be wasting billions and billions of dollars on overpriced buildings. We would not have the $850 million blow-out on solar panels. We would not have the Green Loans debacle. And we would not be having house fire after house fire all around Australia courtesy of the pink batts debacle. Indeed, if Mr Rudd would have reflected more seriously, he would have realised that the Senate, and in particular the coalition, had saved him from the debacle that Fuelwatch would have been. Do Labor still seriously say Fuelwatch is part of their policy agenda. No, they do not talk about that at all anymore. And I am sure that privately they say, ‘Thank goodness for the coalition for knocking off that debacle.’

I am sure they say exactly the same thing about GROCERYchoice. Remember that wonderful scheme where consumers would be able to compare prices. In my home state of Tasmania the state was divided into various sections and you could compare the price of groceries in Strahan in the one region with Swansea. One is firmly placed on the west coast of Tasmania, namely Strahan, and Swansea is firmly placed on the east coast of Tasmania.

Senator Fifield—Very convenient.

Senator ABETZ—A very helpful guide for consumers, Senator Fifield. You would have to have driven for about four or five hours and the $5 you might have been able to save on your grocery bill would have been more than spent on increasing your carbon footprint and on petrol. Talking about the carbon footprint, I am sure the Prime Minister is now breathing a very heavy sigh of relief that the Senate did not pass the Carbon Pollution Reduction Scheme, because it would have caused so much damage to the Australian economy and in fact to the world environment. We all know why I say the world environment: because there would have been carbon leakage to other countries courtesy of that badly thought-out proposal.

So what we have got is a government drowning in its self-made sea of incompetence but still telling the Senate in a most arrogant manner to get out of the way. The arrogance of Mr Rudd and Labor can be likened to a drunk going up a one-way street the wrong way and saying to all the traffic coming the other way, ‘Get out of my way, get out of my way,’ and then, when finally crashing to a halt, blaming the law-abiding drivers. Let us have a look at the facts about the Senate’s role. In all of Mr Rudd’s lifetime, the Senate has never sat for lesser periods than it has during the Rudd government.

Senator Brandis—Neither has the parliament.

Senator ABETZ—Let us have a look at the trifecta of promises, Senator Brandis, just made in relation to the parliament. Remember when Mr Rudd won? The first promise was, ‘We will sit the parliament before Christmas, because we’re rolling up our sleeves.’ Did that ever happen? No—broken promise. He then said he would sit on Fridays. Did that happen? No—another broken promise. Then he said he would sit the parliament and make it work harder. Did that happen? No. They have deliberately constrained the number of weeks that the Senate sits to avoid scrutiny. But, if they had had the scrutiny that they so desperately seek to avoid, they would not have to send hapless backbenchers in here in this debate to try to justify the pink batt debacle.

So what we have here is the fact that the Rudd Labor government has presided over the lowest number of Senate sitting days in a non-election year since 1952. That is in the totality of Mr Rudd’s life and more. The Senate is sitting a full week less each year
than it did under the Howard government. And do you remember the Labor Party complaining about how the coalition was allegedly reducing the role of the Senate in the Australian parliament? Well, if we were bad, what does an extra week or a week less mean? What it means is that Mr Rudd, as he did with so many other things, made the big statement—the grand statement and the grand promise—and then, of course, was unable to deliver.

This is the arrogant government—this ‘say anything’ government—that says to us in the Senate, ‘Get out of the way.’ But it was this government which was left with a very, very rich legacy. This was a government that was left with the coffers overflowing and Christmas Island empty. In three short—or, indeed, long—years, Labor, through all its cleverness, its ‘programmatic specificity’ and its crafty policy expertise, has been able to turn around the overflowing coffers and the empty Christmas Island to empty coffers and an overflowing Christmas Island because of its incompetency and its refusal to listen to the coalition in the Senate.

Every other area of government endeavour—between the coffers, Treasury and immigration and border protection—that Mr Rudd and Labor have touched has turned to disaster. Indeed, they seem to have the opposite of the Midas touch: everything they touch, be it Fuelwatch, GROCERYchoice, border protection, pink batts or solar panels—and the list goes on—does not turn to gold; it turns to dust. It is an absolutely terrible reflection. Yet they continue with this arrogance: ‘Get out of our way. We know what we’re doing. The fact that we’re going up a one-way street the wrong way is beside the point. Give us our head. We know. We have a vision for the future.’

I never thought that I would be placed in a position where I would say in this place that the Whitlam government was not the worst government this nation has ever seen. I have said it a number of times previously, but I must say that, on reflection, one thing that Mr Rudd can claim No. 1 first place on is being the worst government that this country has ever had. To outdo the Whitlam government, I must say, requires more than just ‘programmatic specificity’: what it requires is an arrogance and an incompetence unparalleled in our nation’s history.

That is why it is so important that our founding fathers saw and thought about the importance of a house of review, a place where legislation could be considered in detail. Indeed, today in the Australian we had an article saying that paid parental leave was being deliberately delayed in the Senate by the coalition.

Senator Fifield—What rubbish!

Senator ABETZ—Absolute rubbish, Senator Fifield; you are right. Why? Because the government were forced to bring their legislation not only to the other place but to the Senate as well, they themselves got mugged by the reality that they had to move amendments to their own legislation. But, deceptively, the Labor spin doctors go to the press gallery and tell them it is all the coalition’s fault. They do not say: ‘By the way, we introduced amendments without warning to their legislation because of its incompetency and its refusal to listen to the coalition in the Senate.

Senator Fifield—What rubbish!
important role that this house, the Senate, plays in Australian democracy, where the Labor government itself took the opportunity of review of this legislation to amend its own legislation but then, when it was delayed because of that, blamed the coalition.

Senator Fifield—Not on!

Senator ABETZ—Senator Fifield, you are right: it is not on. That is why we as a coalition have moved this motion today: that the Senate take note of the unprincipled attacks—because they are unprincipled. When you sit the Senate for the shortest time in over half a century and then demand that it hurry up, it is tantamount to deception of the Australian people.

The government simply seem to have no restriction on who or what to blame in relation to their failures, and I think that, after all these years of listening to Mr Rudd, the Australian people will not accept this nonsense that is now being peddled by Labor in relation to the Senate somehow being obstructionist. The Senate has a role—and a vital role. Let us not forget that up until just a few decades ago—not that long ago—the Labor Party still had in their platform the desire to abolish the Senate. They knew it was politically unsaleable and unpalatable to the Australian people, so they said, ‘Yes, we’ve got rid of that from our platform’. But everything else about their actions in this place tells us that, if they could have their way, they would abolish the Senate. They do not want us to examine legislation.

Indeed, this morning, on the airwaves, Mr Albanese was saying that the Senate was trying to scrutinise the legislation too much. Oh, that Labor themselves had scrutinised the pink batts debacle! Four more Australians would be alive, one person would not have severe deformities as a result of injuries and 174 house fires would not have occurred. That is the legacy of not scrutinising programs properly, trying to bypass the Senate and the proper way of doing things. If the Labor Party had considered the impact of the Carbon Pollution Reduction Scheme more carefully, they would have realised what a bad scheme it was. And it was courtesy of further review in this place that a lot of the faults became exposed.

Senator Pratt interjecting—

Senator ABETZ—And—and I hear a Labor senator interjecting—if it is still the greatest moral challenge of our time, take the parliament to a double dissolution on it.

Of course, what this shows us again is that the Labor Party will say and do anything to win votes. In 2007 the CPRS was the greatest moral challenge of our time, but when focus groups started telling them that the Australian people did not believe it, the greatest moral challenge of our time was discarded like a used tissue by the Labor Party. Where is the morality in that? Where is the integrity in that? There is nil—absolutely none. We in the coalition said that there were problems and it would make good sense to wait until there was international agreement. That was such a morally bankrupt position to hold before Copenhagen, yet now all of a sudden it makes very good sense to have this position until not only after Copenhagen and the next election but the one after that as well. We will not be getting a scheme now under Labor until 2013.

Senator Brandis—Where is your climate change policy? Come on!

Senator ABETZ—That is a very good interjection from Senator Brandis. We have a direct plan on climate change. Labor have no plan. But that is what happens when you use the capacity of Senate committees to explore and examine issues—things come to light. And Labor have been saying, day after day, this week that they do not want that sort of scrutiny.
Labor would have taken this country down the path of a Carbon Pollution Reduction Scheme costing thousands of Australian jobs and, indeed, having a worse outcome for the world in relation to pollution. This is exactly the same attitude that they took in relation to the resource profits tax, the RSPT. Who did they consult on that? The RSPT was in fact the brainchild of the RSGT: Rudd, Swan, Gillard and Tanner. They did not even ask Mr Ferguson, the Minister for Resources and Energy, about it. And we know what he thinks about this, because he has been busily leaking and backgrounding to say, 'Don’t blame me. I knew nothing about this.' Nor did Senator Hutchins, Parliamentary Secretary Gary Gray and others. That is what happens, I say to the Labor Party, when you do not consult.

The Labor Party still have the audacity—with the experiences of the pink batts, the green loans with solar panels, Fuelwatch and Grocery Choice; a list as long as your arm of their own experiences in 2½ years, making them the most incompetent government in Australian history—to this week still be saying to the Australian people, 'This is such a good government that we do not need the scrutiny of the Senate in relation to our legislation.' I say to the Australian people: we in the coalition believe in the role of the Senate. It is a vital role and it is a vital part of our democratic process. The Senate saved Australia from the Carbon Pollution Reduction Scheme. A number of years ago, it saved Australia from Labor’s Australia Card, if you remember. That was because these things were scrutinised. We believe in the role of the Senate and oppose the Prime Minister’s demeaning of the Senate. (Time expired)

Senator PRATT (Western Australia)
(4.13 pm)—The motion before us this afternoon implies, quite ridiculously, that the Prime Minister is not even entitled to have a view about the Senate’s approach to government legislation. This is an entirely unreasonable proposition. As we are all very much aware, this government, unlike its immediate predecessor, does not have a majority in this chamber. As such, the Senate clearly has the capacity to impact on the government’s ability to implement its legislative program. As a consequence, what takes place in this chamber has a direct influence on the government’s ability to action policies in the national interest and to fulfil its promises to the Australian people.

If a party in government has made a promise to the Australian people, whether during an election or in any other context, and delivering on that promise proves difficult or impossible the Australian people are entitled to know why. Is it because circumstances have changed? Is it because new information has come to light that makes the proposal less compelling than it once appeared? Or is it because, despite the government’s best efforts, this chamber has either rejected the proposal, refused to consider it, delayed it, obstructed it or amended it beyond recognition? Does the government believe that the proposal is still good policy, still in the national interest, or does it not? Is it abandoning or delaying the proposal for some reason to do with the merits of the proposal itself or is it doing so because the chances of the proposal passing this chamber in a recognisable form appear remote? These are all legitimate questions.

Equally, if the government fails to deliver on a proposal within a given time frame, the public is entitled to know why. Is it because of unforeseen developments outside this place or is it because this chamber in its wisdom has gone out of its way to delay the implementation of a measure? These are matters of great public interest, matters where the public has a right to know. In fact, there are a number of very significant issues that I have been lobbied on where people have
asked why the government has not done this or that or not done more. I have had to tell them it was not the government; it was the Senate. People have asked me why this nation has not taken action on climate change, why the government’s mandate from the last election has not been acted on. The government took action, but the Senate blocked this action.

Senator Brandis—Can you explain why you won’t have a double dissolution?

Senator Bernardi—Kevin won’t allow them to.

The ACTING DEPUTY PRESIDENT (Senator Ludlam)—Order! Can we have less yelling—thank you.

Senator PRATT—The Senate chose to leave this country without the laws that would have provided a framework for reducing emissions. I have to say that personally I am constantly surprised by the number of people—even people who are active in the broader environmental movement and who supported the scheme—who believe that if the Greens had voted in support of the CPRS it still would not have got up.

Senator Brandis—Mr Acting President, I direct your attention to the standing order which prohibits a senator from reflecting upon a vote of this chamber, which is what Senator Pratt has just done. When she resumes her address, might she also care to explain to the Australian people why the government will not call a double dissolution election?

The ACTING DEPUTY PRESIDENT—Senator Brandis, I do not believe there is a valid point of order.

Senator PRATT—People were horrified to learn that because of the honourable actions of two senators opposite the CPRS would have got up were it not for the decision of the Greens to put their ideological position before reform on carbon pollution. It is important to recognise that the Greens did choose to block the Carbon Pollution—

Senator Bernardi—Why don’t you have a double dissolution?

Senator Sherry—Why don’t you shut up and let her speak?

The ACTING DEPUTY PRESIDENT—Order! We need to hear Senator Pratt over the interjections from both sides, please.

Senator PRATT—It is important and pertinent to this debate to recognise that this chamber blocked the Carbon Pollution Reduction Scheme. The Rudd Labor government has had to cop this chamber’s decision at the expense of the environment and at the expense of getting our economy on the right footing for a carbon constrained future, and the public are entitled to know how this came about. They are entitled to know just who was responsible for this lost opportunity and who was not. It is legitimate to express our frustration and anger at this decision and others taken by this chamber. It is legitimate to remind the Australian people why it is that we are without the Carbon Pollution Reduction Scheme, a scheme that after the last election Australian people believed and had a right to expect would be implemented.

I have also been asked by students who were expecting access to much-needed student income support why it languished in this place for so long. I have had to explain to them that the Senate left them in limbo over the summer period and, alarmingly, right into the first semester of this year. So it is stating the obvious that the Prime Minister’s view on these questions may not always accord with those opposite. It is surely no surprise to any of us.

Opposition senators interjecting—

Senator Sherry—On a point of order, Mr Acting Deputy President, the level of inter-
jection and noise coming from those oppo-
site has gone well beyond what is reasonable
and tolerated in this chamber. Senator Abetz
was listened to in almost total silence, but
Senator Brandis and others are continuing a
barrage of interjections. Not only is it unpar-
liamentary and rude, it is also against the
standing orders, and I would ask you to bring
the chamber to some level of order.

Senator Brandis—On the point of order,
Mr Acting Deputy President, the interjec-
tions have been coming from the government
as well as from the opposition. You and I
both heard Senator Sherry, as duty minister
in the chamber, a few moments ago repeat-
edly yelling at Senator Bernardi, ‘Shut up’. I
do not think that that phrase is parliamentary.
It is not something that Senator Sherry was
pulled up on—he should have been. If you
are to make a ruling on interjections, might I
invite you to ask Senator Sherry to withdraw
his unparliamentary language?

The ACTING DEPUTY PRESIDENT—
Thank you. I do not believe there is a point
of order, but I remind both sides that all in-
terjections are disorderly, particularly if we
cannot hear the senator who has the call.

Senator PRATT—The public has a right
to know, to hear both sides of the story and
to judge for itself the merits of the case. To
argue otherwise is to set this chamber up as
some kind of judge, jury and executioner
combined in the court of public opinion. It is
one thing for this chamber to say that it does
not agree with the Prime Minister’s view of
its actions. It is quite another to say that his
expression of those views is an unprincipled
thing to do. The public is more than capable
of deciding for itself which view of reality to
accept: the Prime Minister’s or that of sena-
tors opposite.

I very much doubt that the public wants
the Senate to take on the role of censoring
the Prime Minister for expressing an opinion
on this or any other matter. Are those oppo-
site really suggesting that the Prime Minister,
if he believes that this chamber is thwarting,
dermining, obstructing or delaying the
policy intentions of this government, should
not be allowed to say so—that he has no
right to express his views? It is an absurd
proposition. What do those opposite suggest
the Prime Minister do in such a situation? Do
they want him to lie and concoct a reason
other than the real one, or do they want the
prime minister to say, ‘I’m sorry; I can’t tell
you why this measure has been delayed, de-
ferred or defeated, because if I did the Senate
might be offended?’ It is patently ridiculous.

We hear a lot in this chamber about the
need for our own standing orders to be inter-
preted with sufficient latitude so as to allow
robust debate. All kinds of liberties are taken
in this chamber and in the other place on this
basis, and I for one am quite glad of it, be-
cause the last thing we want to be part of is
quashing the very to-and-fro of ideas and
arguments that allow the public to hear all
sides and make up their own minds about
issues of importance. Whether or not the
Senate is thwarting the government’s legisla-
tive program or budget, either in whole or in
part, is surely a matter of public importance.
It is surely within our fine traditions of ro-
 bust debate, both within the parliament and
within the media, for the Prime Minister to
express his views forcefully, whether in the
other place, to the public directly or to the
media. To describe such an action as an un-
principled attack on the chamber is simply
ridiculous.

I will give those opposite the benefit of
the doubt. I will assume that what they actu-
ally meant to say was something like: ‘The
Senate believes that the Prime Minister’s
description of its actions in relation to the
government’s legislative program is inaccu-
rate.’ Let us say that is the proposition. That
might be a legitimate matter for debate. It is
a debate that I am more than happy to have, a
debate I will address today, for I am very
much convinced that the Prime Minister’s
description of this chamber’s attitude and
actions is in fact all too accurate. That is not
to say that I do not take the role of this place
very seriously. I do. I take very seriously the
role of this place in reviewing and amending
legislation, as does the government, but I
also share the government’s frustration. Too
often the delays and knock-backs have not
been about expressing legitimate views of
senators but of political posturing. This has
been, I believe, at the nation’s expense.

We came to government with a big
agenda, after 12 years of coalition neglect,
and it is right that we are keen to prosecute
this agenda. But it is a plain fact that the
numbers in this place have made that a hard
job to do. Opposition senators have crossed
the floor to vote with the government and yet
the legislation concerned has still been de-
feated. The government does not have this
luxury. A single government senator crossing
the floor would guarantee the defeat of any
government bill. The fact is that this chamber
has a small number of senators with a narrow
support base that holds the balance of power.
Furthermore, while the opposition requires
the support of just one of those senators to
frustrate the government’s program, the gov-
ernment requires the support of all seven
crossbench senators, a group that is com-
prised of individuals with very divergent
views on many critical issues confronting
this country. The opposition, on the other
hand, picks and choose its supporters on the
crossbench, depending on the issue—and it
is not a luxury that the government has. The
Liberal opposition have exploited this for all
it has been worth. It might have been in their
political interest to do that, but I do not think
it has been in the national interest—and we
are entitled to say so.

The Prime Minister is quite justified in
drawing the nation’s attention to this and in
expressing his frustration. There are no fewer
than 37 bills that this place has either re-
jected or passed with amendments unaccept-
able to the House. These bills include the
Australian Business Investment Partnership
Bill and associated bill; the Carbon Pollution
Reduction Scheme Bill; the Carbon Pollution
Reduction Scheme Bill (No. 2); the Com-
monwealth Electoral Amendment (Political
Donations and Other Measures) Bill; the
Fairer Private Health Insurance Incentives
Bill and associated bills; the Fairer Private
Health Insurance Incentives Bill (No. 2); the
Higher Education Legislation Amendment
(Student Services and Amenities, and Other
Measures) Bill; the Horse Diseases Response
Levy Bill 2008; the National Fuelwatch
(Empowering Consumers) Bill—and I could
go on.

None of these measures were purely triv-
ial or technical. These measures concerned
issues that were of great concern to the gen-
eral public or of particular concern to spe-
cific communities and specific issues. There
were important issues like the effectiveness
of this nation’s response to climate change,
the need to ensure a sustainable health and
aged care system in the face of an ageing
population, the viability of student services
and representative organisations on our stu-
dent campuses, and the ongoing struggle to
ensure that political donations enhance the
dynamism of our political culture without
undermining its integrity. None of these is-
suess are trivial—far from it. They are all im-
portant issues—issues that impact on our
democratic traditions and our ability to con-
front issues in the national interest. Many of
the measures frustrated by the opposition
sought to deliver on Labor’s election com-
mitments. And at least one measure, the
CPRS, which was defeated not once but
twice, sought to deliver on a promise that
was also supported in principle by both the Greens and the coalition—namely, swift action to put a price on carbon emissions.

Other measures which were frustrated by the opposition sought to address critical issues, because changing circumstances or review and public consultation had established a strong case for action and yet you did not act. These included measures to make private health insurance fairer and more sustainable for the future, to allow for more dental services to be delivered to hundreds of thousands of needy Australians, and to establish Australia’s first ever preventative health agency.

On top of all of this, the opposition has also delayed government legislation for measures to make the Medicare levy surcharge fairer on middle-income Australians and measures to deliver an economic stimulus to Australian businesses and households.

Senator Brandis interjecting—

Senator Bernardi interjecting—

The ACTING DEPUTY PRESIDENT—Order! I am sorry, Senator Pratt, I cannot hear you because of continual interjections that have gone for about the last 15 minutes.

Senator PRATT—There are the measures that you opposed to bring benefits to thousands of schools around the country. There are many thousands of schools that have had enormous benefit from the Building the Education Revolution stimulus package. You have to stand up and say, ‘We didn’t want to support your local school community.’

Measures that delivered economic stimulus to Australians to keep them working during the global financial crisis were opposed by you in this place. Fortunately, we did have the numbers on that issue. These are measures that everyone except the opposition now accepts were urgently needed to protect Australia from the worst of the recent global economic crisis.

We have seen repeated action from the opposition and the Greens to use up this chamber’s time on exercises that distract and divert the Senate from the important issues. It engages us in debate that changes and achieves nothing —meaningless gestures. This afternoon’s motion is yet another example of this kind of time wasting.

This parliament and this chamber does its job best when governments have to argue and negotiate their position through this place effectively. This chamber has a vital role in creating a strong and open democracy. Strong checks and balances are indeed required, but we need a Senate that provides proper and fair legislative scrutiny and good legislative outcomes.

The government and the opposition will be held to account for their actions at the next election—and all the senators in this place who are up for election will be held to account. We will not stand idly by as the government’s agenda is frustrated and obstructed by the actions of this chamber. The Australian people are watching us closely in the lead-up to the next election.

When reform has been promised and is expected and does not eventuate or is compromised severely because of the actions of this chamber—not the government—it is of vital importance that people know. Our Prime Minister has a right to express his views and his frustration. It is entirely fair that our Prime Minister and the Rudd government put its case on these issues to the Australian people. The Australian people in the lead-up to the next election are watching. Australians will make their own decision and hold members and senators of both chambers to account.

Senator FIERRAVANTI-WELLS (New South Wales) (4.34 pm)—Clearly, Senator
Pratt has lost her copy of the Constitution. I am very happy to lend mine to you, Senator Pratt, and I will even flag section 57 for you, bright yellow, big writing, so you can read it perhaps for the first time.

I rise today to support the motion of Senator Abetz about the Prime Minister’s disgraceful complaining about the scrutiny by this chamber. All this buffing and puffing hides the inadequacy of his government and the fact that the wheels are really starting to fall off the Prime Minister’s bandwagon. We have a mess over pink batts, a mess over the Julia Gillard memorial halls and a mess on the ETS. The ETS would have cost the Illawarra 12,000 jobs had it been passed. Thanks to this Senate not passing it, those jobs have been saved. We have a mess with the resources tax and again this has an impact on the Illawarra.

Now, of course, the much trumpeted great, grand plan for hospitals is falling apart. I think today we are really seeing the fraud that is this so-called health reform. It is vital that this chamber has the ability to scrutinise these sorts of misleading and deceptive actions. Indeed, it has been the role of the Senate that has helped to unravel this process. There is today’s spectacular backflip by the Prime Minister. Interestingly enough, Minister Roxon did not even know about it. Little wonder she is not very happy about the release of the document; that was very clear at the press conference this morning. She is a little bit touchy about the fact that the document was released by the Department of the Prime Minister and Cabinet. She did not know about it and of course then had the audacity to blame the opposition and the media for aiding and abetting what she calls ‘a beat up’—touchy.

I go briefly to the National Health and Hospitals Network agreement that was signed between all the states and territories except Western Australia and the Commonwealth. There it is in black and white. It says, ‘The Commonwealth will establish a national funding authority to oversee a National Health and Hospitals Network Fund and the distribution of Commonwealth funding contribution through this fund in line with other sections and other mechanisms dotted throughout this agreement.’ Indeed the funding authority is so fundamental to this agreement that references to it are littered throughout this document.

Let’s have a look at the reasons that this government wanted the funding authority in place. Let’s have a look at the red book; this is the book that came out after COAG, and there it is, on page 49: ‘Reforming funding arrangements for public hospitals.’ I have to put this on the record. This is the reason the government thought it was so imperative to set up this authority:

States have also agreed to be transparent about their funding contribution for each public hospital service, by making payments on an activity basis through Funding Authorities. There will be no scope to divert these funds for other uses, and no scope for health departments to use the money for bureaucracy. This will give hospitals more funding certainty …

Et cetera.

Transparent funding arrangements will also support transparent performance reporting and drive continuous improvement within each public hospital.

That is why it was so important that this funding authority be in place; it was supposed to underpin the transparency and the accountability of this grand plan.

Three weeks ago, when we sat in estimates we were told, ‘Yes, this authority is alive and well—

Senator Furner—Mr Acting Deputy President, I rise on a point of order. The motion that we are debating today is on the alleged claims that the Prime Minister has
somehow made attacks against the Senate. The Senator opposite is debating the health reforms, and has clearly strayed from the notice of motion that we are debating in the chamber this afternoon. I ask you to draw the Senator back to the notice of motion.

**The ACTING DEPUTY PRESIDENT (Senator Ludlam)**—My understanding is that the topic of debate can range pretty broadly in these sorts of motions. I will allow the Senator to continue.

**Senator Fierravanti-Wells**—Nice try, Senator, but it did not quite work. The Prime Minister does not want to be scrutinised by this Senate, and that is precisely what we have done in relation to this—

**Senator Sherry**—Mr Acting Deputy President, I rise on a point of order. The Senator should address the chair, not point her finger and talk across the chamber at another senator. If this behaviour continues I am sure it will invite further points of order.

**The ACTING DEPUTY PRESIDENT**—I do not believe this is a point of order but I just remind Senator Fierravanti-Wells to address her remarks through the chair.

**Senator Fierravanti-Wells**—Three weeks ago, when Senate estimates scrutinised this process we were told that the authority was alive and well, and yet yesterday—miraculously—it was dumped in the answer to a question we received. Of course, we were not told at the COAG inquiry last week that there was an intention to dump this authority, or that there had been any indication given that the centrepiece of transparency and accountability was to be dumped. Again I ask: why was the COAG inquiry, in scrutinising the government’s measures, not told about this intention? I cannot wait to see the rest of the answers which were promised by 10 June so this Senate can deliver its report by 21 June. As at today, we still do not have the majority of answers that are required by our committee to properly scrutinise this process. We will just wait with bated breath.

I would like to come to the timing of this agreement. What now is the status of the agreement? Was it only useful for the photo opportunity that the Prime Minister needed to have? He desperately wanted to show the public in Australia that he was the only one who could achieve health reform and that he was going to end the blame game with the states—or was this really a sham process to deceive, mislead and give the deceptive and misleading impression that this was supposed, somehow, to be real reform when really it was just to show some agreement so that the Prime Minister could walk away?

There are the get out of jail clauses in this agreement, and I think that is what has happened here. This was another decision of the kitchen cabinet, and not only did the *Financial Review* tell us that the hospital health package was a decision of the kitchen cabinet but now we have had it confirmed in answers to questions on notice, which are a little bit different to what we were told at estimates.

I now come to this whole process. I asked a question specifically about the process that led up to this agreement, and the answer was very interesting. It lends credence to what I think has been this perception that the premiers were out there, beating their chests and saying things. But really, behind the scenes it was a different process. I came across this really interesting photograph about ‘behind the scenes’. Here is a lovely photograph of the Prime Minister. For the benefit of senators, it says, ‘The Prime Minister’s Army’—

**Senator Furner**—Mr Acting Deputy President, I rise on a point of order. The Senate knows full well that in this chamber it is improper and inappropriate to refer to documentation unless it is tabled.
Senator Brandis—Mr Acting Deputy President: I want to speak to the point of order. It is a complete nonsense. There is no standing order or practice that prevents a senator referring to a document in a speech. What the Senator was doing was referring to a newspaper article. She is perfectly entitled to do that.

The ACTING DEPUTY PRESIDENT—It is my understanding that it is quite frequent practice to refer to documents without tabling them, so I will allow Senator Fierravanti-Wells to continue.

Senator Fierravanti-Wells—I would happily refer you to it; it is in the Age of 31 March, page 4 of the late edition. It is a lovely photo: ‘The Prime Minister’s Army’. From left, ‘The federal police officer, Department of Prime Minister and Cabinet Deputy Secretary, Ben Rimmer, Kevin Rudd, the Prime Minister’s policy adviser, a random jogger, the health minister and her chief of staff.’

Senator Brandis—Was the policy adviser a random jogger?

Senator Fierravanti-Wells—And a random jogger! But the beauty of this is that the before photograph is of the Prime Minister’s army and the after photograph is of the Prime Minister with a jar of plum jam from Mr Brumby’s wife. It is a great photograph.

Senator Brandis—It’s like The Truman Show.

Senator Fierravanti-Wells—It is, absolutely. It is just like The Truman Show.

Let us look behind the scenes. I would like to examine this answer that was given. It was interesting. It said that, apparently, the first formal negotiations in relation to the National Health and Hospitals Network commenced in February 2010 with the establishment of the COAG health reform working group. This working group comprised Commonwealth and state and territory officials from first ministers’ departments. Of course the first ministers are actually premiers. We know that from later in the answer. So here we have these meetings that have been undertaken with the premiers, the health departments and the treasuries. The working group met on four days—5 February, 5 March, 19 March and 29 March. It begs the question: why did we have this public sham outrage by the premiers?

Senator Brandis—Affected outrage.

Senator Fierravanti-Wells—It was affected outrage, as Senator Brandis says, by the premiers. They were beating their chests and saying all sorts of things. Meanwhile, they were squirrelled away in meetings working it all out. Not only did the premiers meet and the health departments meet; they had three subgroups.

Senator Bernardi—Hollowmen.

Senator Fierravanti-Wells—Yes, hollowmen. These subgroups again comprised Commonwealth and state and territory officials from the premiers’ departments, the health departments and the treasuries. These all met regularly by teleconference. Then we had the heads of treasuries and their deputies forum meeting parallel with the COAG health reform working group.

Senator Brandis—It’s like something out of Franz Kafka.

Senator Fierravanti-Wells—Yes. Then following the final COAG health reform working group meeting the COAG senior officials groups and their deputies forum comprising Commonwealth and state and territory officials from the premiers’ departments again met on several occasions to finalise the agreement and the related material. So the states signed up to an agreement barely three weeks ago. The ink is not dry yet and the centrepiece of this agreement has
now been dumped. Did they intend to dump it all along? That is my question. Was this just—

Senator Brandis—Wasn’t this one of the great moral challenges of our time?

Senator FIERRAVANTI-WELLS—I think it was the second greatest moral challenge of our time.

There is more. Finally, in the lead-up to the April COAG meeting there was a series of bilateral meetings, and teleconferences were held as required. These meetings again involved the Prime Minister himself and ministers, premiers et cetera. Then of course there were the face-to-face meetings. My point is this: they obviously knew very well everything that went into this agreement. So I can only draw the conclusion that either this was a sham—

Senator Bernardi—The Hitler Diaries of our time.

Senator FIERRAVANTI-WELLS—or this was a big hoax that this Prime Minister wanted to foist onto the Australian public.

It is interesting that the crucial hook that was supposed to stop the states from siphoning money from hospitals—those billions of dollars which the states extracted from the Prime Minister—has now been conveniently dropped. As part of that process we had concocted letters of outrage, like the one from Premier Keneally. All her ministers, departmental officials and everybody was meeting and all of a sudden she wrote to the Prime Minister in a tone that really makes me wonder whether she reads anything that is put before her.

Senator Bernardi—He was not talking to her at the time.

Senator FIERRAVANTI-WELLS—No, he was not talking to her at the time. You look at the nature of this letter and you wonder what this whole thing was really about.

One of the issues that are very pertinent is the fact that in New South Wales we currently have eight area health services, each with its own structure and its own employees—particularly in rural and regional areas. I know that Senator Williams is particularly interested in this issue. All of a sudden at the COAG hearing last week we had the secretary of the department telling us that the area health services in New South Wales are going to be abolished. I think that is news to the officials in New South Wales. It is probably news, Senator Williams, to all those thousands of people who are working in those bureaucracies.

Senator Brandis—Cabinet have to read about decisions on the front page of the newspaper.

Senator FIERRAVANTI-WELLS—Absolutely, Senator Brandis. I would like in the time available to me to focus on two aspects. The first is the local hospital networks. What a deception that has been. It is very, very clear from this agreement and it also clearly emerged from the inquiry that we had last week that all this talk about federal funding run locally is waffle and drivel. That is all it is—drivel. It is unadulterated drivel. The states and the Commonwealth signed up to this clause. It says that the local hospital networks will be appointed by the states. The states are in control. There is nothing federal about this. In the governing council which is supposed to run these local hospital networks the clinical expertise—that is, the doctors in these local hospital networks—will be ‘external to the local hospital network wherever practical’. What does that mean? That means that all the doctors who had been assured that they were going to be involved in running them locally are not going to be running the local hospital networks. Again, this is just spin.
I say to all the health professionals who made submissions and who keep telling us in briefings, ‘We are going to be involved’: that is not what is written in the agreement; that is not what the documents actually say. After many years of involvement in the law, the written agreement that has been signed off is what I follow, not whatever comes out of the mouth of the Prime Minister, full of spin and lack of substance.

The other point that we want to make here is about the policy process that was undertaken. The whole thing about this reform is that it really does look—like the mining tax and like a whole lot of other things that this government has done—cobbled together. It is very clear that this was driven out of the Prime Minister’s office. In fact, it is very clear from the evidence that was given by Mr Rimmer and other officials from Prime Minister and Cabinet at estimates that this whole health agenda has been driven out of the Prime Minister’s office and approved by the kitchen cabinet.

It is not surprising that Minister Roxon today feels aggrieved and a bit touchy about the fact that she needed to read the newspaper to know that the centrepiece of this agreement had suddenly been dumped. She said in a press conference, ‘Go and ask Prime Minister and Cabinet, because I know nothing about the timing of this decision.’

Senator Brandis—She and Mr Garrett must feel very sorry for one another.

Senator FIERRAVANTI-WELLS—Absolutely. The centrepiece was supposed to be improved transparency and accountability, but of course it is business as usual with states. This funding authority was at the heart of what the government were doing, and this is a massive backflip on health. A month ago the Prime Minister was talking about their big belief in what they were doing, but this man does not believe anything. How can anybody believe what this man says?

Senator Brandis—They don’t.

Senator FIERRAVANTI-WELLS—Thank you. Senator Brandis—people are believing him less and less. We do not know what this man stands for anymore. We do not know what his government stand for. Today’s backflip, on what is supposed to be one of the most important things that the government are driving, is a sign of an increasingly desperate government. They cannot get health right, and today’s backflip is just indicative of the utter, total disarray that the government are in.

Senator FEENEY (Victoria) (4.55 pm)—I welcome this debate concerning Senate obstructionism. I noticed, having listened to the last speaker, that she in no way felt constrained by the topic of this debate. It is customary in this place to at least make a gesture in one’s speech towards the topic, but there was no danger of Senator Fierravanti-Wells even drifting onto the right subject today.

The subject that is at the heart of this motion is a subject that Labor is happy to debate at length. As I said in my very first speech in this place, I am a believer in bicameralism. I believe that the Senate does, should and can play a useful and important role in the process of government as a house of review and that it is a house in which senators represent the interests of their states within the practical context of their party loyalties. I also made some remarks in that first speech about how the Senate should not become a house of obstructionism, a house from which the opposition can behave as though it were a government in exile. I said in that speech that the Australian people did not want to see the opposition stage a rerun of 1975 in this Senate. Sadly, that is what the opposition has done persistently ever since the 2007 elec-
tion. That is, unfortunately, conduct which is continuing undiminished today.

Having now been a member of this Senate for nearly two years, I still hold the view that I held when I first came here. I believe that the parliament passes better legislation when governments have to negotiate and argue their case in this place. We have a stronger democracy when legislation is properly scrutinised by the parliament and when the power of the executive government is held to scrutiny by a strong upper house, including the very strong committee structure of which the Senate can boast, a Senate committee structure which does very good work scrutinising both legislation and the actions of the executive. These are all good and proper processes and structures, and they all do credit to this house.

I must say that I have my doubts about whether those opposite in fact hold any of those values, whether they believe in effective bicameralism. Unfortunately, that is a pronouncement I can make on the basis of evidence. In the last parliament, when the Liberal and National parties had a majority in the Senate, they treated this place as a rubber stamp. From 2005 to 2007 the Howard government enjoyed a majority on virtually all Senate committees and processes and used that majority to control every Senate process through which bills were scrutinised. Work Choices was legislation for which the government had no mandate; nonetheless, it was legislation that was rammed through this Senate with minimal scrutiny. When the rubber hits the road, that is the commitment to effective bicameralism of those opposite—none. Objections from the opposition and also from the crossbenchers were completely ignored during that period when those opposite had the numbers.

The Howard government’s cavalier attitude to Senate scrutiny undermined the role of the Senate as a house of review. To think otherwise is to fail to understand the lessons of history. Rebuilding the reputation of this place as a proper house of review, as a proper place for scrutiny, is a task that only again commenced in 2008, when the new Senate finally met. It is of course a task in which we must sadly reflect on the fact that those opposite have done their dead level best to continue to destroy the reputation of this Senate. Senator Abetz, Senator Brandis, Senator Macdonald, Senator Scullion, Senator Mason—they were all members of that government. Their attitude to the Senate during that period was a far cry from the position and pronouncements they are putting forward today.

It seems that for the Liberal and National parties there are two standards for Senate behaviour. When they are in government, and particularly when they have a majority in the Senate, the Senate is a rubber stamp and bills are to be pushed through the processes of the Senate as quickly as possible. The opposition is an irrelevant nuisance which should sit still and be quiet. But, when Labor is in office, the Senate suddenly becomes the great bulwark of democracy for those opposite. It must subject every bill to the most minute scrutiny and months of repetitive committee hearings. Even then, even after all of the filibustering and delaying tactics, the coalition reserves the right to reject legislation for which the government has a clear electoral mandate. Those are the two different standards that one political party opposite offers in this debate.

This motion reflects the desire of the coalition parties to retain control of government policy, despite having been rejected by the Australian people at the 2007 election. The Liberal and National parties have never accepted the outcome of that election. They still think they are born to rule or, in the case of the Nationals, born to extract more lar-
gesse for their local regions. That old slogan springs to mind: socialise the losses and privatise the profits. They still think they can dictate from the Senate which policies will be enacted and which will not be enacted. Mr Abbott seems to think that he can make himself Prime Minister just by wishing it to be so and that he does not actually have to win an election first, that obstructionism in this place will simply deliver it to him. In fact, he seems to think he is Prime Minister already and that the parliament should enact his half-baked, uncosted, irresponsible policies just because he says so—policies that have not been through the shadow cabinet process, I hasten to add, given the 20-minute diatribe we have just received.

This is what the Liberal and National parties always do when they are in opposition. During the Whitlam government, they threatened to block the 1974 budget, forcing that government to call a double dissolution election. In the following year, 1975, they pulled the same stunt again, blocking the budget and bringing on the 1975 constitutional crisis. During the Hawke and Keating governments, although they never had outright control in the Senate, the coalition nevertheless obstructed the government wherever and whenever they could, and of course the 1987 double dissolution election is testament to that fact. Mr Abbott and senators opposite seem to think that they can obstruct government legislation and insist on their own partisan views and policies, whatever those policies happen to be on any given day—and Lord only knows they do seem to change—just as they like. They think they can dictate our climate policy. They think they can dictate our health policy. They believe they can dictate the economic policy of this nation. They seek to dictate our trade policy and our foreign policy.

I think the Australian people will reject this arrogant notion that senators opposite have developed. The Australian people gave the Rudd government a mandate in 2007. They expect us to carry out that mandate and we have been trying to do so, but we are having to do so in the face of constant obstructionism from the unholy alliance of senators opposite. That alliance is a shifting composition. Sometimes the Greens vote with the opposition and sometimes they vote with the government. Sometimes Senator Xenophon votes with the opposition and sometimes he votes with the government. Sometimes Senator Fielding votes with the opposition—perhaps I should say usually—and sometimes, very occasionally, he votes with the government. But one thing never changes: the persistent and stubborn opposition and obstructionism of the Liberal and National parties.

I think it is useful to reflect at this moment that the attitude of coalition senators does not simply pertain to the policy of this government. They will obstruct, hinder and destroy the policy of their own parties when it does not meet with their approval. Of course, we watched aghast—

Senator McEwen—Especially you, Cory.

Senator Bernardi—Name me! Name me!

Senator FEENEY—We would certainly name you, Senator Bernardi. We watched aghast at the end of last year as coalition senators not only sought to obstruct the government but sought to obstruct their very own leader and shadow cabinet. They sought to obstruct the resolutions of their very own caucus. So this is not a group of senators who know any bounds. This is not a group of senators who will accept convention, but rather it is a group of senators who not only seek to obstruct the policies of this government and the people of Australia but indeed will do all they can to sabotage the policies of their own party when it suits them.
The slide from scrutiny to sabotage is one they seem to engage in very quickly indeed. I noticed in Senator Abetz’s remarks at the start of this debate that, while his speech began talking about scrutiny and the proper role of this Senate, it very quickly and seamlessly moved to the justification for sheer obstructionism. Senator Brandis’s earlier enthusiasm for debating the question of a double dissolution election points to the fact that those opposite are interested in crises and the failure of our Constitution rather than making this place work as it was originally conceived to do so. They have prevented Australia putting in place a policy to reduce our greenhouse gas emissions. That is simply a matter of fact. They have prevented us from ending a situation in which Australians on low and middle incomes subsidise the private health insurance of millionaires. They did their best to prevent us passing our economic stimulus packages, measures which clearly can now be demonstrated to have saved this country from recession and saved hundreds of thousands of Australians from the spectre of unemployment.

I hate to think what the Australian economy would look like today if those opposite had had their way and our stimulus legislation had been rejected by the Senate in February last year, as they fought so persistently for. Fortunately for Australia, Senator Xenophon and Senator Fielding saw their way clear, finally, to vote for our stimulus legislation. But that does not let the Liberal and National parties off the hook. They voted against the legislation at every stage and they must take responsibility for their reckless obstructionism at that time. As every responsible economist says, as every senior figure in Australian business knows and as every international economic organisation reports, if the Liberal and National parties had had their way, this country would now be deep in a recession, as is most of the developed world. We would be in the second year of the Abbott-Hockey recession. We would have 10 per cent unemployment, or even worse. We would have tens of thousands of small business failures. We would have Australian farmers forced off their land, Australian investors losing their money. We would have a collapse in Australian government finances as tax revenues plunged and unemployment benefit payments soared. That is what the behaviour of the Liberal and National parties in this Senate would have inflicted on Australia. That would have been the fruit of your obstructionism.

That is an example of unsuccessful opposition obstructionism. Australia was rescued from the consequences of the reckless folly of those opposite thanks to the resolve of Senator Xenophon and Senator Fielding, eventually, to support our stimulus legislation. Unfortunately, there are many examples of successful obstructionism by the Liberal and National parties in the Senate. Let me list some of the bills, this list of shame, that those opposite have successfully blocked in the Senate—demonstrable proof of their continuing resolve to obstruct the work of this government in this place: A New Tax System (Luxury Car Tax Imposition—Customs) Amendment Bill 2008, the Interstate Road Transport Charge Amendment Bill 2008, the National Fuelwatch (Empowering Consumers) Bill 2008, the Australian Business Investment Partnership Bill 2009, the Horse Disease Response Levy Bill 2008, the Tax Laws Amendment (Medicare Levy Surcharge Thresholds) Bill 2008 and the Fairer Private Health Insurance Incentives Bill 2009. This is only a small sample, but it serves as testament to the persistent opportunism and obstructionism of the Liberal and National parties in the Senate.

I have not mentioned, of course, the most spectacular of irresponsible Senate obstructionism that we have seen in the life of this
parliament. That was the repeated rejection of the Carbon Pollution Reduction Scheme bills—rejected in July and then again in December 2009. It is true, of course, that the Greens, Senator Xenophon and Senator Fielding also opposed those bills, which is why they were ultimately defeated. But there is a major difference between the votes of those senators and the votes of the opposition. The Greens, Senator Xenophon and Senator Fielding voted in accordance with their longstanding and professed views on the subject matter of the bills—the issue of climate change, action on climate change and what to do about it. Senator Fielding does not believe in climate change at all. The Greens and Senator Xenophon think we should have brought in some other kind of bill. I think they are mistaken, but I respect the consistency of their positions. But none of that applies to those opposite. The Liberal and National parties behaved with a complete lack of integrity. They actually voted in opposition to their own party policy and their own stated views.

Mr Turnbull, as Minister for Environment and Water Resources, prior to the last election said he would bring in an emissions trading scheme. They went to the 2007 election pledged to bring in an ETS. Dr Nelson and Mr Turnbull, as successive opposition leaders, stood by that policy and the senators opposite were all pledged to the policy arising out of that election. Last year, Mr Turnbull and Mr Macfarlane negotiated in good faith with Senator Wong representing the government. They came to an agreement on the Carbon Pollution Reduction Scheme which was acceptable to both sides and which was ratified by cabinet, the Labor party room, the coalition shadow cabinet and the coalition party room.

Senator FEENEY—We all know what happened next. Senator Minchin and Senator Abetz, with Senator Bernardi cheering them on, led a revolt of the science deniers against their own leader, Mr Turnbull. After inflicting mayhem upon their own party and in this place, they replaced him with Tony Abbott, a man who thinks that climate science is ‘crap’. Mr Abbott then reneged on the agreement which had been reached between the government and the opposition, and the CPRS legislation was defeated. The upshot was that the opposition, having wasted their own four terms in government by doing absolutely nothing about climate change, succeeded in also wasting the first term of this government in not delivering action on climate change. They did that through their politically motivated obstructionism in this Senate.

Senator Abetz in his earlier remarks tried to cite the passage of the CPRS as an example of the Senate process working. He could not be more wrong. Every time those bills were sent off to committee it was not so that those opposite could indulge in another round of scrutiny and consideration but rather to spare them from dealing with those political questions themselves.

Senator Bernardi interjecting—

Senator FEENEY—It was filibustering to spare you from having to make a decision, Senator Bernardi. It was filibustering to spare the coalition from having to grapple with a real political issue. It does not stand as testament to how this place can work when it is scrutinising legislation. Rather, it stands as continuing evidence of the policy confusion of those opposite.

It is not just through obstructing government legislation that the opposition have sought to frustrate this government and to waste the time of the Senate. The opposition claim that there are not enough sitting days,
but then they constantly use up the time of the Senate on exercises that divert and distract the Senate from the main issues of the day—exercises that change nothing and that are basically devices to frustrate a government which does not have a Senate majority. One might say this debate is a prime example of that fact. These include pointless censure motions and long lists of speakers on second reading debates, often when positions on bills are clear and bills have already had ample debate. The opposition and the cross-benches have the right to move their motions and to speak on bills as much as they like, but if they choose to do this as a deliberate time-wasting tactic, as deliberate filibustering, then they cannot complain when we run out of time at the end of sittings. We know from the experience of the last parliament that, when they are in government and when they have a Senate majority, the Liberal and National parties do not stand for those tactics. In the last parliament, they used the guillotine ruthlessly to push through their flagship legislation such as the Work Choices bill—that Orwellian named legislation, a bill for which they had no mandate from the people and a bill which ultimately wrecked their government.

I do not blame the Prime Minister and government ministers, such as Mr Albanese, for becoming impatient with the tactics of the opposition in the Senate. The Labor Party has seen it all before. This is an irresponsible and destructive opposition. It has no interest in good policy outcomes. It regards Senate committees as an opportunity to delay public policy debate rather than to enhance it.

Senator Bernardi interjecting—

Senator FEENEY—Its sole concern is to frustrate and undermine the Labor government, hoping that this will be to its electoral advantage, and what underpins that whole strategy is a grand deceit.

Senator Bernardi interjecting—

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! I would appreciate it if you, Senator Bernardi, made a decision to cease interjecting. Senator Feeney has the call.

Senator FEENEY—A grand deceit. That grand deceit is this: obstruct, oppose and destroy the government’s agenda in this place and then cruise through the suburbs and regions of this country proclaiming that this is a government that has not kept its promises. That is the grand deceit upon which those opposite seek to run an election campaign. We hope that the people of Australia can see through this grand deceit. We hope that they can see through the lack of substance that characterises the paper-thin public policy offerings of those opposite. That is true of the Fuelwatch scheme, for example. Once again, we saw a Labor promise frustrated in this place and now those opposite roll around in mirth at their own cunning plan to destroy a Labor promise in this place and then make hay out of it in the electorate. But most dramatically it is true on climate change policy, where, after having successfully sabotaged—and there is no other word for it—(Time expired)

The ACTING DEPUTY PRESIDENT—Senator Feeney, your time has expired.

Senator Feeney—I trust that Senator Parry will be moving an extension of time.

Debate (on motion by Senator Parry) adjourned.

Senator PARRY (Tasmania) (5.15 pm)—No, I am not moving for an extension of time, Senator Feeney. I move:

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

Question agreed to.
PAID PARENTAL LEAVE BILL 2010
PAID PARENTAL LEAVE
(CONSEQUENTIAL AMENDMENTS)
BILL 2010
Consideration of House of Representatives
Message
Messages received from the House of
Representatives returning the Paid Parental
Leave Bill 2010 and the Paid Parental Leave
(Consequential Amendments) Bill 2010, ac-
quainting the Senate that the House has:
(a) in respect of the Paid Parental Leave Bill
2010, agreed to amendments nos 1, 15 and
23 made by the Senate, disagreed to amend-
ments nos 2 to 14 and 16 to 22; and
(b) in respect of the Paid Parental Leave (Con-
sequential Amendments) Bill 2010, the
House has disagreed to the amendment made
by the Senate,
and desiring the reconsideration of those
amendments disagreed to by the House.
Ordered that the messages be considered
in Committee of the Whole immediately.

Senator STEPHENS (New South
Wales—Parliamentary Secretary for Social
Inclusion and Parliamentary Secretary for the
Voluntary Sector) (5.17 pm)—I move:
That the committee does not insist on its
amendments to which the House of Representa-
tives has disagreed.

Senator HANSON-YOUNG (South Aus-
tralia) (5.17 pm)—I would just like to make
some final comments about this legislation. I
reiterate that this is an important step in the
long road towards delivering paid parental
leave in this country. I am not sure that we
have quite got it yet; in fact, I do not think
that we do. We know that this legislation
does not go far enough in terms of providing
a proper scheme that is underpinned by a
workplace entitlement. That has been quite
clear from the evidence that has been given
in relation to the bills from the various min-
isters who have commented here over the
last two days—particularly the comments
from Senator Evans in the final part of the
previous committee stage, when he said that
the government would refrain from support-
ing the Greens amendment to the Fair Work
Act because amending the employment stan-
dards to ensure that the entitlements for pay-
ment would match the entitlements for leave
did not suit their time frame. We have quite
some way to go to ensure that we have a
well-funded and supportive scheme that of-
fers parents—particularly working mums—
what they need.

Having said that, this is a really important
step, one that has taken many years to take. I
am very disappointed that the coalition, de-
spite their policy for a six-month leave plan
and despite their assurance that they firmly
believe that superannuation should be in-
cluded in any type of paid parental leave bill,
were not willing to use this opportunity to
work with all sides to ensure that we could
get those things bedded down. At the very
least, superannuation should have been in-
cluded in this scheme. There is really no ex-
cuse except for the fact that the government
did not want to have to pay that bit extra to
ensure that we do something immediately to
address the retirement pay gap between men
and women. This would have been the per-
fected place to start to address that issue, and
neither the government nor the coalition was
willing to do that.

It is very clear that, as these bills pass, it is
a historic day. It is one step towards what
will hopefully be a much stronger scheme in
the future—although we still have to see the
commitment from both sides to an extended
scheme. The government are to this day still
yet to commit to a minimum of six months
and still yet to commit to superannuation
being included. I hope that in 30 years time
when my daughter is looking to have her
own children she is not faced with this
scheme. I hope it does not take us another 30
years to get the scheme that we should be delivering today. I hope that this is one step in a process that is not going to take another 30 years. I hope that we move on much faster. I look forward to the review in two years time. Hopefully, I will still be here to make sure that we strengthen the legislation as much as we can.

Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (5.21 pm)—The opposition is disappointed that the House, the government, did not see fit to agree to our very reasonable and sensible amendments to try and take a new burden off small business. The substantive amendments which we moved were designed to extend the six-month period which the government is intending to give to the Family Assistance Office to administer the paid parental leave scheme. The coalition thinks that the Family Assistance Office should be the prime mechanism for the delivery of the paid parental leave scheme indefinitely. We do not want to add additional regulatory burden to small business and our amendments sought to give effect to that view.

As has been the case throughout this debate and throughout the discussion of this legislation in this chamber, the opposition has been very reasonable. We have not sought to obstruct, we have not sought to delay and we have not sought to imperil this legislation. That was demonstrated by the coalition’s approach in relation to the amendments put forward by the government to their own legislation, which we did not oppose. It was further demonstrated by the opposition’s approach to the amendments of other parties. While in many cases we had a great degree of sympathy with them, nevertheless we were being realists, recognising that without the numbers in the other place there was no prospect of those amendments being agreed to. The one area where we moved substantive amendments and the one area where we supported change other than that put forward by the government was in this very particular area of additional burden on small business. We endeavoured to give the government the opportunity to consider that. The government did and they rejected that. That is now very much on the head of this government. Small businesses do not need additional burdens, they do not need more regulation and they do not need more challenges in running their business. That is something for which the government will have to give account.

The opposition has always been mindful during this debate to try and balance two competing priorities, that of seeking to see a paid parental leave scheme that will benefit many working women and the other objective being not to place additional burden on small business. We recognise that we cannot be successful in relation to small business without imperilling this legislation. We do not want to do that. That is why we are not intending on insisting on our amendments at this time. Although recognising that this bill is in many respects flawed and in many respects second-rate, it is nonetheless a step in the right direction and we do not want to be an obstacle to that.

In closing, I note that, despite the Prime Minister holding a doorstep yesterday surrounded by small children and mothers, and his demand that the Senate get out of the way, the Senate was never actually in the way in the first place. The Senate has done its job of taking the appropriate time. Without being needlessly or unnecessarily long-winded, it has taken the time to scrutinise this legislation. So the Senate has certainly done its job. Mr Albanese’s prediction this morning on Sky News that this legislation would not pass the Senate has not come to be. In fact, in no way, shape or form has any action by any non-government senator de-
layed this legislation by even a day. So all the protestations and all the fear-mongering have proved to be completely false and completely baseless. We do hope that when in future other serious pieces of legislation such as this are discussed the role and responsibility of the Senate can be respected. On this side of the chamber we do not have any issue at all with the government, the Prime Minister or Mr Albanese questioning decisions that the Senate may take, but the deliberate misrepresentation of what is occurring in this chamber is something to which we strongly object and to which we will object each and every time the role of the opposition and the role of this chamber are misrepresented. We are here to do a job; we are paid to do a job. That is what the Senate has been doing, that is what the opposition have been doing. In doing so we have not delayed this legislation and we are pleased that the legislation can proceed in good time and that there will be a benefit for parents, a benefit that we all want to see. We hope that when we are elected to government we may be able to do more.

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for the Voluntary Sector) (5.27 pm)—This is a very important day in Australia’s history and it is a very important day for mothers, fathers and children. As we all know, success has many mothers and fathers, and I can only thank the senators who have contributed to the debate.

Question agreed to.

Resolution reported.

Senator STEPHENS (New South Wales—Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for the Voluntary Sector) (5.29 pm)—On behalf of all parents and prospective parents of Australia, I move:

That the report of the committee be adopted.

Question agreed to.

PRIME MINISTER: STATEMENTS RELATING TO THE SENATE

Debate resumed.

Senator MASON (Queensland) (5.29 pm)—How quickly we forget. I remember just three years ago Mr Rudd talked about the blame game and said he would ‘end the blame game’. But there is a new blame game in town and that is Mr Rudd blaming the Senate for all his failures. This goes all the way back to that searing global vision, that propensity to save the world, that the Prime Minister had just three years ago.

He blames the Senate for the failure of his government to put together the ‘pan-Asian union’—I think that is what it was called. It would be the Asian equivalent of the European Union. It failed, of course. Not one Asian country wanted to sign up to it. I read today that South Korea, our closest ally in Asia, also said no. Who will support this? No-one. Remember: this was Mr Rudd’s first grand idea. Nuclear disarmament was his next great idea to save the world. What happened with that? It failed as well. That is no doubt the Senate’s fault as well. He wanted to save the world from nuclear weapons—all the fault of the Senate—the great global vision. You might recall that then he wanted to save the poor old whales from the Japanese. Remember that? It was another part of the global vision. The poor old whales; I hope they did not trust Mr Rudd, because he failed on that as well. He had no impact on the Japanese and their whaling. Again, it was a part of this broad global vision—the pan-Asian union, stop whaling and then nuclear disarmament.

What is perhaps even more embarrassing is his article—which I have here in the chamber, although I do not even like touching it; my hands shake when I touch it—in the Monthly: ‘The global financial crisis’ by Kevin Rudd. In this article, Mr Rudd talks
about wanting to ‘redesign’ the world’s economic architecture. This is another part of the global vision. Mr Rudd was going to redesign the international financial architecture. Of course, he could not do that, because the Senate got in his way. It was all the Senate’s fault. I noticed as I was rereading this—I put it near my bed and I read this article quite frequently—

Senator Stephens—You are a lonely, lonely man.

Senator MASON—I am a midnight Hansard reader, Senator Stephens.

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—You have 16 minutes left, Senator Mason.

Senator MASON—In the article, Mr Rudd says this:
Neither governments nor the peoples they represent any longer have confidence in an unregulated system of extreme capitalism. … Or, as China’s Vice Premier Wang Qishan reportedly said, somewhat more elliptically: “The teachers now have some problems.”

That is Mr Rudd quoting the Chinese. I wonder what the Chinese say about Mr Rudd and his global vision, now that the Chinese really know what Mr Rudd really thinks about them.

The next part of the great global structure—his attempts to save the world and redesign the globe—was to save the world through the emissions trading scheme, the CPRS. It was the fifth way he was going to save the world. It was the ‘greatest moral challenge of our time’. I do not have any problem believing in the sincerity of Mr Garrett, Senator Wong and others, but I never even for a second believed in the sincerity of Mr Rudd. All he wanted to use Copenhagen and the entire debate for was to (1) wedge the opposition and (2) when he was made ‘friend of the chair’ in Copenhagen, run around Copenhagen securing support for his UN bid and make a big man of himself. Now he has not got a friend in the world—literally, the world. That was the aim of the entire process. This unctuous, pathetic, insincere view that we had to have an ETS and it was worth everything. Not to do so was a cancer on democracy. It was the greatest moral issue of our time. He was going to redesign the globe and save the planet. And it collapsed in a heap. No-one in this chamber—Labor, Liberal or crossbenchers—believes anymore in Mr Rudd’s sincerity on that issue, or indeed on any others. It was an appalling moral failure on behalf of the Prime Minister. None of us on this side objects to the proposition that the CPRS is a policy that could potentially be pursued in the future. I do not mind the strongest arguments—as you well know, sir—but what I cannot stand is the political opportunism and the weak opportunism displayed by the Prime Minister on the issue. It has done him no end of harm.

With the Prime Minister it ended up like this: if you cannot have a pan-Asian union, if you cannot save the whales, if you cannot disarm the nuclear weapons, if you cannot restructure the world’s financial system, if you cannot have an ETS—if you cannot save the world—if you cannot—we had 340,000 people in last year—that is about the size of Canberra—about 1,000 people a week. As soon as the population in this country decided that was a bad thing—and they did—he decided to set up a department of population. It was a pathetic performance. In border protection, my colleagues are far more eloquent than me. Suffice to say this: when the coalition left office, there was not a problem; when the Labor Party, the government, sent out the wrong signals, there was a problem. That is what the Australian public knows. He could not
save the world so he thought he would just let it in.

The paradox of all this—and my friend Senator Abetz discussed this before in his contribution—is that while Mr Rudd was running around the world trying to save it he could not even monitor the price of two cauliflowers, one in Brisbane and one in Toowoomba. He could not even monitor the price of vegetables with GroceryWatch. That was a total and embarrassing failure. We then had Fuelwatch and he could not even do that properly; so who would have expected him to save the world? What is worse is that Fuelwatch and GroceryWatch were the two great propositions put forward by the Rudd government to support working families with cost-of-living pressures. You may recall that. They both failed dismally. Still, it was true to form for the government to totally fail in the decent implementation of policy.

What is worse than when Mr Rudd fails to keep his promises? What is worse than when he breaks his promises? I will tell you what is worse: it is when he keeps them. The pink batts fiasco—the batts from hell fiasco—has been one of the greatest shambles in federal history. What did it cost—about $2.3 billion? Now we have got hundreds of thousands of homes with potentially lethal material in their roofs. We have about one fire every day and we have had four deaths—and this was supposedly a successful policy because he kept his promise. It was an absolutely abject failure. I just wish he had broken his promise and not implemented it.

What about the $43 billion National Broadband Network? As my friends have said this week in their contributions, about 16 per cent are subscribing, it is costing $43 billion and there has not even been a business viability study on it. This is an absolute shambles. I wish that Mr Rudd would break his promise and scrap it because we as a nation would be better off. I understand that it is not even going to be finished until 2017, by which time I suppose Mr Rudd will be off at the UN and Senator Conroy will be playing football for Australia. Of course, all this is the Senate’s fault! All these grand failures are the Senate’s fault! All of our obstructionism is the problem! It is not Mr Rudd’s fault, it is not this disgusting and pathetic implementation; it is all the Senate’s fault!

You would know, Mr Acting Deputy President, that my particular area of interest is the Building the Education Revolution. That has been the greatest shambles since 1901. We have had $16 billion spent on this program. Who would think it was possible to spend $16 billion and make principals, teachers, students and even teacher unions unhappy? Mr Rudd has done the impossible: he has spent $16 billion and made all the stakeholders unhappy. That is a great gift. Why? We now know what the problems are. One problem is the notorious templates. My friend Senator Carr loves these templates because they have this whiff of central planning about them. Senator Carr loves the Brezhnev Russia sort of stuff. There has been enormous failure in the Building the Education Revolution program not only because of the templates but also because of the lack of flexibility. There is no flexibility in the process. School communities want to know how the money is to be spent and for what purpose it will be spent and they want control over it. All the indications to the Senate over the last few months have been: ‘If we have control over the money we can spend it properly.’ I do not care whether it is government schools, independent schools or Catholic schools, all people want is control over the money.

So what has happened? There has not been a complaint or concern expressed by virtually any Catholic or independent school in the country. These are thousands of
schools. This is not just one, two or three but thousands of schools with no complaints. Do you know why? Because they have been able to spend the money on their own priorities and manage the projects. All of them have done it well, virtually without exception. But what happens when the money goes to state governments for state schools? What is the evidence there? I will tell you, Mr Acting Deputy President, what the evidence is. When money goes through state governments, state schools are paying too much. They are paying too much by one, two, three, four or five times what they should be paying. Why? Because the Commonwealth does not have the oversight mechanisms that it should have. This is a systemic problem. What is happening is that state governments are giving out huge contracts throughout the state and there are not sufficient oversight mechanisms to control the process. This is what is facing this nation over the next little while: with the so-called new federalism, the national partnerships, the Commonwealth government does not have the capacity to effectively oversee the expenditure of Commonwealth money by state instrumentalities. That is the problem in a sentence, according to the Auditor-General’s report and the evidence given recently in the estimates committees.

Mr Cahill was responsible for the report, *Building the education revolution: primary schools for the 21st century*. In estimates he said that the Department of Education, Employment and Workplace did not have sufficient oversight mechanisms to ensure that Commonwealth money spent by state instrumentalities secured value for money. The Commonwealth government cannot be sure that state governments are getting good value for money. That is not what I am saying; that is what the Auditor-General said in evidence. The Commonwealth parliament, including the Senate, votes money to the executive to spend on programs. This parliament cannot be certain that that money is securing value for money. That is the problem. We cannot be certain that state governments are getting value for money for the money they are spending on school projects in New South Wales, Victoria and Queensland. This is a huge problem. It has implications for every single thing the government is doing.

If you think it is bad in relation to education—and, sure, there are significant implications—what about the new health proposals? What about health reform? Education might have cost $16 billion over the last couple of years, but health will cost billions more—several multiples more. The Commonwealth government cannot be certain that state parliaments are spending the money well. Our Auditor-General gave evidence that he cannot follow the money trail into state instrumentalities; he does not have the power. State parliaments are supposed to be the responsible entity. How responsible are they? It is not in their interests to disclose the fact that they have failed. None of the state auditors-general, who do have the power, have taken up the challenge. Apparently it is left to state estimates processes. In Queensland, it is nine hours a year and the opposition gets half—4½ hours a year in estimates. These are the so-called responsible oversight mechanisms of the expenditure of $16 billion. It is outrageous.

Quite frankly, Mr Rudd can complain about the Senate, but my home state of Queensland has a unicameral system. He might be comfortable in the unicameral system, but the Australian people are a hell of a lot better off with a bicameral system. They are much, much better off. Imagine if this government had operated in a unicameral system.

*Senator Bernardi*—A disaster.
Senator MASON—The Building the Education Revolution has been a disaster anyway, Senator Bernardi, but at least we know it is a shambles. It never would have been uncovered if it were not for the Senate and for the Auditor-General, otherwise the government would have got away with it. It has been the greatest failure of implementation of public policy I can think of and it has cost this country billions and billions of dollars. It is all very well for Mr Rudd to go on about the Senate, that it is all the Senate’s fault, that the Senate have failed and that they have wasted time. I can honestly say that if it had not been for the Senate, this government would have done worse than it has.

I think there is great talent in the Australian Labor Party and there are many people who no doubt will make a significant contribution in the future.

Senator McGauran—Any here now?

Senator MASON—Some here now, and a lot of good people in the House of Representatives who will make a big contribution. But I do not mind suggesting that I think the current Prime Minister is one of the least worthy since Federation. He has led a government very, very poorly. If it had not been for the Senate, he would not be held up to account. Mr Rudd’s problem is not with the Senate, it is with everyone.

Senator FURNER (Queensland) (5.49 pm)—I rise today to discuss the notice of motion of Senator Abetz. It reads:

That the Senate notes the Prime Minister’s continued unprincipled attacks upon the Senate.

In my view, the Prime Minister’s reference was primarily made concerning the importance of passing the Paid Parental Leave Bill 2010 before the winter break. We on this side of the chamber refute Senator Abetz’s comments about the Prime Minister’s so-called unprincipled attacks upon the Senate. Senator Abetz’s concerns about the Prime Minister’s comment to ‘get out of the way’ are selective and uncalled-for hype. At a press conference held on Tuesday, 15 June, the Prime Minister said:

Get out of the road, guys. Just get on with it.

He said merely that; nothing more intended. However, Senator Abetz’s motion purports to indicate something else. The Prime Minister went on to say:

This is really important, this is really important, it is so key to making life easier for working families.

What a true statement that is. It was so pleasing that the bill was passed by the Senate this afternoon.

If you read the Prime Minister’s comments fully and in context, the implication is not as Senator Abetz puts. I want to refer to some of his quotes, such as a story on Wednesday on the website Australia.to News in which Senator Abetz makes comments that are outrageous, inappropriate and untruthful. He said:

It now seems, according to Mr Rudd that the Senate should not only be a rubber stamp, it should not exist at all!

Mr Rudd is known to channel Mr Whitlam, now it seems he’s reviving Labor’s Whitlam-era position that the Senate should be abolished.

Not once did the Prime Minister make such comments. However, Leader of the Opposition and the opposition in this place have indicated that those comments were made by the Prime Minister. No doubt Senator Abetz’s quote is a blatant lie. It has to be somewhere close to the ‘gospel truth’ that his leader, Tony Abbott, relies upon—no surprise there. Rather, the Prime Minister’s emphasis was on passing the paid parental leave legislation, which will give working mothers the opportunity to stay at home longer and the incentive to return to the workforce.
As a senator on the Community Affairs Legislation Committee and a member of the paid parental leave inquiry, I understand the importance and the urgency of passing this important piece of legislation. I am proud, as someone who was part of the inquiry by that committee, to see it passed this afternoon.

This legislation will give Australian families more options to balance work and family by allowing the primary carer, usually the mother, to transfer any unused parental leave pay to their partner, provided they are also eligible.

The Prime Minister was not the only one hoping for this bill to be passed swiftly. In the same press conference, the Minister for Families, Housing, Community Services and Indigenous Affairs, Jenny Macklin, said:

I do also want to say to all of the Senators, now’s the time, now’s the time to vote for this legislation to make sure that it will be available for parents from the first of January next year. For the first time, Australia will catch up with the rest of the world.

We are catching up with the rest of the world. That is what the introduction of this legislation and the success of it today is all about—to bring us up to a standard that the rest of the world is at. She went on to say:

Eighteen weeks paid at the federal minimum wage, paid for by the Government, paid for and budgeted for, we know that this is something that parents have waited a very, very long time for.

At the same press conference, the Prime Minister made reference to the welfare reform bill, which is another piece of legislation we are hoping to have passed by this chamber before we rise for the winter break. Senator Abetz states that the Prime Minister’s remarks are unprincipled. In an interview posted on the Australia.to News website the senator said:

Yesterday Mr Rudd staged a baby-kissing event to call on the Senate to “get out of the way” on paid parental leave.

That was never the intention of the Prime Minister of this country. I take this opportunity now to thank Senator Abetz for moving this motion today, in particular drawing attention to their ineptness and their failings. I have only been here for a short time, not quite two years, but I wonder at times—and it has been mentioned in the chamber today—that the media, the opposition and a combination of people out there in the community blame the government of the day rather than looking at the progress of things in this chamber with an understanding of how this chamber actually works and the opposition we have had to some of the things that we have not got through.

I reflect back on the government’s proposal for a fuelwatch scheme. It was in fact the first inquiry I was on and I distinctly recall, in Perth, Senator Abetz being criticised by the media over there for his opposition to Fuelwatch. Bearing in mind he is from Tasmania, the media portrayed him as being in opposition to it and said therefore he should not have an opinion on it. But that is part of the process of the Senate and the inquiries we are involved in. We scrutinised the legislation and the outcome was not as a result of the good work that the senators did on that inquiry—mainly the senators from this side of the chamber—but came down to the numbers in this chamber. We purely did not have the numbers to pass that legislation, which in my opinion was good legislation with good proposals for the benefit of people in this nation.

I turn my focus to another example of bills that have been rejected in this chamber: the CPRS legislation. I was fortunate enough to be a member of the CPRS and climate change inquiries, which took us to all parts of the country, listening to evidence from communities in the regions and the capitals, and when we handed down the inquiry’s report—and no doubt there was a dissenting
report—those opposite opposed it. Following that, there was an opportunity where we felt as a government we were getting close, with the opposition, to making sure that we would get the legislation through. An agreement was drafted with the opposition—and, if you recall, the leader at that stage was none other than Malcolm Turnbull. A deal was done, and what happened was that the rug was pulled from under our feet. The opposition reneged on that deal. With my background and experience, I would call it not bargaining in good faith. Not only did they renege on the deal but also they changed their leadership. It was a shame, in my view, to see that happen but nevertheless that is their issue and that is what they have to bear.

Just to digress slightly, today I was given a document entitled ‘Have your say on climate change’. It appears to be referring to some survey that the opposition is putting out, in particular in my state of Queensland. In the document there is a disgraced and disendorsed Liberal-National Party candidate for the seat of Wright, Hajnal Ban, but in the photograph on the survey there is also a senator from this chamber and the Leader of the Opposition, Tony Abbott. It surprises me that this sort of documentation is going out now when the opposition know full well they opposed climate change and they remain sceptical. They are not prepared even to consider putting forward any proposal to combat our greatest concerns about our climate.

Once again, the government gets the blame for not getting changes through the Senate. Another example is the Australian Building Construction Commission. We put through legislation that was fair and reasonable and, once again, the opposition, along with Senator Fielding, opposed it. They want to make sure they hang on to those shackles of Work Choices, hang on to their history, hang on to a past where they have issues with workers. They should be reminded that they were thrown out of government as a result of Work Choices. They will continue down that path in the lead-up to the election, as the opposition leader did in his response to the budget. They will once again introduce this type of legislation, not titled Work Choices of course but no doubt with the same structure and the same issues that will affect people in our workplaces.

Just yesterday there was another prime example of the obstruction in this chamber. A motion was put forward by the government to extend the hours of the Senate—and this was a type of motion that, if you look back in time, has been suggested on numerous occasions—and once again it was rejected by the opposition with the assistance of Senator Fielding. So, when it comes down to obstruction, the opposition is not fair dinkum.

The ACTING DEPUTY PRESIDENT (Senator Cash)—The time allotted for debate having expired, the Senate will proceed to the consideration of government documents.

DOCUMENTS
Australian Broadcasting Corporation
Debate resumed from 18 March 2010, on motion by Senator Parry:
That the Senate take note of the document.

Senator BERNARDI (South Australia) (6.00 pm)—I briefly wish to make a further comment on the report for 2008-09 of the Australian Broadcasting Corporation. I am a great supporter of the ABC. I think it provides a great many interesting shows as a public broadcaster but, like many people on this side of politics I have concerns about some of the content of the ABC and sometimes the lack of disclosure—these have been discussed on numerous occasions. One of my preferred shows which I enjoy is the television show Q&A. I have appeared on it once or twice and I think it is an interesting
debate and discussion. But part of the content that was discussed the other night I found was just appalling and I think has no place on our public broadcaster. There was a discussion which started with a question of the philosopher Peter Singer about his endorsement of bestiality and his writing of a foreword for a book, or a review of a book, that basically said—and he said this on the show but I will paraphrase it—what is wrong with intimate relations between a human and an animal if neither of them object to it?

I am sickened by that. I am sure most Australians are sickened by it. The fact that our national broadcaster allowed the debate and the discussion to go on, that they gave it air time, and that they gave it any semblance of credibility, is to my mind just appalling. Most people should be sickened by this sort of thing. It is not about stifling people’s views; let them write them down if that is what they want to do. But to have a discussion about the alleged merits of sexual relations between a woman and a dog is just grotesque and a misuse of taxpayer funds, which are financing our ABC.

This was built on top of Mr Singer’s views about infanticide and how we should be able to knock off children who are born with a disability—he does not like them; they do not look right or something like that. He says that is okay, we can do that. If you want to have these sorts of discussions leave them to those seedy chat rooms where weirdos lurk and stuff like that. Let it happen there. Let it happen in an environment that is not endorsed by our national broadcaster.

On Q&A—as I said, I like the show; I find it interesting—they know the questions that are going to be asked because they screen them. They know generally what the topics are going to be. If there is a legitimate question that is going to be posed to someone with extreme and horrendous views such as this Singer chap, you have got to then rein in the debate. You cannot turn people off.

Senator Farrell interjecting—

Senator BERNARDI—Senator Farrell is interjecting. I cannot hear what he is saying. I presume you are not endorsing bestiality, Senator Farrell. I am making that presumption. You can interject and tell me whether you do or not at this point.

The ACTING DEPUTY PRESIDENT (Senator Cash)—Senator Bernardi, please direct your comments through the chair.

Senator BERNARDI—Thank you. I will give Senator Farrell the benefit of the doubt that he is not endorsing bestiality. This is about the national broadcaster. We should not be allowing this sort of stuff to gain air play lest it gain any semblance of credibility. I found it offensive. I know the majority of Australians found it offensive. We expect higher standards from our own national broadcaster and I would encourage our national broadcaster to be more mindful of what they are putting to air.

Senator FURNER (Queensland) (6.04 pm)—I rise to speak on the same document—the ABC annual report. It is interesting to note with respect to this report that, like most organisations, the ABC have values. In this particular case, I go to the integrity of the ABC. The report notes trustworthiness, honesty and fairness. Conversely, I take you to an interview in which Kerry O’Brien, the interviewer on The 7.30 Report, was interviewing the Leader of the Opposition, Tony Abbott. Unfortunately I was not able to watch the interview—I was otherwise involved in other activities; I may have even been down here. I cannot recall back on 17 May whether that was the case. But Kerry O’Brien, in scrutinising the opposition’s position on tax, questions Tony Abbott by saying:
But part of that judgment is judging whether they can trust you at your word, at what you say at any given time. In February this year you said in a radio interview: “We will fund our promises without new taxes and without increased taxes.”

We know for the record that that is not the case now. Kerry O’Brien then put to Tony Abbott:

A month later you announced that you’d fund six months paid maternity leave by putting a new tax on big companies.

A big new tax on companies. That was a concern that was certainly expressed by many businesses during my time on the paid parental leave inquiry. Further on Kerry O’Brien said:

So you are prepared, having promised one month no new tax whatever, no increased tax to pay for policies, one month later you find a rationale that says we’re gonna have to find a new tax for this.

Tony Abbott blustered and stumbled and did not really know what to say in response in that particular interview and really did not come up with an answer to the question. So Kerry O’Brien pressed him a bit further and said:

But what you haven’t explained is how you can make one promise in one month and then completely change it the next.

Was it really a sudden explosion of vision or a thought bubble? That was something that needed to be scrutinised, and that is certainly what Kerry O’Brien was doing on The 7.30 Report. He was testing to see whether the opposition leader was truthful. Tony Abbott responded, finally, indicating:

... sometimes, in the heat of discussion, you go a little bit further than you would if it was an absolutely calm ... the statements that need to be taken absolutely as gospel truth is those carefully prepared scripted remarks.

So you start to wonder what sorts of remarks can be relied upon—if it is something that Tony Abbott is reading from or something that he says in an interview or in any location—and whether his remarks are truly gospel truth.

I also found it astonishing in the transcript of his defence that he indicated that what he said at one stage was ‘absolutely consistent’ and then on the other hand there was ‘a bit of inconsistency’ and he then mentioned ‘seriously inconsistent’. Kerry O’Brien pulled him up and said:

Is that why your colleagues over the years have come to call you “The Weathervane”?

I think that is a bit of an unfair comment, but that is certainly the analogy that Kerry O’Brien and, it appears, some of his colleagues across the other side of chamber refer to him as—because he sways from one end of the argument to the other. He certainly indicated that that is the case by admitting on The 7.30 Report that he is untruthful.

There is one other point that I wish to make. We covered off on the Paid Parental Leave scheme this afternoon—which was great to see; however, if you go back in time to 2002, Mr Abbott told a Liberal Party function in Victoria:

Compulsory paid maternity leave? Over this Government’s dead body, frankly.

So there is the inconsistency. They are the reasons that those colleagues opposite here and in the other place call him ‘The Weathervane’. (Time expired)

Question agreed to.

NBN Co. Ltd

Debate resumed from 18 March, on motion by Senator Birmingham:

That the Senate take note of the document.

Senator FISHER (South Australia) (6.10 pm)—I wish to speak on the annual report of NBN Co. Limited, noting of course that the annual report of NBN Co. relates to the NBN Co. when it was in its infancy and covers a period of less than 12 months, ending in the financial year reported upon. What Austra-
lians are looking for is any sort of projection into the future from NBN Co. as to its ability to support what the government seems to continue to be hell-bent on implementing in terms of the $43 billion taxpayer spend on the National Broadband Network.

The concern about NBN Co. arises in large part from the significant taxpayer investment in NBN Co.’s infrastructure and in the employment of its people and, thus far, the lack of delivery of any significant services and any significantly new access to broadband by NBN Co. itself, with lots of megadollars being spent but very, very few, if any, megabits being delivered to this stage. The Australian people are looking to NBN Co. as a partner—at the moment, the stakeholder—in the government’s $43 billion National Broadband Network to reassure them that it can deliver its part in the government’s $43 billion National Broadband Network.

The CEO of NBN Co., Mr Quigley, did not much like it when his comments given to a Senate committee were reported—that is, his comments that the NBN project would not return a profit for some 30 years. Mr Quigley considered that the reporting of his comments to that end had been misconstrued. So, in the process of attempting to clarify the alleged misconstruction and misrepresentation and, in his attempt to clear the record, Mr Quigley said that NBN Co.’s business case showed that the project ‘would generate a return on its costs before the end of the construction period’. He then attempted to argue that the NBN Co. ‘would generate a positive return on its costs’ before the end of the eight-year construction period.

That bold projection—as pointed out by Terry McCrann in separate media—sounds pretty good except for the fine print. As pointed out by Mr McCrann, what Mr Quigley was essentially saying was that the NBN project would end being what is called in technical speak, EBITDA positive—‘that it would be in the black,’ as Mr McCrann said, ‘before you took out those four little letters ITDA.’ So it would be in the black with the EB bit—the earnings before. But if you actually took into account the ITDA, the interest, taxation, depreciation and amortisation—the significant costs, the big hits for NBN Co.—as Mr McCrann said:

The devil is actually in the IDA—interest, depreciation and amortisation.

Mr McCrann goes on to say:

The NBN will be in the black before IDA? Big very little deal. The NBN will have hardly any operating costs. But IDA—interest, depreciation and amortisation—will be huge. The NBN will be bleeding real—your—money big time for decades.

Mr Quigley said it was all fine because the business case would show that the project would generate a return on cost before the end of the construction period. When he was asked at Senate estimates to provide a copy of the business case, what happened? When I asked Mr Quigley to provide the hard numbers to support his earnings forecast, Senator Conroy overruled his answer. And what did Senator Conroy say? ‘You’re not going to be privy to them today, tomorrow, next week or after we receive the business plan.’ So Minister Conroy has effectively told taxpayers, ‘Not only will you not get a cost-benefit analysis, but we won’t even show you the numbers. I seek leave to continue my remarks.

Leave granted; debate adjourned.

Workplace Relations

Debate resumed from 25 February, on motion by Senator Parry:

That the Senate take note of the documents.

**Senator FISHER** (South Australia) (6.15 pm)—I rise to speak on documents relating to the Fair Work legislation and documents
produced in response to motions that I moved for the production of documents—bilateral intergovernmental agreements arising out of the referral of workplace relations powers from the states to the Commonwealth. In terms of ensuring the mechanics underpinning the referral of powers from the states to the Commonwealth, Fair Work Australia itself—and its arms and legs—has a key role. In fact, section 649 of the Fair Work Act points out that ‘the President of Fair Work Australia must perform his or her own functions and exercise his or her own powers in a manner that facilitates cooperation with prescribed state industrial authorities’. Consistent with that, I seek leave to table a document. The document is advice provided to me by the Clerk of the Senate in response to various documents tabled in this place yesterday by the President, Senator Hogg.

Leave granted.

Senator FISHER—Those documents tabled yesterday by the President included a letter to the President from the Industrial Relations Society of Australia which was copied to all senators. That letter expressed the society’s view about the appearance of the President of Fair Work Australia at Senate estimates. The President of Fair Work Australia has now appeared at Senate estimates twice as a result of a Senate order that he do so. Of course, nothing has materially changed since the Senate made that order in October last year. In fact, all that has ‘changed’—which is no change at all—is that certain stakeholders and organisations such as the Industrial Relations Society of Australia have expressed their view on that state of affairs.

In the view of the Clerk of the Senate, the letter from the IR Society of Australia is an expression of its views but nothing more; it raises no new issues. In essentially rebutting each and every view expressed in that letter, the Clerk has made it clear that there is no convention that the Fair Work Australia President is not obliged to attend estimates. In fact, she points out that that is conclusively demonstrated by the fact that he has now attended on two occasions. Her advice points out that the President of Fair Work Australia, whomever he or she may be, is an officer within the meaning of Senate standing order 26(5) from whom committees may seek explanation as to items of expenditure. In reaching that conclusion, the Clerk’s advice builds on key points including that statutory bodies are accountable to parliament for the expenditure of public funds, that Fair Work Australia is a statutory body, that the President of Fair Work Australia is responsible for ensuring that Fair Work Australia is run efficiently to adequately serve the interests of employers and employees, and, finally, that the President of Fair Work Australia is obliged to present the organisation’s annual report to the minister.

Much has been made of there being some sort of mystique around the fact that the current President of Fair Work Australia also happens to be a judge of the Federal Court. The Clerk’s advice points out that that is irrelevant in the sense that Fair Work Australia is not a court, it does not exercise judicial power and therefore its president cannot exercise judicial power when he is exercising his powers as president. The Clerk’s advice goes on to say that the statutory responsibilities of the President of Fair Work Australia are comparable with those of heads of other statutory authorities who are expected to—and do—attend estimates. As to the extent to which inappropriate questions may be asked of the President of Fair Work Australia, he, like any other head of a statutory authority, is more than equipped to protest. I seek leave to continue my remarks later.

Leave granted; debate adjourned.
Australian Communications and Media Authority

Debate resumed from 25 February, on the motion of Senator Parry:

That the Senate take note of the document.

Senator BARNETT (Tasmania) (6.23 pm)—I wish to speak on the Australian Communications and Media Authority—Communications report for 2008-09. It makes a number of observations with respect to what films and different types of media can and cannot be banned in this country. Tonight, I want to specifically refer to the movie Salo, which I find despicable. It is derogatory and demeaning in the most awful, awful way. This movie is no longer banned. It was initially banned in 1975 and then under Labor was released in 1993, but it was re-banned under the coalition in 1997. In recent weeks that has been overturned. That is a great shame. Senator Julian McGauran and I wrote to Minister Brendan O’Connor asking for the government to appeal the decision of the Classifications Board to release that film into the community. It is now available publicly. The minister did not get back to us within the appropriate time and the government has decided not to proceed to appeal the Classifications Board’s decision.

The movie Salo is one of the most awful movies that one could imagine. Our censorship laws, in my view, are broken. The classifications system in this country is simply not working. The laws have been trashed, allowing paedophilia and sexual violence to become acceptable forms on our screens—in the movie theatre, on the television and on our video screens. The fact is that this movie Salo has been rejected previously but is now available. There was a majority decision of the Classifications Board and a minority decision. I know Senator McGauran and I both supported the minority position, which was to reject this movie being allowed into our community. It shows disturbing, strong depictions of torture, degradation, sexual violence and mutilation—including with underage children. The protection of our children should surely be the top priority for us as members, senators and decision-makers in the community. It is simply horrific and why the government has not decided to appeal and to fix the system, I do not know.

I want to commend Family Voice Australia for its leadership in lodging an appeal with the Federal Court. It is supported by both Senator McGauran and myself and by the Australian Christian Lobby. I hope that appeal is successful. I do not know what will happen; that remains to be seen. That is a matter now for the courts. That appeal has been lodged with the Federal Court and has our full support. Since that appeal was made I have certainly received feedback—and I know Senator McGauran has—supporting that effort because of the horrendous and awful nature of this particular movie.

I simply say that in the Senate. I put it on the record. It should be taken to the Federal Court. If the system was not broken, then of course we would not need to go to the Federal Court to remove this movie, Salo, from the view of members of the public. The Rudd government does stand accountable. It has made this decision not to proceed to an appeal. It is overseeing a systemic failure of our classification system and it is not good enough. On the record, I would like to say that I am proud to support the appeal in the Federal Court and I seek leave to continue my remarks.

Leave granted.

Senator McGaurAN (Victoria) (6.28 pm)—I want to quickly get up and support my colleague Senator Barnett in his condemnation of this movie. As he said, it was released under a Labor government in 1993, was rebanned under a coalition government...
in 1997 and now has been released again under a Labor government. People may say, ‘How can that be?’ Ironically, in 2008 this movie was put up for consideration to the Classification Board and was rejected, but in 2010 it was released. The reason for that is that new appointments under this Attorney-General were made between the last time it was rejected again on application and 2010. Over half the Classification Board and the Classification Review Board were replaced by Labor appointees. There is a direct path to this minister in regard to his appointments to the Classification Board and the release of this movie for failing to stop this movie and to act by appealing to the Federal Court—an utter failure. In fact, the government are ticking off on this movie.

What is wrong with this movie? Time does not permit me to discuss it all. I quite understand that in the censorship debate there is a grey area. Just about everyone is going to have a different opinion, some far more conservative than others. Many would call Senator Barnett and me very conservative on issues. You would be surprised: we are not, and we understand that the censorship line has shifted a great deal in the last 20 years since Salo was first made. But certain things have not shifted in the censorship debate. There is a line in the sand, and that line in the sand is the National Classification Code, which both sides of parliament have made law. That is the line in the sand. Go to that code and you will see what is required in regard to classifying movies in this country. In that code there is another clear point, black and white, not open for interpretation, and nor would it be as a community standard: that paedophilia is not for our movie screens and that people under 18 are not to be depicted or implied to be involved in sexual violence, exploitation or degradation. This movie is all about that. In fact, it is not even people under 18 in this movie. If you have the misfortune to see it or just read the Classification Board’s own report on the movie, you will clearly see that the people involved are under 16. That is against the law, it is against the community standard and the Classification Board and review board have breached it. They have trashed it, and the minister has allowed them to do this. That is why Senator Barnett and the coalition are appealing this to the Federal Court. Senator Barnett says we do not know what our chances are, but I wish we had the weight of the government and their expertise behind us and that we had a minister and a government that had the strength to draw a line in the sand in regard to paedophilia.

Should this movie be released on DVD, society will have been subjected by this government to a redefinition of paedophilia and its acceptance on our screens. This movie’s scenes are so disgusting and so degrading to minors under 16—boys and girls—that they can barely be described. In fact, I would not dare describe them. If anyone listening to the broadcast wants to know exactly what we are talking about—an open and shut case of a movie that ought to be banned, not open to the grey area in the censorship debate—go to the internet and pull off the Classification Review Board’s report on this, particularly that of those brave characters who put in a minority report, and you will see how bad and disgraceful this movie is. That the Classification Board could release on the grounds that it was all in context means that they deserve to be dismissed. Only the government has the real strength to stop this movie, and it ought to. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Home Insulation Program

Debate resumed from 15 June, on the motion of Senator Bushby:
That the Senate take note of the documents.

Senator BARNETT (Tasmania) (6.35 pm)—I would like to speak to document No. 47 briefly. It relates to the Home Insulation Program. This is one of the worst government administered programs in recent history. The shame of it all! We call it the ‘pink batts waste’. The Prime Minister has said that the buck stops with him. Well, what has he actually done? It is a $2.45 billion program—that is what it started out as—and it delivered some 240,000 dodgy or substandard installations, over 1,500 electrified roofs and, as of a month ago, 146 house fires. But what we have learnt this week, just a few days ago, is that now we have 174 house fires as a direct result of this Home Insulation Program, which has been so badly bungled by the Rudd Labor government that it is shameful.

It is one of the worst programs administered in recent times, and the buck stops with the Prime Minister. That is what he has said, and he has been written to by the Senate committee which Senator Fisher chairs; she has asked for the Prime Minister to appear before that Senate committee to explain himself and for the other ministers to appear to explain themselves with respect to why there has been such a bungle, why there have been so many house fires and why the electrified roofs are in people’s homes all around the country—and, of course, sadly and tragically, four deaths are associated with this program.

As a participating member of that inquiry, it has been very disturbing indeed. Why isn’t the Prime Minister brave enough to meet with those directly affected and front this Senate inquiry? Why won’t he release all of the letters—not just some of them but all of them—between him and Minister Peter Garrett? Has Minister Peter Garrett taken the fall for the Prime Minister? That is a question that remains to be answered with respect to this pink batts fiasco. The government say that they want to put safety first. I want to congratulate Greg Hunt for his leadership, his advocacy and his strong demand on behalf of the coalition and the people affected for safety first. Every one of those one million-plus homes affected by the program should be inspected because people—mums, dads and families—are living in fear and are not sure whether their home will be next, whether it be a house fire or some other tragedy; we do not know. That is not right.

The government, as they are accountable, should inspect all of those homes. It is not fair; it is not right to have people living in fear, whether they be young or old. They are families with mums, dads and their kids. Why can’t the government just do it? They can do it, but they know that they have bungled the program so much. It may be partly money. They have already wasted $1 billion under this $2.45 billion program. How is it possible to waste nearly half the program funds? Such a shocking waste of taxpayers’ money is something awful. The waste and mismanagement is to the nth degree. The government must come clean. Senator Arbib has been asked to front the Senate inquiry and unfortunately he has said no. That is not good enough. He is a fellow senator. He knows the answers. He knows that those families affected are entitled to a response. We have seen a lot of anguish, pain and concern in the families affected.

The other issue is the people who have been injured. Yes, tragically, four people have died, but people have also been injured. I do not know exactly how many people have been injured. We would like to know and to get to the bottom of it, and we would like to know exactly their causes for concern. We say that enough is enough under this program. The waste must stop and the government must stand accountable. We call
them to account. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following orders of the day relating to government documents were considered:

Department of Resources, Energy and Tourism—Report for 2008-09, including Geoscience Australia report for 2008-09. Motion to take note of document moved by Senator Parry and agreed to.

Australian Nuclear Science and Technology Organisation (ANSTO)—Report for 2008-09. Motion of Senator Boyce to take note of document called on. Motion to take note of document moved by Senator Parry and agreed to.


Commonwealth Grants Commission—Report for 2008-09. Motion of Senator Parry to take note of document agreed to.

Department of Climate Change—Report for 2008-09. Motion of Senator Parry to take note of document agreed to.


Bureau of Meteorology—Report for 2008-09. Motion of Senator Parry to take note of document agreed to.

Rural Industries Research and Development Corporation (RIRDC)—Report for 2008-09. Motion of Senator Parry to take note of document agreed to.


Australian Fisheries Management Authority—Report for 2008-09. Motion of Senator Parry to take note of document called on. Debate adjourned till Thursday at general business, Senator Macdonald in continuation.

Australian Customs and Border Protection Service (formerly the Australian Customs Service)—Report for 2008-09. Motion of Senator Parry to take note of document agreed to.

Torres Strait Protected Zone Joint Authority—Report for 2007-08. Motion of Senator Parry to take note of document agreed to.

Tourism Australia—Report for 2008-09. Motion of Senator Parry to take note of document called on. Debate adjourned till Thursday at general business, Senator Macdonald in continuation.


Australian Crime Commission (ACC)—Report for 2008-09. Motion of Senator Parry to take note of document agreed to.

Mid-year economic and fiscal outlook—2009-10—Statement by the Treasurer (Mr Swan) and the Minister for Finance and Deregulation (Mr Tanner). Motion of Senator Parry to take note of document agreed to.

Australian Electoral Commission—Election 2007—Funding and disclosure report. Motion of Senator Parry to take note of document called on. On the motion
of Senator Macdonald the debate was adjourned till Thursday at general business.

Australian Landcare Council—Report for 2008-09. Motion of Senator Parry to take note of document agreed to.

Great Barrier Reef Marine Park Act 1975—Great Barrier Reef outlook report 2009—Correction. Motion of Senator Parry to take note of document called on. On the motion of Senator Macdonald the debate was adjourned till Thursday at general business.


Australian Customs and Border Protection Service—Report for 2008-09—Correction. Motion of Senator Parry to take note of document agreed to.

Commonwealth Electoral Act 1918—2009 redistributions into electoral divisions—Queensland—Report, together with composite maps [3] and compact disc of supporting information. Motion of Senator Parry to take note of document called on. On the motion of Senator Macdonald the debate was adjourned till Thursday at general business.


Workplace relations—Fair Work Amendment (State Referrals and Other Measures) Bill 2009—Bilateral intergovernmental agreements—Order for production of documents—Documents—Bilateral intergovernmental agreement for a national workplace relations system for the private sector—Response to part (2) (see entry no. 38, 2 February 2010). Motion of Senator Parry to take note of document debated. Debate adjourned till Thursday at general business, Senator Fisher in continuation.

Workplace relations—Fair Work Amendment (State Referrals and Other Measures) Bill 2009—Bilateral intergovernmental agreements—Order for production of documents—Documents—Bilateral intergovernmental agreement for a national workplace relations system for the private sector—Response to part (3) (see entry no. 38, 2 February 2010). Motion of Senator Parry to take note of document debated. Debate adjourned till Thursday at general business, Senator Fisher in continuation.

National Environment Protection Council (NEPC)—Report for 2008-09. Motion of Senator Parry to take note of document agreed to.

Australian Broadcasting Corporation (ABC)—Equity and diversity—Report for the period 1 September 2008 to 31 August 2009. Motion of Senator Parry to take note of document agreed to.

Northern Territory Fisheries Joint Authority—Report for 2007-08. Motion of Senator Parry to take note of document agreed to.


Departmental and agency contracts for 2009—Order for production of documents—Letters of advice—Documents—Response to part (2) (see entry no. 38, 2 February 2010). Motion of Senator Parry to take note of document agreed to.
Migration Act 1958—Section 486O—
Assessment of detention arrangements—
Personal identifiers 574/09 to 580/10—
Commonwealth Ombudsman’s reports.
Motion to take note of document moved by
Senator Barnett. Debate adjourned till
Thursday at general business, Senator Bar-
nett in continuation.

Energy Efficient Homes Package—Review
of the administration of the Home Insula-
tion Program—Report by Allan Hawke,
dated 6 April 2010. Motion to take note of
document moved by Senator Fisher. De-
bate adjourned till Thursday at general
business, Senator Fisher in continuation.

General business orders of the day nos 36 and
38 relating to government documents were
called on but no motion was moved.

COMMITTEES

National Broadband Network Committee

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

That the Senate take note of the report.

Senator FISHER (South Australia) (6.41
pm)—I rise to take note of the fourth interim
report of the Senate Select Committee on the
National Broadband Network and in doing
so note that earlier on today the final report
of the committee was tabled. The coalition is
on record as saying that the government’s
$43 billion National Broadband Network
ought to be scrapped. Of course, the gov-
ernment, in that process, is attempting to
paint the coalition as effectively being in
National Broadband Network denial. We ask
questions and we seek justification which we
do not get; therefore, we are somehow NBN
skeptics. Of course everybody wants better
access to better and more affordable broad-
band and accompanying services, but what
the coalition believes Australians will find
that what they do not get that—and will
therefore not want it—in Kevin Rudd’s $43
billion National Broadband Network. It is
Kevin Rudd’s solution or it is the highway—
it is ‘my way or the highway’.

All that the government has presented in
justification of its $43 billion National
Broadband Network is a $25 million tax-
payer funded implementation study that says
that, based on certain assumptions, the Na-
tional Broadband Network can be built. But
the question begged by the $25 million im-
plementation study is: should it be built in
the way the government says it will be?
Should it be built? That is the question that
should be answered by a cost-benefit analy-
sis, which the government has steadfastly
refused to do.

We got some pretty interesting answers
during the Senate committee process about
why there was no cost-benefit analysis. Mr
Quinlivan, from the relevant department,
pointed out very succinctly that the purpose
of the implementation study is to work out
the ‘how to’ of the National Broadband Net-
work. What this does not even go near, he
said, is exploring whether or not there is a
case for building the National Broadband
Network in the first place. At the committee
hearing I asked Mr Quinlivan why
McKinsey was not asked in the implementa-
tion study to perform a cost-benefit analysis.
He gave a good, frank answer. He said that
McKinsey was not asked to provide a cost-
benefit analysis:

Because the government—
said Mr Quinlivan—
… had made a policy decision already.
They had already decided. He went on to
say:
The purpose of the cost-benefit analysis is to de-
termine whether there is a case for doing some-
thing or not.

But the government, he said, had made that
decision. It was an election commitment, so
the practical issue, he said, was to work out
how best to implement it and that was the
subject of the implementation study—by its very nature it is an implementation study. Tragically and sadly, that is right, and the only reason we do not have a cost-benefit analysis to show that the $43 billion taxpayer spend on the National Broadband Network should be spent is that the government had already decided it was going to do it.

But is that the only reason? In addition the Senate committee was told that it would be very challenging to perform a cost-benefit analysis, because part of performing a cost-benefit analysis, should this thing be built, involves looking at comparisons overseas, and for that you need some sort of comparator. Minister Conroy is on the record being very proud of this being a world first. Of course, it is somewhat difficult to rank a world first against others in the world. However, it is not good enough to say it is too challenging and too hard to do a cost-benefit analysis and that that is the large part of the reason we are not even doing one. How is it that saying it is too hard to prove that something should be done can be used as justification for proof that that thing should in fact be done? It is a vicious circle, chasing one’s tail, a tail which this government seems hell-bent on chasing, not only in the national broadband network but also in other policy areas.

We have an implementation study that makes certain assumptions, as I said, and based on those certain assumptions concludes that the National Broadband Network can be built. What of those assumptions? It assumes, for example, that the NBN project will return rates ranging from some three per cent to some eight per cent depending upon reliability of projected take-up and whether or not there is a cost blow-out. In the words of one witness, it may return an eight per cent profit if ‘all things go swimmingly’. McKinsey and Company concluded that a profit of around six per cent was a reasonable guesstimate. In that process, the implementation study by McKinsey and Company is properly subject to much criticism for using the structure of an internal rate of return upon which to base projections of profit—an internal rate of return rather than a weighted average capital cost, which would be more usual, as pointed out by the ACCC overnight, in projects of this nature.

Instead we are left to speculate. Because the public does not know the assumptions and the figures underpinning the implementation study, we are left to conjecture, and the conjecture is that in order to avoid it being said that the National Broadband Network could possibly deliver a negative net present value—because that would sink it overnight for this government and this government knows it—an internal rate of return model allows creative accounting because it allows the determination of the internal rate of return which the government has decided, in partnership with McKinsey and Company, will be some six per cent. If one budgets, as the implementation study has done, on a very modest return pretty much equivalent to the government bond rate of six per cent then it cannot be said that based on that the NBN will result in a negative net present value.

Of course, we still do not know what the net present value of the NBN will be, because the implementation study does not do that, but it tries to make clear that it will not be negative but we can expect a six per cent profit. That goes to the next logical consequence—the government expects private sector investment over time in the NBN Co. What private sector investor in his or her right mind would invest in a project with the inherent risks of the NBN for a mere six per cent return? You would be better off just leaving your money at the bank, but that is what we are left with from the government’s implementation study.
The government sought submissions from the public and stakeholders on its implementation study by the end of May, yet we are still waiting for the government’s response to the implementation study and what the government is going to do as a result of it. As I said, we have no cost-benefit analysis, no demonstration of whether this thing that sounds good will do any good. Will it be any good? There is no demonstration of that and when we said to NBN Co at Senate estimates: ‘You have a business case in the process of iteration with the government; can we see it please? Can we see NBN Co’s business case?’ Minister Conroy jumped in, as he is wont to do, and said—in my words—‘No, you can’t have it today, you can’t have it tomorrow, you can’t ever have it. You will never have NBN Co’s business case.’ Thanks very much, Minister, $43 billion of taxpayers’ spend and Australian taxpayers will never, ever see NBN Co’s business case. On that basis, unfortunately, the coalition continues to believe that Australians do deserve access to better and more affordable broadband services, but Kevin Rudd’s way is not the way. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Economics Legislation Committee—Report—Trade Practices Amendment (Australian Consumer Law) Bill (No. 2) 2010 [Provisions]. Motion of Senator Macdonald to take note of report called on. On the motion of Senator Bushby the debate was adjourned till the next day of sitting.

National Broadband Network—Select Committee—Fourth interim report—Correction. Motion of the chair of the committee (Senator Macdonald) to take note of report agreed to.

Public Works—Joint Statutory Committee—First report of 2010—Proposed fit-out of new premises for the Australian Taxation Office at 735 Collins St, Melbourne. Motion of Senator Macdonald to take note of report agreed to.

Environment, Communications and the Arts Legislation Committee—Report—Consideration of time critical bills [pursuant to the order of the Senate of 13 May 2010 the Ozone Protection and Synthetic Greenhouse Gas Management Amendment Bill 2010 [Provisions] has no substantive matters which require examination]. Motion of Senator Macdonald to take note of report agreed to.


Economics Legislation Committee—Report—Consideration of time critical
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bills [pursuant to the order of the Senate of 13 May 2010 the Corporations Amendment (Sons of Gwalia) Bill 2010 [Provisions], the Customs Tariff Amendment (Aviation Fuel) Bill 2010 [Provisions] and the Excise Tariff Amendment (Aviation Fuel) Bill 2010 [Provisions] have no substantive matters which require examination]. Motion of Senator Macdonald to take note of report agreed to.


Privileges—Standing Committee—144th report—Statutory secrecy provisions and parliamentary privilege - an examination of certain provisions of the Tax Laws Amendment (Confidentiality of Taxpayer Information) Bill 2009 (referred 18 March 2010). Motion of Senator Macdonald to take note of report agreed to.

Rural and Regional Affairs and Transport Legislation Committee—Report—Consideration of time critical bills [pursuant to the order of the Senate of 13 May 2010 the Farm Household Support Amendment (Ancillary Benefits) Bill 2010 [Provisions] and the Primary Industries (Excise) Levies Amendment Bill 2010 [Provisions] have no substantive matters which require examination]. Motion of Senator Macdonald to take note of report agreed to.


Economics References Committee—Report—Milking it for all it's worth – competition and pricing in the Australian dairy industry. Motion of Senator Back to take note of report agreed to.

Community Affairs References Committee—Report—Hear us: Inquiry into hearing health in Australia. Motion of the chair of the committee (Senator Siewert) to take note of report agreed to.

Regional and Remote Indigenous Communities—Select Committee—Fourth report 2010. Motion of Senator Macdonald to take note of report agreed to.

National Capital and External Territories—Joint Standing Committee—Advisory report—Territories Law Reform Bill 2010 [Provisions]. Motion of the chair of the committee (Senator Lundy) to take note of report agreed to.

Legal and Constitutional Affairs Legislation Committee—Interim report—Wild Rivers (Environmental Management) Bill 2010 [No. 2]. Motion of Senator Macdonald to take note of report agreed to.


Finance and Public Administration References Committee—Report—Native vegetation laws, greenhouse gas abatement and climate change measures. Motion of the chair of the committee (Senator Ryan) to take note of report agreed to.


Community Affairs—Standing Committee—Report—Highway to health: better access for rural, regional and remote patients—Government response. Motion of
Senator Parry to take note of document agreed to.

Environment, Communications and the Arts References Committee—Report—Forestry and mining operations on the Tiwi Islands. Motion of the chair of the committee to take note of report agreed to.

Treaties—Joint Standing Committee—Report 106—Nuclear non-proliferation and disarmament. Motion of Senator McGau ran to take note of report agreed to.

AUDITOR-GENERAL’S REPORTS

Report No. 34 of 2009-10

Senator McGauran (Victoria) (6.53 pm)—I move:

That the Senate take note of the document.

I want to address the matter of the mining tax, which we have debated here in the Senate for the last month.

Senator Sherry interjecting—

Senator McGauran—It is on taxation.

Senator Sherry—Double taxation.

Senator McGauran—You can take a point of order if you like. Talk about frustrating the Senate. You would frustrate anyone who wants to talk on this issue. This is the point I am trying to make about these sorts of interjections and hurdles you put up with regard to the error you have made with the super tax on mining profits.

Senator Sherry—Madam Acting Deputy President, on a point of order: I read the title ‘The management and use of double taxation agreement information collected through automatic exchange’. I am sure that if Senator McGauran consulted with Senator Fifield he would know that it is not about the resource super profits tax. It is not even vaguely about the resource super profits tax; it is about double taxation agreement, so my point of order is on relevance.

Senator Parry—Madam Acting Deputy President, on the point of order: the senator had only just commenced his contribution. Double taxation is exceptionally relevant, and I think he is going to link it with the RSPT. I think he is going to link the two and I think we should give Senator McGauran ample opportunity to at least flesh out this argument. I think it is very relevant and I think it is quite pertinent.

The ACTING DEPUTY PRESIDENT (Senator Cash)—On the point of order: senators will be aware that it is the practice of the Senate to allow wide-ranging debate in relation to the question before the chair. Senator McGauran, you have nine minutes and 20 seconds.

Senator McGauran—I thank you for your indulgence, Madam Acting Deputy President. What I wanted to say was with regard to the mining tax, which I consider a double taxation—on top of company tax. It is a super tax on profits—risk-free profits, I should add, on anything above six per cent. But, rather than milk up my time, the point I wanted to make is that throughout the last month, or however long we have been debating this issue—certainly this week when we moved our motion on a matter of public importance—the core of the Labor Party argument now is that this is just a tax on the big boys. You have reverted to kind by pushing the argument of politics of envy and class war. Every speaker who got up raised that issue first up. This is what it is all about now. This is the argument that you are pushing—that this is a class war on the big bosses of BHP and Rio. It is the old politics of envy that you do so well. When you are in a corner this is what you revert to. The truth of the matter is that this tax will cut a swathe through the small and medium mining operations. We moved a motion on a matter of public importance in the middle of this week, and you spoke and addressed the concerns of your state about this matter but not one speaker on the other side addressed it. There
is probably no state that epitomises more the medium to small mining operations that will be affected by this tax than my state of Victoria. Just remember that Victoria was the home of the Eureka Stockade, which was a rebellion against attacks. It was not some Labor Party union rebellion against the big bosses. It was the independent workers, the small miners, if you like, rebelling against a government tax, and this is not much different.

**Senator Sherry**—Madam Acting Deputy President, on a point of order: can I request that Senator McGauran make even the vaguest attempt to be relevant to double taxation agreements by at least mentioning it once or twice in the course of his discourse. We are on to the Eureka Stockade. I do not know of any double taxation agreement that, in any way, shape or form, gets us to the Eureka Stockade. He has been here for a long time and I like the guy, but, please try to be at least relevant.

The **ACTING DEPUTY PRESIDENT**—I draw your attention to the motion that is before the chair. You have seven minutes and nine seconds.

**Senator McGauran**—For the purposes of Senator Sherry, who has just come into this place to frustrate me, I am sure, I have mentioned the matter of double taxation and that I believe the mining tax is a double tax on the miners. I have mentioned taxation, and now let me mention what double taxation deals with. It deals with overseas relationships. You would have been in the chamber this week when we raised the question of the salivation of the governments and the mining operations in Canada and Chile—

**Senator Sherry**—Are you really chair of the tax committee?

**Senator McGauran**—The Joint Standing Committee on Treaties. We deal with double taxation all the time. So there—I have mentioned all three aspects of double taxation. But the real point I want to raise is about my state of Victoria, which epitomises small mining and medium mining operations. I will quote from a very well put together article in the *Age* newspaper, no less, which highlighted just how Victoria is going to be affected by this taxation. The article said:

… the Victorian mining industry turns over more than $600 million a year and employs more than 5,000 people directly and 10,000 indirectly and most of them in regional Victoria. If you damage these operations, you damage the integrated economies of regional Victoria—no less, of course, those industries in the Latrobe Valley where there are open-cut mines and 80 to 90 per cent of that coal is directed into the power stations that feed the households of Victoria. Up go the household electricity costs. Did you ever consider that? I do not think you did. You just saw this as a class war against Rio and BHP. This is going to affect every household in Victoria through their electricity costs. It was not bad enough that we had to force the ETS to be dropped. You had to drop one supertax, so you found another supertax to whack onto the Victorian people. The article continues:

Victoria mines 65 million tonnes of coal a year, which produces 85 per cent of Victoria’s electricity.

Victoria also mines gold—of course—Ballarat and Bendigo are famous for it. And mineral sands and gypsum. Around Bendigo alone there are 42 small and medium sized gravel and sand quarries. The quarrying industry employs about 3000 people direct and 7000 indirectly.

… Victorian quarries produced 48.7 million tonnes of material worth about $703 million.
Victoria is also thought to have significant potential as a future location for gold deposits …

These will now become marginal to say the least. I know that in Stawell and in Ballarat, at the Castlemaine mining company, they are reviewing all their exploration and expansion efforts. They are telling me off the record that any further expansions are highly unlikely. They have to see the detail of this tax, but you have no detail.

The mining tax would also affect all the downstream industries. There is Gekko in Ballarat which supplies mining equipment. They have already laid off six workers and have directly attributed that to the mining tax. The article also makes the point:

Victoria is the heavy manufacturing capital of Australia, with a significant share of automotive, steel and aluminium production.

These will all be affected by the cascading effect of this tax. Of course Victoria’s agricultural sector will be affected by fertiliser mining’s increased costs if this tax goes on. My point is: drop your class war. Look at the true effect of this tax on small and medium businesses in my state of Victoria and drop the tax.

Question agreed to.

Consideration

The following orders of the day relating to reports of the Auditor-General were considered:

Orders of the day nos 1 to 9 and 11 to 22 relating to reports of the Auditor-General were called on but no motion was moved.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! There being no further consideration of committee reports, government responses and Auditor-General’s reports, I propose the question:

That the Senate do now adjourn.

Aunty Estelle Bertossi

Senator MOORE (Queensland) (7.03 pm)—One of North Stradbroke Island’s well-known Indigenous women, Estelle Bertossi, was farewelled on Wednesday after a life dedicated to change for her community. Estelle was born on the Cherbourg Mission in 1929 and died at Dunwich, North Stradbroke Island, Minjerriba, in 2010. Her grandmother was a Darambal woman from what is now Gracemere, outside Rockhampton in Central Queensland, whose family was forcibly removed to Cherbourg.

In the mid-1930s, Estelle was moved with her mother from Cherbourg to the Myora Mission on North Stradbroke Island, which was run at the time by the Salvation Army. The Myora Mission was established in 1892 and was a place of confinement for the Quandamooka people of Stradbroke and Moreton Islands and people relocated from the mainland. This mission closed in 1942 and people were moved to One Mile, which is now Dunwich.

Life at Myora was sparse; houses were unlined, water was from wells and there were pit latrines. An oyster reserve worked by people from the mission supplemented food supplies. The provisional school on the mission was abandoned in the mid-1930s and Estelle, as a young woman, attended the Dunwich school that provided classes up to grade 4. She also moved closer to Dunwich, living in a shed and then a cottage built behind the dairy.

Many Indigenous people, including those from the Myora Mission, were employees of the Dunwich Benevolent Asylum. This asylum run by the Queensland government dominated Dunwich. It opened in 1865 and closed in 1946. It was for non-Indigenous people from throughout the state—the sick, infirm, indigent, disabled and people suffering from alcohol abuse. In the 1930s, it had
around 1,000 inmates in 20 wards for men, four wards for women and a tuberculosis ward. Indigenous women and men did the hard, dirty and domestic work at the asylum. They were paid rations and a little money. There were a series of efforts, including a strike in 1935, to get off the rations systems and receive full and proper wages. These efforts were successful in 1944, just two years before the closure of the asylum.

Estelle was returned to the Cherbourg Mission when her stepfather was relocated ostensibly because of drinking. She remained there into her teens. Anyone who knows life at Cherbourg knows that it was exceptionally hard with very little food and Estelle was worse off than were the children in the Cherbourg Mission dormitories. When Estelle was 14 years old, the family was moved again and Estelle was given permission—as she needed to have at that time—to return to Stradbroke which she obviously loved.

In 1945, Estelle went to work as a seamstress in Penney's Building, Queen Street, Brisbane, which is still there. She lodged for a couple of years with Oodgeroo Noonuccal, Kath Walker. They also shared a strong political sense and took action. Estelle campaigned alongside Oodgeroo in the referendum of 1967.

Estelle’s involvement with the ALP continued from the 1960s and she was awarded a well-deserved life membership of our party in the 2000s. This was richly deserved and responded to her years of commitment to achieving social justice.

Estelle married Hector Bertossi in 1956 and they had four children; Les junior, Anthony, Lisa and Peter. Hector was an Italian refugee and a World War II survivor who worked cutting sugar cane by hand and later as a miner in Mount Isa and then in sandmining on North Stradbroke Island. Hector and Estelle built a house at Dunwich and Estelle worked cleaning staff houses in Dunwich. Later, when the mining companies eventually employed women—and it took a long time for that to occur—she worked full-time for more than fifteen years in the mineral laboratory at Consolidated Rutile Ltd.

Estelle committed herself to the Indigenous and non-Indigenous community on Stradbroke. She worked tirelessly to secure Aboriginal housing and also for a real medical centre and for aged care facilities. She helped to get housing for very many families on the island. She was a natural fighter for social justice and she challenged many government policies. This involved being involved in many organisations and committees: she was a founding member of the North Stradbroke Island Aboriginal Housing Cooperative, later being made a life member. She was a committee member of the Yulu-Burri-Ba Community Health Centre, and with the Minjerribah Moorgumpin Elders.

With Hector, she worked with the Surf Life Saving nippers and joined the Stradbroke Island Management Organisation—SIMO—in its campaign against a road bridge to the island. That was a long-standing and very tough campaign. She also worked for better environmental protection. She was a volunteer with the North Stradbroke Island Museum from its formation in 1987, and saw it develop as a place that celebrates the Indigenous and non-Indigenous history of the island which then won a national award in 2009.

Estelle was woman of love, peace and reconciliation. She was an entirely unselfish woman, and was prepared to be friends with everyone despite the real harshness of her treatment as a child. In 2009, the Redland City Council recognised her as one of 10 inspiring seniors who had made a significant contribution to the local community. Her portrait was printed on bookmarks distrib-
uted through local libraries with her proudly printed words—and many people who knew Estelle knew that these words actually represented so much of her life—‘Do the best you can and people will show you the way.’

Estelle worked hard for her community. She worked hard for a true sense of reconciliation. The work that was done on Stradbroke Island over the period to build knowledge and awareness of Indigenous culture and to make links with the young people through schools and also through the local community was a real passion for Estelle. Many people loved her sense of community and also her sense of true commitment. She will be truly missed. She had a strong and worthy life and everybody knows that the difference she made means that Estelle will be a long-term memory for the community around Stradbroke Island.

I want to also acknowledge her family, who were able to talk about Estelle and also provided the words for this evening. My good friend Howard Güille, with whom Estelle had many long discussions, was also very helpful in preparing these memories about Estelle.

We need women like Aunty Estelle because she made a genuine difference not only to her own life and family but to all of us. It makes me very proud to be able to say that we are giving worthy tribute to Ms Estelle Bertossi.

**Hallam Valley Primary School**

*Senator FIFIELD (Victoria)—Deputy Manager of Opposition Business in the Senate (7.11 pm)—I rise to give voice to the disappointment and frustration of the school community at Hallam Valley Primary School in the electorate of Holt.*

The Hallam Valley Primary School is an active and committed school community with over 400 students and some 18 full-time staff members. Sadly, this school community is another in a long list that has been short-changed as part of this government’s failed Building the Education Revolution scheme. The school was originally allocated $3 million, and the government’s national stimulus website confirms the school is to receive $3 million dollars. It is no surprise, however, that that is not what the school is getting.

In what has characterised this government, the spin is far removed from the reality. In this case, Julia Gillard’s hamburger with the lot is a little more like a stale ham sandwich. In fact the school has been advised that only $1.5 million is available, with the balance ‘seconded’ to meet cost overruns at other projects at other schools. It is a classic case of robbing Peter to pay Paul, only in this case it is at the expense of a school community that was seeking to run a companion project alongside its gymnasium project and all within the $3 million budget that the government’s website still tells the school that it has. Not only does Hallam Valley Primary School feel short-changed the school council are now extremely worried that they will need to find the money themselves to finish their project to ensure that it is in keeping with the rest of the school precinct and meets safety requirements. This is money that the school does not have and that parents will need to find.

In addition to its gymnasium building, the school was excited about the prospect of a library/resource centre to finally replace the temporary structure connecting two portable classrooms. An independent architect had confirmed to the school that this project could be completed with the balance of the funds promised to it. It is very hard for the school not to be disappointed and frustrated when non-government and Catholic schools in the area have been granted their full allocation. Not only has the non-government sector been able to complete their projects but they have been able to do so with much...
greater flexibility, much greater transparency of costs and much better value for money, and also with a greater say in the buildings and greater control over the project as a whole.

Hallam Valley Primary School want to know and deserve to know how much their gymnasium building has cost. At the moment they do not know and no-one can tell them. They want to know what money will be available to them to complete essential landscaping works around the building and what steps will be taken to make good the adjacent basketball court damaged as part of the construction process. The school council is also demanding that legitimate safety concerns be addressed. They want the project to deliver proper fencing to ensure the adjacent playground area is separated from the new gymnasium building. They also want the project to deliver proper car parking and access to the building so that it can meet the objectives of community use. These concerns need to be answered and the costs need to be covered, as promised by the government. There is no way that a decade of sausage sizzles and cake stalls can provide the funding to fill the gap.

I want to commend the president of the school council, Mark Ogden, for his perseverance on behalf of the school. He has refused to be bullied by the process. He has taken his concerns to the Senate inquiry. He has followed up with a complaint to the BER task force. One can only suspect that the task force has been inundated as, not quite three weeks since his submission of the complaint, the only response to date has been an email acknowledgment. To borrow one of the Prime Minister’s any overused lines, the bottom line is this: the government needs to fix this issue and it needs to provide certainty to the school.

I am someone who has always had grave misgivings about the Building the Education Revolution program. I have always had concerns about the quantum of the BER; $16.4 billion is too much. The package as a whole was not necessary. We have never argued against stimulus, but we thought that the stimulus should have been smaller and much better targeted. We have always argued that any spending of this nature should have followed the model of the coalition’s successful Investing in Our Schools Program, which gave schools the opportunity to nominate the projects that they needed. The funding bypassed the state governments and went to the schools, and schools had the capacity to manage their projects. They got to pick their projects, they got to manage them and they got better value for money. That has been the approach in the independent sector with the BER and, as Senator Mason pointed out in a contribution earlier today, the independent sector has not had the problems that the government school sector has had. When you give school communities choice and trust school communities to pick their projects and to manage them they do much better.

That is all that Hallam Valley Primary School is asking for—to have a say and an input and also to be given what they were promised and not be short-changed. The problems that Hallam Valley Primary School are experiencing could have been easily overcome if they had had greater control and greater capacity to manage their project. The school community is to be commended for not lying down, for complaining, for giving evidence to the Senate inquiry and for lodging a submission with the BER task force. This is a school community that deserves certainty so that they can plan for their future.
Middle East

Senator STERLE (Western Australia) (7.18 pm)—It is with a heavy heart that I rise this evening to pass on my thoughts about the unfortunate circumstances that the world saw off the coast of Israel and Gaza not that long ago. I do not wish to go into the issues for and against in detail. I saw the images of peace activists attacking soldiers with bars and then the unfortunate situation that followed. But I do want to just add that there is a lot of hysteria and, quite rightly, concern about the lack of a peace process in the Middle East.

As someone who has been there on a number of occasions and thoroughly enjoyed those visits, I had the opportunity to experience everyday life for Israelis living in Israel. To live with the constant threat of someone wanting to do whatever they can to kill or maim you or your children is alarming. Unfortunately in Australia we experienced something like that very close on our doorstep in Bali and it shocked us all into thinking that the world is not the safe place that we all grew up in and thought it would be. I have talked to Israelis who live with the constant threat, as I said, of mindless, senseless killing and the constant threat of attack from the north with the Hezbollah and Hamas in Gaza. To know that the regime in Iran have said they will do anything they can to see Israel wiped off the face of the earth and that they fund these despot regimes with arms, bombs and anything else they can be supplied with is very frightening.

I have been to a place in Israel called Sderot. I went to the back of the police station with other colleagues. I note my good colleague across the chamber Senator Colbeck from Tasmania was on the same trip. There are rockets that rain in from Gaza and are directed—or as directed as they can be—at schools, with the sole purpose of maiming or killing children. I do feel for those Palestinians who are trapped in Gaza. I really do feel for them because I know the whole population of Israel wants peace. We cannot grasp the concept of not having that peace. They have to live under the constant threat of violence against their own people if they speak out against Hamas. I can only pray that we in Australia never ever have to be confronted with that.

There is a lot of heartfelt anger on both sides. I am probably one of the strongest supporters of the state of Israel. I am strongly supportive of their need to protect their population against indiscriminate, violent terrorist attacks. I understand the constant threat that they face from the government of Iran and from terrorist groups that are funded by the state of Iran. Like all Australians and most people in the world, I hope in my lifetime not only that I see the peace process kick back in but that we achieve the two-state solution. I hold my hand on my heart and hope that happens. I am a friend of Israel and I am a very proud friend and supporter of the Australian Jewish community. I am also a very strong advocate for the two-state peace solution.

Health Services

Senator McGAURAN (Victoria) (7.22 pm)—I wish to bring to the attention of the Senate a wasteful and mismanaged program in the health portfolio to rival the pink batts scheme and the Building the Education Revolution program. The government’s announced superclinic program, with outlays of billions of dollars, is heading down the road of Building the Education Revolution, where mismanagement will cost billions of dollars. The Australian Medical Association has strongly advised the government against pouring taxpayers’ money into the superclinics program without proper consultation. It was reported last month that the president of
the Tasmanian AMA said that the superclinics were unsustainable. The *Mercury* reported:

State president Michael Aizen predicted the Clarence clinic would be forced to close within five to 10 years.

He said the Whitlam government had set up community health centres offering every conceivable service under one roof, like the super clinics.

“They could not get enough doctors to make it viable … after 10 years they sold off the buildings,” Dr Aizen said.

“This is what’s going to happen with the super clinics, it’s a different name but the concept is similar——
to the Whitlam government. What a coincidence! The article went on:

He said the Government was only intending to offer GPs sign-on fees of around $50,000, while much higher-paying private clinics already struggled to recruit doctors.

“When you look at the so-called big corporate practices, they offer the GPs something like $400,000 or $500,000 in sign-on fees … if doctors don’t want to sign on to the private corporate clinics why would they sign on to one of these super clinics?”

History was “doomed to repeat itself”, he added.

The prime example I can give of this mismanagement and waste is the location chosen by the government for the superclinic in Berwick, Victoria. Berwick is an outer suburb of Melbourne in the seat of La Trobe. There was much fanfare around the announcement of this superclinic and it is currently in the very early stages of construction. Victorian Senator Jacinta Collins got up in this place and spoke glowingly of the Berwick superclinic. The Prime Minister toured the site only last month, with great fanfare. Tagging along with him was the Labor candidate for La Trobe. At every opportunity the Labor candidate got, he took credit for the superclinic coming to Berwick and, of course, the Prime Minister gave him every opportunity to take such credit.

So with the full prime ministerial imprimatur this multimillion dollar clinic in Berwick is being established. Its location is very important. The government clinic will be located on the grounds of the Monash University Berwick campus on the corner of Clyde Road and Kangan Drive—across from McDonald’s, for those who want to go looking for it. This location hardly seems to fit the criteria set out in the government’s budget papers for superclinics. An ALGA fact sheet on the 2008-09 budget says:

People living in GP Super Clinic locations (in a diverse range of areas, from what might be considered traditionally ‘remote’ in Mt Isa, to areas with expanding populations such as Palmerston in the Northern Territory, to other regional centres and rural locations including Geelong, the Riverina and Ipswich) …

They were the broad guidelines of where a superclinic should be set up. I can assure you that Berwick in Victoria does not fit any part of the guidelines in the budget statements.

You might think that, if it did not fit that criterion, it must be an outer suburb that has a shortage of doctors. According to the government’s own criteria there is not a shortage of doctors in the area. According to the government’s own rating system of districts of workforce shortage, the Berwick-Casey district is not deemed a DWS, which is another criterion for establishing superclinics. So not only does it have to satisfy what I read out before from the budget papers but it must be in a DWS deemed to have a shortage of doctors, and Berwick is not deemed to have a shortage of doctors.

Could it be that the government just thought the area needed a superclinic anyway because they did not have any such medical facility in the area? I wish to inform the Senate that the area has two superclinics already. Both are privately run, operating
very well and servicing the needs of the local hospital and the local people. Moreover, the multimillion dollar government superclinic is being built less than a minute by car from the Casey Superclinic, which is one of the privately run superclinics, and less than five minutes from the second large medical centre, the Narregate Medical and Dental Centre. So within five minutes by car there will be three substantial superclinics. What bumbling bureaucrat pinned on the map this development, and what goofy minister ticked it off?

As I said, within less than five kilometres, or five minutes, there will be three superclinics, creating an oversupply of doctors in that area which was not even deemed to have a doctor shortage in the first place. Therefore, I again quote the President of the AMA, who made this statement and set these criteria for placing superclinics:

The locations should be done in consultation with the profession to find out where they’re going to get the best return for their investment with a minimum of unfair competition with existing practices, who have been working very, very hard to provide a service.

Perhaps I was a little bit too harsh in asking what ‘bumbling bureaucrat’ or what ‘goofy minister’ allocated millions of taxpayers’ dollars where it is frankly not needed. It is probably more likely a policy of locating the superclinics based on raw, base politics, because the seat of La Trobe, held by the Liberal Party, is on the slimmest of margins. The Prime Minister visited the site, taking the candidate along with him—a candidate who was trying to take credit for the establishment of the superclinic and, as I said, the Prime Minister was giving him the credit. It adds up to the typical modus operandi of the Labor Party: base political game playing at the expense of taxpayers, at the expense of tens of millions of dollars.

It would be impossible for the government to ignore the private operators that service the hospital and the surrounding areas which operate competitively and efficiently, and it would be impossible for the government to ignore that the area was not on the doctor shortage list, the DWS section. The truth is that the superclinics program is yet another farce of the Rudd government at taxpayers’ expense, where millions are wasted and mismanaged, all in the government’s base political attempt to ingratiate themselves with the people of La Trobe. The superclinics program ought to be scrapped and the funds redirected into genuine, efficient and needed medical services, not political rorting.

Senate adjourned at 7.32 pm
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Register of Environmental Organisations

(Question No. 2734)

Senator Mason asked the Minister representing the Minister for Environment Protection, Heritage and the Arts, upon notice, on 10 March 2010:

With reference to the Register of Environmental Organisations (the register):

1. (a) What is the process for lodging a complaint against an organisation registered as an environmental organisation?; and (b) what is the process for the investigation of those complaints?

2. Is the progress of investigations and their outcomes monitored or audited by the Minister or another third party.

3. How many organisations are currently under investigation?

4. For the past 12 months, how many investigations have been concluded?

5. What is the average time taken from receipt of the complaint to conclusion of the investigation?

6. How many organisations have been removed from the register as a result of breaches of the guidelines?

Senator Wong—The Minister for Environment Protection, Heritage and the Arts has provided the following answer to the honourable senator’s question:

1. Complaints about organisations on the Register of Environmental Organisations may be directed either to me as Minister or to the Department of the Environment, Water Heritage and the Arts. The process for investigating complaints depends upon the nature of the complaint, and may range from the department seeking the organisation’s response to the complaint to an investigation or audit by the Australian Taxation Office.

2. The department’s investigations of complaints are not routinely monitored or audited by the Minister or a third party. Significant issues are drawn to the Minister’s attention, and major investigations are conducted in consultation with the Australian Taxation Office.

3. Three organisations are currently under investigation.

4. No investigations have been concluded in the past 12 months.

5. The department is not in a position to provide this information because the administration of the register has only recently been computerised.

6. A total of 33 organisations have been removed from the register following a breach of the guidelines since computerised records have been kept.

Shipping: Great Barrier Reef

(Question No. 2784)

Senator Bob Brown asked the Minister representing the Minister for Infrastructure, Transport, Regional Development and Local Government, upon notice, on 13 April 2010:

1. Since 1 December 2004, how many ships travelling through, or around, the Great Barrier Reef did not register under the Great Barrier Reef and Torres Strait Ship Reporting System (REEFREP).

2. (a) Since 1 December 2004, how many charges have been laid against ships which have entered prohibited areas; and (b) how many of these ships were not registered with REEFREP.
(3) (a) How many full-time equivalent staff are tracking vessels at the Great Barrier Reef and Torres Strait Vessel Traffic Service centre; and (b) how does this figure compare to 2 years ago.

(4) Given that the Great Barrier Reef Marine Park Authority website states that regular vessel and aircraft patrols are conducted to detect shipping offences, how many: (a) vessel patrols; and (b) aircraft patrols, have been conducted since 1 December 2004.

(5) Since 1 October 2009, how many vessels have been detected: (a) without an Automated Identification System (AIS); and (b) with an AIS that has been turned off.

Senator Conroy—The Minister for Infrastructure, Transport, Regional Development and Local Government has provided the following answer to the honourable senator’s question:

(1) REEFREP recorded 42,369 voyages for the period from 1 December 2004 to 31 May 2010 out of which 35 voyages were unidentified. Some of these 35 voyages may be those of commercial fishing or other small craft, which are not required to comply with Marine Order 56. REEFREP records in terms of voyages and a ship may make several voyages.

(2) (a) One charge has been laid against a ship for entering a prohibited area under the Great Barrier Reef Marine Park Act 1975. (b) One vessel was not registered with REEFREP.

(3) (a) There are 4.69 Full Time Equivalents (FTE) employed as Vessel Traffic Service Operators (VTSOs) to service the Great Barrier Reef and Torres Strait Vessel Traffic Service (REEFVTS). (b) This is the same number as two years ago.

(4) Since 1 December 2004 there have been 2,983 aircraft patrols and approximately 7,000 offshore vessel patrols conducted in the Great Barrier Reef Marine Park.

(5) (a) and (b) No data is available to answer this question.

**Roads: Motorcycle Safety**  
(Question No. 2811)

Senator Cash asked the Minister representing the Minister for Infrastructure, Transport, Regional Development and Local Government, upon notice, on 3 May 2010:

(1) For each of the financial years 2005-06, 2006-07, 2007-08, 2008-09 and 2009-10 to date: (a) what is Australia’s ranking amongst other Organisation for Economic Co-operation and Development nations for annual motorcyclist fatalities; and (b) how many Australian road fatalities of motorcyclists have occurred.

(2) What action has the Government taken to increase awareness for motorcyclists, motorists and the general public regarding motorcycle safety.

Senator Conroy—The Minister for Infrastructure, Transport, Regional Development and Local Government has provided the following answer to the honourable senator’s question:

(1) —

<table>
<thead>
<tr>
<th>Year</th>
<th>Australia’s rankings amongst Organisation for Economic Co-operation and Development nations for Motorcyclist road deaths per population</th>
<th>Australian road deaths of motorcyclists</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>13th out of 27 nations</td>
<td>233</td>
</tr>
<tr>
<td>2006</td>
<td>17th out of 28 nations</td>
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<tr>
<td>2007</td>
<td>14th out of 27 nations</td>
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<tr>
<td>2008</td>
<td>11th out of 23 nations</td>
<td>245</td>
</tr>
<tr>
<td>2009</td>
<td>For 2009, data are currently available for only five OECD nations</td>
<td>225</td>
</tr>
</tbody>
</table>
Notes
Financial year data for Organisation for Economic Co-operation and Development nations are not available.

‘Motorcyclist’ refers to a rider or passenger of a motorcycle, motor scooter or moped.

Rankings are in ascending order of death rate. That is, the nation with the lowest death rate is ranked 1st.

Rankings of death rates include only those nations for which data are available for each year.

Sources
Bureau of Infrastructure, Transport and Regional Economics, Australian Road Deaths Database. Accessed May 2010.

(2) Motorcycle rider and manufacturer representatives, as the Motorcycle Safety Consultative Committee (MSCC), have met annually with the Department of Infrastructure, Transport, Regional Development and Local Government (the Department) or its predecessors since 1991 to discuss motorcycle safety issues. The last such meeting was on 17 August 2009.

The MSCC will in future meet annually with the National Road Safety Council (NRSC), which is a seven-member body reporting to the Australian Transport Council under a COAG National Partnership Agreement. NRSC members were appointed by the Minister and include former world motorcycle racing champion Wayne Gardner. The MSCC is scheduled to meet with the NRSC on 15 June 2010.

In April 2008, the Department and the MSCC convened a two-day Motorcycle and Scooter Safety Summit in Canberra. The event brought together Australian and international researchers, riders, industry representatives and government road safety officials to explore key motorcycle and scooter safety issues and to discuss the scope for new or improved safety measures.

The Department is coordinating the development of a new National Road Safety Strategy for the period 2011 to 2020, which will set high-level goals and directions for road safety improvement for the next 10 years. Motorcycle safety issues will be included in the new strategy, which is expected to be endorsed by the Australian Transport Council by the end of 2010.

The Department is organising the Australasian Road Safety Research, Policing and Education Conference, to be held in Canberra from 31 August to 3 September 2010. This is a major conference covering all areas of road safety. It will include a motorcycle safety stream.

In recent years, the Department has published the following public education and statistical information on motorcycle safety:
- Fatal and serious road crashes involving motorcycles (2 May 2008), which analyses data on fatal and serious motorcycle crashes.
- The Good Gear Guide for Motorcycle and Scooter Riders (7 September 2009), which provides riders with practical information on protective clothing.