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SITTING DAYS—2011

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FORTY-THIRD PARLIAMENT
FIRST SESSION—SECOND PERIOD

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

Senate Officeholders

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

Leader of the Government in the Senate—Senator Hon. Christopher Vaughan Evans
Deputy Leader of the Government in the Senate—Senator Hon. Stephen Michael Conroy
Leader of the Opposition in the Senate—Senator Hon. 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 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 Anne McEwen
Deputy Government Whips—Senators Carol Louise Brown and Helen Beatrice Polley
Chief Opposition Whip—Senator Stephen Shane Parry
Deputy Opposition Whips—Senators Judith Anne Adams and David Christopher Bushby
The Nationals Whip—Senator John Reginald Williams
Australian Greens Whip—Senator Rachel Mary Siewert
Family First Party Whip—Senator Steve Fielding

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

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

Heads of Parliamentary Departments
Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Secretary, Department of Parliamentary Services—A Thompson
GILLARD MINISTRY

Prime Minister
Deputy Prime Minister and Treasurer
Minister for Regional Australia, Regional Development and Local Government
Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate
Minister for School Education, Early Childhood and Youth
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate
Minister for Foreign Affairs
Minister for Trade
Minister for Defence and Deputy Leader of the House
Minister for Immigration and Citizenship
Minister for Infrastructure and Transport and Leader of the House
Minister for Health and Ageing
Minister for Families, Housing, Community Services and Indigenous Affairs
Minister for Sustainability, Environment, Water, Population and Communities
Minister for Finance and Deregulation
Minister for Innovation, Industry, Science and Research
Attorney-General and Vice President of the Executive Council
Minister for Agriculture, Fisheries and Forestry and Manager of Government Business in the Senate
Minister for Resources and Energy and Minister for Tourism
Minister for Climate Change and Energy Efficiency

Hon. Julia Gillard MP
Hon. Wayne Swan MP
Hon. Simon Crean MP
Senator Hon. Chris Evans
Hon. Peter Garrett AM MP
Senator Hon. Stephen Conroy
Hon. Kevin Rudd MP
Hon. Dr Craig Emerson MP
Hon. Stephen Smith MP
Hon. Chris Bowen MP
Hon. Anthony Albanese MP
Hon. Nicola Roxon MP
Hon. Jenny Macklin MP
Hon. Tony Burke MP
Senator Hon. Penny Wong
Senator Hon. Kim Carr
Hon. Robert McClelland MP
Senator Hon. Joe Ludwig
Hon. Martin Ferguson AM, MP
Hon. Greg Combet AM, MP

[The above ministers constitute the cabinet]
**GILLARD MINISTRY—continued**

Minister for the Arts  
Hon. Simon Crean MP

Minister for Social Inclusion  
Hon. Tanya Plibersek MP

Minister for Privacy and Freedom of Information  
Hon. Brendan O’Connor MP

Minister for Sport  
Senator Hon. Mark Arbib

Special Minister of State for the Public Service and Integrity  
Hon. Gary Gray AO, MP

Assistant Treasurer and Minister for Financial Services and Superannuation  
Hon. Bill Shorten MP

Minister for Employment Participation and Childcare  
Hon. Kate Ellis MP

Minister for Indigenous Employment and Economic Development  
Senator Hon. Mark Arbib

Minister for Veterans’ Affairs and Minister for Defence Science and Personnel  
Hon. Warren Snowdon MP

Minister for Defence Materiel  
Hon. Jason Clare MP

Minister for Indigenous Health  
Hon. Warren Snowdon MP

Minister for Mental Health and Ageing  
Hon. Mark Butler MP

Minister for the Status of Women  
Hon. Kate Ellis MP

Minister for Social Housing and Homelessness  
Senator Hon. Mark Arbib

Special Minister of State  
Hon. Gary Gray AO, MP

Minister for Small Business  
Senator Hon. Nick Sherry

Minister for Home Affairs and Minister for Justice  
Hon. Brendan O’Connor MP

Minister for Human Services  
Hon. Tanya Plibersek MP

Cabinet Secretary  
Hon. Mark Dreyfus QC, MP

Parliamentary Secretary to the Prime Minister  
Senator Hon. Kate Lundy

Parliamentary Secretary to the Treasurer  
Hon. David Bradbury MP

Parliamentary Secretary for School Education and Workplace Relations  
Senator Hon. Jacinta Collins

Minister Assisting the Prime Minister on Digital Productivity  
Senator Hon. Stephen Conroy

Parliamentary Secretary for Trade  
Hon. Justine Elliot MP

Parliamentary Secretary for Pacific Island Affairs  
Hon. Richard Marles MP

Parliamentary Secretary for Defence  
Senator Hon. David Feeney

Parliamentary Secretary for Immigration and Citizenship  
Senator Hon. Kate Lundy

Parliamentary Secretary for Infrastructure and Transport and  
Parliamentary Secretary for Health and Ageing  
Hon. Catherine King MP

Parliamentary Secretary for Disabilities and Carers  
Senator Hon. Jan Mclucas

Parliamentary Secretary for Community Services  
Hon. Julie Collins MP

Parliamentary Secretary for Sustainability and Urban Water  
Senator Hon. Don Farrell

Minister Assisting on Deregulation and Public Sector Superannuation  
Senator Hon. Nick Sherry

Minister Assisting the Attorney-General on Queensland Floods Recovery  
Senator Hon. Joe Ludwig

Parliamentary Secretary for Agriculture, Fisheries and Forestry  
Hon. Dr Mike Kelly AM, MP

Minister Assisting the Minister for Tourism  
Senator Hon. Nick Sherry

Parliamentary Secretary for Climate Change and Energy Efficiency  
Hon. Mark Dreyfus QC, MP
SHADOW MINISTRY

Leader of the Opposition
Hon. Tony Abbott MP

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

Leader of the Nationals and Shadow Minister for Infrastructure and Transport
Hon. Warren Truss MP

Leader of the Opposition in the Senate and Shadow Minister for Employment and Workplace Relations
Senator Hon. Eric Abetz

Deputy Leader of the Opposition in the Senate and Shadow Attorney-General and Shadow Minister for the Arts
Senator Hon. George Brandis SC

Shadow Treasurer
Hon. Joe Hockey MP

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

Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals
Senator Hon. Nigel Scullion

Shadow Minister for Regional Development, Local Government and Water and Leader of the Nationals in the Senate
Senator Barnaby Joyce

Shadow Minister for Finance, Deregulation and Debt Reduction and Chairman, Coalition Policy Development Committee
Hon. Andrew Robb AO, MP

Shadow Minister for Energy and Resources
Hon. Ian Macfarlane MP

Shadow Minister for Defence
Senator Hon. David Johnston

Shadow Minister for Communications and Broadband
Hon. Malcolm Turnbull MP

Shadow Minister for Health and Ageing
Hon. Peter Dutton MP

Shadow Minister for Families, Housing and Human Services
Hon. Kevin Andrews MP

Shadow Minister for Climate Action, Environment and Heritage
Hon. Greg Hunt MP

Shadow Minister for Productivity and Population and Shadow Minister for Immigration and Citizenship
Mr Scott Morrison MP

Shadow Minister for Innovation, Industry and Science
Mrs Sophie Mirabella MP

Shadow Minister for Agriculture and Food Security
Hon. John Cobb MP

Shadow Minister for Small Business, Competition Policy and Consumer Affairs
Hon. Bruce Billson MP

[The above constitute the shadow cabinet]
<table>
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<td>Shadow Minister for Employment Participation</td>
<td>Hon. Sussan Ley MP</td>
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<tr>
<td>Shadow Minister for Justice, Customs and Border Protection</td>
<td>Mr Michael Keenan MP</td>
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<tr>
<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation</td>
<td>Senator Mathias Cormann</td>
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<td>Shadow Minister for Childcare and Early Childhood Learning</td>
<td>Hon. Sussan Ley MP</td>
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<td>Shadow Minister for Youth and Sport and Deputy Manager of Opposition Business in the House</td>
<td>Mr Luke Hartsuyker MP</td>
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<td>Shadow Minister for Regional Development</td>
<td>Hon. Bob Baldwin MP</td>
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<td>Shadow Minister for Special Minister of State</td>
<td>Hon. Bronwyn Bishop MP</td>
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<td>Senator Marise Payne</td>
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<td>Mr Stuart Robert MP</td>
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<td>Shadow Minister for Veterans’ Affairs</td>
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<td>Shadow Minister for Ageing and Shadow Minister for Mental Health</td>
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<td>Hon. Bronwyn Bishop MP</td>
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<td>Shadow Minister for Disabilities, Carers and the Voluntary Sector and Manager of Opposition Business in the Senate</td>
<td>Senator Mitch Fifield</td>
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<td>Shadow Minister for Housing</td>
<td>Senator Marise Payne</td>
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<tr>
<td>Chairman, Scrutiny of Government Waste Committee</td>
<td>Mr Jamie Briggs MP</td>
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<tr>
<td>Shadow Cabinet Secretary</td>
<td>Hon. Philip Ruddock MP</td>
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<tr>
<td>Shadow Parliamentary Secretary Assisting the Leader of the Opposition</td>
<td>Senator Cory Bernardi</td>
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<tr>
<td>Shadow Parliamentary Secretary for International Development Assistance</td>
<td>Hon. Teresa Gambaro MP</td>
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Monday, 28 February 2011

The PRESIDENT (Senator the Hon. John Hogg) took the chair at 10 am and read prayers and made an acknowledgement of country.

COMMITEES

Treaties Committee

Meeting

Senator PARRY (Tasmania) (10.01 am)—by leave—I move:

That the Joint Standing Committee on Treaties be authorised to hold a public meeting during the sitting of the Senate today, from 10 am till noon.

Question agreed to.

TELECOMMUNICATIONS INTERCEPTION AND INTELLIGENCE SERVICES LEGISLATION AMENDMENT BILL 2010

Second Reading

Debate resumed from 25 October 2010, on motion by Senator Sherry:

That this bill be now read a second time.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting the Attorney-General on Queensland Floods Recovery) (10.02 am)—I rise to table a replacement explanatory memorandum relating to the Telecommunications Interception and Intelligence Services Legislation Amendment Bill 2010. The memorandum takes account of recommendations made by the Senate Legal and Constitutional Affairs Legislation Committee. In standing in relation to this matter I am not closing the debate.

Senator PARRY (Tasmania) (10.02 am)—by leave—I seek clarification from the government in relation to the order of legislation for today.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting the Attorney-General on Queensland Floods Recovery) (10.02 am)—In terms of the bills listed on the Senate Notice Paper, we are going to resume the debate on the Telecommunications Interception and Intelligence Services Legislation Amendment Bill 2010 for a short while this morning. Following that, we will go to the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011.

Senator PARRY (Tasmania) (10.03 am)—by leave—we understand that this is the first time that the Senate has commenced at the same time as the House of Representatives, so there is obviously a delay in the message coming across from the House of Representatives. We understand that the message is very close. If it would be more convenient, we would agree to a very short suspension, five minutes or less, on the basis that we on this side cannot proceed with the debate on the Telecommunications Interception and Intelligence Services Legislation Amendment Bill 2010. Our leading speaker is Senator Brandis. We always have shadow cabinet at this time. The shadow cabinet understand there are no divisions until 12.30 pm, so they will not be attending the chamber. Therefore, if we know the message is fairly close, I think it would be a more suitable outcome to commence the bills that everyone has lined up to speak on. Otherwise, if the government wishes to commence with the telecommunications interception and intelligence services legislation, I suggest that we have only one speaker and interrupt at the end of that speaker to move to the scheduled legislation.

Senator McEWEN (South Australia) (10.04 am)—I think I can offer a few words about this bill, and I understand that Senator Ludlam is also on the list to speak and has been approached to come to the chamber to give his contribution.
I would like to speak briefly to the Telecommunications Interception and Intelligence Services Legislation Amendment Bill 2010. This bill reintroduces measures contained in the bill which was introduced in the House on 24 June 2010 and lapsed when the parliament was prorogued. The bill amends three acts to facilitate greater cooperation between law enforcement and intelligence agencies and removes legislative barriers to information sharing within Australia’s national security community. Considering events in the Middle East and elsewhere over the last few weeks, we know how important it is to have integrity in Australia’s security systems so that our law enforcement agencies can work cooperatively to be assured of what is happening in the rest of the world and also to ensure that Australia is well placed to address the issues that are happening at the moment or may happen in the future.

This government has a proud record of continually reviewing Australia’s law enforcement and intelligence legislation to take cognisance of developments in this field internationally and nationally. I have to say that in most cases these initiatives are done with bipartisan support because all of us here understand that it is a fundamental role of the parliament to ensure that there is integrity in the law enforcement area, particularly with regard to interception and intelligence. We know that sometimes those areas are very controversial. We have to get a good balance between the right of people to communicate as they need to and the need to be cognisant of the fact that at times the parliament has to have oversight of areas of legislation which can sometimes be controversial.

Currently, under the Telecommunications (Interception and Access) Act, law enforcement agencies can seek the assistance of other law enforcement agencies in exercising an interception warrant, and that ability has enabled smaller agencies with limited interception capacity to rely on larger agencies to intercept on their behalf. However, we understand that ASIO does not fall within the group of agencies from whom assistance can be sought. The bill will amend the interception act to enable ASIO to intercept on behalf of other agencies and therefore ensure that ASIO itself has more flexibility to support the whole-of-government initiative to protect our communities from the threats that are real now or that may become an issue in the future. In assisting other law enforcement agencies, we are also well aware that ASIO will continue—and it is important that ASIO will continue—to be subject to existing legislative requirements set out in the interception act. The bill will ensure that that happens.

Other aspects of this bill contain amendments to the ASIO Act and the Intelligence Services Act to enable intelligence agencies to cooperate more closely and to provide assistance to one another in a wider range of circumstances than is possible under the existing legislative framework. The bill makes several amendments to the interception act that will improve the operation of that act. Carriers and carrier service providers will be required to inform the Communications Access Co-ordinator of proposed changes such as maintenance and support that could significantly affect their ability to comply with their statutory obligation to assist interception agencies.

Those are just some aspects of the bill that I am pleased to acknowledge on behalf of the government. As I said, in a time when our nation is alerted to happenings elsewhere in the world that could affect our own security, it is timely that the parliament considers this legislation. I commend the legislation to the Senate.
Senator LUDLAM (Western Australia) (10.10 am)—I rise at very little notice to add some comments on behalf of the Australian Greens to the Telecommunications Interception and Intelligence Services Legislation Amendment Bill 2010. You always know that something is up when a committee recommends changes to an explanatory memorandum. That is always a bit of a red flag to me. The Senate Standing Committee on Legal and Constitutional Affairs looked into this bill. Many submitters to the inquiry, including the Law Council—and I will read into the record some of their comments—made very clear their substantial concerns about this bill, which were that it substantially broadens the scope of what ASIO and its agencies will be able to do on their own motion and the kind of information that they will be able to share with other agencies and also that ASIO will be able to be brought in on the request of any other Commonwealth agency to investigate, as far as I can tell, virtually anything at all. The Law Council describes what we are doing here as ‘setting up a mercenary force’. That is reasonably strong language. I think we need to be very careful about where this bill takes us.

ASIO operates under very, very strict circumstances that have been laid down over a very long period of time. There are reasons why we put such constraints on the operation of an agency that operates under conditions of, as ASIO argues, necessary secrecy. I have had the good fortune to speak to the Director-General of ASIO in estimates committees a couple of times. ASIO is extraordinarily circumspect about what it will put on the public record. This agency operates under the cloak of darkness. ASIO argues that that is entirely necessary for the kind of work it does, and it is for that reason that we do not want to expand the reach or mandate of ASIO into areas like tax law, welfare law or any of the other areas which the Law Council and other submitters put on the record as being of extreme concern.

The legal and constitutional affairs committee heard those concerns loud and clear and, in response, all they proposed was that some changes be made to the explanatory memorandum—which really gives us cause for concern—to provide greater clarification. In fact, it is not just clarification that we need; this bill needs wholesale repair. The key concerns are that the bill proposes to relax the restrictions on where ASIO can share information with other agencies. I think there is a case to be made in the case of other intelligence agencies that ASIO should be able to share information more effectively; we do not want our intelligence communities fire-walled.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

TAX LAWS AMENDMENT (TEMPORARY FLOOD AND CYCLONE RECONSTRUCTION LEVY) BILL 2011

INCOME TAX RATES AMENDMENT (TEMPORARY FLOOD AND CYCLONE RECONSTRUCTION LEVY) BILL 2011

First Reading

Bills received from the House of Representatives.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (10.14 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.

Senator FARRELL—by leave—I move:

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


Question agreed to.

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

Leave granted.

The statement read as follows—

Purpose of the Bills
These Bills will introduce the temporary flood and cyclone reconstruction levy for the 2011-12 income year.

Reasons for Urgency
Introduction and passage of these Bills are required in the Autumn 2011 sittings so that administrative arrangements for the levy may be put in place before 30 June 2011. The package consists of two Bills for both Constitutional and reasons of Parliamentary procedural reasons.

Second Reading

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (10.15 am)—I table a revised explanatory memorandum relating to the bills and 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—

On Tuesday I expressed the nation’s heartbreak. Today I express the nation’s resolve. To rebuild. To get back up. To rise from the mud and debris. I therefore introduce the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill. And I do so with great pride.

This is not just a routine piece of legislation. Not just a package of measures to restore bridges and roads. But an expression of goodwill between Australians.

It is an act of faith in the future. A way of honouring the dignity and resilience that Australians have shown throughout this ordeal.

In committing to rebuild, we accept that this may well prove to be the most expensive season of natural disasters our nation has ever known. Individuals have lost homes and possessions. Businesses and farmers have lost premises, stock, equipment and crops. Communities have lost meeting places, shops and sporting facilities. And our nation has lost vital infrastructure on which countless livelihoods rely. We’ve seen roads washed away. Rail lines twisted and buckled. And bridges washed away like children’s toys. But we will rebuild.

No single level of government or sector of the community can do the job alone. Individuals will contribute. Family, neighbours, friends. Insurers. State and local government. Business and unions. Generous donors and philanthropists.

More than $200 million has been contributed to the Queensland Premier’s Relief Fund. Every dollar is welcome. Every dollar is an expression of shared concern. All those funds will go to helping Queenslanders who need a hand. Like those in the Lockyer Valley who didn’t even have time to prepare. Or those who didn’t have the insurance cover they thought they did. The Premier’s Relief Fund and funds in the other states will be there to help. Australians looking after Australians.

By far the greatest share will come from our national government, and that is as it should be. Money to rebuild the roads, ports, rail lines and public facilities that make our society work. The call on Commonwealth funds will be at least $5.6 billion; almost 30 times the amount of money in the Premier’s Relief Fund.

That’s $5.6 billion that the Australian Government needs to find above and beyond our normal expenditure. Our nation has rarely ever had to outlay such large sums in a peacetime disaster. And remember these figures are restricted to the damage bill associated with the summer floods.
They do not include the damage from Cyclone Yasi, to which our contributions will be announced when the situation becomes clearer.

But for today, the Australian Government faces flood-related outlays estimated to be just over $5.6 billion. That’s not an abstract figure. It’s real money for real projects. Like repairing the Bruce Highway between Brisbane and Cairns. The Warrego Highway around Ipswich. The Capricorn Highway around Rockhampton. And the Calder and Sturt Highways in Victoria.

We will meet our obligations to the last cent. And we will do it by paying as we go. We will not delay the return to surplus for a single day. Nor will we take the soft option of borrowing. Pay as we go: it is the concept that lies at the very heart of this Bill.

Sound Budget principles say we should pay as we go in an economy that is growing strongly. And sound economic principles say we should not add to capacity pressures.

Even after the damage inflicted by the floods and cyclone, the economy will be back at capacity in 2011-12. We have $380 billion of mining projects in the pipeline. Skills shortages are looming. And wages are running at healthy levels. Those pressures are likely to be even more pronounced as we enter 2012-13, our target year for a return to surplus.

That target is not arbitrary. It is a vital macro-economic guidepost. We must ensure that the Australian Government does not add to aggregate demand at a time of rising cost pressures like the Howard government so recklessly did between 2004 and 2007. The demand for scarce labour and materials for flood reconstruction only heightens the need for fiscal moderation in the years ahead.

The measures I introduce in this Bill form a balanced package:

- cutting some spending programs;
- deferring some new infrastructure; and
- applying a one-off, 12 month temporary levy to those earning more than $50,000 per annum.

The spending cuts and deferrals will raise some $3.8 billion. The proposed levy will raise $1.8 billion. In other words, two dollars will be saved or deferred for every dollar raised by the levy.

Of course, the proposed levy is the aspect of our package that has attracted the most community attention. I always expected Australians to ask all the hard questions about why they are being requested to step up and pay more. But at the same time, I always believed our community would understand that additional contributions are required to meet real additional needs.

Australians accepted it when the Howard Government imposed a levy to buy back guns in the aftermath of Port Arthur. They accepted it to help dairy farmers and sugar farmers adjust to the pressures of economic change. They accepted it to help pay hard-earned employee entitlements after the collapse of Ansett. They are coming to accept it to rebuild smashed infrastructure that supports thousands of jobs and millions of livelihoods.

I profoundly believe in the fundamental good sense and decency of my fellow Australians. They know what is right. And they will do what is right. In proposing the levy, the Australian Government has received support from across the community.

I warmly welcome the bi-partisan support shown by the Premier of Western Australia, Colin Barnett, who said:

“I believe most Australians, most West Australians, are willing to contribute a little bit more to help Queensland get back on its feet.”

A sentiment that was reinforced by Premier Anna Bligh:

“As a nation we have come together in the past to help out the milk industry, the sugar industry, the workers of Ansett and to buy back guns after the Port Arthur tragedy.

I think the people of Queensland are at least as important as all of those other levies in the past.”

We’ve seen welcome endorsements from the NGO sector, including the Australian Council of Social Service, who stated:

“Overall we are pleased that the Federal Government has acted quickly to support the vital reconstruction efforts of the Queensland Government and support the idea that all Australians
with the means to contribute to this effort do so through a flood disaster levy.”

And from The Salvation Army:
“All Australians need to share something of the burden and the horror that’s happened to so many in Queensland, and the way that the levy has been established, it takes the burden away from low-income earners.”

I also very sincerely appreciated the support expressed by Mr Brent Finlay, the President of AgForce in Queensland, who said:
“Given the enormity of what’s happened, with this natural disaster, anything that can help to get rural and regional Queensland, back up and running, we would support.”

The last word on third party endorsement should go to The Australian newspaper, which stated in its editorial last Saturday:
“The imposition of the levy is reasonable and responsible.”

I think that says it all.

As I stated previously, this is a one-off temporary levy. When the clock hits midnight on June 30, 2012, the levy will end. This Bill ensures it. Any further funding required for flood or cyclone recovery will come from additional spending cuts. We will pay as we go.

This levy is also limited in its application. No Australian earning under $50,000 will pay a cent. By restricting the levy to those earning over $50,000, half of our nation’s taxpayers will not be liable for the levy at all. Those who do pay will be levied according to their financial capacity. A levy of 0.5 per cent will be applied on taxable income between $50,001 and $100,000. And a levy of 1 per cent will be applied on taxable income above $100,000. In other words, the levy is progressive. It is fair.

Under the levy, a taxpayer earning $60,000 will pay 96 cents a week. That same taxpayer will have received tax cuts worth $25.96 per week over the past three years. So they are still $25 a week ahead. A person earning $80,000 a year will pay $2.88 a week: less than a cup of coffee, and ten times less than the tax cuts they’ve received over the last three years.

Most importantly, People who were affected by the floods will not pay this levy, including those seriously affected by recent disasters, including Cyclone Yasi. This Bill will provide exemptions for taxpayers who:
• received an Australian Government Disaster Recovery Payment;
• were affected by a declared disaster and meet at least one of the eligibility criteria for an Australian Government Disaster Recovery Payment – even if they haven’t received a payment; or
• are New Zealand Special Class Visa Holders who were technically ineligible for the Australian Government Disaster Recovery Payments but have received an ex-gratia natural disaster payment.

The Bill also makes provision for other exemptions to be made by legislative instrument should circumstances require.

I turn now to the expenditure measures that form the other significant element of our floods package. As announced, we will defer some infrastructure projects to help manage capacity constraints and redirect funding to immediate rebuilding. They will free-up skilled labour and materials for rebuilding and helping ease capacity constraints over the next two years, which are crucial years as we manage the demand pressures which accompany the mining boom.

Six Queensland roads projects will be delayed by periods of one to three years. This will save $325 million in the Budget period. We have also identified three projects in NSW and Victoria where funding delays and reductions will save approximately $675 million. These changes have been agreed by the respective State Governments. I also add this point: The burden of delay has been shared; even my own electorate is affected. But it remains the right thing to do.

As previously announced, the Government will also cut some spending programs and cap some others. There are no easy savings, but I am confident Australians will understand the need for these decisions. Hard decisions by a government that has kept spending lower than in any single year of the Howard government.
We will also cap two programs to limit their cost: the National Rental Affordability Scheme and the LPG Vehicle Scheme. And some lower priority education spending, where the outcome can be achieved through other programs, will be discontinued. This includes the Capital Development Pool and the Australian Learning and Teaching Council. In addition, some funding from the Building Better Regional Cities and Priority Regional Infrastructure Programs will be redirected to the cause of flood rebuilding.

The Government has also determined to abolish, defer and cap access to a number of carbon abatement programs. These include the Green Car Innovation Fund, the Cleaner Car Rebate Scheme and the Global Carbon Capture and Storage Institute. Some of these policies are less efficient than a carbon price and will no longer be necessary. Others will be better delayed until the full effects of a carbon price are felt.

The key to these savings is our determination to deliver a carbon price. If you want to cut carbon, the best way is to price carbon. Indirect measures have only ever been an imperfect proxy for a carbon price. As we move to a carbon price, those indirect measures can fall away. And so these expenditure measures are a firm down-payment and a clear sign of intent:

2011 is the year Australia decides on carbon pricing.

I turn now to the issue of accountability, which is so fundamental to the rebuilding process. I understand the desire of the Queensland Government to cut through the red tape and deliver rebuilding as fast as they can. To start the recovery, the Australian Government will make an advance payment to Queensland of $2 billion so rebuilding can start in more than 60 flood-affected communities. This payment will be made in the current financial year, as soon as financial controls and arrangements are finalised.

At the same time, we need to ensure rigorous accountability for what are very large sums of public money. That is why both the Australian and Queensland Governments are putting in place clear mechanisms to drive efficiency and accountability.

To begin, the Australian Government will sign a National Partnership Agreement with Queensland, establishing rigorous conditions for national funding. We have also made available one of the nation’s most outstanding military leaders, Major General Michael Slater, to chair the Queensland Reconstruction Authority. And just this week I announced that two distinguished Commonwealth appointees will sit on the Board of that Authority:

Mr Brad Orgill, former Chairman and CEO of UBS Australia and head of the BER Implementation Taskforce; and Ms Glenys Beauchamp, Secretary of the Department of Regional Australia, Regional Development and Local Government.

In addition, I have appointed the Minister for Agriculture, Fisheries and Forestry, Senator Ludwig, as the Minister Assisting the Attorney General on Queensland Floods Recovery. Senator Ludwig will sit on the Flood Recovery Committee of the Queensland Cabinet, and at the same time, report on progress to the Federal Cabinet.

Further to those measures, this week I announced the establishment of a Reconstruction Inspectorate to increase scrutiny and accountability of flood rebuilding projects. The Inspectorate will report directly to the Cabinet sub-committee on natural disasters, which is chaired by me. The Inspectorate will be led by the Honourable John Fahey, former Premier of NSW and former Federal Finance Minister. He will be joined by two leaders in the fields of accounting and construction:

Mr Martin Albrecht – former Managing Director of Thiess; and

Mr Matt Sheerin – head of Deloitte’s Queensland Audit Practice and a senior member of the nation’s accounting profession.

The Inspectorate will be empowered to:

- Scrutinise contracts, especially those that are high value or complex;
- Directly inspect projects to ensure they are meeting progress milestones;
- Investigate complaints or issues raised by the public;

...
Help state agencies to develop contractual frameworks, tendering processes and project management systems;

Scrutinise requests for reimbursement by local government once projects are completed.

The Reconstruction Inspectorate will be supported as necessary by experts in relevant fields such as quantity surveying, construction management and contract law. The Inspectorate will also require the states to provide independently-audited financial statements to support any claim for funds.

We’ve got a lot of rebuilding to do. I want to make sure that every dollar we spend on rebuilding is a dollar that gets value for money.

In presenting this Bill, I am acutely conscious that we are only at the start of a long journey of reconstruction. It will not just take months. It will take years. But long after the camera crews have moved on, the resources of the Australian Government will be there to help rebuild: Road by road – bridge by bridge – track by track ... until the job is done.

As Australians, we will stick together. United in mateship. United in our shared desire to help those in need. This Bill formalises that desire to help. Beyond the legal and budgetary language, it simply says this: You won’t be alone. We will get through this together. We won’t let go.

Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011

The Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill will introduce new tax rates for the 2011-12 financial year, which will give effect to the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill.

The existing tax rates will continue to apply for taxpayers who are exempt from paying the temporary flood and cyclone reconstruction levy.

Senator CORMANN (Western Australia) (10.16 am)—Today we are debating yet another tax from a high-taxing, high-spending, wasteful Labor government. We are debating an increase in income tax rates for all Australians earning more than $50,000 a year unless they qualify for the specific exemption. So why do we have to debate this tax in the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011? We have to debate this tax because, after three years of Labor waste and mismanagement, our public finances are in such bad shape that, faced with an unexpected disaster, the government feels it has no choice but to whack on another tax. Let us be absolutely clear: if it had not been for the Prime Minister’s waste and mismanagement as Minister for Education with her school halls program, if it had not been for the waste and mismanagement with the pink bats program and with one program after another being maladministered by this Labor administration, there would be no need for this latest income tax hike.

This is the latest in a long list of new Labor taxes. Currently we are debating the flood tax, the mining tax, the carbon tax and student taxes—which of course come after the alcopops tax, the luxury car tax increase and the tax on the North-West shelf gas projects—a whole plethora of new and increased taxes introduced over the last three years of this Labor government. In fact, over the last three years more than $40 billion in new or increased taxes have been introduced by this government. This government has so lost touch with the Australian people that it does not even know a tax when it falls over one. The Prime Minister, the Treasurer and the Minister for Finance and Deregulation again and again went out there in radio land, in 7.30 Report land or on the news and Meet the Press and so on and claimed $40 billion worth of new and increased taxes as what? As savings.
This government thinks that when it whacks another tax onto the Australian people it is actually saving money. No doubt this is because this government thinks that all the money is the money of the government and that the government through its largess makes a decision as to how much it allows people to keep. So this Labor government thinks that, whenever it whacks on another tax on the unsuspecting Australian public, it saves some money for the government. It is a disgrace. Just to put it very squarely on the record, the coalition stands for lower taxes, the coalition stands for fairer and the coalition stands for simpler taxes. The coalition does not support this latest increase in the income tax rates applying to people across Australia.

In 2007 this government inherited a budget that was in very good shape: no government net debt, a $20 billion surplus, $60 billion’s worth of investment in the Future Fund—money put away for a rainy day—and what have we got now? We have had deficit after deficit. We have, as I mentioned, $40 billion’s worth of new and increased taxes and $94 billion’s worth of government net debt, yet still this government cannot find $1.8 billion to help fund the reconstruction effort in Queensland. This reconstruction effort is very important of course and is supported by the coalition. However, it should be able to be funded without having to go back to the Australian people in this ad hoc fashion, whacking yet another tax onto them.

The coalition has taken a very constructive and very bipartisan approach to this. We offered to sit down with the government and find the necessary savings. But that offer was not taken up. Whenever this government is faced with a challenge, whenever this government is faced with a problem, its first response—and instinct—is to go for another tax. This government never makes the tough decisions. This government does not do what is required to keep our public finances in healthy shape. If this government had its finances in order, there would be no need for this tax.

I will talk a little about the reconstruction effort. The Treasury tells us that current estimates are that the Commonwealth contribution to the reconstruction effort will be roughly $5.6 billion. That was an estimate identified before Cyclone Yasi, so chances are it is going to be quite a bit more. So we asked the government: ‘Given that chances are that your exposure is going to be quite a bit more than the $5.6 billion, what are you going to do if you do not have enough money? Are you going to whack on another tax? Are you going to increase it by more? Is the tax in these bills going to run for longer?’ ‘No,’ we were told, ‘there is no way we would do that.’ Of course, the Australian people know that they cannot trust this government when it says that there will not be another tax. ‘There will not be a carbon tax under the government I lead,’ the Prime Minister said. We know what happened to this. So we were a bit suspicious as to how credible these commitments were, but here we are—the government says: ‘No, no, we’re not going to increase this tax any further; we’re not going to make it run any longer. We’re just going to save some more money; we are going to cut some more spending in the budget.’

If you can cut some more spending down the track, if the expenditure will be more, why can you not do it now? In two months time we will have the budget; you can take a strategic approach to all of this. If you can make some more savings now why do you not do that now, and why not look at your revenue and spending commitments holistically in the budget in two months? The Commonwealth budget is $350 billion a year and you cannot find $2 billion out of $350 billion to help fund the necessary reconstruc-
tion effort in Queensland? This government is a joke. It is completely reckless when it comes to the management of public finances and that is the reason it nearly lost the election on 21 August last year and was only able to scrape back in with the support of two conservative Independents from New South Wales.

What sort of precedent has been set through this tax? Every time we have a natural disaster will the government come out and say, ‘Let’s have another tax’? We are going to have the bushfire tax and the flood tax and the—

Senator Parry interjecting—

Senator CORMANN—Yes, whatever tax you name, Senator Parry, you are quite right. The ingenuity and creativity of the government to come up with new taxes knows no end. Why did the government not wait until budget time? Why did they come up with this legislation now? Why did they announce it so quickly? It is because there is one thing that drives this government: the politics of getting away with introducing yet another tax.

This government is addicted to new taxes, but it also knows that taxes are unpopular. It knows that the Australian people have a lot of goodwill and generosity towards the people of Queensland and the reconstruction effort. This government thought that it would take advantage of that. This government thought it would strike while the iron is hot. This government thought there was no better time than the present to come up with a new tax: ‘This is the time to come up with the tax because people across Australia will let us get away with it. Let’s call it a flood levy. Let’s call it a mateship tax. Let’s give it a nice cuddly name and people will be happy about it.’ But, of course, the Australian people are not that stupid. They can see through this government. They have seen it again and again. When they were given supposedly high moral ground reasons to introduce another tax—Madam Acting Deputy President, you would well remember the alcopops tax, which was supposed to reduce binge drinking, which was supposed to reduce the consumption of alcopops at the same time that Treasury was counting on an increase in the consumption of alcopops. That is the sort of dishonest track record this government has when it comes to taxes: it sees an opportunity to get away with a new tax and goes through with it. That is what happens with this government.

The reality is that, in the face of tragedy, Australians had been donating generously. When Australians witness a tragedy like the one in Queensland, people are very generous and Australians have dug deep. But, after they have dug deep, in comes the government and whacks them with this tax. What do you think will happen when the next disaster comes around the corner, as it sadly but inevitably will? Do you think the Australian people will be a bit more circumspect, a bit more cautious, before they spend as much as they can possibly afford to support their fellow Australians in a time of need? Yes, because they will expect that this government will do as it has done before and whack them with yet another so-called emergency tax, a so-called mateship tax.

The government, supposedly, had made a whole series of savings, but, of course, hundreds of millions of dollars of those savings were reversed to get the vote of the Greens, Mr Wilkie and Senator Fielding. They have not yet got the vote of Senator Xenophon, as I understand it. They have been spending money left, right and centre, reversing savings and reversing spending cuts. Have the government identified any new, alternative spending cuts? No, they have not. So what did they say to us when we asked, ‘What’s going to happen?’ They said: ‘Wait for the
budget. We’re going to organise all of that in the context of the budget. If you can organise those spending cuts in the context of the budget, why can you not organise the $1.8 billion worth of spending cuts that would be required in order not to have this tax as an ad hoc tax? Why would you not wait for the budget before proceeding with this? There has been no reasonable explanation for this from anyone in government.

Talking about strategic things, do you remember the Henry tax review, Madam Acting Deputy President? The Henry tax review was supposed to be this root and branch reform of our tax system, delivering a fairer and simpler tax system. The only thing we have ended up with out of that review is a multibillion-dollar new tax which was negotiated in private with three taxpayers, excluding all of their competitors from the process as well as the state and territory governments and all other stakeholders and the public at large. After the Prime Minister nearly lost the election but was saved by Mr Oakeshott and Mr Windsor, we were told that we were going to have a fair dinkum tax summit by 30 June 2011. We were told that, at that tax summit, the government would throw open all the recommendations of the Henry tax review and that there would be a strategic look at the taxation arrangements in this country, not this continuation of ad hoc tax grabs one after the other but a strategic look at what the taxation arrangements in the context of the spending commitments for Australia would need to be.

Is that going to happen? No. The promise very quickly made by the Prime Minister when she was desperate to get support to form a minority Labor government is about to be broken. The Treasury secretary, Ken Henry, let the cat out of the bag. I do not think he quite knew what he was doing when he quoted the Prime Minister as saying that it would not be happening before 30 June. But, of course, we have been hearing similar rumours. The Treasurer, Wayne Swan, does not want to have a strategic look at the tax system. He wants to continue to go ahead with tax grab, after tax grab, after tax grab, like this one, without being bothered by any strategic and serious reform assessment of the taxation needs of Australia. He does not want to be bothered by these sorts of strategic assessments in his pursuit of more and more money for this high-spending, wasteful Labor government.

So here we are with yet another Labor tax grab outside of any strategic context and which, in our judgment, is not in the public interest. In this context I would say to the member for Lyne and the member for New England that they have to realise that, unless they disassociate themselves from these sorts of Labor failures, these failures will also be their failures.

We had a debate in Senate estimates as to whether this was a tax. Senator Sherry was trying to argue this was not a tax. I refer Senator Sherry to the title of this bill which reads ‘income tax rates amendment bill’. What do you think an income tax rates amendment bill is going to do if it is not amending income tax rates? Let me be very clear on this for all Australian people: this is a bill to increase income tax for all Australians earning more than $50,000 unless they are in one of the few exemption areas. There is a lot of confusion about the exemption areas. We looked at the Prime Minister’s press release of 27 January as to who would be exempt. It said:

... anyone who received an Australian Government Disaster Recovery Payment for a flood event in 2010–11 will be exempt from the levy.

And a Treasury fact sheet said those who received an Australian Government Disaster Recovery Payment in relation to a flood event in 2011 would not have to pay the levy.
So we asked this question in estimates: what about the victims of the WA bushfires? Don Randall, the very hardworking federal member for Canning, brought this to my attention. He said, ‘You’d better ask some questions about this in estimates,’ so I did. I asked the secretary of the finance department, and what did he say? He confirmed exactly that: only those who were subject to a flood event would not have to pay the levy. We thought that was a matter of public interest as a lot of constituents had approached us on this saying they were very concerned about it.

The West Australian were about to write a story on it so they presumably asked a question of the Prime Minister’s office. This is what the spokesman for Ms Gillard said, ‘Victims of this year’s WA bushfires will be exempted,’ and, ‘As the Prime Minister has made clear, if people have been hard hit by natural disasters in the last few weeks then it is only fair that they do not pay the levy.’ It is very nice for the Prime Minister’s spokesman to say that to a journalist when they are faced with what could be a bad story on the front page of a daily newspaper but to this day they have not actually adjusted the information on the Treasury website or in any of the official information. To this day the website still says that you are only going to be exempt if you were subject to a flood event.

Without wanting to be disrespectful, Prime Minister, we do not trust the word of your spokesman under pressure from a daily newspaper in Western Australia. We want to see that commitment in writing. If it is to be the case that all Australians subject to a natural disaster are going to be exempt, then you should be clarifying this today and you should be adjusting the information on your relevant websites today.

There have been too many broken promises by this Prime Minister for us to take face value anything that she says particularly if that message is translated by one of her spin doctors in the context of a media story. I want to reflect on the approach taken to this tax by one of our colleagues in the lower house, namely the member for O’Connor. The member for O’Connor was elected on a platform to reverse the Canberra rip-off. It should now be clear to anyone that the people of O’Connor were deceived at the last election. Tony Crook is not here to reverse the rip-off; he is here helping Labor get rip-offs like this one through the parliament.

The ACTING DEPUTY PRESIDENT (Senator Moore)—Senator, I do not want to interrupt your flow but you need to refer to the member as Mr Crook.

Senator CORMANN—Mr Crook, the member for O’Connor, is not here to reverse the rip-off. He is helping Labor get rip-offs like this one through the parliament. Yet again the new member for O’Connor stood shoulder to shoulder with the Labor Prime Minister voting for, and not against, another Labor rip-off. Without the member for O’Connor, people across Australia, across Western Australia and across O’Connor would not be hit with this additional income tax grab. Without the member for O’Connor voting for it, this tax would have been defeated in the House of Representatives—and the people of O’Connor need to understand this very clearly. Wilson Tuckey would never have voted for a rip-off like this. He stood up for O’Connor and would never have voted for a Labor Party tax grab like this one. In fact, no Liberal member for O’Connor would have voted for this rip-off. So our message to the people of O’Connor is very clear: if you want to end Labor’s rip-off moving forward you need to vote for a change of government and the only way to achieve a change of government is to support your Liberal candidate for O’Connor at the next election.
I will conclude my remarks on this latest Labor Party tax grab. It is a tax grab by a desperate government that has been spending recklessly and has wasted taxpayers’ money. It has put our public finances in such bad shape that it feels it has been left with no choice other than to whack on yet another ad hoc tax. The time for ad hoc tax grabs should be over. We should be taking a strategic approach to our tax system. We as a parliament should be committed to lower, fairer and simpler taxes. Rather than come in with one tax grab after another outside of any strategic context, the Treasurer should commit himself to a fair dinkum tax summit. That was actually a very important achievement that the two key Independents got out of the negotiations with the government. I am disappointed that they are not working harder with us to ensure that this Labor government delivers on it. How many more ad hoc tax grabs will this government put forward between now and whenever this tax summit might finally happen some time in 2012? The Australian people deserve better. The Australian people deserve a government that does not whack on one new tax after another.

Senator FURNER (Queensland) (10.36 am)—I rise today as a Queensland senator to support the Gillard Labor government’s initiative to implement a temporary flood levy to help rebuild the devastated flood and cyclone affected regions of Australia, including in my state of Queensland. In December and January, Queenslanders experienced the worst natural disaster in our state’s history. Lives were lost, homes were lost, schools were lost and infrastructure was lost. The damage bill is now in the billions. To this day, many people are still cleaning up their homes and their businesses and getting their lives back together.

Even though weeks have passed some Queenslanders are not yet able to move back to their homes and in some devastating situations are not able to move back at all. Businesses which were devastated by the floods are still closed. Stamford Plaza, the Jellyfish Restaurant and the Boardwalk Bar and Bistro in Brisbane, just to name a few, are still closed, and in some really sad cases some businesses no longer exist. While people in those areas are trying to get their lives back on track, another natural disaster took place: Cyclone Yasi was one of the biggest cyclones to hit Queensland in recent generations. This is why it is important for all of us to come together today and support these important pieces of legislation: the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill. This legislation is necessary to help rebuild roads, bridges, railway lines, hospitals and schools damaged by flooding.

The federal government have estimated it will cost $5.6 billion to rebuild vital infrastructure in our flood affected areas—$1.8 billion will be raised through the temporary flood levy, which will apply to only those who earn an income above $50,000 a year. The federal government have natural disaster relief and recovery arrangements with all state and territory governments and have agreed to meet 75 per cent of the rebuilding cost in declared areas. This is what the flood levy will pay for. The levy will only apply to the 2011-12 financial year and will automatically be deducted by the Australian tax office—in the same way the Medicare levy is collected. It will be charged at 0.5c per cent of taxable income for those who earn more than $50,000 and one per cent of taxable income for those who earn in excess of $100,000. The federal government understand that those who have been directly affected by the floods have already incurred financial costs. This is why they will be exempt from the flood levy. This will be de-
termined by claims made to Centrelink for the Australian government disaster recovery payment. Those who claim an AGDRP will not have the levy deducted from their 2011-12 income.

It is sad to see the opposition still refusing to come on board with this levy to help rebuild those areas affected by natural disasters. Just last week opposition Treasury spokesman Joe Hockey said:

We want to see Australia get back on its feet as quickly as possible. In fact, we believe that the government must do whatever it takes and whatever is required to rebuild infrastructure, rebuild communities and rebuild families as quickly as possible

Contrary to this and directly after this disingenuous claim, he stated 10 reasons why the coalition are not supporting a flood levy—a contradiction in massive proportions. It is also contradictory of the coalition to criticise the flood levy claiming that it is not the right way to raise funds to rebuild. Let us not forget levies are not unprecedented, and the Howard government did not get through its 12 years without implementing its own levies. In fact, every single year the coalition were in government they implemented levies, even though there were surpluses. From 1996 to 2005, a superannuation surcharge levy was implemented to impose extra taxes on the superannuation contributions of high-income earners. It raised $1.4 billion in the first four years. From 1996 to 1997, their gun buyback levy raised $500 million. From 1998 to 2006, their stevedoring levy raised more than $100 million. From 2002 to 2009, an 11c per litre levy was imposed on milk. From 2003 to 2006, a 3c per kilo levy was imposed on sugar which raised nearly $100 million. Additionally, the Howard government’s Ansett Airline levy collected $369 million from 2001 to 2003. Clearly their form on levies shows the coalition do not believe rebuilding infrastructure is worthy enough to impose a levy!

During the last election Mr Abbott promised to implement a paid parental leave scheme and fund it with, yes, a levy—a levy to allow men and women who earn over $150,000 a year to continue to receive full wages while they are on maternity leave. On 9 March, Mr Abbott told ABC AM:

My preference is always to see taxes lower but sometimes for very, very important social reasons, for national interest reasons you have got to say we need the money and we can’t summon the money out of thin air ...

Does he think that rebuilding roads, bridges, railway lines, schools and hospitals is not in the national interest? These people are still in this parliament and they supported the implementation of those levies, yet now they are turning their backs on Queensland communities who are in desperate need of vital infrastructure which was destroyed. But this is what the coalition and their leader, Mr Abbott, say to everything: no, no, no. They take the term ‘opposition’ to the extreme.

What about working families? What about working Australians who need access to roads, bridges and railway lines to get to their employment? If we do not rebuild this vital infrastructure, these working Australians will struggle to buy their weekly groceries and to pay their mortgages or their rent. It is essential to get their lives back on track after these natural disasters.

**Senator Ian Macdonald**—Ask them about a carbon tax and see what they say.

**Senator Furner**—The opposition continue to describe the temporary flood levy as a tax. But once again, with contradiction, Mr Abbott said his own paid parental leave scheme would be funded—

**Senator Ian Macdonald interjecting**—

**The Acting Deputy President (Senator Moore)**—Senator Macdonald, you
know interjecting loudly across the chamber is non-parliamentary. I am going to call you up on it every time you do it from now on.

Senator FURNER—I do not hear him; I block him out. The opposition continue to describe the temporary flood levy as a tax. But once again, with contradiction, Mr Abbott said his own paid parental leave scheme would be funded by a levy not a tax. He said:
The difference between a levy and a tax is that a levy is for a specific purpose and this is for a specific purpose.

Isn’t a flood levy, which is only going to be charged in the 2011-12 financial year and which is to be raised solely to help rebuild infrastructure, for a specific purpose?

Last year Joe Hockey was asked when does a levy become a tax and he replied, ‘When it becomes permanent.’ I understand, the word ‘temporary’ does not mean ‘permanent’. This is the coalition’s definition and is not defined in English. The flood levy has received support from third parties who believe it is necessary to help with rebuilding these affected areas. Agforce president Brent Finlay said, ‘Nobody likes a levy or a tax, but given the enormity of what’s happened with this natural disaster, anything that can help to get rural and regional Queensland back up and running, we would support … but this is a huge task to rebuild after what has happened.’ Australian Council of Social Services CEO, Cassandra Goldie, said:

Overall we are pleased that the Federal Government has acted quickly to support the vital reconstruction efforts of the Queensland Government and support the idea that all Australians with the means to contribute to this effort do so through a flood disaster levy.

The Premier of Queensland, Anna Bligh, has also given her support for the levy to help rebuild our state and has pleaded with the opposition to see that Queenslanders are just as important as all those industries which need assistance. She said:

… when it comes to the levy I understand that no one wants to pay more but the people of Queensland didn’t want this disaster either. And we as a nation have come together in the past and put on one-off levies for many reasons; the buyback of guns, helping out the Ansett collapse, in relation to the milk and the sugar industry. So as a nation we have come together in the past to help out the milk industry, the sugar industry, the workers of Ansett and to buyback guns after the Port Arthur tragedy. I think the people of Queensland are at least as important as all of those other levies in the past.

The Gillard Labor government is committed to getting the budget back into surplus by 2012-13. By being in the black we can ensure that we have the fiscal means to fight back if we have to face another battle. Our swift action and fiscal discipline to get the budget back into surplus is described by Treasurer Wayne Swan as ‘the biggest positive turnaround in the budget’s position since the 1960s’. Our spending discipline will keep our economy as one of the strongest in the developed world. In January Mr Swan revealed labour force figures showing that unemployment fell from 5.2 per cent to five per cent in December and last year was a record high for job creation, with 364,000 new positions, 80 per cent of them full-time.

The opposition keeps calling for the government to stop our stimulus funding, but already 99.9 per cent of Building the Education Revolution projects have been completed or had construction commence. This project, which was a key aspect of our $42 billion Nation Building and Jobs Plan, helped keep people employed during the global financial crisis and has given our students and teachers new facilities which they never ever thought they would have. I have been to around 30 BER openings since the program commenced and it has been good to see my opposition colleagues as special
guests at many of those events, even posing for photographs.

The coalition has also called for a cut to the GP Super Clinics Program. This again is an example of the opposition not being interested in fixing our health system. As Minister for Health and Ageing, the now Leader of the Opposition had no problem with stripping $1 billion out of health. Now that the Labor government is providing facilities for mums and dads and their families to access GPs at extended hours, have blood tests, see specialists, see a diabetes educator or see a physiotherapist, with all Medicare Benefits Scheme items bulk-billed, why would you want to take all of that away or prevent other communities accessing quality health care?

In my duty electorate of Dickson, superclinic nominees have successfully established the Strathpine GP superclinic. Since its first day of operation, on 11 January 2010, the clinic has had 71,176 appointments/consultations for 92,190 items of care. The clinic employs 15 GPs and nine nurses, including an Indigenous health nurse, and provides a whole range of healthcare services for its clientele. The opposition wants to cut this program completely.

The opposition also claims that this levy will push up the cost of living. From memory I recall that the highest tax rate in history honour went to the Howard government and was supported by Tony Abbott, Joe Hockey and Andrew Robb. In fact, it was 24.1 per cent—

The ACTING DEPUTY PRESIDENT (Senator Moore)—Order! Senator Furner, you need to refer to members of the lower house as ‘Mr Abbott’ et cetera.

Senator FURNER—Mr Abbott, Mr Hockey and Mr Robb. In fact, it was 24.1 per cent in 2004-05 and 2005-06. This levy is only a small fraction of—to be more precise, 10 times less than—the tax cuts Australians have already received from the Labor government. That is because we are committed to ensuring our working Australians are better off. In our last three budgets, we have provided tax cuts to individuals, and our tax reforms have reduced income tax, small business tax, superannuation tax and tax on savings. We will have done all this—provided stimulus packages to keep people employed and built much needed infrastructure for our future generations—while still managing to get the budget back into surplus in a couple of years. This shows our strong economic management compared to the opposition’s election promises, which Treasury found to have an $11 billion black hole. Let us not forget that: it was an $11 billion black hole.

While we will raise $1.8 billion from the levy, savings from the budget will make up the rest of the $5.6 billion to rebuild flood affected areas. Yes, we have made tough decisions, but we have had to do so, and I commend Prime Minister Julia Gillard and Deputy Prime Minister Wayne Swan for their leadership and decisiveness in ensuring Queensland and Victoria will have vital infrastructure rebuilt. The ability to make tough decisions is exactly what a leader needs and something the coalition lacks.

Senator Xenophon said he may not support this legislation unless the states take out natural disaster insurance. I understand that the Queensland Treasurer is currently seeking quotes to test the market and to ensure that coverage includes roads. However, state Treasurer Andrew Fraser said most state insurers do not include roads in their coverage and that Queensland differed from other states due to its large size. He said:

… getting reinsurance coverage for Queensland is an entirely different proposition than it is for any other state.

Our state is prone to natural disasters, and the decentralised nature of our population means we
have many government buildings and major roads spread across vast areas.

Queensland government Under Treasurer Gerard Bradley told the House of Representatives Standing Committee on Economics on 16 February that the Queensland government had looked at reinsurance for major events; however, they found that it would not be value for money. He said:

We looked at the case of the Queensland Government Insurance Fund and looked at the availability of reinsurance to cover major events. We sought reinsurance advice from our broking advisers and we did take that to the international insurance industry. But the costing of that and the risk provisions that they proposed did not represent value for money for the state in terms of the deductions for events and the exposures they were willing to cover. They did not, for example, cover natural disaster.

Mr Bradley stated that roads were not covered in other states’ insurance policies, and the fact that 80 per cent of the cost of this natural disaster is for road infrastructure, he believed, meant that:

… the availability and cost of seeking reinsurance for that infrastructure would be a major challenge. So even if the state government had taken out insurance, we would still be in the same situation we are in now. We would still be here in this chamber looking for funds to pay for the roads—vital infrastructure needed for Queenslanders to get to work and school and needed to help businesses to conduct their daily operations.

The Sydney Morning Herald reported on 22 February that Anna Bligh said the last time the state government looked into reinsurance was in 2004. The story stated it ‘was offered a policy of more than a couple of hundred million dollars that did not cover roads and was therefore not good value’. A couple of hundred million dollars seems like a lot of taxpayer funds to pay for a policy which did not insure for the cost of this natural disaster.

On 23 February, the Brisbane Times reported that a University of Queensland professor supported the state government’s view that insurance would be hard to obtain. Professor John Quiggan said:

It’s also going to be difficult to get agreed opinion on assessments of damage (after disasters) … It’s difficult enough for an individual … there would be much bigger difficulties for the state … There are few companies big enough and expert enough.

Professor Tim Robinson from the Queensland University of Technology said he could see problems with getting insurance. He said:

The risk with insuring in the private sector is … what’s to say an insurer wouldn’t go into liquidation and be unable to meet the claims the government was making?

Another heartbreaking tale I discovered while door-knocking in Brisbane and Longman was that some of those who were inundated by the floods were not covered by their insurance companies. Some policies covered clients for flash flooding from a storm but not flooding from a river. This is why it is important there is a standard definition for flood cover.

I am also fed up with the scaremongering the opposition are basing their arguments on. This levy will not stop people from donating or raising funds. Even as we speak, there are fundraising activities happening all over Queensland. On Sunday I attended the Family Fun Day fundraiser at the Caboolture Neighbourhood Centre. This Saturday I will be attending another fundraiser that the Ethnic Communities Council of Queensland is having for flood victims. We also had the fantastic fundraiser at Club Pine Rivers in January which raised more than $25,000 for the Premier’s disaster relief appeal. These
two events occurred even after the flood levy was announced.

I think the opposition has underestimated the compassion that Australians have for their fellow countrymen and women. Volunteers came out in masses to help fellow Queenslanders in the days after the floods. When the water levels had receded and people were able to gain access to their homes not only did they have to sort through belongings but also they were greeted with layers of mud. But because of the Australian spirit, strangers pitched in and helped those who had been affected. It is our nature. Everyone lends a helping hand, and that is exactly what the nature of this levy is. For less than the cost of a cup of coffee, we can help rebuild much-needed infrastructure which was destroyed in this natural disaster. In fact, the member for Blair said last week that more than 85 per cent of people will pay less than $5 a week and half of all taxpayers will not have to pay the levy at all.

In conclusion, I believe it is important that the opposition puts aside politics and votes for this important piece of legislation to allow Queenslanders and Victorians to get their lives back on track. In a plea from Queensland, Premier Anna Bligh said:
I think it would be a great pity if every Queensland Senator, regardless of their politics or their background didn’t support the flood levy ... Sometimes it’s important to put politics aside and put people first, and (I say to) Queensland Senators let’s put Queensland first.
I commend the bills to the Senate.

Senator WILLIAMS (New South Wales) (10.55 am)—I wish to contribute some of my thoughts to this debate on the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011. This is effectively another new tax. When I look back on the brief 2½ or so years I have been in this Senate chamber I have seen the alcopops tax and the car tax. We have the debate on the mining tax and also the tax that was never going to be under Prime Minister Gillard—the carbon tax is now well and truly on the agenda with the big announcement last week. In the photograph that accompanied the announcement were Greens leader, Bob Brown, and Greens deputy leader, Senator Milne, along with Rob Oakeshott, who will vote for the carbon tax tomorrow if he gets the opportunity, and Mr Combet and Mr Windsor. This is a tax that was never going to happen under a Gillard-led government, but that is now another reversal.

I want to highlight one simple fact. There are two sides to a budget: income and expenditure. The fact is that we live in a free enterprise economy and the more governments take out of the private sector the more they shrink the real money-earning sector of our nation, the private sector. That is what the government are doing. They have their hands in the pockets of business and workers all the time. They then wonder why business will not grow. Hang on—how can we have the money to grow when we have given it to the government? That is the bottom line of this issue.

As I have said, we have seen all the new and proposed taxes. I just want to take you back to those spending issues under the Rudd-Gillard government. The Building the Education Revolution program had a $1.7 billion blowout and up to $8 billion of waste. This levy—this tax—is set to raise $1.8 billion. It is there in the blowout of the Building the Education Revolution alone. There is a saying: save some money for a rainy day. That is what the government has not done. Unfortunately, we have had too many rainy days, especially in Queensland and Victoria, and hence the tremendous damage to business, infrastructure, houses et cetera.
We are looking for $1.8 billion here. The Home Insulation Program had $2.4 billion wasted and mismanaged. Of course, there was the five per cent increase in the Medicare levy for those earning between $50,000 and $100,000 a year and a one per cent increase for those earning above $100,000 a year. We have $2.4 billion wasted and mismanaged in the pink batts program. The laptops in schools program had a $1.2 billion blowout and less than half have been delivered. The solar homes program had $850 million in blowouts and the program was cancelled. And what a fiasco the Green Loans Program was! All of those people put in their own money to be trained to go out and assess homes to help them save electricity and the whole program collapsed. There was $300 million wasted on that program.

They spent $50 million advertising the stimulus package, they wasted $40 million on climate change advertising—with no action—and they employed 150 public servants to implement the emissions trading scheme that never was—$81.9 million wasted. There were 150 public servants employed to do nothing, yet the government bring this bill into the Senate looking for more money from the Australian people. Surely the thoughts of Australian people are justified when they say, ‘Hang on, government, how much have you wasted now?’

More was wasted on the UN Security Council bid—$35 million to advance the career of none other than Mr Rudd—and the 2020 summit that Mr Rudd held here soon after being elected into government was $2 million, for a great big talkfest. Then there are consultancies—$1.3 billion in contracts for consultancies—and now they are looking for $1.8 billion to give to the people affected by the floods. I support assistance for all those people who have been wiped out by the floods. I have been to the Mingoola-Tenterfield-Bonshaw area on the northern borders of New South Wales adjoining Queensland and I have seen the devastation for myself. I have seen the massive crop loss. I saw one farmer who had had 200 tonnes of pumpkins literally washed away. In fact the pumpkins were hanging off the centre pivot irrigators like Christmas decorations—a sad thing to see. There were 2,000-litre fuel tanks five metres up in the trees and hundreds and hundreds of kilometres of fencing simply destroyed. I have seen the damage and I know that the Minister for Agriculture, Fisheries and Forestry, Senator Ludwig, has also been there recently and seen it as well. We need to help these people get back on their feet—but another tax?

The point I make is that there are two sides to a budget. This government, and the Labor Party in general, have to learn about the expenditure side. All my life I have seen it—as soon as the Labor Party get into government and get control of the chequebook, what do they do? They send us broke. That is just common knowledge and it has been the common experience all of my life. I take you back to the late 80s and early 90s—whether it was Victoria, South Australia, Western Australia or Tasmania—when the so-called world’s greatest Treasurer, Paul Keating, was in this parliament sending us broke and once again calling for tax—more levies, more taxes, more money off the people. As I have said, we have already seen the taxes—the alcopops tax, the luxury car tax, the mining tax, the carbon tax and now the flood tax. It goes on and on. But the thing that annoys the Australian people most of all is when they see taxpayers’ money wasted. I have just highlighted many of those issues—billions and billions of dollars of wasted money that could have been saved for this rainy day. That money could have been available now, but instead it is a matter of: ‘Let’s get more off the Australian people.’
My colleague Senator Cormann raised issues about those who have been burnt out in Western Australia—are they going to be exempt from this levy? Who knows? We do not know if they will be. We know that those affected by the cyclone and the floods in Queensland certainly will be. If you had your power off for more than two days, you qualify for an exemption. I am sure Mr Warren Entsch, the MP up there in Cairns, qualifies; Senator Boswell probably qualifies; and I know my son David, with his wife Tammy and their little baby boy of just a few weeks—they had the power off for two and a half days—qualifies. They had no damage to the house—they might have lost a bit of food when the fridge went off—but they qualify. Who qualifies and who does not?

One of the big concerns I have is the volunteers who have helped to clean up this mess. I refer to the New South Wales State Emergency Services Volunteers Association. I received a letter from a friend, Charlie Moir, who says:

Volunteers of the State Emergency Service spend many hours training for and then performing their duties, which include flood and storm events. They give freely of their time to help their community’s respond to and then recover from natural disasters including the recent floods. They do this without seeking any remuneration for their time or efforts. If the Australian government were forced to provide a paid fulltime disaster commitment, it would certainly cost many hundreds of millions of dollars per year to staff. Volunteer emergency service workers thereby save the government and tax payers of Australia huge amounts in dollar terms every year.

So will those volunteers be exempt from this tax? If this tax is to go through the Senate—if Senator Xenophon is to capitulate and vote in favour of it—then I think they should be. These people should be exempt. If my son and members of parliament can be exempt because they had a couple of days with the electricity off at their residence, why cannot the volunteers who do so much work and training and put so much energy and effort into helping people recover from disasters be excluded as well?

If this levy goes through the Senate, I want to you to consider those who, during the next 12 months, may be retiring and claiming their superannuation. They will be on the one per cent. They will be paying, maybe, $6,000 or $7,000 if they take a lump sum payout. This is surely wrong and I would hope that, if this legislation does happen to go through the Senate, this is amended for a start. I oppose the levy as a whole because of the government waste and the increases in tax they have already inflicted on the Australian people but, if it were to pass, surely there would be some consideration for those who have worked all their life and saved their super in conjunction with their employers? Surely they will not be simply ripped off if they happen to retire in the next 12 months? Who knows? The government says the levy will be temporary, that it will be for 12 months. Who would trust them? Who would say it is only going to be for 12 months? It is like those famous words: ‘There will be no carbon tax under a Gillard-led government.’ Those famous words are now part of the propaganda history of our nation.

What about those people who have already donated? We know Australia is a generous country and a caring country. We know that more than $200 million was donated to and raised for the flood victims, especially for those in Queensland. We also know that, when the government announced this new levy, those donations dried up. People are saying: ‘Hang on, I volunteered my money. I have given generously and now the government is going to tax us more.’ That is what angers people. It is so annoying when people donate so much only to find the government hitting them with a double whammy.
There has been a lot said about the natural disasters in our country. For example, the Leader of the Greens, Senator Bob Brown, said on 16 January in Hobart—we are talking about climate change now:

It’s the single biggest cause—burning coal—for climate change and it must take its major share of responsibility for the weather events we are seeing unfolding now.

So it is coal-fired generators causing the floods. He was referring to the Brisbane floods. He also said:

There’s very little doubt that the burning of fossil fuels is responsible for the hottest oceans we’ve ever seen off Australia ...

Then we had Senator Milne, Deputy Leader of the Greens, on 1 February saying that Cyclone Yasi ‘is a tragedy of climate change’.

What about the cyclones that my leader Warren Truss was telling me about? Sixty or 70 years ago a cyclone hit Cooktown where some 400 people were injured or killed. What caused that? What about the floods of the late 1800s? We certainly did not have the level of burning of fossil fuels in those days but we still had the natural disasters. To somehow suggest that a carbon tax should be put on or that industry should be taxed because it is industry that causes the floods and the cyclones is simply outrageous, and history will prove that.

The Australian people are annoyed about the fact that they have donated generously with their money and their time and now are facing another levy. They are annoyed about the government increasing taxes here, there and everywhere and then wasting the money—and I have gone through the list of waste. They are annoyed that those volunteers, who do so much, who happen to earn more than $50,000 gross income a year will be hit again after they have given up their time and their energy and effort after all the training they have done.

The coalition has identified more than $2 billion in savings. As I said, I support every bit of help we can give these people to get back on their feet. Some houses were not insured for flood. We know that is a very controversial issue, and we have seen it over many years, right back to 7 February 1991 when my home town of Inverell was flooded out. The argument is that the water did not come through the roof but came up through the lower level of the floor; hence, it was not storm and tempest but flood. We have heard those arguments for many years. But the big issue here is more robbing of the private sector. The more the government takes off the people in a levy or a tax, the less disposable income they have to spend each week to stimulate their local businesses, especially the small businesses. This is about the government taking another grab and not about showing any proper fiscal constraint and responsibility, which is typical when Labor gets control of the chequebook. That is why I oppose this levy. The government needs to learn to control and manage money properly, not to waste it, be responsible with it and show proper respect to the Australian people.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (11.10 am)—The Australian Greens support the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011. In the work that was done by the government in arranging for more than $5 billion to go to relieving the suffering of people as a result of the extraordinary flood events that we have seen so far this summer, the Greens fed a series of proposals into how that money might best be found. Amongst the proposals that we accepted from government was this levy, which will raise $1.7 billion. It is notable that the levy will not be raised on people who have suf-
ffered as a result of the floods. It is very progressive in that it puts a 0.5 per cent impost on people who earn between $50,000 and $100,000 in the coming financial year. That increases for people earning more than $100,000 to an extra 0.5 per cent—that is, one per cent of their income over $100,000. It is very progressive and the majority of money here will be raised from high-income earners like us senators, who take home in excess of $100,000 per annum.

Senator Ian Macdonald—All leaders get a lot more.

Senator BOB BROWN—The very observant senator from Queensland notes that leaders get more money—I think he is referring to me. Unlike him, I support this legislation because I am very willing to contribute this part of my income to the victims of the floods whereas he is not, even though he is from Queensland and I am not. That is the difference between Senator Macdonald and me. That having been said, the Greens negotiated also to ensure that, as part of this prescription, $100 million would be returned to the Solar Flagships program in the forward estimates and a proper consultation then undertaken to develop long-term policy for large-scale solar power. In doing so, we have saved a possible cut in that important program. Many jobs, including in rural and regional Australia, will also be created by that program. We also secured the restoration of the National Rental Affordability Scheme, which aims to have 50,000 new homes provided in the out-years from 2014-15. We also secured—along with Independent members of these houses—ongoing commitments to provide the key functions of the Australian Learning and Teaching Council, including the provision of awards, citations for excellence in teaching and peer reviews and acknowledgment. It is a good outcome and the government has very wisely accommodated the views of Independents and Greens in coming to that outcome, though the matter is not finally settled. It is unfortunate that the intransigence and the unhelpfulness of the opposition, led by Mr Abbott, has taken the view that there should not be—

Senator Ian Macdonald—The government should pay as it has for every other cyclone and flood.

Senator BOB BROWN—We have just got it from the Queensland senator that the government should pay—which means in effect that taxpayers should generally pay anyway—and this levy, which is aimed at better off taxpayers, ought not be implemented. He is saying, in effect, that he wants to burden middle- and low-income earners with the payment of help—

Senator Ian Macdonald—That is an outright lie.

The ACTING DEPUTY PRESIDENT (Senator Boyce)—Senator Macdonald!

Senator BOB BROWN—He should withdraw that, Madam Acting Deputy President. But I am not responsible for him—the opposition is. You can see the sensitivity and the vulnerability of the opposition through these interjections. What he is saying is that the impost of helping people who have been through these awesome circumstances, including the loss of many lives, ought to be put onto the shoulders of middle- and low-income earners in Australia.

Senator Ian Macdonald—That’s an outright lie.

The ACTING DEPUTY PRESIDENT—Senator Macdonald, if you have a point of order you should raise it through the proper channels.

Senator BOB BROWN—What a poor performance from this Queensland senator in this important discussion. Senator Williams spoke of the concern he had about the comments I and my colleague Senator Milne,
who I am sure will speak on this matter, made about the predictions from scientists that we would see worse and more destructive flood events, as well as heat, bushfire and drought events, as a result of climate change. I do not subscribe to this new political correctness which comes from the opposition implying that one ought not to speak about the generator of climate change, which is the burning of fossil fuels. I have not subscribed to it, and nor will I, because I believe that the evidence is in and is compelling—the scientists tell us it is more than 90 per cent the case that human generated fossil fuel emissions into the atmosphere are causing increased temperatures around the globe, including in the ocean, and one of the outcomes of that is the warmest oceans around northern Australia in recorded history. With La Nina, this is leading to the greater likelihood of greater precipitation events just as we have seen recently.

Senator Williams—It was going to be all drought for years; it was never going to rain again.

Senator BOB BROWN—It maybe difficult for Senator Williams to get his mind around this, but the predictions have been around for decades that not only would there be greater droughts—

Senator Williams—You said it was never going to rain again.

Senator BOB BROWN—I never said it would never rain again. You have had your opportunity to speak and tell it as you see it. The fact is that scientists are predicting not only greater heat events but greater freezing events as well. It is hard for some people to get their minds around that. It is a challenge for all of us. I accept that these predictions are being borne out. What we have seen is the equal warmest year, globally, in recorded history, the hottest oceans of northern Australia in recorded history, some of the most devastating floods in recorded history and one of the most violent and destructive cyclones in recorded history. These fit into a pattern of prediction which has been developing in the scientific community.

The opposition says discussing this matter is out of place, yet it was okay for the Leader of the National Party to be condemning the failure to build more dams, which is a very political question, as early as 2 or 3 January and to be wading into the causative factors of the magnitude of floods. When it comes to talking about climate change, because of the vulnerability of the coal industry in particular, you must not talk about it. The opposition can play out their own fears and be self-censoring on this, but this is a matter for responsible and mature debate—and that debate will be had.

The Greens position is that the mining industry superprofits tax, as outlined by Treasury, ought to have been applied. We disagree with the government reducing that superprofits tax to the point where, according to evidence to Senate estimates last week, as much as $10 billion per annum will be lost to public expenditure. The opposition obviously thinks that the average taxpayer in Australia should make up the shortfall in funding for programs rather than the big iron ore and coal corporations—which by the way export a great deal of their profits overseas—paying to assist this nation to deal with its need for infrastructure and services in the future as well as the unforeseens, which I think are foreseens, although we cannot specify them, of the huge cost impacts of climate change. At the end of that spectrum we come to Sir Nicholas Stern’s projection that before the end of this century the impact of climate change on economies may be seen to be between five per cent and 20 per cent loss of gross national wealth, or productivity.
This will have a huge economic impact. The opposition may care to put its head in the coal pit on the matter, but the Greens will not, because it is responsible to be dealing now with this extraordinary projection of threat to the wellbeing of Australians and not leave it to our children or grandchildren to do that. Mr Abbott would not collect $1 from the miners through a reasonable tax on superprofits from the ore, which belongs to the Australian people. He would expect the Australian people to forgo the benefits of that arrangement, recommended by Treasury, which the Greens endorse. An amount of $148 billion over the coming 10 years may well be lost to Australians, to pay for such things as flood, cyclone, bushfire, hailstorm and sea level rise damage. That is the opposition’s choice, but it is not one that the Greens will subscribe to. We believe that the polluters should pay and we believe that those who cause the damage, with eyes wide open, should pay. We have known about this for decades. Indeed, I saw former Senator Richardson saying, quite rightly, on Q&A the other night that he first brought a bill on climate change before cabinet in 1988. Everybody has their eyes open on this issue and it is not responsible for us to say that, because the coal industry has not made provision for the damage it will do to the rest of society anymore than the tobacco industry did, it should now escape a reasonable tax which may help the country to adjust to the impact of climate change. That is not responsible.

Yesterday we saw Mr Abbott at a petrol station, talking about how he is going to create a popular revolt against the potential for fossil fuel emissions to impact on the economy, suggesting that it be ignored. That is basically what he is about: take no action. But what it is really about is Mr Abbott saying about the causers, the big polluters: ‘I am going to let them off the hook. Neither will we have a mining tax, to reasonably share with the Australian people the extraordinary profits they’re getting’—and I think they export 70 per cent of their profits overseas—‘nor will we ask them to be responsible for their part and pay a fair share for the damage as a result of climate change enhanced destructive weather events in Australia.’ Mr Abbott can shield the big coal corporations against the interests of the average Australian, low-income and middle-income earners in particular, but the Greens do not agree with that. This will be part of the debate about economic responsibility over the next century.

Senator Ian Macdonald—Mr Deputy Speaker, I raise a point of order on relevance. I have been listening to Senator Brown for the last 10 minutes and he has been talking about a carbon tax. Could you draw his attention to the fact that this bill that we are debating is about a flood levy and a flood tax. Whilst I appreciate that we allow a lot of latitude in these things, we are interested in Senator Brown’s views on a flood tax and on why he is supporting the Labor government on yet another new tax, rather than talking about some tax which has not yet been introduced.

The ACTING DEPUTY PRESIDENT (Senator Boyce)—Thank you, Senator Macdonald. That is not a point of order.

Senator BOB BROWN—A very wise ruling, Acting Deputy President. That is an example of Senator Macdonald’s inability to know, after many years, the rules of the Senate and about proper debate. Of course, what he does not like to hear is my contention that if we had a proper superprofits tax on the coal industry and other miners who are digging up the ores, which belong to the Australian people, we may not even have to be debating a levy here today. But that is the way it goes. Poor Senator Macdonald, who is not standing up for his Queensland constituency
in this debate, can argue his own case. I do not accept it. I endorse this levy, which not only has the government put to the Australian people but the polls show the majority of the Australian people support. I look forward to it passing the Senate.

Senator PRATT (Western Australia) (11.27 am)—We have faced an unimaginable beginning to 2011, with incredible natural disasters taking place around Australia. My home state of Western Australia has not been immune. We saw devastating floods in the Gascoyne region, in December, and severe thunderstorms around various parts of Western Australia, including flooding, and widespread destructive bushfires in Perth’s eastern region. We also watched with grave concern as cyclones circled our coast, near Perth, in the Kimberley, near Karratha and in the Pilbara.

Having seen the tragic loss of life in Queensland I am, at least, thankful that at home in WA we had no fatalities. It was an incredible experience to visit the city of Armadale and speak to those who lost their homes during the fires. It reminded me of what those in Queensland must have gone through. It was incredible to see how quickly those fires—like floods—moved, even on a hot, windy day, swallowing suburban houses on the fringe of bushland in their path. Communities in Queensland have had similar experiences with floods. The spread of fire was rapid and stunning and it is confronting to acknowledge, particularly looking at Queensland, how it could have been so much worse. It is a reminder to all Western Australians to be fire-ready at home, especially those who live near bushland. As someone who grew up in Perth’s hills, I know firsthand that the enjoyment of our local environment’s beauty must be tempered with caution for what nature dishes out.

We know that the Gillard government moved quickly to support storm, flood and bushfire relief for disaster victims right around the country. It is notable that in Western Australia, as in Queensland, in Victoria and in Tasmania, the response to these disasters has been funded by both the Commonwealth and the state governments. The funding has been a part of what is called the natural disaster relief and recovery arrangements, which have been co-funded by state and federal governments on a fifty-fifty basis—a partnership for the relief of our communities—and has included emergency relief for people who have lost their homes, assistance for lost and damaged small businesses and reconstruction funds for community infrastructure. I remember speaking to George, who was washed out in his caravan park in Carnarvon, about the roll out of the $1,000 relief payment. He was very pleased about that payment, and my office was very pleased to assist him in accessing both that funding and relief funding under the NDRRA.

Having seen the devastating impact of storms, floods and fire in WA, I have thought long and hard about the national flood levy. I have concluded that, should Western Australia face widespread devastation like that experienced in Queensland, I would want—and in fact we would need—our nation to lend a hand to help us get back on our feet. It is in our national interest for us to help Queensland get back on its feet. As a strong and prosperous state, Queensland needs a helping hand so it can get back on track; for its people and its economy to flounder on their own would ultimately be a great drain on our nation. Queensland needs to be supported to get back on its feet generating wealth and prosperity for its own people and for the nation. It needs money to rebuild its ports, rail, public facilities and roads. That is a tall order and a significant call on Commonwealth fi-
nances. We know the bill will be in the order of $5.6 billion. Significant and critical infrastructure projects must be funded—things like the Bruce Highway between Brisbane and Cairns, the Warrego Highway around Ipswich, the Capricorn Highway around Rockhampton and the Calder and Sturt highways in Victoria.

The coalition leaves us with no plan to address the catastrophes that have befallen our nation’s communities and those critical pieces of economic infrastructure. On the other hand, the measures in the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011, which we have before us, are a balanced package. The package involves the cutting of some spending programs, the deferring of some other pieces of new infrastructure and the applying of a one-off, 12-month, temporary levy for those earning more than $50,000 a year. The levy is critical in fixing essential and vital infrastructure, infrastructure that those opposite have no plan for, because they do not want to introduce a flood levy. They have no plan for this essential infrastructure—for roads, for bridges, for ports or for railways. What would the nation do without a plan for fixing infrastructure? And the plan has a bill that will run into billions of dollars. We must have a flood levy to support the massive rebuilding effort and to help communities that have been torn apart on such a widespread scale get back on their feet. As I said, it is going to cost billions; it is estimated that the government will need to spend about $5.6 billion to rebuild the devastated communities, particularly those in Queensland. It is completely unrealistic to expect the people of Queensland and their government to do that alone. No state should have to face a disaster like this alone.

The federal government will need to meet approximately two-thirds of the costs by identifying budget savings, which is a very difficult task. The remaining funds required for the rebuild will be met through what I think is quite a modest temporary levy, considering the circumstances. The levy will not apply to people who have been victims of the recent floods, the recent bushfires in my home state of WA or cyclones. In fact, people in disaster affected areas who meet the criteria for the Australian government’s disaster recovery payment this year will be exempt from the levy.

Those opposite have no plan to address the crisis that this nation has faced this summer—no plan at all. They are simply trying to score political points, despite the fact that there are so many communities that so desperately need help to rebuild. Time and time again those opposite prove themselves narrow minded and visionless when it comes to the great questions facing this nation. As I said before, this is a temporary levy that will assist the costs of rebuilding vital infrastructure. It is for 2011-12 only, for floods that tore apart people’s lives, homes, businesses, roads, community buildings and vital infrastructure—things that were destroyed during the devastating floods.

I am pleased that the levy recognises the capacity to pay. It has been designed so that low-income earners do not pay anything. Higher income earners will need to pay a bit more. The levy will apply at 0.5 per cent of taxable income in excess of $50,000 and at one per cent of taxable income in excess of $100,000, and no levy is payable where a person has an income of $50,000 or less. As the Prime Minister said:

This is not just a routine piece of legislation, not just a package of measures to restore bridges and roads, but an expression of goodwill between Australians.

It’s an act of faith in the future, a way of honouring the dignity and resilience that Australians have shown throughout this ordeal.
I endorse those remarks and, in doing so, I would like to call on my Western Australian colleagues from all political parties to support this bill and this levy. Western Australia is not immune from the catastrophic potential of floods, cyclones or bushfires. We have had our own experience of this at home with the Gascoyne floods, the destructive southwest bushfires and what was, I think, a lucky escape from Cyclone Bianca. If the unthinkable were to happen in Western Australia, on the scale of the destruction in Queensland, we would need to be confident that the federal government had the capacity to help our communities rebuild. We can see how important this is, as the people of the Gascoyne region and in places like the shire of Armadale come to grips with the devastation and rebuild. Support for this levy is not just in the national interest; it is firmly in Western Australia's interest. It is time for WA's Liberals to stand up for what is clearly in both national and state interests and support this levy.

Senator MILNE (Tasmania) (11.38 am)—I rise today to support the flood levy. I want to talk about the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011 in the context of the circumstances in which we find ourselves. The government announced the levy as a one-off levy in order to restore so much of the infrastructure damaged throughout Australia but particularly in Queensland, New South Wales as a result of extreme weather events—in this case, massive flooding and cyclone damage. The problem I have is that it is being described as a one-off event. What that fails to recognise is that we are living in a world which is warming. We have just lived through the warmest decade ever. We have seen record sea surface temperatures off Northern Australia and, on top of that, a La Nina event. Together, they have meant warmer atmosphere absorbing more moisture and, therefore, heavier rain events.

A recent paper by Professor David Karoly on cyclones says that the result of global warming is that you get the added intensity. What might have been previously a category 3 cyclone will become a category 5 cyclone or thereabouts because of climate change. His paper also shows, and I think this is particularly pertinent, that the genesis—that is, where these cyclones actually begin or form—has moved two degrees latitude further south. So we are now finding that these cyclones are capable of being generated further south and, with the warmer ocean temperatures, these cyclones will hit the Australian coast possibly as far as two degrees further south than they have ever hit before. This means that in some parts of Queensland and northern New South Wales, people will have brace themselves for events that they have not been prepared for previously.

If we look at this in the context of where we have been, even in the last five years in Australia, we had the most appalling and horrendous fires in Victoria. As Matthew England, a leading Australian scientist, said:

The bushfires in Victoria were another good example of where the temperatures weren't just broken by a little bit ... they were smashed. And when you see that, you've either got a freakish weather event well above the average or there's a climate change signal to that.

I do not think there is any doubt that the intensity of those fires in Victoria was a result of years of intense drought, leading that event to be as bad as it was. At the same time as the fires, we had record high temperatures. A large number of people died from the heatwave in South Australia and Victoria, because the elderly, the sick and the young in particular are the most vulnerable to those extreme weather events. When we get an extreme heatwave like that, people often
cannot afford air conditioning and then we get a resultant tragic death toll. We have had a decade of drought in the Murray-Darling which was far more intense than anything we have experienced before and now we have had these absolutely intense flooding events in Queensland, New South Wales, Victoria, Tasmania and fires in Western Australia.

You cannot say that restoring infrastructure is a one-off if that is the pattern. It is going to be the pattern in Australia because that is what is happening with less than one degree of warming locked in. What we are trying to do is constrain global temperature to less than two degrees and to do that we have to take action to reduce our greenhouse gas emissions. Also we have to recognise that, with that amount of heat locked in, we are going to experience extreme weather events, which means we need a long-term plan, not just a one-off.

I am supporting this levy but I am also supporting the idea that we need to have a national discussion about how we are going to do this. What is going to be the responsibility of the Commonwealth? What is going to be the responsibility of the states in terms of how they insure themselves and also prepare themselves for these events? But it also means that some responsibility has to be taken to run the three-dimensional mapping over the coastline, to show that to local government and to say: ‘Right. It’s now up to you to change your planning schemes to make sure that the buildings you are allowing to be built actually conform to the highest standards where there is an increasing threat of cyclone intensity.’ It also means that, where people have been given planning permission to build before on flood plains, that is re-examined in the light of what we have experienced. Further, it means that when state and federal governments plan infrastructure, whether it is roads, railways, sewerage works, waterworks or port facilities, they are built taking into account the risk of sea level rise, storm surge and intensity of weather events so that we are building with the recognition of what we have already locked in and the risk associated with what is coming in the future.

The Greens went into this negotiation on the flood levy saying it is really important that we do what we can to help restore the infrastructure in Queensland, but it is equally important that in the future we have a plan that looks at adaptation and a plan that looks at prevention. That is why, unfortunately, Senator Macdonald does not seem to get the connection between prevention and cure. At the moment we are dealing with cure and we are recognising that this was a terrible tragedy in terms of human lives, property infrastructure damage and crop losses. There are just so many aspects to it which have been heartbreaking, but that is curative. We are trying to restore what has happened, but we equally have to prevent it getting worse and, hence, we are moving on all fronts to try to reduce the risk associated with climate change.

In terms of what we were able to negotiate, the Greens recognise that a number of the programs that the government chose to axe as a result of trying to find the money for this package did not have a great deal of merit in reducing greenhouse gas emissions, but one that is really critical is the Solar Flagships program. We need to make sure that, in moving to the low-carbon future, we have large-scale renewable energy facilities built and online. If you are going to move from a coal-fired economy to a low-carbon economy, you need to get those renewables built in a fast time frame and the Solar Flagships program is essential to do that. I am very pleased that, in the course of these negotiations, the Greens were able to get the Solar Flagships program back on track. We managed to get $60 million and an additional
$40 million back into the program, but we also got—which is incredibly important—agreement to a roundtable with the government and industry representatives to look at the rules that currently govern the Solar Flagships program.

Industry has been saying for a long time that the problem with the program is that the rules are written in such a way that they do not really do what industry needs the program to do. Industry does not want huge large-scale facilities funded on a one-dollar-for-two-dollar basis because investors will not go from a laboratory situation to a large-scale facility. What investors want to see is something on a small scale working, and if they see that working then they will invest to scale it up. By building a smaller scale facility, you learn better what works most efficiently and then you can scale it up. So I am hoping that, as a result of that roundtable, we will have rules written for the second phase of the Solar Flagships program that will make sure that the renewable energy industry gets the kind of government support targeted at what it needs.

I am appreciative of the fact that the government has agreed that a feed-in tariff can be on the agenda for discussion. That does not imply that anyone is accepting that idea at this point. The Greens have been arguing for a long time that what we need in Australia is a national gross feed-in tariff in order to bring on those large-scale renewables such as solar thermal and geothermal, for example, because we know that any carbon price is not going to be high enough of itself and the renewable energy target is not going to be designed in such a way as to bring on those technologies that are more expensive at the moment. So I am grateful for the opportunity to be able to sit around a table and talk about what might be possible in the future and at least getting that kind of discussion started is the beginning, hopefully, of a serious policy outcome.

On the National Rental Affordability Scheme, again the Greens have recognised that it made no sense to get rid of a scheme which is assisting people with cost-of-living pressures in the rental market. When you consider how much infrastructure and how many housing areas were devastated in Queensland by both flooding and the cyclone, it is incredibly important that the National Rental Affordability Scheme stays, as well as the ongoing commitment to the Australian Learning and Teaching Council. We have managed to have a good discussion with the government about not only making sure that the cuts proposed in the budget do not take out programs which are very important in the current context but also supporting the government’s very keen commitment to see the infrastructure rebuild that is so necessary after these devastating events.

The coalition’s position on this is, in my view, inexcusable. They say that they think the government should pay the full cost of the reconstruction. When they say the government should pay the full cost, they mean all taxpayers should pay the full cost—that is, everybody who pays taxes, from the lowest income earners who go across a tax threshold right up to the highest income earners. How would they pay? Because you take all that money out of the budget, which means you cut programs. So you would be asking all Australians to lose services—and often those services are the critical services to the low-income earners across the country—in order to refund Queensland.

The way this is being done now is to say, ‘Let’s target this at the people who can better afford to pay.’ It is a very progressive levy. I think that is an appropriate way to go. Having said that, however, what are we going to do next summer and what are we going to do
the summer after that? How are we going to prepare ourselves for the reality that is climate change? How are we going to get people to actually sit down and look at those maps of where the extended coverage of a cyclone belt will be and at sea level rise and storm surge around the Australian coast? How are we going to get state and local and federal governments working much better together to plan schemes?

Mr Windsor, the Independent in the lower house, is talking about a long-term levy, which is exactly where the Greens are coming from, and if not a levy then a long-term plan of some kind for disaster. Senator Xenophon has been talking about insurance, and I have some sympathy with that. I have a motion on the books today saying, ‘If we have a situation where the Commonwealth pays two-thirds and the states pay one-third, what about the fact that some states don’t pay insurance and therefore have nothing and there’s a bigger bill to pay?’ They can say, ‘We actually won’t worry about it because the Commonwealth will come in and help us.’ Surely we need to have a national commitment from the states either that they reinsure or that they have some capacity to meet the inevitable consequences of disaster in the future so that the Commonwealth is not effectively coming in to rescue poor state government management. I have a lot of sympathy with looking at that big picture insurance question as well.

In my view, what this comes down to is calculating the risk. To me, from the science, the risk is so obvious. As Professor Karoly said, there is a potential for tropical cyclones to develop during the next 50-year period that are more intense than reported hitherto in the Southwest Pacific Basin, including supercyclones with central pressures below 900 hectopascals. An increase can be expected in the number of strong tropical cyclones impacting the Australian coastline. Some of these cyclones are likely to produce damaging winds, extreme flooding and destructive storm surges. Tropical cyclone formation and impacts in the Queensland region should slowly extend further southwards, as in towards the poles, with increasing numbers and severity of impacts over South-East Queensland and the New South Wales northern coast.

When you get leading scientists telling you that, you cannot say ‘one-off’. You cannot say, ‘We are not going to deal with climate change,’ because, if you are ignoring these risks, you are exposing hundreds of thousands of Australians in the future to exactly the same consequences that occurred in Queensland this year. What sort of irresponsible legislators would we be to say that we are going to ignore what the overwhelming body of science says and just say, ‘She’ll be right, mate; it’s not happening’? In my view, ‘She’ll be right, mate; it’s not happening. We don’t have to deal with it. Let the government pay. Just take it out of the taxes and we’ll just get on with it,’ is totally irresponsible. It shows no leadership whatsoever. In fact it is cowardly, popularist and expedient, and it does not take this country forward.

I want to see some real leadership in this parliament. I want to see the damage from this last summer rebuilt, but I want to see Queensland, New South Wales and other flood damaged areas around the country rebuilt with future risk in mind so that we do not make the same mistakes over again. People living in areas that are vulnerable should be made aware of the risk so that they can make the choices for themselves, their families, the way they look after their properties, where they buy, how they live and what they think, and local government can have no excuse for building their infrastructure right on the coastline. In rebuilding these bridges that go down and railways and so on, we have to look at how we take these risks into account.
I commend the government for facing up to the cost and for recognising that the cost should be borne not by everybody equally but by those who have the greatest ability to pay. But I would urge the government to think again about calling it a one-off. Let us recognise that we are in a warming world. We are in a world where we have less than one degree locked in and are on track to go beyond two degrees, at the current trajectory, with the misery that will come with it. So I want to see us dealing not only with the curative after-effects of extreme weather events. I want us to have the courage to face facts and to work to see what we can do to prevent these extreme weather events in the future.

Senator CASH (Western Australia) (11.57 am)—I rise to speak on the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011. In considering the underlying public policy behind these two bills I think it is useful to recognise that there was a series of natural disasters that have caused havoc to the majority of Australian states, particularly in the last three months. In December 2010, the Carnarvon area in Western Australia and areas across New South Wales suffered major damage from flooding. During late 2010 and early January 2011, Queensland suffered major flooding that caused so much havoc that nearly three-quarters of the state was declared a natural disaster area. During January, parts of Victoria were subjected to major flooding and, in my home state of Western Australia, the Carnarvon region was again hit by severe flooding, which compounded the damage caused by the floods a month earlier.

Early last month, Cyclone Yasi devastated much of North Queensland, inflicting major damage to houses, public and private infrastructure and crops. Then, in mid-February, destructive winds from tropical Cyclone Carlos inflicted damage on Darwin and then proceeded down the west coast to lash Onslow, Exmouth and other areas down to Coral Bay. Then, in late-February, part of the Kelmcott and Roleystone residential areas, located about 30 kilometres east of Perth, lost 72 homes to a raging bushfire, with at least 30 more homes suffering damage. The damage was so significant that Premier Colin Barnett declared the area a disaster zone.

I provide this context of the damage caused by natural disasters in Australia over the past few months to illustrate that the damage was not confined to the east coast of Australia; there was major damage and financial loss in other parts of the continent—in particular, in Western Australia. There is no doubt that we as a nation have suffered severe economic loss and social upheaval as a consequence of the natural disasters. Current estimates put the cost of the damage suffered at around $5.6 billion; however, I think the actual cost will exceed this by several hundred million and may well reach $8 billion. There is no doubt that we have to offer major support to those who have been affected, and in many cases devastated, by these disasters and that the burden of the support must come from a national level.

In that regard, there are three main options to raise the required funding: raise taxes, temporarily increase the fiscal deficit or cut government spending. In political terms you can actually divide these three options into the categories of easy, less easy and downright lazy. Clearly, raising taxes or a temporarily increasing the fiscal deficit are the easy options. But I hasten to highlight that a government that takes these options is also taking the incredibly lazy option. Cutting government expenditure is the most economically responsible option, and that may well be why those opposite did not take that as the option of first choice—because that option requires a commitment to fiscal responsibil-
ity, political determination and skilled management of the economy, something that we know those on the other side are completely incapable of.

The bills that are before us today are not matters of good public policy; they are not bills that will better the nation. What we are debating here today are bills that are necessary for one reason and one reason only: the Gillard government’s first and only instinct when it comes to solving problems is to create a new tax. The imposition of this tax is one of political choice, not economic necessity. And the Prime Minister’s record to date in this regard is proof that, when it comes to making national economic decisions, the Gillard Labor government will always take the cheap political decision, to try and curry favour with its supporters, rather than take long-term economic decisions that are in the interests of this nation. Australians understand—they understand very well—that Prime Minister Gillard, consistent with left-wing ideology, has never seen a tax she does not like and has never seen a tax that, if it is in existence, she will not hike; such is the level of economic incompetence that engulfs the current Labor government.

This new flood tax may well go down in history as Labor’s laziest response to meeting the unanticipated costs associated with the repair and reconstruction of damaged public infrastructure. Labor’s default position is always to take the easy or lazy way out by failing to address its fiscal ineptitude and economic mismanagement. Labor has made a very deliberate choice to slug the mums and dads of Australia, because Gillard Labor, just like the Rudd Labor government, is addicted to increasing taxation. Why does it need to do this? Because it needs to satiate its appetite for its high-spending practices and its economic incompetence.

The inescapable reality in the debate before us is that, had there not been such a significant waste of taxpayers’ money on a number of the government’s poor-spending projects—and we can list them: the computers in schools program, the disastrous school halls program, the pink batts disaster, the Green Loans disasters, and the list goes on and on—we would actually not be standing here today; there would not be any need for the Labor government to bring these bills before the parliament. The entire budgeted revenue from this new flood tax is less than what has been wasted in the government’s Building the Education Revolution initiative alone. Think about that: had the government not wasted what is estimated to be $2.6 billion on its Building the Education Revolution program, there would be no need whatsoever to slug the mums and dads of Australia with this new tax.

The Prime Minister, in her second reading speech on this legislation, said:

I always expected Australians to ask all the hard questions about why they are being requested to step up and pay more. But at the same time, I always believed our community would understand that additional contributions are required to meet real additional needs.

Only a Prime Minister who is completely, totally and utterly out of her depth would seek to exploit people’s generosity to flood victims in an attempt to win acceptance for what is just yet another Labor Party tax. We all remember that, prior to the imposition of this flood tax, the Prime Minister called on Australians to donate their time, to donate their money, to help those who had been affected by the natural disasters—and, in typical Australian style, they did. We all saw it on the TV. With instantaneous communications it was beamed into our homes each night. Australians whose property was not directly affected by the cyclone or floods were moved to go out and help their fellow
Australians. I remember the images and the efforts of these absolutely fantastic volunteers, who were often seen waist-deep in water and covered in mud, helping out those who had suffered so much loss as a consequence of the natural disasters. This really typified what Australian mateship was all about.

But what these volunteers did not know when they were called upon by the Prime Minister of Australia to donate their time and to so generously donate their money was that she would then slug those same generous people with this flood tax. That is exactly what the Gillard Labor government have done. That is their way of saying 'thankyou' to the people of Australia: slug them with a tax.

Australians are entitled to feel betrayed and duped by Prime Minister Gillard. The Prime Minister promised Australians—as she has done time and time again—that this year would be a year of delivery. But what the Prime Minister forgot to tell the people of Australia is that the year of delivery will come at their financial expense. Ms Gillard pitches this new tax as a mateship tax. But what the Prime Minister forgets is that mateship is all about helping people; it is not about taxing them. The Prime Minister and the Labor Party treat the people of Australia as if they are a never-ending pot of money in which the Labor Party can put their grubby little hands to take out money and spend and waste it with no form of accountability whatsoever. They forget that governments do not spend their own money; they spend taxpayers' money. Taxpayers are entitled to demand that government will spend their money wisely. In doing so, a government’s first option should never, ever be to tax them. Its first option should always be to cut back on additional spending when additional funds need to be found for disasters such as these ones.

In her second reading speech, the Prime Minister also said that this was a one-off, temporary levy and when the clock hits midnight on 30 June 2012 the levy will end—the bill ensures it. I can only assume by that statement that the Prime Minister is living in a self-delusional reality, because there is going to be nothing temporary about this legislation. The pain that is going to be felt by the mums and dads of Australia as a result of Labor’s economic incompetence will well and truly be felt after the clock hits midnight on 30 June 2012. Why? Because the people of Australia know that this tax is but one of a suite of taxes that the Prime Minister of Australia has pledged to slug the Australian people with during her time in office.

Has the Prime Minister of Australia already forgotten her recent announcement regarding her conviction to slug the mums and dads with a carbon tax—an announcement that is a complete, total and utter betrayal of the Australian people? We all remember prior to the 2010 election the Prime Minister making the solemn commitment to the Australian people: ‘There will be no carbon tax under a government I lead.’ She also said, ‘I rule out a carbon tax.’ Then, having categorically ruled out the carbon tax before the election, she has categorically ruled it in after the election. When the Prime Minister says, in relation to the flood levy, that it is a one-off, temporary levy and that when the clock hits midnight on 30 June 2012 the levy will end, she conveniently forgets the ongoing pain that is going to be felt by the mums and dads of Australia as a result of her betrayal when it comes to implementing the carbon tax that she said prior to the election her government would never, ever implement.

The price of this betrayal will be paid by the mums and dads of Australia, long after the flood levy has ceased, every time they pay their electricity bill. It is estimated that
the carbon tax will add $300 a year to the average family’s power bill. It will also add 6.5c to the price of a litre of petrol. So, long after the clock has ticked over on 30 June 2012, every time you flick on your electricity you will pay Labor’s carbon tax. Every time you put petrol into your car at the bowser you will be paying Labor’s carbon tax.

Long after the flood levy ceases on 30 June 2012, there is another tax that Australians will be feeling the pain of, and that is the minerals resource rent tax. Again, it is nothing more and nothing less than a sham. This is a bad tax that will have a destructive impact on our mining industry and our energy sector. Again, is it good public policy? No, because this tax, like the carbon tax and the flood tax, exists for one reason and one reason alone: to bail the Labor government out of a financial black hole. It seems that the only plan of this Labor government is to continue in the high-taxing, high-spending style of previous Labor governments.

I say to the people of Australia: if you think that it is bad now, just wait until 1 July, when the Greens take control of the Senate. What other taxes will the Labor government impose on the people of Australia? Will we have an inheritance tax? Should Australians pay death duties? That is a favourite of Senator Bob Brown. Should high-income-earning Australians be slugged with a special tax surcharge without there being a definition of what a high-income earner is? Nothing can be ruled out under this Labor government and everything must be ruled in.

Some time ago, the Prime Minister claimed that this new tax would not be imposed on those affected by the floods. But, as usual, in making this statement there was a broad and sweeping claim made to try and curry political favour with those affected. It was a broad statement with no specifics about who would be exempted. If you go to clause 4-10 of the bill, which deals with the temporary flood reconstruction levy, there is an interesting provision. It gives the relevant minister the discretion to determine if a person is to be regarded as a member of a class of individuals who will be exempted from this tax. There will be many people who have been affected by our recent natural disaster who would be very concerned about the political implications of this discretion and the fact that any decisions are going to be made on the basis of an undrafted legislative instrument which gives the government power to do something or to not do something.

I am also very concerned that there is no guarantee in this legislation that people outside the flood and cyclone damaged areas of Queensland will benefit from the funds that are being raised by this tax. Where is the statutory guarantee that people in Carnarvon in Western Australia or the people in Victoria who have lost their homes and life savings as a consequence of the floods and the bushfires will be recipients of this tax?

The coalition, despite the protestations of those on the other side, has set out an economically responsible way to find the $1.8 billion for the reconstruction. There is plenty of scope in the budget to cut, reprioritise and defer spending in order to find the $1.8 billion that the government plans to raise through this new tax. This is a fundamentally unfair tax. It is wrong in principle. It is bad public policy. The legislation should be opposed.

Senator MOORE (Queensland) (12.17 pm)—The Senate today is addressing two pieces of law, the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011. These bills will put taxes into the Australian system. That is not an unusual thing
in this place. If you go back over the history of the Senate, many debates have taken place on tax proposals raised on all sides of the chamber and whether they would be good for the Australian nation. Nobody yet in the history of the Australian Constitution—and I have not checked every debate—has put forward a tax and said, ‘I want to harm the Australian economy and I want to harm Australian citizens.’

The three elements that I want to talk about today are three things that should be discussed and debated when any tax or levy or any other proposal is put before this chamber. One is the clarity of the arrangements, with the questions of why there is a need and how it is going to happen answered. The second thing is confidence. The community need to be confident that there are processes in place to ensure that the money being raised will be effectively allocated and that there will be reviews into how things are occurring. The last thing, and something which applies particularly to this discussion, is the issue of compassion. The particular payment that is being put before the Senate today is very strongly linked to a need. Governments and communities need to work together and take a compassionate view to ensure that people have fair assessments and a fair response.

From some of the more enthusiastic contributions that we have heard so far in the debate, you might have thought that talking about a tax in this place is unusual. In fact, when I had a look at it, I found that we have spent many exciting hours in this chamber debating whether a tax is a levy or a levy is a tax and how it would operate. I refer anyone interested in those debates to Hansard. You can go back through Hansard and see how much true enjoyment there is in working out a definition in that way.

There has been a request for us to agree to impose a tax for a particular period of time—one financial year. The terms of that tax have been clearly spelt out in the legislation—who will be impacted, how much will be raised and what its impact will be. There is no debate about the way that it will operate. Other senators have looked at the process in great detail. For people who earn less than $50,000 a year, there will not be any payment required. People earning between $50,000 and $100,000 a year will pay 0.5 per cent. People earning over $100,000 will pay one per cent. All of that is clear. People can talk with whomsoever they choose to work out exactly what that will be on a weekly, fortnightly, monthly or annual basis. It will be collected through the tax office, as indeed all other taxes and levies are collected. It is also clear that people who have received a Commonwealth payment because of various disasters will not be subject to this tax.

There will be questions about whether that is appropriate and fair. There have been questions raised in this place and in the wider community about the methodology for allocating the Commonwealth payments. As we have said in this place before, there were no changes to the way that Commonwealth payments were allocated during the recent disasters in Australia. It was done in the way that it has been done in previous times. However, there are always questions about whether everybody who claims should receive the payment or not. There is again clarity here, though. People’s claims are investigated. The government has stated that there will be reviews under this Commonwealth process. People who are found to have defrauded the system will be prosecuted—clarity. We believe that people who make claims are doing so in good faith. They tell us their situation and then they receive a payment. Under the proposal before us to-
day, those people will not be affected by the
two tax bills that we are talking about.

So we have clarity about who will be able
to make claims and who will have the tax put
on them, we will be able to clearly work out
how much people will have to pay individu-
ally and there will be an understanding of the
reason this particular tax has been imposed.
As a Queensland senator, I am very clear
about the need for this particular tax. In the
three months that have just passed there has
been enormous destruction in Queensland.
People are still assessing the impact of both
the flooding and the cyclone across Queen-
sland. As at the end of this month we have
identified 68 of our local government areas
that have been affected by either the floods
or the cyclone. Applications for emergent
assistance grants from the Queensland gov-
ernment have totalled 39,279 for the floods
and 11,390 for Cyclone Yasi; for essential
household contents grants, 8,451 for the
floods and 2,807 for Yasi; and for the essen-
tial services safety and reconnection
scheme—another state based program for
supporting people at this time—116 for the
floods and three for Yasi. As at the end of
February, 376,172 claims have been made
for the Australian government disaster re-
covery payment. For the disaster income
recovery subsidy, 50, 408 claims have been
made. Ex gratia claims for payments to New
Zealanders who have been caught up in the
disasters total 341.

Behind every one of those claims a need
has been identified—some immediate impact
on individuals, families or businesses as a
result of the recent floods and cyclone. There
is no need for debate over the size of the
need. It is clear that there is a massive re-
quirement for rebuilding and recovery across
Queensland—or, I should say, most of
Queensland. It is very difficult to draw lines,
but I do not think there are many families
across the state who have not been impacted
in one way or another. It is essential that
there be clarity about how the program will
operate so that people will have a sense of
security that their governments, at all levels,
are responding to the need that has been
identified.

The program that the federal government
has proposed is, again, very clear: $1.8 bil-
ion of the response will come through the
taxation legislation; $2.8 billion will come
from identified spending cuts, which have
been made public; and about $1 billion will
come from delaying programs, all of which
has also been made openly available to the
public. Again, it is clear that the levy is but
one aspect of the response. There cannot be a
single way of responding to the range of
needs that have come forward, but one ele-
ment that the government has put forward is
the legislation we are debating today.

It is so important that the way the re-
response will operate is made absolutely clear
to the community, to the people involved in
providing services and to governments at the
federal, state and local level. Clarity must be
ensured. The next aspect is confidence. The
community and governments need to be con-
fident that the federal government is working
effectively and cooperatively with the other
levels of government and that there will be a
process for ensuring that when claims are
received they will be reviewed very quickly
and that the best method for spending the
money will be ensured. There must be confi-
dence in the various programs that have been
put in place, including that which Mr Fahey
heads up—which we have talked about in
this place a number of times—as well as
programs at the Queensland state level.
These disaster response arrangements have
been put in place to ensure that the commu-
nity can have confidence that their govern-
ments are responding, that their governments
are working cooperatively and that there is
an understanding of what the needs are and how the response will operate.

It is therefore particularly timely to talk about the announcement made yesterday at three levels of government in Queensland about support for local government. There has been a range of discussion over the past couple of months about the way the arrangements for disaster relief between federal, state and local governments will operate. There has always been the understanding that the federal responsibility would be about 75 per cent, but there has been ongoing discussion at the local government level about which of their services would receive federal money and what they would be responsible for themselves. These discussions have been very, very detailed. Yesterday in Queensland an announcement was made that ensured that the federal government, the state government and local councils could be clear about exactly what infrastructure would receive Commonwealth support, what infrastructure would be the responsibility of state governments and what local governments and bodies within local governments with an income base would be responsible for in the recovery process, which will take months and years. I think that announcement was a very important step in ensuring that the various levels of the community, at this time of great need, will be able to see that their governments are able to put aside, as much as possible, political differences. That is always difficult, but it will ensure that people will know exactly which elements of recovery are being carried forward by which level of government.

The other element I want to talk about is compassion. I have mentioned today the number of people who have identified their own needs and the needs of their families and have come to various levels of government and put forward their claims. Each one of those claims has its own story. In the speeches that various senators made in the earlier discussion about the floods, the cyclone and the bushfires in Western Australia, senators were able to make personal comments about individuals they had met and families they knew and to identify the massive impact that this recent stream of natural disasters has had right across the country.

I talked about the sense of deep sadness and loss in Queensland when the raging Brisbane River was going past where I live and you saw people’s belongings being washed away. In those moments you could sense the pain that people were suffering, their need for compassion and their need for confidence in feeling that they would have an effective government response in their time of need. That is seen across the state. Rather than having what is for some people seemingly important political bickering, we need an effective, cooperative process that ensures that people have a clear understanding about what will be done to support them. We must not forget that we are talking about people who have lost their futures. All levels of government have to identify the loss and determine an avenue by which a response can most effectively be put in place. That applies across the whole range of government services. Today’s discussion is looking particularly at infrastructure and at rebuilding in that way, but I think it is most important that we also look at responses to individual medical circumstances, including, most importantly, issues around mental health support into the future for individuals and families who have suffered great loss and great shock.

In relation to the compassion element of this debate, I also want to talk a bit about some of the comments that have been made that people are seemingly resentful that they have contributed either in a charity sense or by way of volunteering and that they feel somehow betrayed or angered that their services were not recognised or valued and that
they may well be caught up in payment of the tax bills that we are discussing today. I have to admit, in working with a lot of people over the last few weeks, I have not had this issue raised personally with me. I have actually heard people talk about the fact that they gave willingly because they sensed a need. They gave money where they could and they gave personal help where they could. Any expectation that the federal government would put in place a modest tax impost for one financial year was not a reason for them being in any way regretful or angered or upset that they had responded to a need, which had been identified through the media, after seeing what had happened in Queensland through floods and the cyclone. It is certainly worrying that people who, for whatever reason—and mostly I am sure it was just from seeing the shock and fear in the community—made a personal decision to give in some way would somehow feel that that was the wrong thing to do. That has been an argument that has been raised in this place and also in the media over the last couple of weeks. If people do feel that way in terms of their future giving, that is something we would have to consider.

I would hope that every time an Australian citizen sees anybody suffering—in their own state, other parts of Australia or internationally—they would try to find a way in which they could help. We are seeing that now, with the Australian response to the horror that is happening in Christchurch. I cannot remember a time when someone, in their thought process about giving help, would say, ‘We must stop because somewhere down the track we might have to pay something in another way.’ I have not sensed that. In fact, I think that one of the good things about our community is that there is this sense that people want to cooperate and work together and help. In the number of post-flood recovery events that have been going on across Queensland over the last few months, at no stage has anyone come up and said, ‘I am sorry that I gave to the flood appeal, because now I might have to pay 60c a week in a flood levy’ or, ‘I am very upset that I went out and helped people clear out the mud from their homes or remove timber that had fallen around areas in North Queensland, because I might now have to pay a heightened tax’—which is very modest—‘for 12 months.’ Some people want to make that argument politically and want to thump the table and talk about slugging mums and dads. I am neither a mum nor a dad and I will be paying this levy should it go through. It is something that never crossed my mind at that stage. So, in trying to draw a differentiation, that could be one political argument you could make. But you cannot make the argument that there is not a need.

You cannot make the argument that there are not processes in place to ensure that expenditure will be made openly and transparently and that people will have the payments and processes reviewed in the following months when anything is made out. And you certainly cannot make the argument that the people who are making the claims, the people who have had their livelihoods, their homes, their schooling and their futures impacted by something over which they had no control—flood and cyclone—should not have an expectation that their governments, federal, state and local, have a responsibility to provide them with service, to make sure that their issues are heard and to make sure that there is a cooperative understanding across all levels of government as part of their job in governing.

Senator IAN MACDONALD (Queensland) (12.36 pm)—It is very important that we return some honesty and truthfulness to the debate before the chamber on the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and...
the Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011. From listening to the Labor and Greens senators speaking, you would think that all compassion lies with them and that, for some reason, the opposition does not want to help in the flood and cyclone recovery in my state and in the recovery from the natural calamities that have happened in other states. Nothing could be further from the truth. The coalition has shown time and time again that it is prepared to assist with these natural and, indeed, other calamities. You have only to go back as recently as Cyclone Larry that hit and devastated Innisfail four or five years ago to see the extent of the support given by the then Commonwealth government—a scheme of support which, gratefully I say, has been replicated by the current government in relation to Cyclone Yasi.

But this is not about compassion and helping people. You would think from the speeches in this debate from Labor and the Greens—and the last speaker in this debate was a typical example when she talked about people’s belongings floating down the flooded Brisbane River; people who have lost their futures—if you did not look at this closely that the money being raised here was going to go to those people. Nothing could be further from the truth. The Greens and the Labor Party would have you believe that it is all about helping out people. This money, when it is raised, will go to wasteful profligate state governments that have spent everything they have ever had—state governments that are technically broke, like the government of Queensland. It will go to them to prop up the Queensland government for things which the Queensland government should have been planning for in any case and should have insured against. This is not about helping particular individuals, as the fine speeches and the fine words of Labor and Greens speakers would have you believe. It is all about propping up state Labor governments that could not afford to do the work that they should have expected.

This bill is dishonest in itself. It is called the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill, I will guarantee that this will be anything but temporary. It is simply another tax for a political party running a government that cannot handle money and cannot handle spending. If this is a temporary levy for a major natural disaster that is happening this year, what are we going to do for the major natural disaster which will happen next year and the following year and the following year? We all know, living in this wonderful country of Australia, that every year there will be at least one major natural disaster. You can bet your last dollar that the Labor Party will come to us this time next year and say, ‘Oh, we have another major disaster in a part of Australia. We will just continue this temporary levy for the Queensland floods and Cyclone Yasi on for another year.’ Because there will be disasters every year, because there have been disasters every year since European settlement—and I am sure a long time before that as well—governments put money aside as they expect to have to look after recoveries from these natural disasters.

I have already tabled in the Senate a list of natural disasters which have occurred since the mid-1800s. Was there, in any of those, a special levy arranged by the government to pay for reconstruction of infrastructure in the states or territories where those disasters occurred? Of course there was not. How much did we spend on drought relief? How much have we spent on Cyclone Larry alone? How much have we spent on floods and fires? We have spent billions and billions of dollars, and so we should. Governments are expected to anticipate and plan properly for this expenditure. But because the Labor govern-
ment has wasted so much of its money on so many failed schemes, because it has wasted the $20 billion surplus handed over to it when it got into government, we now find the Labor government has no money left and so have to put on a new tax to help pay for recovery, a new tax called the mining tax and a new carbon tax simply to try to compensate for its profligate spending.

I listened with some interest to Senator Bob Brown and Senator Milne railing against the carbon producers—the coal companies, big mining companies, those huge multinational companies that send all of their profits overseas and therefore they have to be bad; that is the sort of thing that you used to get from eastern Europe and in communist Russia in years gone by—but, for all this concern about letting these multinational companies work, let us have a look at this bill. It says in clause 4-10(1), ‘Temporary flood and cyclone reconstruction levy’:

(1) You must pay extra income tax ... for the 2011-12 financial year if:
(a) you are an individual; and
(b) your taxable income—
is such and such. Can I see anywhere here in this bill where these multinational companies that are making these huge profits and sending all the money offshore are mentioned? Surely, Senator Ludlam, interject and tell me that I am wrong, that I have misread it.

Senator Ludlam—I have 20 minutes.

Senator IAN MACDONALD—You have got 20 minutes. Good, I shall listen intently to Senator Ludlam, on behalf of the Greens, telling me why the multinational coal companies are exempted from this tax, or perhaps I am misreading it. This bill—the bill we are voting on—clearly says ‘if you are an individual’. As Senator Cash very perceptively pointed out, too, the bill goes on to say that you do not have to pay:

(2) ... if you are a member of a class of individuals specified in a legislative instrument made by the Minister for the purposes of this subsection.

(3) The Minister may only specify a class of individuals for—
that purpose—
if the Minister is satisfied that the class was affected by a natural disaster that happened in Australia ... That gives a lot of power to the minister. Taking the example to the nth degree—and I am sure this would not be allowed to happen in Australia—does that mean that the minister could say, ‘If you are a class of people that happen to belong to a union then you don’t have to pay’?

Senator Feeney interjecting—

Senator IAN MACDONALD—Is that what it says or not? Give me an interpretation, Senator. As I indicated, I doubt that the minister would ever do that, but that is how sloppily this has been drawn up. Which is the class that can get out of this? The whole thing has been quite poorly done, as you would expect. It again demonstrates that the Labor Party can simply not be trusted with looking after money.

I have also heard the Greens raving about the fact that because the coalition says that this should be paid from the general revenue of government then that in some way means the coalition is attacking lower income families, whereas this levy goes only on what they think in their minds are wealthy families—those who earn $50,000 or more. If the Greens believe that our general taxation system is so bad that it impacts on the poor and lets the rich off, why don’t they do something about fixing the general taxation system? Why don’t they introduce a bill? Why don’t they convince their coalition partners in government, the Labor Party, that the whole tax system should be changed? Why should the people they refer to as ‘poor’ es-
cape only flood levies? Why do they have to pay for what some call middle-class welfare? Senator Ludlam agrees, so why isn’t he doing something? Why is he supporting this particular flood levy that exempts so-called poor families and taxes so-called rich families when it is apparently okay if all the other expenditure of government burdens the so-called poor people in Australia? Come on—let us have a bit of truthfulness and honesty in this whole debate.

The other point I want to make is that I understood that the government had decided that it needed a certain amount of money and so was going to make a certain number of cuts to its bloated expenditure which even the Prime Minister indicated would be able to be cut. The government said: ‘We’ve got bloated expenditure in these areas. We’ll cut that to help with the recovery and in addition to that we’ll recover some additional money through this flood levy.’ I may be incorrect on this, but I think the figure they were looking to gather through additional taxation was $1.8 billion. The government said, ‘There will be $1.8 billion from additional taxation plus these savings and that will help us deal with the recovery.’

But, having said that, to get the votes necessary to get this $1.8 billion deal through the parliament the government then went out and said, ‘Of those savings we were going to make, we are actually going to pay the Greens $100 million to restore the Solar Flagships program.’ That is okay, but what happened to the $1.8 billion? The Greens demanded $100 million of it for the return of one of their pet projects. The Greens also demanded for their support for this flood levy another $264 million for the National Rental Affordability Scheme. It is probably a good idea but—hang on—we were collecting $1.8 billion and already Ms Gillard has paid out $100 million and $264 million just to get the votes to get the new tax through parliament.

Then she went to Mr Wilkie, who had a real issue with the fact that Ms Gillard was going to get $88 million in savings from the Australian Learning and Teaching Council fund to put into the Queensland flood recovery. But—hang on—to get Mr Wilkie’s pretty expensive vote, she said, ‘Okay, you can have $88 million for that.’ That is a total of $452 million that Ms Gillard paid out to get the votes to get the new tax through this parliament.

She promised Senator Fielding for his vote $500 million for Victoria. Senator Fielding, do you really think that the reconstruction effort from the Commonwealth taxpayer would have excluded Victoria? Do you seriously think that even Ms Gillard was going to say, ‘We are only going to spend the money we collect in Queensland, Western Australia and New South Wales and not in Victoria’? Of course they were always going to spend it in Victoria as well. Well done to Senator Fielding, I guess, for getting a confirmation from this government that $500 million will be spent in his home state. I wonder if that perhaps makes people in New South Wales and Western Australia a little bit nervous that they will not get anything because their vote was not needed to get this through the parliament.

One wonders what sort of money the Labor Party will be throwing Senator Xenophon’s way to get his vote to support this. I know Senator Xenophon is an honourable man. I know he will not be bought off by any sorts of bribes or inducements. But I emphasise to Senator Xenophon the uselessness and futile nature of promises made by this government. We all remember Ms Gillard saying a few days before the last election with hand on heart, ‘I promise that there will be no carbon tax under a government I lead.’
How much more of a promise could that be? What more could you say? I am sure many of the people of Australia foolishly, as it turned out, believed her. Yet here we are a few short months later with the Prime Minister introducing the tax she promised not to introduce.

Time unfortunately does not permit me to go through any more of the rather shallow, if I might say somewhat euphemistically, contributions made by Labor and Greens senators in this debate. But I come back to the point I made right at the beginning, that this is not about helping individual people in Queensland, Western Australia and Victoria who have suffered as a result of natural calamities. I have heard a lot of stories about people who have had interactions with those who suffered, and they are not on their own. Compassion and concern do not rest with Labor and the Greens. I have been up in the cyclone areas a number of times and in fact sat through the fringes of it. We do this every second or third year. It is a disaster, it is a huge impact on people’s lives, but it happens. We live in the north knowing that cyclones will come every couple of years. It is such a great place to live that cyclones, floods, even droughts, will not send us away, but we know that those natural calamities will come. The fact that people have been hurt and will suffer for many years to come is not a reason for a new tax which will make their recovery and their futures even more difficult.

My colleagues have at some length gone through the flaws in this bill where people who have suffered but not directly, people who have contributed an enormous amount in time and effort which is even greater than money, will be penalised again by this new flood tax. We perhaps have not heard the stories of many people who I have become aware of who did not really want the $1,000—in fact they had made a decision not to go and get it—but who then said, ‘Well, it is not the $1,000 we are concerned about; it is the fact that if you get the payment then you are not subject to this levy.’ That was their issue in doing that. A lot of people might have thought that. Those same people, I might say, got the $1,000, gave it away to someone else and continued on. But this sort of stupid legislation brings out all these anomalies, these inconsistencies.

I raise again that these bills that the government is asking us to support in the Senate—and I hope that Senator Xenophon and Senator Fielding have looked at this—indicate that the minister can exclude different classes of people from payment of the levy. One would assume that the minister would do the right thing, but why wasn’t the legislation drafted in such a way that might have addressed that issue? Perhaps we can take this up further in the committee stages of the debate. I am waiting for Senator Ludlam to tell me that I am wrong in the fact that only individuals pay this tax. I am waiting for him to tell me about the multinational profit-making companies that send all their profits overseas, as the Greens, as Senator Brown and Senator Milne, kept telling us about in their contributions. I am waiting for him to tell me if these bills do in fact address those issues. Perhaps it is in another piece of legislation that is not before me at the moment. But I look forward to that.

In the end result, these flood levy bills are not about raising money for individuals; they are about raising money for governments like my own state government, the Queensland government, which is broke through its own inefficiency, and bailing them out of a political problem. (Time expired)

Senator LUDLAM (Western Australia) (12.56 pm)—I am sure that I, along with many other senators, will be watching the clock with interest to see how long Senator
Macdonald lasts before interjecting. The clock has started.

Senator Ian Macdonald interjecting—

Senator LUDLAM—Twelve seconds! I found most of Senator Macdonald’s speech incomprehensible and largely forgettable but there are a couple of issues on which we do agree and so I would like to address those first. You quite forcefully raised the issue about how on earth we use a one-off levy to address a rolling series of disasters. I think that is an entirely fair question. Also you raised the issue of compassion. I do not think anybody in here would question the compassion of coalition senators or MPs in the other place. You are from Queensland, Senator Macdonald. I find it difficult to visualise what it must have been like for people who were there or people clearing the mess up afterwards. In Western Australia we have suffered a series of quite horrific rolling disasters as well, not on the scale of what befell Queensland, obviously, but people have been up against it there as well. I do not think anybody here or necessarily even outside this building is questioning your compassion. I think they are questioning your competence to be able, for example, to add up. The $100 million or thereabouts that the government was persuaded by the Australian Greens to return to Solar Flagships amounts, I think, to about 1.7 per cent of the overall package. I will leave it to government senators, if they choose to, to talk about how they made that shortfall up. The $260 million that you rightly pointed out has been returned to the NRAS account, the National Rental Affordability Scheme, is funding deferred, so that actually should not be added to the total of whatever it was you added up because that is funding that will be in the forward estimates post 2014-15 and of course the government then is free to use that money as part of this package for disaster reconstruction. But I would have thought you would be well aware that you should not be adding that $260-odd million to what we took out of the package. That program has been deferred and I think that is a very good thing.

I do not propose to speak at great length on the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011 or the related bill. I think your reading of it is entirely correct—through you, Mr Acting Deputy President—in that this is not a tax on the mining industry. That was known formerly as the resource super profits tax and now it goes under a different acronym. The government in its negotiations with the big mining companies gave away—I know these are rubbery figures and the secretary of the Treasury pointed that out quite sharply on Thursday—up to $100 billion from the forward estimates, and the opposition wants no tax at all. So being lectured about why we are not taxing the mining industry in a flood levy bill from the side of this chamber that is not interested in chasing any of those profits at all—

Senator Ian Macdonald—Isn’t that a bit inconsistent?

Senator LUDLAM—Four minutes. I think it is quite extraordinary. This was not proposed to be a tax on the mining industry.

While we are focusing, quite rightly, on Queensland and Victoria, I want to point out some of the issues that residents in different parts of Western Australia have been grappling with over this last, disastrous summer. In just two months we have had devastating fires at Lake Clifton, just south of the city, and in Kelmscott and Roleystone at the same time, that really devastated part of the Darling Scarp communities. There have been floods in Carnarvon and the Gascoyne and damage from Cyclone Bianca across the mid-western wheat belt towns. Similarly toQueenslanders, residents of the Pilbara and the Kimberley are fairly familiar with those
quite devastating formations crossing the coast. It happened again last week, when a cyclone menaced the Pilbara coast before heading back out to sea. Carnarvon, about 900 kilometres north of Perth, in December got its entire annual rainfall in 22 hours. I think the town was largely saved, but some of the irrigators and pastoralists close to town lost everything. Our hearts are with them. It is important to recognise and remember that this is not affecting anybody specifically; it affects all of us now.

The question that Senator Brown, Senator Milne and all of us have raised, subsequent to those disasters which overtook different communities in Australia is: why is this happening? We know that Australia is subject to frequent capricious weather, whether it be the drought or flooding rains of legend or wildfires. We do live in a country with a pretty violent climate. The question, of course, is: why would we want to make that worse? Climatologists have been telling us for literally decades—quite a long period of time—that in loading up gases that thermally warm the lower atmosphere and the ocean we are effectively trapping more heat in the weather system. That heat has got to go somewhere and it is making our weather more violent. Professor Glikson, from ANU, published material through the latter part of last year that showed that extreme weather events are increasing in frequency and intensity, very much as predicted. It showed that the number of cyclones has increased by a factor of about two in the last 30 years and floods by a factor of about three. This phenomenon is obviously not restricted to Australia. The year 2010 saw a string of extreme weather events, including heatwaves and fires in Russia, severe droughts in Brazil and Mexico, cyclones in the US and the Caribbean and floods in Pakistan, Western China and, of course, right here in Australia. We are all in this together. We have to remember—and this goes to Senator Macdonald’s point about how you use a one-off levy to tackle the rolling series of events that are overtaking us—that this is the age of climate change. This is what climate change is like at the beginning: we have these extreme weather events. It is not a question of whether an individual weather event can be tied to climate change or not. The fact is we are loading the dice and are making these things more frequent. There is no point asking if a particular fire has the fingerprints of climate change on it when we are changing our entire weather system.

I want to speak briefly about one of the funding proposals which the government put forward to help put together the package. The levy is only part of it; in fact the bulk of the funding is made up elsewhere. One of the more curious decisions, and one which we were very happy to see the government give a bit of ground on, was the proposal to cut the National Rental Affordability Scheme by almost a third, in order to fund five per cent of flood reconstruction costs in Queensland. That really came out of left field. I must admit we did not see that coming. Hidden in the fine print of the government’s reconstruction package was the inclusion of about $264 million swiped out of the budget for the National Rental Affordability Scheme. That was achieved by cutting the original target of 50,000 affordable properties to only 35,000. The proposal sparked an outcry in the affordable housing sector, and that was followed by a determination to have the program restored. We achieved that goal about a fortnight ago. How the proposal to kill NRAS came about in the first place is still a bit of a mystery. It was in contrast to the government’s original promise to treat NRAS as though it was a 10-year project and to double the target to 100,000 if the scheme was successful.
We thought it was a surreal proposition that we should be raiding funds for two of the most important emerging industries in Australia in this generation—that is, large-scale solar energy and affordable housing—for relatively minuscule budget savings. That is not to mention the irony of taking money out of one pot for building housing for the vulnerable and putting it into another pot ostensibly for building housing for the vulnerable. We know that the housing crisis and the housing shortage is just as sharp in Queensland as it is anywhere else. We strongly argued that more significant savings could be made in other areas of the budget, but in the end the proposal that we took to government was a fairly simple one: keep the target of 50,000 homes—50,000 incentives or residences—but extend the target date.

The affordable housing sector stormed this building about a fortnight ago, during the last sitting week, and pointed out the happy coincidence, if you could call it that, that the construction timetable for NRAS was wildly ambitious and somewhat behind target. It can take up to two years for NRAS applicants to get approval and funding from the department and another two years to get planning approval for an inner city, high-density or multi-unit dwelling through state and territory planning systems. So the NRAS was actually subject to a delay not because it was failing but because it was succeeding and because applicants had started to hit something of a critical mass. The program is, therefore, a couple of years behind schedule, simply because of the long lead times involved in assembling project finance and planning approvals. That is not the sign of a failing program. We read it as a sign of success.

By simply extending the target date to 2015 the government will use funds earmarked for NRAS for disaster reconstruction and then restore NRAS funding from 2014-15 to achieve the original target of 50,000 dwellings. That is the agreement we reached with the government. It is not correct for Senator Macdonald to be adding that to some kind of imaginary total of funding that we clawed back from the government. We have restored the program and we have delayed its final implementation, but that is not a problem because this is a scheme that was running somewhat behind anyway. This has given us the opportunity to articulate the distressing level to which our housing system is simply broken: the current gap in affordable rental housing is roughly half a million dwellings, the achingly long waiting list to access social housing is just short of a quarter of a million dwellings, and the number of people who are currently homeless is perhaps 105,000 people, in one of the wealthiest countries in the world.

Something hidden in these figures that is well worth remembering is that this scheme was established to help an entirely new class of people who are now falling through the gaps: essential workers. NRAS was not a homelessness scheme. We are no longer just talking about our most needy or vulnerable when it comes to the housing crisis in Australia. We are talking about our nurses, teachers, and many other people earning under $60,000 who can no longer afford the average priced rental property. That is partly why this thing is such an important part of the housing landscape.

The community sector and private housing sector came out side-by-side for the same thing. In the last fortnight I was very pleased to stand alongside the Australian Council of Social Service, National Shelter, the National Affordable Housing Summit, the Housing Industry Association, the Community Housing Federation of Australia, the Combined Pensioners and Superannuants Association, the Benevolent Society, Mission Australia, the Property Council, BGC, a number of pri-
vate affordable housing developers, and even former ANZ Chief Economist Saul Eslake.

While we can remind the government of the merits of long-term memory and of sticking by a fundamentally useful program, we also need to remember that in the scheme of things the $1 billion investment in NRAS, which is extremely welcome, vanishes in comparison to the more or less $50 billion spent annually on tax breaks provided to housing owners and investors through capital gains exemptions, negative gearing and so on. We have got this structural imbalance in the housing market and that is why we are having to work so hard to shorten these waiting lists. Add to this another $13 billion spent by the Commonwealth, states and territories on the first home owners grant in the last decade, and you can see how far we have dug ourselves into a structurally unfair system in which the demands of investors seeking increasing returns are pitted directly against the human right to affordable housing.

The Gillard government, to its credit, has listened to the considerable evidence that the scheme is working, that an affordable housing industry is emerging in Australia, and that the human right of an affordable home for all is well worth protecting. With those remarks I will close my comments on the flood levy. I look forward to participating, and the Australian Greens look forward to participating, in the inquiry into these bills, but we are hoping for a relatively speedy package so that the Commonwealth can do its bit to fund reconstruction in the disaster hit areas of Queensland and elsewhere.

(Quorum formed)

Senator POLLEY (Tasmania) (1.12 pm)—I rise to speak in support of the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and the related bill. During the past few weeks and months the devastation caused by a series of natural disasters has been enormous. This has been aptly described by a number of people as a summer of misery, anguish and pain. Unless you have been directly affected or have actually seen the devastation, imagining the scale of this calamity is nigh on impossible. Certainly the graphic scenes on television, on the internet and on Facebook provide some insight, but the combined efforts of the floods and Cyclone Yasi, and on top of that the bushfires in Western Australia and floods further north in that state, have created a disaster almost beyond imagination. The floods in Queensland alone covered an area described as five times the size of Victoria or, as depicted by another, as large as the combined areas of the Netherlands, Belgium, France and Germany. And that does not reflect the destruction in New South Wales and the ongoing floods in Victoria. Even in my home state of Tasmania serious damage was caused by flooding. It was not on the scale of Queensland, but nevertheless this has been serious and has had a serious impact on many families, businesses and communities in Tasmania. So it is evident that many in this chamber know—either personally through family members, friends and neighbours or through constituents—people who have been affected by these disasters.

However, the worst aspect of these disasters is the loss of life—grandparents, parents, children, even babies. Families have been torn apart by these bizarre and horrific events. Australians are a stoic lot but the grief that has been felt across Australia is enormous. While we can rebuild after the damage, recover the property and allow life to eventually return to normal, lives are gone forever and it will have an enduring effect on those families and communities.

Millions of Australians have been affected not only directly by the loss of homes, businesses and properties but through hospitals
which once cared for the people but are no longer there. Where do the children go to school in the short term? When roads are destroyed how do they get anywhere? The rail lines, which took produce to and from the markets, have also gone. Indirectly this will have an impact on all Australians. Huge production areas in the flood regions will take time to return to producing food and other commodities for all Australians. I do not wish to downplay the extraordinary emergency services that have provided shelter, food and support in these communities, but the long-term task of rebuilding has only just started. It will take months, even years. To date Australians have been extremely generous with their donations—approximately $200 million—and there has been assistance from various other state service organisations and individual efforts.

Australians have a long tradition of helping each other in times of adversity. I do not recall anyone refusing to assist in managing the recent bushfires in New South Wales or, more recently, in Victoria. The reverse is what I remember. There were offers of assistance from across Australia. If this were not true we would not have the substantial public donations that have been received to date. I know many such individual donations from Tasmania. For example, the mother of one of my staff, a pensioner, donated $1,000 of her meagre savings. This desire of Australians to pull together is something that the coalition just simply do not understand. The true Aussie spirit has emerged stronger than ever for the majority of Australians. There is so much to do—schools to be rebuilt, roads to be repaired or reconstructed, rail lines to be re-established, and hospitals to be returned to operational status to provide care in their communities. There is a seemingly endless list of what has to be done. There is emergency relief in place. The Australian Taxation Office is implementing support strategies such as allowing extra time to lodge tax statements, providing payments, and even helping to reconstruct tax records that have been lost. Centrelink has sent thousands of extra staff to assist families affected by the devastation to at least begin to manage their situations and start the long process of recovery.

As I said earlier, this is only the start. How do we manage the estimated recovery cost of $5.6 billion? A responsible government cannot throw its hands in the air and cry, ‘Disaster, disaster—let’s stop managing the country; forget about the future,’ because that is what I hear from those opposite. Mind you, it is hardly surprising. Australia is lucky that the Labor government, with the assistance of Independent members and the Greens, are collectively able to see the rubble that the coalition are. We are managing this country. If the coalition had been left to manage the global financial crisis, Australia would have had another type of disaster, and certainly not one caused by natural events but by a monetary incapacity. Australia would have been in recession and the very low levels of unemployment would have been much higher instead of the current high employment levels we are now experiencing. We would have been poorly positioned to recover and compete internationally. If you recall it was those opposite who said, ‘Put your head in the sand, sit back and let’s wait and see what happens.’ That is their record.

The government’s response to the current situation is balanced. We recognise the need to rebuild large parts of this country and we are also aware of the present and future needs of the Australian economy. Sound business practices say that we should pay as we go in an economy that is growing strongly. Despite the damage caused by these disasters the economy will be returning to capacity in 2011-12. As an example, there are $360 billion in mining projects for the
future and wages are at healthy levels. Realistically, skills shortages will be an issue, especially with the recovery program that will be necessary. As we enter 2012-13 these pressures will continue to exist, which is why it is important that it be a return-to-super surplus year. We do not intend to make the same mistakes of the Howard government between 2004 and 2007. The demand for labour and materials for reconstruction will increase the need for fiscal moderation in the coming years. That is why the solution being provided by the Labor government is what Australians need—and it is balanced.

Some spending programs will be cut. From time to time priorities do need to be reassessed. This is one of these times. Programs cannot be set in concrete because times and circumstances change. There is always a need to deal with such changes. Some infrastructure programs are being deferred—not scrapped, deferred; they do not mean the same thing. Once again there is a need to reprioritise our spending and to recognise that there is not an infinite number of skilled workers who can perform magic by working in more than one place at a time. Reconstruction and recovery must occur, not just for the families, the businesses and the communities that have been affected but for the benefit of all Australians.

Applying a one-off, 12-month, temporary levy is to raise $1.8 billion to assist with the recovery. It is approximately one-third of the cost of the recovery program. This is part of the balanced approach reported earlier. It takes into consideration the current economic circumstances, expectations of the future and the immediate need to get Australia fully functioning again. The levy has received most of its attention from the coalition. I have not had one person from the community, not one fair-minded Australian, complain about this levy. Why? Because politicking is the sole concern of those opposite. They are not even worried about the hypocrisy, the double standards and their inability to count. They do not care when their single concern is opposing everything.

The Labor government has recognised that there is not an equal ability of all Australians to contribute to the recovery at the same rate. It is called fairness, which is not a word in the vocabulary of those opposite. That is why there are exemptions for some people such as those who have received an Australian government disaster payment, and those who were affected by a declared disaster and meet at least one of the eligibility criteria for an Australian disaster recovery payment, even if they have not received a payment. Also exempt are New Zealand special class visa holders who have been technically ineligible for Australian government disaster recovery payments but who have received an ex gratia natural disaster payment.

But we have not forgotten about the Australian population. Remember, we are talking about taxable annual income in 2011 and 2012. This levy targets those who can afford to pay to ensure that unnecessary cuts are not made to important programs. These are not draconian imposts. About 50 per cent of taxpayers will pay nothing, over 60 per cent will pay less than $1 per week, over 70 per cent will pay less than $2 per week and over 85 per cent will pay less than $5 per week.

What do we hear from our opponents? ‘Australians can’t afford levies. Levies are not economically responsible. We can make other savings in our economy.’ This seems to be a new tune that the opposition are playing. I remind you that, during the Howard years, in 1996-97 we had the firearms buyback levy and the introduction of the superannuation surcharge, in 1998-99 the stevedoring levy, in 1999-2000 the dairy industry levy, in 2001 and 2002 the Ansett levy, in 2003-04 the
sugar levy, and in 2004-05 the Newcastle disaster levy. Were they concerned about the financial implications for the Australian community then? No, absolutely not.

Let us just look at the levies year by year. In 1996, we had the firearms levy and the superannuation surcharge; in 1997, the firearms levy and the superannuation surcharge; in 1998, the superannuation surcharge; in 1999, the stevedoring levy and the superannuation surcharge; in 2000, the stevedoring levy, the milk levy, the East Timor levy and the superannuation surcharge; in 2001, the stevedoring levy, the milk levy, the East Timor levy, the Ansett levy and the superannuation levy; in 2002, the stevedoring levy, the milk levy, the Ansett levy and the superannuation surcharge; and, in 2003, the stevedoring levy, the milk levy, the Ansett levy, the sugar levy and the superannuation surcharge. In 2004, what did we have? We had the stevedoring levy, the milk levy, the sugar levy and the superannuation levy. In 2005, we had the stevedoring levy, the milk levy, the sugar levy and the superannuation levy. In 2006—oh, we only had three levies. We had the stevedoring levy, the milk levy and the sugar levy. In 2007 we only had one levy, and that was the milk levy.

Were these levies one-offs? No, not all of them—rarely. Was the budget ever in surplus other than in 1996-97? It was always in surplus, but we still had the levies. Were any of these levies in response to a natural disaster affecting thousands of people? No, no and no. In fairness, I would agree that the motivation for the firearms buyback levy and the Ansett levy could be considered altruistic. The others were driven by political ideology with no regard for the Australian community and its financial capacity. Mind you, they did contribute to funds for the election pork-barrelling of the Howard years. However, the list does not end there. How were the coalition going to fund their parental leave program? With a $6 billion levy over two years!

Here is a quick summary of the litany of economic opposition for purely political purposes. First, there are those proposed election campaign promises: a $10.6 billion black hole. Then there are savings of $5.2 billion blocked in both houses, close to $2 billion in savings blocked by opposing Pharmaceutical Benefits Scheme reforms, and $700 million of savings double-counted in their flood response. After weeks of claiming that the NBN could provide savings, it did not appear in their list of savings. Did someone tell them that there were not real savings, or did they work it out for themselves? There were two private senators’ bills in the Senate that would have cost $500 million if passed. The politicians who are now vehemently opposing this levy are predominantly the same politicians who showed absolutely no concern during the 11 long years of the Howard government. Have they changed? I cannot see any signs of that, and I do not believe the Australian public can.

The Liberal Premier of Western Australia said:

I believe most Australians, most West Australians, are willing to contribute a little bit more to help Queensland get back on its feet.

The Australian Council of Social Service said:

Overall we are pleased that the Federal Government has acted quickly to support the vital reconstruction efforts of the Queensland Government and support the idea that all Australians with the means to contribute to this effort do so through a flood disaster levy...

The Salvation Army said:

All Australians need to share something of the burden and the horror that’s happened to so many in Queensland, and the way that the levy has been established, it takes the burden away from low-income earners.
The President of AgForce in Queensland said:

... given the enormity of what’s happened, with this natural disaster, anything that can help to get rural and regional Queensland, back up and running, we would support ...

Finally, an editorial in the Australian newspaper—and we on this side know how much the opposition rely on the Australian for their political motivations, particularly in their strategies during question times here in the Senate—said:

... the imposition of the levy is reasonable and responsible.

You cannot get any more categorical an endorsement than the support of the Australian newspaper. I know there are other issues that require consideration—the handling of future natural disasters, insurance practices, different jurisdictions and others—but these bills need to be passed and they need to be passed now.

As someone who was affected, not as directly as some in this chamber, as I had family involved in the cyclone and affected by the flooding in Queensland, I think it is important that we acknowledge all of those who rallied and demonstrated the very true Aussie spirit of getting together. I noted the call from the Brisbane mayor calling for support and the thousands of people who put on their gumboots, sunscreen and insect repellent and picked up their brooms and shovels and went to the aid of their fellow neighbours. To me that is what the Australian community spirit is all about. I want to place on record my appreciation as I had a daughter, her husband and their two little children survive the cyclone. Thank goodness they were not as affected as some others, but their home and property did suffer structural damage. That neighbourly spirit—that spirit that Australians demonstrate over and over again when there is a natural disaster—was there at the forefront when we had our young people looking out for our old, when we had neighbour looking out for neighbour. These are the great qualities that we as Australians should all be immensely proud of. So I urge those opposite to reconsider their position on this very important legislation and to demonstrate they are not just knockers and they are not in the mode of opposition that opposes everything that comes into this chamber. I urge those on the other side to do the right thing and support this legislation, to help the government take the action that is needed. I highly commend it to this chamber.

Senator HUMPHRIES (Australian Capital Territory) (1.31 pm)—I rise in this debate on the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and related bill to indicate that I think this legislation is a serious mistake and there are viable and appropriate alternatives. I want to start by comprehensively rejecting the assertion from Senator Polley, one made in this debate by other speakers from the other side of this chamber, that somehow opposing the government’s flood levy legislation is equivalent to saying that we are not in favour of assisting the disaster affected people of Queensland, Victoria and Western Australia. That is a false dichotomy. It is not sustainable and it says a lot about the weakness of the government’s case—that it needs to so comprehensively misrepresent what the coalition is saying about this and that it would simply parrot the line, ‘We’re doing something about the disasters in Queensland and elsewhere and the coalition is trying to stop us, and therefore the coalition does not support action to assist hard-hit communities’. That is, of course, untrue.

The point that the coalition makes in this debate is that assistance must be provided to people who have been hit hard and that those people deserve the compassion and support of the rest of the Australian community,
compassion and support which was very much evident during the life of the previous government when natural disasters such as Cyclone Larry led to fulsome and very responsible measures to deal with the sorts of losses involved. But we do not believe that the response of this government is the appropriate one to take. Sometimes in these debates about millions if not billions of dollars, it is easy to lose some perspective. The government insists that this levy, to raise $1.8 billion, is absolutely necessary to fund the reconstruction of infrastructure in disaster affected areas. It insists that the particular balance which the government has achieved—that is, $1.8 billion in a new tax and the rest of the estimated $5.6 billion cost of reconstruction from cuts to or deferment of government programs—cannot come from anywhere else except from that which the government has proposed.

I want to put some perspective into this debate by reminding those opposite in particular of some of the other figures that are confronting the Australian community at the moment. There is $1 billion, not the cost of the Home Insulation Program but the cost of fixing the disaster which the Home Insulation Program has evolved into. The Home Insulation Program cost $2.45 billion all up and it still leaves thousands and thousands of Australian homeowners uncertain about whether their homes are safe after the government’s inept hand of interference. So there is a billion dollars wasted by this government. There is $2 billion at least—the figure could be as high as $8 billion—wasted under the government’s $16 billion failed school halls program, with much of that money yet to be rolled out and, presumably, more waste to be executed.

There is $672 million—over a third of the amount proposed to be raised by this flood levy—for the Strategic Indigenous Housing and Infrastructure Program, or SIHIP, a program that spent $45 million on consultants before any concrete was poured and has handed over to date only 134 houses over three years—a disaster of a program that continues to waste the money of Australian taxpayers. There is $275 million on the Green Loans Program—so badly managed that it has now been aborted by the Gillard government, in the process wrecking the careers of assessors who paid thousands of dollars to become accredited only to find they had no market to serve because of the government’s ineptitude.

This government has a seemingly endless capacity to waste enormous amounts of taxpayers’ money. It still has on its books huge amounts of spending which could be avoided or deferred in order to avoid placing a burden on the shoulders of Australian taxpayers. That is the point that the coalition is making in this debate. It is not that we wish to see any stinting in the level of support by the Australian community for those affected by disasters such as floods. We think that the burden placed on the Australian community should not be added to by the imposition of new taxes to deal with crises or problems that come along from time to time—because there will always be another good reason to put on another tax and, sadly, there will always be another disaster or natural problem and there will always be some sort of financial challenge. We know that these things are experienced by governments all the time everywhere in the world for all sorts of reasons.

On this side of the chamber, we believe that the best response to those crises is to have a well-managed budget, a budget that operates in surplus with minimal or no debt so that there is fat in the system to marshal resources to deal with problems as they arise. Given a Commonwealth budget of some $300 billion—a budget that the opposition have shown to be filled with wasteful pro-
grams and padded with fat—when the government gets handed a $5.6 billion bill, we say that it does not need to stick its hand in taxpayers’ pockets to deal with that problem. What makes the government’s claim that it needs this levy even more disingenuous is the fact that the government itself has admitted it does not need to raise all of this money through extra taxes. It admits that there are other amounts it can save within the budget. At the National Press Club when the Prime Minister announced her new flood tax, she was asked, ‘What if the bill is higher than $5.6 billion?’ The answer was: ‘We won’t impose a higher levy; we’ll find money elsewhere in the budget. We’ll make cuts.’

The question remains, a question completely unanswered in this debate by members on that side of the chamber: where exactly are those cuts and why are not they making them now as an alternative to raising that $1.8 billion levy on the Australian community?

Senator Lundy—Where will these cuts go?

Senator HUMPHRIES—You tell us. You have said the cuts are going to occur. You have said you have the money to make those cuts. If those cuts are a lower priority than meeting the needs of the people in the flood affected parts of Australia, why aren’t you implementing those cuts now? To respond to Senator Lundy’s interjection, we have not wiped our hands of the responsibility of determining what sorts of cuts ought to be made. The coalition have done quite an extraordinary thing from opposition. Not only have we rejected the government’s plans; we have actually said what we would do instead. We have said, ‘Here’s where we’d make cuts in order to achieve the same objective.’ As a responsible opposition, we believe that we should offer alternatives, and we have and we have generated some debate about that.

Some people do not like the things that we have said we are going to do, but we have put our hands on our hearts and said, ‘We won’t just expect the government to achieve miracles; we’ll make our own alternative proposals.’

The Leader of the Opposition has made quite a extraordinary and, as far as I can recall, unprecedented commitment—that is, that he will sit down with the Prime Minister, if she is so minded, and work through bipartisan options for savings to avoid having to impose this tax. What more of a gift could the Prime Minister possibly ask for than an offer from the Leader of the Opposition to share the pain of making any particular decisions about cuts in spending in order to achieve the objective she says is most important? But this has been swept away in the government’s rhetoric that it is their way or the highway—only their levy and their spending cuts can work. Of course that is a nonsense.

The other important point is that this new tax does not fall equitably on the shoulders of the Australian community. The government say that it is exempting certain people—the people who are already disaster affected—from the imposition of the tax. They say that the definition of those people are those who have received the Australian government disaster recovery payment. But that is a most imperfect test of those who have been affected by the recent natural disasters. It is problematic because it applies to people who were affected in certain ways—they suffered injury, a family member was killed, they suffered loss of power to their homes for a certain period of time et cetera. They are exempted. But we know, and Senator Furner would know, that there are many, many people in Queensland who were directly affected by these floods, who do not fall within one of those categories, who are not entitled to receive the disaster recovery
payment—for example, businesses that simply cannot operate any longer because their business lost their customer base, could not get their goods to market because of cut roads, experienced interruptions to their supply chain or lost productivity because people could not get to work. Some businesses are absolutely on their knees in places like Queensland, but they are not eligible either as a business or as individuals for the disaster recovery payment. Those struggling businesses and the families who depend on them will be paying this levy. They are meeting extra costs by virtue of what has occurred, they are struggling to meet the consequences of these disasters, yet they are being hit with a flood tax. That is not equitable. It would be avoided if the government found other ways of meeting this cost such as through cuts to spending.

It is bad enough that they impose further cost-of-living pressures on people who are struggling with rising fuel, food and power costs; it is worse to impose those costs on people who have been hit so hard by natural disasters. Of course, we know that these cost of living pressures are becoming very severe for many people in the Australian community—in fact, almost everybody. We have seen rising power prices made worse by the prospect of a carbon tax. We have seen rising fuel prices to be made worse by the imposition of a carbon tax on fuel. We have seen rising food prices to be made worse by a carbon tax. We have seen rising interest rates due to Labor’s wasteful spending. We see a rising margin between the RBA cash rate and the cost of borrowing for small business due to Labor’s wasteful spending. Now, on top of all this—on top of sharp increases in the cost of living—we see the real possibility of a flood tax hitting every dollar that many taxpayers earn. That is an unfair imposition in the current circumstances, particularly from a government that said in 2007, when it was campaigning for election, that it would do something about the cost-of-living pressures on Australians. I do not so much mind if the government have virtually given up on that promise and are now doing nothing to achieve that particular objective. Of course things like GROCERYchoice have gone out the window—another broken promise. They have done nothing to make that commitment real. That is bad enough. But, now, they are actually adding to cost-of-living pressures by imposing new taxes. This is the party that said that it would not increase the net tax burden on Australians, as I recall. That is two promises broken in one fell swoop. To do that to the Australian community is unconscionable.

I remember Mr Rudd’s assurances in 2007 that he was a ‘fiscal conservative’ and that he wore that badge with pride. Yet in four years Labor have taken a budget position that was $20 billion in surplus with cash in the bank and turned it into a budget that is $41 billion in deficit with net debt of over $100 billion—to the point where when disaster hits this nation they do not have the resources to pay the debt back without going back to the Australian people and reaching into their pockets yet again.

This week we have been reminded that the latest Prime Minister made the election eve commitment that there would be no carbon tax under the government she led, yet now this parliament is facing the prospect of debating just such a tax in the coming weeks and months. The fact is that in the imposition of this new flood tax we see a pattern of behaviour of Labor governments over decades reinforced. They are not able to manage spending, they are not able to reduce debt and deliver surpluses and, when pressure comes along, as it inevitably does, the first thing they look to is to increase the level of taxation on the Australian people.
I want to make a couple of comments about other contributions to this debate. Senator Ludlam in his speech suggested that climate change is loading the dice in favour of more frequent natural disasters and that therefore a levy like this is an appropriate way of responding to it. Assuming that we accept his logic, what Senator Ludlam was arguing for in that circumstance was not a one-off, temporary levy but a permanent levy. Again, on this side of the chamber we would say the best permanent response to natural disasters is to have a strong budget in surplus with minimal or no debt.

Senator Polly told us that not one person had complained to her about the flood levy. I would respectfully invite Senator Polly to come around to my office and have a look at my inbox—and, I am sure, the inbox of most senators on this side of the chamber—and she will see a very different picture of what the Australian community is going through as it contemplates this tax.

**Senator Bushby**—She needs to get out and talk to her constituents.

**Senator HUMPHRIES**—I think getting out and talking to people might be a very good idea for Senator Polley and I suspect that a more—

**Senator Furner**—You should have got out and talked to some of the people affected by the Queensland floods. Maybe you would have a different picture.

**Senator HUMPHRIES**—I have been to Queensland twice in the last two weeks, Senator Furner. I have spoken to people directly affected and I am very well aware of what they think about these issues, and I do not think the Australian people, whether directly affected or not, welcome the prospect of an increased burden on their standard of living. It may be in fact that many Australian people have given up talking to those people who constantly talk about new taxes rather than talking about taking off cost-of-living and other pressures on Australian families.

Senator Polly raised the question of the other levies that were imposed during the life of the Howard government. That is a fair argument to raise: why did we support levies then when we do not support a levy in this case? Senator Polly raised, for example, the gun buyback levy and the stevedoring levy. I ask those of you who were interested in politics a decade ago to think back to those days and to what was happening in Australian politics at that time. The early years of the Howard government were characterised by very determined, serious cutting of government spending. I know, because I lived in the city where many of those spending cuts were falling. They were very serious cuts. There were no hollow logs left, there were no stones unturned, when it came to examining ways to reduce government spending. Representatives of those opposite were attacking us because we were cutting so deeply into government spending programs.

When we talked about having to impose a levy to buy back guns from the Australian community you did not argue that that was not an appropriate thing to do because you knew that there were no alternatives to cutting spending. You argued that we had already cut far too seriously at that stage. We did what we had to do because we had comprehensively addressed the question of government spending. We turned to raising a temporary levy—and it was temporary—to deal with the immediate challenge to the Australian taxpayer.

That is not the situation we find ourselves in today. You have demonstrated yet again your inability to address wasteful government spending. We on this side of the chamber have said: ‘We’ve got experience in this. We will help you deal with the problem of government spending. Come and talk to us.
We will show you what to do and we will wear the political burden of dealing with wasteful spending with you. If we say this can be cut, we’ll stand beside you and take the heat for making the cuts that we recommend.’ But you cannot do that because you do not like to face up to the reality—a blindingly obvious reality, I would have thought, after three years of Labor—that your ability to spend wisely, judiciously and only as necessary to deal with the problems of the Australian community simply is not there.

So I will not today rise in this place to vote for a new tax on the Australian community. I will not increase the burden on Australians who are struggling with higher prices for power, fuel and groceries. That is not why I was elected to the Senate. There are alternatives. We have supported those alternatives, we stand by those alternatives and, until the government addresses those alternatives seriously, we on this side of the chamber will oppose new taxes on the backs of Australian people.

Senator WORTLEY (South Australia) (1.51 pm)—I rise to speak to the bills relating to the temporary flood reconstruction levy. In doing so I acknowledge the people of Australia for their generous spirit and willingness to help fellow Australians during the natural disasters which have recently beset our nation.

The damage caused by the recent flooding is unprecedented and the task of rebuilding is significant. We all know this. The donations made by generous Australians and the flood levy funding are two very different things. Donations are Australians helping Australians, and they have been generous, from both individuals and companies. The money from these donations will go to helping Australians and Australian families and small businesses rebuild their houses and restart their businesses.

As a nation which does not turn its back on our fellow citizens, our neighbours or shirk the hard yards, we must now fully face the destruction and devastation and rebuild lives, homes, businesses and infrastructure. We want devastated communities to get back on their feet and in true Australian style we are all willing to pitch in. The Commonwealth has an important responsibility to make sure that our essential economic infrastructure is rebuilt. All Australians understand that tough decisions are in order as we work to fix damaged roads, bridges, railways and public infrastructure. That is a different job and we acknowledge that it is a huge and expensive task.

The costs to the Commonwealth from this disaster are expected to be about $5.6 billion. We will need to meet two-thirds of these costs by reprioritising existing spending. The remainder will come through this essential flood levy so that we can properly finance the rebuilding that needs to be done following the floods. This levy is an important part of the reconstruction and it will raise an estimated $1.8 billion towards flood recovery.

Under the government’s plan, a levy of 0.5 per cent will be imposed in the 2011-12 income year for taxpayers who earn over $50,000. A levy of one per cent will be applied on the part of the taxpayer’s income above $100,000. The levy will be paid through tax taken out of regular pay packets in the same way that people pay the Medicare levy. This ensures that taxpayers will not receive a tax bill at the end of the financial year. Taxpayers who earn less than $50,000 in 2011-12 or who are exempt for other reasons will not pay the levy.
To put the payment in perspective, it is significant to note that 60 per cent of taxpayers will pay less than a dollar a week. A person earning $65,000 a year will pay just $1.44 for the levy. A taxpayer on $80,000 a year will be asked to sacrifice $2.88 a week—less than the price of a cup of coffee in most outlets. Of course, people in flood affected areas who have received the Australian government disaster recovery payment for a flood event in 2010-11 will not have to pay the levy. The levy does not apply to businesses.

It is important to note that the Gillard government has also established the Australian government Reconstruction Inspectorate. This body will oversee strict new oversight and accountability provisions to ensure value for money is delivered in the massive task of rebuilding flood ravaged regions. The Gillard government wants to make sure that every cent of our flood rebuilding package goes where it is needed and we are determined to get value for taxpayers’ dollars.

States will be required to provide independently audited financial statements to support any claim for infrastructure rebuilding, including verification of spending against any advance payments made. The board of the Queensland Reconstruction Authority will also include two federal appointees, and the inspectorate will work closely with state authorities to provide an additional level of checks and balances for the expenditure of funds.

It is evident that the Gillard government is getting on with the very important task of helping fellow Australians through strong leadership and an effective plan for how we can all help. I have to say that I am particularly disappointed that those opposite do not have the same priorities. The opposition is not concentrating first and foremost on those who are suffering and need immediate help.

It looks not only disorganised and fragmented but also mean-spirited when it comes to offering a hand to Australians in dire need as a result of these horrendous floods.

In stark contrast to those opposite, I am proud to say that the majority of Australians have opened their hearts and accepted the need to pull together to help fellow Australians. Australians are always happy to help fellow citizens in so many ways: emotionally, financially and physically. It is part of our national psyche to offer a hand. Australians dig deep for each other in hard times and they overwhelmingly know that this levy is needed to rebuild flood affected regions. They understand that the reconstruction is going to take a lot of time and dollars and that even though the federal government has made big cuts to the budget, the levy is essential. They understand that the impact of recent disasters on our farmers and agricultural production has been huge. Queensland is responsible for one-third of our fruit and vegetable production. Our tourism industry was already under pressure as a result of the high Australian dollar and even more so after the floods in Queensland. There are also the flow-on effects on other businesses.

The Gillard government is on track with a mature and effective solution which does not entail absurd and incorrect savings such as those put forward by the opposition. Even the shadow Treasurer admitted his own savings were not enough to cover the estimated damage bill from the January floods. The Liberal Party has suggested cuts to BER projects. Which school project does the opposition think we need to abandon? The opposition also put forward cuts in aid to Indonesia as part of its alternative to a flood levy.

The Gillard government’s view is very different. We say there is no need to cut Australia’s aid program or our spending on defence and counterterrorism because we know
that these measures help to keep Australia safe and secure. Our aid program is an investment in Australia’s security. Tackling poverty in our region also means tackling the root causes of conflict and terrorism. Our aid program also helps nations improve law and order, prevent and recover from conflict, and manage a range of transnational threats such as people trafficking, illicit drugs, HIV/AIDS and other communicable diseases. Our long-standing aid program serves our national interest by creating a more secure, stable and economically prosperous region.

Paying for the reconstruction in the considered way outlined by the government is the right thing to do. The impact of the floods is devastating.

The list read as follows—

**THIRD Gillard MINISTRY**

21 February 2011

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<th>Title</th>
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<td>Prime Minister</td>
<td>The Hon Julia Gillard MP</td>
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<td>Minister for Regional Australia, Regional Development and Local Government</td>
<td>The Hon Simon Crean MP</td>
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<td>The Hon Simon Crean MP</td>
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<td>Senator the Hon Mark Arbib</td>
<td>The Honourable Kate Ellis MP</td>
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<td>Special Minister of State for the Public Service and Integrity</td>
<td>The Hon Gary Gray AO MP</td>
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<td>Cabinet Secretary</td>
<td>The Hon Mark Dreyfus QC MP</td>
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<td>Parliamentary Secretary to the Prime Minister</td>
<td>Senator the Hon Kate Lundy</td>
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<td>Treasurer (Deputy Prime Minister)</td>
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<td>Minister for Tertiary Education, Skills, Jobs and Workplace Relations (Leader of the Government in the Senate)</td>
<td>Senator the Hon Chris Evans</td>
<td>The Hon Simon Crean MP (Jobs and Workplace Relations)</td>
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<td>The Hon Peter Garrett AM MP (Tertiary Education and Skills)</td>
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<td>Minister for School Education, Early Childhood and Youth</td>
<td>The Hon Peter Garrett AM MP</td>
<td>Senator the Hon Chris Evans</td>
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Debate interrupted.

**MINISTERIAL ARRANGEMENTS**

Senator CHRIS EVANS (Western Australia—Leader of the Government in the Senate) (2.00 pm)—

I table for the information of the Senate a revised ministry list reflecting changes to the ministry made on 21 February 2011.

The changes reflect the appointment of Senator the Hon Kate Lundy as Parliamentary Secretary for Immigration and Multicultural Affairs.

I seek leave to have the document incorporated into Hansard.

Leave granted.
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<tr>
<th>Title</th>
<th>Minister</th>
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<td>Minister for Employment Participation and Childcare</td>
<td>The Hon Kate Ellis MP</td>
<td>Senator the Hon Chris Evans</td>
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<td>Minister for Indigenous Employment and Economic Development</td>
<td>Senator the Hon Mark Arbib</td>
<td>The Honourable Jenny Macklin MP</td>
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<td>Parliamentary Secretary for School Education and Workplace Relations</td>
<td>Senator the Hon Jacinta Collins</td>
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<td>Minister for Broadband, Communications and the Digital Economy</td>
<td>Senator the Hon Stephen Conroy</td>
<td>The Hon Anthony Albanese MP</td>
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<td>(Deputy Leader of the Government in the Senate)</td>
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<td>Minister Assisting the Prime Minister on Digital Productivity</td>
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<td>Minister for Foreign Affairs</td>
<td>The Hon Kevin Rudd MP</td>
<td>Senator the Hon Stephen Conroy</td>
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<td>Minister for Trade</td>
<td>The Hon Dr Craig Emerson MP</td>
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<td>Parliamentary Secretary for Trade</td>
<td>The Hon Justine Elliot MP</td>
<td>Senator the Hon Stephen Conroy</td>
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<td>Parliamentary Secretary for Pacific Island Affairs</td>
<td>The Hon Richard Marles MP</td>
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<td>The Hon Stephen Smith MP</td>
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<td>Minister for Veterans’ Affairs</td>
<td>The Hon Warren Snowdon MP</td>
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<td>Minister for Defence Science and Personnel</td>
<td>The Hon Warren Snowdon MP</td>
<td>Senator the Hon Chris Evans</td>
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<td>Parliamentary Secretary for Defence</td>
<td>The Hon Jason Clare MP</td>
<td>Senator the Hon Chris Evans</td>
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<td>Minister for Immigration and Citizenship</td>
<td>The Hon Christopher Bowen MP</td>
<td>Senator the Hon Kim Carr</td>
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<td>Minister for Mental Health and Ageing</td>
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<td>Parliamentary Secretary for Health and Ageing</td>
<td>The Hon Catherine King MP</td>
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<td>Minister for Families, Housing, Community Services and Indigenous Affairs</td>
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<td>Parliamentary Secretary for Disabilities and Carers</td>
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<td>Minister for the Status of Women</td>
<td>The Hon Jenny Macklin MP</td>
<td>Senator the Hon Mark Arbib</td>
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<td>Minister for Social Housing and Homelessness</td>
<td>The Hon Kate Ellis MP</td>
<td>Senator the Hon Penny Wong</td>
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<td>Parliamentary Secretary for Community Services</td>
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<td>Minister for Sustainability, Water, Population and Communities</td>
<td>The Hon Tony Burke MP</td>
<td>Senator the Hon Stephen Conroy</td>
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<td>Parliamentary Secretary for Sustainability and Urban Water</td>
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<td>Minister for Finance and Deregulation</td>
<td>Senator the Hon Penny Wong</td>
<td>The Hon Wayne Swan MP</td>
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<td>Special Minister of State</td>
<td>The Hon Gary Gray AO MP</td>
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<td>Minister Assisting on Deregulation and Public Sector Superannuation</td>
<td>The Hon Nick Sherry</td>
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<td>Parliament Secretary for Community Services</td>
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<td>Minister for Innovation, Industry, Science and Research</td>
<td>Senator the Hon Kim Carr</td>
<td>The Hon Peter Garrett AM</td>
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Minister for Small Business: Senator the Hon Nick Sherry
Attorney-General (Vice President of the Executive Council): The Hon Robert McClelland MP
Minister Assisting the Attorney-General on Queensland Floods Recovery: Senator the Hon Joe Ludwig
Minister for Home Affairs: The Hon Brendan O’Connor MP
Minister for Justice: The Hon Brendan O’Connor MP
Minister for Agriculture, Fisheries and Forestry (Manager of Government Business in the Senate): Senator the Hon Joe Ludwig
Parliamentary Secretary for Agriculture, Fisheries and Forestry: The Hon Dr Mike Kelly AM MP
Minister for Resources and Energy: The Hon Martin Ferguson AM MP
Minister for Tourism: The Hon Martin Ferguson AM MP
Minister Assisting the Minister for Tourism: Senator the Hon Nick Sherry
Minister for Climate Change and Energy Efficiency: The Hon Greg Combet AM MP
Parliamentary Secretary for Climate Change and Energy Efficiency: The Hon Mark Dreyfus QC MP
Minister for Human Services: The Hon Tanya Plibersek MP
Senator the Hon Tony Burke MP

Each box represents a portfolio. Cabinet Ministers are shown in bold type. As a general rule, there is one department in each portfolio. However, there is a Department of Veterans’ Affairs in the Defence portfolio and a Department of Regional Australia, Regional Development and Local Government in the Prime Minister’s portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.

Senator CHRIS EVANS—I advise that Senator Arbib is travelling to Switzerland to represent Australia at the International Olympic Committee’s meeting on irregular and illegal sports betting and will be absent from question time this week.

Opposition senators interjecting——

Senator CHRIS EVANS—I wish I had his job! I will take questions as Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, Minister representing the Minister for Indigenous Employment and Economic Development, and Minister representing the Minister for Social Housing and Homelessness. Senator Conroy will take questions as Acting Minister for Sport and Minister representing the Minister for the Arts and Senator Ludwig will take questions as Minister representing the Minister for Social Inclusion and Minister representing the Minister for Human Services.

QUESTIONS WITHOUT NOTICE

Carbon Pricing

Senator ABETZ (2.01 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. Can the minister confirm that, in the days before the last federal election, Prime Minister Gillard said: There will be no carbon tax under the government I lead.
Senator CHRIS EVANS—I can confirm that this government has been committed to a carbon price and to attacking carbon pollution in our community since before the 2007 election. Interestingly, at that time we had bipartisan support for a scheme to produce a reduction in carbon emissions. Former Prime Minister John Howard—even John Howard, who was regarded by many as a fairly conservative influence in the Liberal Party—argued the need for this sort of reform.

Senator Brandis—On a point of order, Mr President: even allowing for commentary and prologue, nothing that the minister has said in response to the question is relevant. The question could not have been narrower. He was asked to confirm whether the Prime Minister made a statement or not. It is, with respect, hard to see how commentary and prologue can be directly relevant to the question of whether or not a particular statement was made by the Prime Minister.

The PRESIDENT—The minister has two minutes to answer the question. The minister is reminded that there is a minute and 29 seconds remaining to answer the question.

Senator CHRS EVANS—I thank Senator Brandis for making a contribution, because I remember the days when he used to believe that climate change was a problem for this country. I remember the days when the Liberal Party was serious about tackling climate change and when he supported that position. But unfortunately that is no longer the case.

It is the case that the Prime Minister has been very upfront with the Australian public about these issues—very upfront. She has been in the media the last few days answering questions, responding to the issues posed by the opposition, and she has made the continuity of Labor’s position seeking to address this issue very clear. You might recall that three times in the last term we brought legislation into this parliament and three times those opposite, with a combination of Independents and Greens, rejected that legislation. The consistency of this government’s approach is on the record. We have consistently attempted to make a major reform to our economy to reduce carbon pollution.

Senator Brandis—On a point of order, Mr President: with 28 seconds to go, nothing we have heard from the minister so far has been directly relevant to the question of whether a statement was made or not. The question could not have been narrower. As I pointed out to you on the last sitting day, an answer cannot be all prologue, particularly if the question is narrowly focused on one issue of fact—was a statement made or not? If you allow this minister to occupy the entire two minutes with prologue and commentary, you will be condoning a defiance of the sessional order.

Senator Ludwig—On the point of order, Mr President: the minister is addressing the question. The opposition are seeking a yes or no answer in response to their question. My submission is that the minister is answering the question by explaining the issue without being drawn into a yes or no response. So my submission is that the minister is on point and is answering the question.

The PRESIDENT—I draw the minister’s attention to the question. There are 28 seconds remaining.

Senator CHRIS EVANS—The Prime Minister has been very frank with the Australian community about these issues. The Prime Minister has made it clear that this party, the Labor Party, has been committed to effective action against carbon pollution for many years now and that we have tried, in each term of our government, to make legislative reform. We will continue to do that. As part of the new parliament, we have set up a process which will hopefully see real action
and legislation out of this parliament. *(Time expired)*

Senator Brandis—Mr President—

The PRESIDENT—I see that you are on your feet, Senator Brandis. I do draw your attention to the fact—

Senator Brandis—Mr President—

The PRESIDENT—Just wait a minute, Senator Brandis. It is very hard when there is commentary going on across the chamber.

Senator Brandis—Mr President, on the question of relevance: I rose, with two seconds to go and, by the time you acknowledged me, the time had expired. By the time the time had expired the minister had not addressed the question, in defiance to your direction to him to come to the question. That is the consequence of rulings which say: ‘Up until the very end of the period allowed for answering the question, a minister can engage in commentary, prologue and political badinage.’ Your ruling does not operate successfully, Mr President, when you have ministers prepared to defy you, as the Leader of the Government in the Senate just did, preventing the opposition from taking a point of order and preventing you from enforcing the sessional orders until the time has expired.

The PRESIDENT—Senator Ludwig.

Senator Ludwig—Mr President, I rise on a point of order. The minister was responding to the question that was asked and was being directly relevant to the issue raised. What we now have is a question that has been asked in such a way, with a political overtone, that is designed to elicit a yes or no response—

Opposition senator interjecting—

Senator Ludwig—which can be answered, and is being answered, by the minister without saying, as the case may be, yes or no, by explaining the context of the question and by answering in the context of the question and to the issue that is embodied within the question. What we now hear from the opposition, again through an interjection, is simply: ‘A response, either yes or no.’ The minister, in answering the question, does not have to answer yes or no. The minister can actually explain what the issue is, whilst being directly relevant to the question raised. That is the point. Therefore, there is no point of order by the opposition in raising this issue. They are simply ignoring their own standing orders by taking frivolous points of order in this way.

The PRESIDENT—I have consistently said during question time that I am not able to tell the minister how to answer the question. All I can do is see that the sessional orders are adhered to. They may not supply the answer in the manner and in the desired form that you require. But I listen closely to the minister’s answers on each occasion and I endeavour to ensure that the minister is complying with sessional orders. That does not mean that I can tell the minister how to answer the question.

Senator Brandis interjecting—

The PRESIDENT—You are entitled to take a point of order, Senator Brandis.

Senator Brandis—Mr President, having heard the minister’s answer in its entirety and the time limit for answering the question having expired, are you now ruling that his answer was directly relevant to Senator Abetz’s question?

The PRESIDENT—There is no point of order there.

Senator Abetz—if sessional orders do require a directly relevant answer, let’s try this supplementary question. Minister, is it a fact that the Prime Minister, in her Labor campaign launch speech, of some 5,462 words, made no mention of a carbon tax nor of any other mechanism to reduce carbon pollution?
Senator CHRIS EVANS—I have to concede that I do not have a copy of the speech with me so, to that extent, I will have to take Senator Abetz’s question on notice. I will have a look at the speech. The Labor Party have made clear for a number of years our commitment to get a price on carbon, to deal with the heavy levels of pollution that are being emitted in our economy and which are leading to the global problem of climate change. We made concerted efforts in the previous parliament to try to get through legislation, to introduce a CPRS. We were unsuccessful in that regard. But our analysis, our critique, our support for the need to seriously address climate change has been longstanding. As I say, the opposition used to support us in those endeavours, until the right wing of the party exerted its control. I would encourage the Liberal Party to rethink their position to help us address this serious issue. *(Time expired)*

Senator ABETZ—Mr President, I ask a further supplementary question. Given that the minister has not denied either statement and, given that the minister has not denied that the Prime Minister said that there would be no carbon tax under a government she leads, who is leading the government? Senator Brown, Senator Milne and the Greens? Or did caucus actually have a say in this decision?

Senator CHRIS EVANS—I think the Australian public would be interested to know that all the Liberal Party and the coalition have to offer on a most serious debate is to try to make some low-level political points. Scoring. Seriously, if you take the issues of carbon pollution and climate change seriously, you would think that you would try to engage in a policy debate. You would think you would have something to say about the real issues confronting our nation with respect to climate change. But no, we have this nitpicking, minor political stuff that maybe works inside the Liberal Party at their party room meetings, but has no relevance to the broader Australian public and the serious challenges involved. It is about time the Liberal Party took their responsibilities as an alternative government seriously. Quite frankly, at the moment you are a laughing stock.

Carbon Pricing

Senator CAROL BROWN (2.14 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. Can the minister outline to the Senate how setting a carbon price will help Australia become a clean energy nation?

Senator CHRIS EVANS—I thank Senator Brown for her question. Pricing carbon is an essential economic reform, and it is the right thing to do. A carbon price is a price on pollution. It is the cheapest and fairest way to cut pollution and build a clean-energy economy. The best way to stop businesses polluting, and to get them to invest in clean energy, is to charge them when they pollute. Australia, as we all know, has one of the most carbon-intensive economies in the world. Per head of population we have the highest emissions of any developed country, emitting around 27 tonnes of carbon per person per year.

A clean-energy nation is in the national interest. The longer we delay, the harder the adjustment will be. The global renewable energy sector is already taking hold. In 2009, for the second year in a row, both the United States and Europe added more power capacity from renewable sources such as wind and solar than from conventional sources. The government wants Australians to benefit from this new green boom, not get left behind.

Change is difficult, but we have to start now—and we do need leadership from our politicians. Major economic reform does
require leadership. In the 1980s Labor in government made the tough economic reforms to deregulate our economy and bring down tariff walls. It was not easy but it did create new jobs, it changed the face of others and we reaped the benefits of that reform. And we can reap the benefits of a transition to a clean-energy economy. What we need to do is to act in the national interest, to take on these difficult challenges and to provide business with the certainty they need. Business need to know how we are going to progress with these matters so they can make the investment decisions that we need, and unless we give them that certainty we will be held back. This is important economic reform, and I hope the parliament will support it in due course. *(Time expired)*

**Senator CAROL BROWN**—Mr President, I ask a supplementary question. Can the minister explain to the Senate how setting a carbon price is the most efficient way to cut carbon pollution?

**Senator CHRIS EVANS**—A clean-energy nation means harnessing the next generation of renewable energy. Australia has an abundance of renewable energy. We are lucky to enjoy an abundance of solar, natural gas, geothermal and wind resources. It is now time to turn our comparative advantage in these resources to cutting carbon pollution. A carbon price will change this by putting a price tag on carbon pollution. Big business will be aware of their pollution because they will have to pay for it. Households will be aware of the carbon pollution produced by the goods and services they consume because prices of high-polluting goods will be higher than prices of goods which produce less pollution. It will send the signals for business to innovate and find ways to reduce carbon pollution. It will send the signals to households to switch to goods and services which produce less pollution. It is a market mechanism, one that will drive investment to give us a cleaner economy. These changes are necessary both for our climate and for our economy. *(Time expired)*

**Senator CAROL BROWN**—Mr President, I ask a further supplementary question. Can the minister advise the Senate whether setting a carbon price is important for creating investment certainty?

**Honourable senators interjecting**—

**The PRESIDENT**—Order! When you have finished debating across the chamber, we will proceed—simple as that. Senator Evans.

**Senator CHRIS EVANS**—Thank you, Mr President. Without action we will lock in high-polluting infrastructure and investments. Anyone with a serious interest in public policy in this country knows that. That would make the transition more difficult and more costly.

**Opposition senators interjecting**—

**The PRESIDENT**—Order! Senator Evans, resume your seat. When we have silence we will proceed.

**Senator CHRIS EVANS**—We emit carbon pollution because there are no economic consequences for doing so—it does not cost us anything to emit carbon pollution. We cannot see it, we cannot hear it but we know that the effects on the environment are very real. We need to make renewables and low-pollution energy more competitive. Currently, low-pollution energy resources, such as solar and wind, cost more than coal-fired electricity. Renewables cost more under the current system. We need to change the economics. A carbon price will make cleaner energy more competitive and, because it prices pollution, it can also be used to assist households with rising costs. This is important so we can create investment certainty and move to a lower pollution economy. *(Time expired)*
Carbon Pricing

Senator JOYCE (2.20 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. The government lauds the fact that a carbon tax—the word that will not speak its name at the moment; it has become a ‘carbon price’—will provide certainty. Can the minister, seeing how the government are upfront, transparent and open, provide to this chamber a certainty that they will be ruling out this carbon tax—carbon price, whatever you want to call it—on fuel?

Senator CHRIS EVANS—I suspect Senator Boyce could not have been listening to any radio or TV for the last few days, because the Prime Minister—

Opposition senators interjecting—

Senator CHRIS EVANS—Senator Joyce! Sorry, Senator Boyce: my deepest apologies! What a terrible mistake to make! What the Prime Minister has announced is the framework by which we will be pursuing putting a price on carbon. She has made it clear that we are going to work through all of the issues that flow from that. Rather than trying to rule things in and rule things out early, the Prime Minister is seeking to make sure we have a proper public policy debate about these issues.

Senator Joyce—Mr President, I rise on a point of order going to relevance. The Prime Minister actually ruled out a carbon tax, so now that it is in, can the minister just inform us whether they are ruling it out or in with respect to fuel?

The PRESIDENT—that is a debating point. The minister is answering the question.

Senator CHRIS EVANS—We have made it clear that there is a process we are going through with a committee set up inside the parliament to review the measures we need to take to make a transition to putting a price on carbon. We hope to do that in time to have the price imposed from the start date of 1 July 2012. We are going to have to get this through the parliament. I do not underestimate the challenge of doing that. Our experience with the CPRS was that, despite the so-called commitment of the opposition and the Greens’ support for a scheme, we were not able to successfully get a scheme through the parliament. But we have said that we are going to try to put a price on carbon. We have engaged in a process to try to build support for that. We have said that we are going to work through some of the issues that are obviously out there in relation to how the price is applied and what it will be applied to. We have not yet decided how the transport sector will be treated—

Opposition senators interjecting—

Senator CHRIS EVANS—but it is a key issue and it is one that I encourage the opposition to engage in constructively rather than just performing stunts. (Time expired)

GILLARD GOVERNMENT

Censure Motion

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (2.23 pm)—by leave—I move:

That the Senate censures the government for its gross deception of the Australian people by introducing a carbon tax after specifically ruling out such a measure during the election. The Labor-Green alliance’s carbon tax announced last week is one of the biggest deceptions perpetrated on the Australian people. That is why this government deserves to be censured. It is a gross betrayal of the Australian people by their government. That is why this government deserves to be censured. It is dishonesty writ large. That is why this government deserves to be censured.

Let us be clear: in the last week of the campaign Labor specifically, solemnly and
shamelessly promised no carbon tax. Let us just go through the list of examples that we have. Ms Gillard said:

There will be no carbon tax under the government I lead.

Nothing could have been clearer. On 20 August, the day before the election, when things were very tight and everybody knew the election was close, Ms Gillard said:

I rule out a carbon tax.

Nothing could have been clearer. Indeed, her deputy, Mr Swan, said:

We have made our position very clear. We have ruled it out.

Then on 15 August he said:

Well, certainly, what we rejected is this hysterical allegation somehow that we are moving toward a carbon tax. We certainly reject that.

We now know that the government and the Labor Party were at all times moving to a carbon tax. So they made this specific, solemn and shameless promise to the Australian people in the dying days of the election that there would be no carbon tax. When the polls were desperately tight, Labor made the promise of no carbon tax, which allowed them to cling to power by their fingernails, with a little help from their friends in the Greens. Who in this place doubts that if Labor had said in the week leading up to the election, ‘We will introduce a carbon tax,’ they today would be sitting on this side of the chamber? They would be in opposition and there is no doubt that Tony Abbott would be the leader of a majority coalition government.

So Australians are quite right in asking today: ‘How is it that two members of the House of Representatives and five senators can dictate the nation’s policy against the policies on which 147 members of the House of Representatives and 71 senators were elected?’ It seems that the Greens tail that was wagging this Labor government has now morphed into the full backbone and skeleton and is directing absolutely every move of this conscienceless government. We now know the heavy price the Australian people are paying for this government: deceit before the election, deals immediately after the election and, now, these pathetic denials of the most disingenuous kind. Make no mistake. Labor’s promise of ‘no carbon tax’ was its election eve promise. It was express; it was emphatic. That is why Labor’s flagrant breach is such a gross and unprecedented betrayal of the Australian people and that is why it is imperative that this chamber censures the government.

This betrayal will impact every single Australian in every sphere of their lives. It will rightly shatter any vestige of confidence that may remain in the integrity of this government. It will punch holes in every household budget. It will destroy tens of thousands of jobs. And, perversely, it will make things worse for the environment in the absence of a global agreement. You can be assured that the factory owners of the BRIC countries—Brazil, Russia, India and China—are cheering on this Labor-Green madness, because they know that their products will now be able to displace the Australian made products, which are so much cleaner.

Senator Wong—You are sounding like Scott Morrison.

Senator ABETZ—An example that I can give to the senator from South Australia is—

Senator Wong interjecting—

Senator ABETZ—that in her very own home state there is a manufacturer of zinc—

The PRESIDENT—Order! Those on my right—

Senator Wong—You are bloody shameful.

The PRESIDENT—Senator Wong, withdraw that.
Senator Wong—I withdraw.

Honourable senators interjecting—

The PRESIDENT—Senators on both sides, this does not help. We have a motion before the chair that the chamber has agreed to hear. Senator Abetz deserves to be heard. This is not helping Senator Abetz or me. When we have silence on both sides we will proceed.

Senator ABETZ—I can understand the sensitivity and shrillness, especially that of Senator Wong, the failed minister for climate change. Let us not forget that in 2007 climate change was the greatest moral challenge of our time. Then what happened to it? While she was minister, it all of a sudden got dumped. And at whose insistence? At Ms Gillard’s insistence. We know that courtesy of Mr Rudd’s leaks during the last election. Nobody from Labor has denied it. So we have a situation in which this person who is Prime Minister today convinced the former Prime Minister, who she knifed, that it was no longer the greatest moral challenge of our time. Then she sought to take control of the Labor Party. She specifically promised the Australian people that she was not Mr Rudd, but—

Senator Ronaldson—The ‘real Julia’.

Senator ABETZ—the ‘real Julia’—exactly right, Senator Ronaldson. ‘Trust me,’ she said. On the topic of trust, Senator Evans claims that he cannot remember what Ms Gillard said in her policy speech. Allow me to remind him. On the very first page, she said this: ‘I want to speak to you. I want to speak to you from my heart. I want to speak to you about my values.’ So it was from her heart and based on her values. I went through this document page by page, line by line, word by word, to see where there was this promise of a carbon price that had always been front and centre of Labor’s policy, according to Minister Evans. I am sorry: there was no mention of a carbon price; there was no mention of a carbon tax. Indeed, page after page, line after line, word after word, there is not a mention of a carbon tax or carbon price.

Finally, in the very last paragraph, eight lines from the end of Labor’s policy launch, is the only reference to climate change. That which was the great moral challenge of our time in 2007 was relegated to the very last paragraph and smothered in puerile pathetic plagiarisms of Mr Obama of the ‘Yes, we will’ kind. Climate change was thrown in at No. 5 out of nine. The statement was, ‘Yes, we will work together and tackle the challenge of climate change.’ That is it. In over 5,000 words, 12 words were devoted to climate change. And that was in the context of us having a citizens’ assembly. What was one of the first thing done after the election? The citizens’ assembly was axed. There was no pursuit of a community consensus, but there was a pursuit of a consensus with the Australian Greens and a few Independent members of the other house.

But the important thing is this: even with the acknowledgment that Ms Gillard said, ‘Yes, we will tackle climate change,’ after that she was asked, in effect, ‘Does ‘Yes, we will,” mean a tax on carbon?’ and she denied it. She denied it not once, not twice but on too many occasions to count, as did her Treasurer, Mr Swan. The denials were innumerable. The denials were shrill, with the coalition being labelled as hysterical and engaged in dishonest scare tactics.

Why the shrillness from Labor during the last election campaign? Why the unequivocal denials from Labor during the last election campaign? Why this grave betrayal now after the election campaign? Because, as we have seen only too often, Labor will say whatever and do whatever because their moral compass for government is ‘whatever it takes’.
The Australian people should feel aggrieved at this gross betrayal. But it is not only a gross betrayal; it is also bad policy. Here in the Senate are the two Greens leaders, pretending to be the champions of my home state of Tasmania. All I would ask them to do is read the Access Economics report on the impact that a carbon tax will have on transport. Their home state of Tasmania will suffer more greatly than any state in the Commonwealth. The cost of living will be most impacted in the southern part of Tasmania. And they claim to be senators from Tasmania.

Previously, we heard the shrill intervention of Senator Wong, a senator from South Australia. In her state, there is one of the cleanest manufacturers of zinc in the world. Indeed, in her home state, Nyrstar makes one tonne of zinc for about two tonnes of CO2 emitted. In China, that same one tonne of zinc is made with six tonnes of CO2 emitted to the atmosphere. So when we price our zinc out of the world market, the world market will buy its zinc not from South Australia or from my home state of Tasmania but from China. As a result, this madness of a carbon tax—in the absence of a world agreement, and that is an important caveat—will mean the pricing out of the marketplace of clean products in favour of dirtier products.

That is why I say to those on the Greens bench, on the crossbench and especially on the government bench: when you talk about a carbon tax in isolation, the factory owners of the BRIC countries—Brazil, Russia, India and China—are cheering you on from the sidelines, because they see the benefit for their economies. I happen to think that most Australians would be willing to suffer a bit of an economic loss if there were, on the other side of the ledger, an environmental dividend. But the simple fact is that there will not be an environmental dividend, and that is why this tax has such a disastrous bottom line. It will mug Australian jobs, it will mug Australia’s cost of living and, what is more, it will mug the world’s environment. We all know that. The Labor Party knows that. That is why Labor went to the last election solemnly promising that there would be no carbon tax. In August 2010 a carbon tax was a bad idea. Despite its being a bad idea, according to the Labor Party, we had the Greens willingly giving them their preferences.

One wonders whether a pre-election deal may in fact have been made, but that is for the Greens and the Labor Party to tell the Australian people. The simple fact remains that no manner of squirming and no manner of word games claimed by the Prime Minister can get her out of the solemn promise she made. This cuts at the very heart of our democratic system. Our democratic system is based on integrity. It is based on trust. It is based on the belief that when a government goes to the people with a promise it can in fact be believed and the promise can in fact be implemented.

Senator Cameron—No wonder they want to get rid of you. What a pathetic performance. You—the leader!

Senator ABETZ—Of Senator Cameron, who represents the zombies in this place, I ask, I wonder who said this:

I think when you go to an election and you give a promise to the Australian people, you should do everything in your power to honour that promise. … We want Australians to be able to say well, they said this and they did this. The same person—there is a hint for you, Senator Cameron—also said:

If the reputation of this government is that we are stubborn in the delivery of our election promises, then we are stubborn in keeping our word to the Australian people. Then I’ll take that. I’ll take that as a badge of honour.
Who said that? None other than your Prime Minister. There she is on the record, absolutely ruling out a carbon tax, absolutely telling the Australian people how fundamental and important it is to have honesty and integrity in the delivery of an election promise. So I say to the Prime Minister and to the Labor Party: if you want to honour your election promise of no carbon tax, we in the coalition will support you all the way. We will assist you in that, because you and we were both elected on the same policy of no carbon tax.

Considering the vote that the coalition got and the vote that the Australian Labor Party got in comparison with the 10 per cent or so that the Greens got, the Australian people are asking, ‘How is it that the will of 90 per cent of the Australian people can be so shamelessly discarded?’ The reason is that Ms Gillard and Labor will do whatever it takes to cling onto power. That is their modus operandi. There is no morality in this. Let us not try to dress this up as some environmental policy, because it is not. It is a tax grab, but they are trying to give it a green veneer. It seems, in recent times, that, no matter what Labor is confronted with, the immediate reaction is tax. If there is a flood, let us have a tax; students, let us have a tax; resources, let us have a tax; alcohol, let us have a tax; carbon in the air, let us have a tax. These people are absolutely addicted to tax, even in circumstances in which they know it will hurt their base.

People like Senator Cameron and others who once were proud trade union leaders and who once were proud defenders of the Australian manufacturing sector are now sitting in this place selling that sector out. One indeed wonders why Senator Cameron had to go to all the trouble of knifing out Senator George Campbell from this place. Senator Campbell had become too weak; the Labor Party was deserting the workers. And now we have Senator Cameron following suit. We have in this one action by the government a window into how this government will behave.

Senator Sterle—Yawn. I am tired.

Senator ABETZ—Senator Sterle may well be tired.

Senator Sterle—I am bored.

Senator ABETZ—I imagine that listening to an intellectual argument for over five minutes would tire him. I can understand that, Senator Sterle. Nobody would complain if you were to take yourself outside of the chamber.

Senator Sterle—I am bored because you are boring me.

Senator ABETZ—What we have here is an issue of fundamental importance to the future of our nation. First of all, it is the democratic issue of a broken election promise, but not just any election promise: one that was made so solemnly, so deliberately and so carefully. There would be no carbon tax. Nothing could be clearer than that. Yet in question time today Senator Evans, despite knowing the fact, could not bring himself to admit that, yes, that is what the Prime Minister said; yes, it is a fact that the Labor Party’s election speech did not contain any mention of a carbon price or a carbon tax.

This government deserves the censure of the whole Senate. Indeed, I have a sneaking suspicion that if there were a secret ballot there would be members of the Labor Party caucus who would be voting for this, because they were not even allowed to have a say. So much for the community consultation. The Prime Minister did not even consult the community representatives that were democratically elected. I think she knew what the result would be.

So I accept that on this occasion we will not have a secret ballot. But I plead with those on the crossbenches to consider the
gravity of this situation, because this gov-
ernment is deserving of censure for its de-
ceit, for its deals and for its denials, which
have now morphed into their new carbon
tax—a tax which will hurt every single Aus-
tralian household budget, will costs tens of
thousands of jobs and will mug the world
environment to boot.

Senator Bob Brown—Mr President, I
raise a point of order. Under the standing
orders a copy of the motion should be avail-
able to senators. We are 20 minutes into this
debate and it is not available. I ask you to
find out why that is the case and to see that
one is circulated.

The PRESIDENT—I am led to believe
that it is being copied now.

Senator CHRIS EVANS (Western Aus-
tralia—Leader of the Government in the Senate) (2.46 pm)—Anyone listening to the
debate on this motion of censure relating to a
carbon tax would wonder what all the sound
and fury is about. In Senator Abetz’s 20-
minute contribution, there was not one refer-
ce to the question of how Australia should
respond to the climate change challenge. We
had all the normal petty point-scoring for
which Senator Abetz is well known—the
stuff that he learnt in student politics inside
the Liberal Party, the stuff that is never actu-
ally developed to a more mature approach.
All we heard was outrage and petty political
point-scoring. The fact is that the Liberal-
National coalition ran out of questions half-
way through question 2. They had nothing
more to say, because all they had is political
point-scoring. They had nothing to say about
the issues. When the Australian public are
listening to this debate, they will be asking:
“What is the Liberal Party’s current position
on this? What is the Liberal Party saying to
us about the policy issues?” The answer is:
nothing. But they are working on a three-
word slogan which will reflect their position
that they are against it.

Senator Brandis—No, you are a liar! You
lied!

Senator CHRIS EVANS—Whatever it is,
they are against it. They have no policy posi-
tion.

The PRESIDENT—Minister, resume
your seat. Senator Brandis, you need to with-
draw that. You cannot address that re-
mark across the chamber.

Senator Brandis—I withdraw.

Senator CHRIS EVANS—That is an-
other example of where they are at. The con-
tribution of Senator Brandis, their intellec-
tual, is to say, ‘You lied, you lied.’ That is it.
That is all we have got from them. That is
where they have sunk to: petty name-calling,
sloganering, political point-scoring—
nothing else.

Honourable senators interjecting—

The PRESIDENT—Order! Senator Ev-
ans, resume your seat. When we have silence
we will proceed. Senator Evans.

Senator CHRIS EVANS—That is where
the Liberal Party has got to on all this stuff.
Senator Sterle was accused of not paying
attention to Senator Abetz’s intellectual con-
tribution. I defy anyone to defend his contrib-
ution as being intellectual. It was the junior
student politician attack—the same old style
with no substance.

The Labor Party actually thinks this is a
serious global issue. We think climate change
presents a real threat to both our climate and
our economy. We think there needs to be a
serious public policy debate. That is why we
have pursued that debate for a number of
years now and why in government we have
sought to bring about fundamental change to
the way in which we price carbon in our
economy in order to drive a cleaner econ-
omy, in order to transform the economy into
a cleaner power economy. It is a shame that again from the Liberal Party we have no policy, just slogans. I think it is interesting that the Liberal government of John Howard recognised that this was a problem. He said: Significantly reducing emissions will mean higher costs for businesses and households. There is no escaping that and anyone who pretends to you otherwise is not a serious participant in this hugely important public policy debate.

John Howard said that at the Liberal Party Federal Council meeting in June 2007. His critique of your current position is that ‘anyone who pretends to you otherwise is not a serious participant in this hugely important public policy debate’. So your own former Prime Minister condemns your current position.

We know the Liberal Party have come a long way since John Howard was defeated as Prime Minister. It is amazing to think they have gone further to the right, but unfortunately they have. One of the reasons they have gone further to the right is the injection of far-right-wing senators into their little party room—more of that on another day.

Senator Boswell—Mr President, I raise a point of order. If we have got to listen to the leader, can we listen to the real leader, Senator Bob Brown?

The PRESIDENT—There is no point of order, Senator Boswell.

Senator CHRIS EVANS—I thank Senator Boswell for his intelligent contribution to the policy debate. Again, they have got nothing to contribute. We have seen the Liberal Party move to the right on this issue to the point of abandoning any commitment to climate change action and giving up on any attempt to recognise the challenges we face.

It is interesting to see what the current Leader of the Opposition, Mr Abbott, had to say in July 2009 about a carbon tax. It is worth while remembering and illustrating how far the Liberal Party have come. Mr Abbott said:

I also think that if you want to put a price on carbon, why not just do it with a simple tax? Why not ask motorists to pay more? Why not ask electricity consumers to pay more? Then at the end of the year you can take your invoices to the tax office and get a rebate of the carbon tax you paid. It would be burdensome. All taxes are burdensome. But it would certainly change the price of carbon, raise the price of carbon, without increasing in any way the overall tax burden.

I admit that Mr Abbott has many positions on this question, and it is hard to follow, but on that occasion he thought that a carbon tax was a good idea—that was his preferred option. As I say, there have been so many positions that it has been hard to follow. I gather now that we have settled on a position, and that is to say no to anything, to advance no policy prescription, just to say that it is all too hard.

In order to be clear on Mr Abbott’s position, I take the advice on this occasion of his own former leader Malcolm Turnbull, who said Mr Abbott had had every position but no conviction. Mr Turnbull said on the question:

Tony himself has, in just four or five months, publicly advocated the blocking of the ETS, the passing of the ETS, the amending of the ETS and, if the amendments were satisfactory, passing it, and now the blocking of it. His only redeeming virtue in this remarkable lack of conviction is that every time he announced a new position to me he would preface it with, ‘Mate, mate, I know I am a bit of a weather vane on this, but...’

That is Tony Abbott’s position, as summed up by Malcolm Turnbull. The Liberal Party has proved one thing and one thing only. It has no conviction on this. It has no policy, it has no conviction.

We are in a situation now where the coalition seeks to move a censure motion against the government on its position seeking to bring in a price on carbon but it has nothing
to say about the public policy debate, just the puerile—

Senator Abetz—We have a direct action plan.

Senator CHRIS EVANS—Oh, the direct action plan! That was the one that left us with an $11 billion black hole in the election costings—that was the one. I have not heard very much about it lately. Is that still your policy? Today that is their policy, apparently—an $11 billion black hole in the budget. That is all they have got to contribute.

This is a serious challenge to the Australian economy. It is a serious challenge to our climate. When I talk to business I know they want certainty and they want leadership from the political leaders of this country. When they look to invest billions of dollars in electricity generation they want to know what the rules are going to be and what the returns on those investments are going to be. When they hear the Liberal Party taking the sort of position it is taking now, they are dismayed. They are dismayed at the lack of leadership because they say to us: ‘We will argue about the detail, but we want to know what is going to happen. If we are going to invest billions of dollars in electricity generation in this economy, then we need to know what the rules are. We need the politicians and the Australian parliament to resolve these issues so that we can make our investment decisions.’ Without that certainty, we know that we are not going to get the investment we need in power generation in this country.

It is important that we come to terms with the serious public policy issues at stake here. To be fair, even though we have been frustrated by Independents and the Greens in trying to get the CPRS established in the last parliament, at least we have now serious engagement from Independents and the Greens on the way forward on a major public policy issue. We know the Australian public expects us to seriously engage on this issue—not to invent a new three-word slogan, not to go out and do PR stunts pumping petrol in the suburbs but actually to engage in a serious climate and economic issue confronting Australia. They want more than three-word slogans. They want this parliament to get down to the job of crafting a response to the climate change challenge, to limiting our carbon pollution and to putting a price on carbon. We think that is the serious business of this parliament. We thank those Independents and Greens who are interested in coming to terms with this. We will argue about the detail, we will argue inside the framework about how to supply it, but all of those people will be in there arguing about the serious public policy debate and the Liberal-National Party have again marginalised themselves with their negativity, with their complete absence of public policy.

Senator Ian Macdonald—Do you want to have an election on it?

Senator CHRIS EVANS—Senator, we had an election. You lost. So, having formed government, we actually take on the challenge. Confronted with massive natural disasters and the need to respond, we respond as a federal government should. We do not play politics with issues of flood levies and those sorts of responses. We respond seriously. When faced with these challenges of climate change we respond seriously. There is no substitute for hard policy work. We know that the Liberal Party is wracked by internal divisions and it cannot find a serious—

Opposition senators interjecting—

Senator Marshall—Confected laughter does not disguise it.

Senator CHRIS EVANS—Confected laughter does not disguise what I read in the papers and what I see in the parliament. All I know is that, when a political party is di-
vided and rudderless, the easiest thing to do is to say no.

Honourable senators interjecting—

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

Senator CHRIS EVANS—Thank you, Mr President. The constant shouting and abuse from those opposite reflects the fact that they have nothing to say. It is really unfortunate that, in the Australian democracy, the opposition has nothing to contribute to what for us is a key policy debate. We tried in the last parliament to engage the opposition to try to get a consensus, and at the end of the day the business and wider community will demand that the parliament provides certainty. Today’s decision by the opposition to say that if this legislation passes it will reverse it is an interesting development. I think we will see that position re-examined if the legislation is passed by this parliament, because going to the next election saying ‘We are going to throw it all up in the air again and deny business certainty’ will be an interesting proposition. I will be very interested to see if you maintain this position through the life of this parliament.

I suspect that you will not. I suspect that you will come in here with your tail between your legs and adopt a new position again. It may be under a new leader, but I suspect you will come in with a new position because the Australian public will know that there has been an absence of leadership shown by the opposition. They will want certainty, they will want to know how we will move forward, they will want to know that there is a future for renewable energy and they will want to know that there is real progress occurring in reducing carbon pollution and that we can invest and go forward with confidence.

It is important to note that the opposition have failed to say anything in this debate today on the question of the way forward. They used to acknowledge that there was a problem, but now it seems that they are deniers again. As the numbers move inside the Liberal Party, one minute they say it is politics and then they say it is not. It depends on whether the believers or the deniers have the numbers. Therefore, we have seen changes in the leadership.

We actually believe action on climate change is important. We had a plan which we took to the last parliament; we were not able to get that carried. We have a plan to take to this parliament which we hope to get carried. It is an essential economic reform. We believe it is the right thing to do and we think we ought to have the support of the parliament. It is a price on pollution. It is the cheapest and fairest way to cut pollution and build a clean energy economy. The best way to stop businesses polluting and get them to invest in clean energy is to charge them when they pollute.

Despite having a huge natural advantage on a whole range of renewable resources, we have seen very slow movement to the use of renewable resources inside our economy because the economics have not been there to drive it. A price on pollution will help drive that investment. We think it is absolutely essential that we bring about a change in the price on carbon which will help make the adjustments to the economy. It will change prices. It is a market mechanism. It is interesting to see the Liberal Party again fighting market forces. But this will allow the market to determine investment in renewable energy and reduce the impact of carbon pollution in our economy.

We obviously reject the censure motion. I know a number of senators want to contribute to the debate. The government were pre-
pared to take the motion because we think it is important there be a debate on these issues, and we will debate them over the next year as we seek to have the parliament adopt legislation.

Senator Ronaldson—You still have four minutes.

Senator CHRIS EVANS—Senator, I am happy to go on if you want me to go on. What I am prepared to say is that we are absolutely determined to try to drive reform in this area. It has been our consistent position to try to drive reform. The CPRS proposition we put to the last parliament did not gain the support we needed. We think the price on carbon will allow us to build a consensus of the parliament to drive the change this economy needs. I look forward to the Liberal-National opposition engaging in a real debate, engaging in the policy debate, rather than political stunts and juvenile student politics. Let’s engage in a real debate about the needs of the economy.

Senator Bob Brown—Mr President, I ask you to acknowledge the crossbench as having the third say in this debate.

The PRESIDENT—In accordance with the convention in this chamber, I will go from one side to the other side.

Senator BRANDIS (Queensland) (3.04 pm)—The real question in this debate is why the Prime Minister said one thing on 16 August in order to get elected and did the opposite after her government had been commissioned. That is what this debate is all about—how the Prime Minister grossly deceived the Australian people. At the time of the 2010 election there was a lot of uncertainty in the air. The polls were tight, the Labor Party had had a terrible campaign, as they themselves later acknowledged, but there was one thing for sure, there was one thing about which the Australian people could be absolutely certain—and that was, come what may, whether we had a Labor government or a coalition government, there would not be a carbon tax. That was one issue that had been sorted because the coalition throughout the election campaign had made a commitment that there would be no carbon tax if a coalition government were elected. Mr Abbott was emphatic on that from the beginning to the end of the election campaign. On our side of politics the Australian public had nothing to fear from a carbon tax. But they also had this assurance from the Prime Minister. On 16 August she stood on the Kangaroo Point Cliffs in Brisbane after she gave a Labor Party policy speech and looked down the barrel of a television camera and said:

There will be no carbon tax under the government I lead.

Let me say that again, because this was a very deliberate, considered statement. She said:

There will be no carbon tax under the government I lead.

There was no wiggle room there. There were no ifs, buts or maybes. There were no weasel words. There was no ambiguity. She said:

There will be no carbon tax under the government I lead.

She said that five days before the election. Promises, undertakings and assurances do not come more ironclad than that. Any elector who was uncertain—and a lot of people made up their minds in that last week—went to the polls knowing that if the Prime Minister of Australia was a person of her word and was telling the truth there would be no carbon tax under any government she led.

Fast-forward to last Thursday when the Prime Minister, flanked by Senator Bob Brown, Senator Christine Milne, Mr Oakeshott and Mr Windsor, stood in the Prime Minister’s courtyard and said, ‘There will be a carbon tax.’ This is not all that hard. If the
Prime Minister on 16 August, five days before the election, says, ‘There will be no carbon tax under any government I lead’ and after she grafts her way back into power she announces there will be a carbon tax, have the people been misled? Of course they have been misled, and everyone who heard and relied upon the Prime Minister’s integrity when she made that statement on 16 August and now knows that she has retreated on it, she has abandoned it entirely, knows what this Prime Minister’s word of honour is worth. They know what this Prime Minister’s word of honour is worth. This government is without integrity. It is without credibility. It cannot be trusted to stick to its most solemn assurances.

But it was not merely the Prime Minister. This is what the Deputy Prime Minister said on the day before, on 15 August:

What we rejected is this hysterical allegation that somehow we are moving towards a carbon tax.

And a few days earlier on the same issue this is what Mr Swan said:

We have made our position very clear—that is, speaking about a carbon tax—we have ruled it out.

As I said before, it is not very difficult. It is not rocket science. When you have the leader and the deputy leader of the government the week before an election in which a carbon tax is one of the great issues emphatically, specifically, unambiguously rule out a carbon tax and when they find themselves back in government after the election and the events that happened in the weeks subsequently they introduce a carbon tax, did they mislead the Australian people? I do not think there is any person who has followed this debate who is in any doubt about that. In fact, looking at the long faces on the government back benches, there is not one Labor senator who is in any doubt about that.

Senator BRANDIS—Of course they were not consulted, Senator Abetz. It did not go to caucus, and Senator Conroy has been going around telling people it did not even go to cabinet. Let Senator Wong deny that if she speaks in the debate. But wasn’t it significant that, in the 15 minutes during which he struggled to try and make some sort of defence of the government’s untenable position, not one word did Senator Evans, the government leader in the Senate, say in defence of the Prime Minister herself—not one word, because you cannot defend the indefensible. You cannot say the week before the election there will not be a carbon tax and a few months out from the election there will be a carbon tax and expect people to believe you anymore. That is the problem the government have. They will not be believed anymore.

In fact, Ms Gillard, in abandoning that solemn promise that was given to the Australian people on 16 August, was in a long and sorry line of Labor Party prime ministers. Who can forget after the 1993 election Mr Paul Keating and the l-a-w law tax cuts? Do you remember that, Mr Acting Deputy President—when Mr Keating went to that election and said: ‘There’s no way we will repeal these tax cuts because they are written into the legislation. This is not a promise; it’s l-a-w law’? Having won the 1993 election in part on the faith of that assurance, what does he do? He comes into the parliament in 1994 and changes the l-a-w law.

Senator Ronaldson—He did a Gillard.

Senator BRANDIS—He did a Gillard. Mr Rudd, the Prime Minister whom Julia Gillard butchered—on this very issue, by the way, of the way to deal with carbon emissions—in one of his most emphatic promises in the 2007 election campaign said that under no circumstances would any government he led interfere with the private health insurance

Senator Abetz—They were not consulted.
rebate. What happened once Mr Rudd had been elected on the faith of that assurance, among others? He introduced legislation to means test the private health insurance rebate. We could go on and on and on, but each of those events has one thing in common: a promise by a Labor Prime Minister, a solemn promise by a Labor leader to the Australian people in an election campaign, which was flagrantly and shamelessly violated once they got the election behind them. That is what this Australian Labor Party is like and it is in particular what the government of Julia Gillard is like: a government whose word means nothing, whose Prime Minister’s integrity cannot be relied upon, who are prepared to do anything, to say anything, to break any commitment, to abandon any assurance, in order to get through the next election campaign. But the people are a wake-up to them. There is a reason why the talkback radios went into meltdown on Thursday and Friday after the Prime Minister announced that she was breaking this solemn promise.

I could go on and on about the long list of Labor broken promises in the dying days of Mr Rudd’s administration. My office actually produced this very attractive document, the long list of Kevin Rudd’s broken promises. Such was the demand for it that we had to produce a second edition, and at the time Mr Rudd was butchered by Ms Gillard we were into a third edition. Thank you, Mr Brennan. But the record of the Gillard government for breaking its promises in a much shorter period of time than the Rudd government is even worse. If I had the time I would read into the Hansard the 53 broken promises that we have tabulated since the 21 August election. But I will not dwell on that for a moment, because there is a more important issue to address, and that is the cost to Australians of this broken promise.

If you are a member of the Australian Labor Party, you do not live in the world of ordinary Australians and you do not live with people in the suburbs who have the cost pressures of normal families and normal suburban life; you live in this cocooned environment, this surreal environment, which is the modern Labor Party.

Senator Wong interjecting—

Senator BRANDIS—You of all people, Senator Wong, would fail to understand the concerns of ordinary Australians living in the suburbs. You would not be concerned about the fact that, according to the Australian Chamber of Commerce and Industry, the effect upon a household of a $26 per tonne carbon price will be an increase in its electricity bill alone of at least $300 each year. People who are struggling to raise kids, people who are struggling to pay their mortgage, people who are struggling with higher interest rates as a result of this Labor government and people who are struggling to make ends meet just cannot afford to pay at least another $300 on their electricity bill in order to indulge the whimsy and fancy of this Labor government to give effect to a policy which is based upon a lie—the lie that there would be no carbon tax under a re-elected Labor government.

If you are a citizen of New South Wales it is worse. According to the Independent Pricing and Regulatory Tribunal, which is the statutory agency responsible for electricity pricing in New South Wales, for an average New South Wales household the effect of a carbon tax of $26 per tonne would be an increase in its electricity bills of at least $500 a year. Maybe those in the Labor Party, maybe those sons and daughters of the Comcar aristocracy, can afford $500 a year.

Senator Wong—Mr QC, man of the people! Give me a break!

Senator BRANDIS—Maybe $500 a year means nothing to you, Senator Wong, but if you lived in the suburbs of normal Austra-
lians, were trying to raise a family and were trying to survive on Australian average weekly earnings $500 would mean a lot. The indifference to the concerns of average Australians, the indifference to the cost of living pressures upon them, is one of the most shameful aspects of the betrayal that is this broken promise.

It is not just electricity prices. My colleague and friend Senator Joyce asked the Leader of the Government in the Senate whether the government would give an assurance that petrol would be exempt from the carbon tax and no answer was forthcoming.

Senator Abetz—Yet again.

Senator BRANDIS—Yet again. We waited through two minutes of verbiage, through two minutes of trying to bat the question away, but came there an assurance? No, there did not. ‘Everything is in,’ said Senator Evans, ‘everything is included.’ So if you are trying to deal with the cost of petrol, if you are a member of an Australian family who worries about the cost of petrol on top of the rise in interest rates, on top of the rise in grocery prices and on top of the rise in your electricity prices, all of which will be driven up by the carbon tax, be assured that the cost of filling your family car will not increase significantly. In fact, at a carbon price of $26 per tonne it will rise by 6.5c a litre at a minimum.

We could look at this from a moral point of view and express outrage that a government could so flagrantly and shamelessly lie to the public just to win an election. We could look at it from an economic point of view. But I suspect that most Australians, while being disgusted at the lies that were told to them by the Labor Party in order to win the 2010 election, will be more immediately concerned about the effect on their hip pocket. They will be more immediately concerned that the price of electricity, the price of petrol, the price of groceries and the general price of living will be turbocharged as a result of this broken promise. Who do we have to thank for this? Of course the government of the day must take responsibility for its decision, and when it is a decision based on a lie the government must take responsibility for that. But we know who the joint authors, if not the real authors, of this decision were—not this lame, hopeless government but their political partners the Greens.

When Senator Brown appeared in the Prime Minister’s courtyard last week abreast the Prime Minister, with Senator Milne, Mr Oakeshott and Mr Windsor in tow, he looked every inch a prime minister. Let the record show that Senator Brown nodded appreciably at my remark. The fact is the person in control of that press conference was not the Prime Minister but Senator Bob Brown, just as the person in control of this agenda was not the Prime Minister but Senator Bob Brown. His colleague Senator Christine Milne—

Senator Abetz—Very helpful.

Senator BRANDIS—very helpfully and candidly told us so. Senator Milne, no doubt bursting with pride at the achievement of her leader, said:

“It’s happening because we have shared power in Australia.”

In a doorstop interview the next day, this is what Senator Christine Milne, the Deputy Leader of the Greens, said:

“We certainly have ownership of this scheme, because it’s one that we put on the table ourselves.”

Senator Wong, who I see is here representing the government, be careful what you wish for; be careful in your choice of allies. They might just turn on you and claim credit, leaving you with the public odium of your bro-
ken promise while they claim the credit for the policy which they have foisted upon you.

Senator Abetz—They are the gift that keeps on giving.

Senator BRANDIS—They are, as Senator Abetz rightly says, the gift that keeps on giving.

I am sure this carbon tax will gladden the hearts of Senator Brown’s constituency. Most of them are very well-to-do people who probably will not feel greatly a $300- or a $500-a-year increase in their electricity prices. It will be your constituency, Senator Wong, the people who the Labor Party has always pretended to defend, the lower income earners, who will be paying the price of Bob Brown’s conceit. You will rue the day when you sold out your working class supporters for the well-to-do supporters of the Green party. You will rue the day when you sold the Labor Party’s soul for a mess of pottage in order to get the Greens into an alliance with you because they will turn on you, Senator Wong, and they have already begun to. They have fitted you up for this while they preen themselves, puff their chests out and say to the inner city dwellers earning six-figure incomes, ‘Look what we have made this government do.’

The fact is we are all losers from this. Our democratic system is a loser from this because we know that we have a government in place in Australia now that stole an election. Can you imagine what the result of the election would have been if instead of saying, ‘There will be no carbon price under the government I lead,’ the Prime Minister had been honest and said what was really on her mind, ‘There will be a carbon tax under the government I lead’? That would have been the truth but for the fact there would have been no government led by Ms Gillard after 21 August because the people would not have voted for a carbon tax. Our democratic system is the loser by this. The Australian Labor Party is the loser by this because whatever shred of respectability it might have been able to try and cling onto when it comes to accountability and transparency it has now irremediably lost. The biggest losers will be ordinary Australian families, particularly the low-income families, who the Labor Party used to support but has now abandoned, who will not be able to afford the price of the Labor Party’s dishonesty.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (3.24 pm)—The first thing to point out here is that this censure motion is based on a falsity. The motion moved by Senator Brandis, presumably on the run, says:

That this Senate censure the Government for its gross deception of the Australian people by introducing a carbon tax …

The reality is—and one must be exact in important motions, not least in a censure motion of the government—that motions should be correct, precise and describe matters as they are. There has been no carbon tax introduced to this parliament and the government has introduced no tax. Certainly it is a matter that is under consideration, but the motion put forward by Senator Brandis would not pass a test in debating procedure at high school level. The opposition should do better on an important motion like this.

This morning the opposition and its leader, Mr Abbott, made the decision to repeal legislation for a carbon price if it is introduced later this year, on the presumption that it would pass the parliament. It was a big decision by a leader and an opposition to say that, if this parliament passes legislation to tackle climate change, a future Abbott government would move to repeal it. One only has to know about the business community’s concern that there at last be some surety brought into business and into investment
through the establishment of a carbon price
to know that that decision has much more to
do with politics than it has to do with eco-
nomic certainty or economic probity as far as
this nation is concerned.

Opposition senators interjecting—

Senator BOB BROWN—Acting Deputy
President, your job is to prevent interjections
across my speech at this end of the chamber
as well as at that one. The fact is—

Opposition senators interjecting—

The ACTING DEPUTY PRESIDENT
(Senator Trood)—Senator Brown, I am fa-
miliar with my capacity to maintain order in
the chamber. Please continue.

Senator BOB BROWN—Familiarity
needs to lead to action, Acting Deputy Presi-
dent. What we have is an opposition which is
saying, ‘We will deny the Australian busi-
ness community and the Australian nation
certainty in the face of the need to have ac-
tion on climate change.’

Senator Boswell—$315 million for
BlueScope. That’s what it’s going to cost
them. That’s just one.

The ACTING DEPUTY PRESIDENT—
Order! I think you can proceed now, Senator
Brown.

Senator BOB BROWN—The interjec-
ting former leader of the National Party in the
Senate comes to the defence of BlueScope
Steel, which does not want to pay for the
pollution that it produces. Here we get to the
nub of the matter: the Abbott opposition’s
decision that it will give polluters the right to
continue to pollute at no cost while it puts all
the cost across onto average households,
consumers and small businesses in Australia.
You cannot have it both ways.

I did agree with Senator Abetz when he
said that most Australians are prepared to
suffer a bit of an economic loss if there is to
be an environmental gain. What we are try-
ing to do in this great parliament of ours is
maturely move towards a carbon price,
which this opposition has agreed should be
implemented.

Senator Bernardi—No, we haven’t.

Senator BOB BROWN—The interjec-
tion from Senator Bernardi is, ‘No, we ha-
ven’t,’ but you will know, Acting Deputy
President, that the Carbon Pollution Reduc-
tion Scheme was supported by him and by
other members of this opposition just two
years ago.

The ACTING DEPUTY PRESIDENT—
Order! Senator Brown, please resume your
seat. Senator Bernardi, do you have a point
of order?

Senator Bernardi—Mr Acting Deputy
President, I rise on a point of order on mis-
representation. I have never supported a car-
bon pollution reduction scheme in any form.

The ACTING DEPUTY PRESIDENT—
I do not think that is a point of order. Please
proceed, Senator Brown.

Senator BOB BROWN—There you go.
We have an opposition that is split on the
need for action on a carbon pollution reduc-
tion scheme. Tony Abbott’s prescription is
for a levy of no action at all except on the
householders of Australia. What he is saying
is, ‘We will not charge the polluters.’ He is
saying that he has a plan for $3.2 billion to
be levied on the taxpayers of Australia
through consolidated revenue to implement
various schemes for the abatement of carbon
pollution, some of which have been tried by
the opposition before and have already been
shown to fail. Nevertheless that $3.2 billion
is the equivalent of 10,000 salaries for nurses
and teachers in this country.

Tony Abbott is saying that rather than cost
the polluters he will take the jobs, the well-
being and the delivery of welfare to average
Australians. I say to Tony Abbott that, if he
moves to repeal a scheme this parliament has decided on in the interests of this nation in terms of tackling climate change, the Greens look forward to the next election when for every second of every minute of every hour of every day of every week we will take him on as he featherbeds the polluters against average households, average small businesses and average Australians. He wants to tax the average Australian against the big polluters. This is the big polluters’ party we are talking about, not just the opposition. It is the big polluters’ party we have on the opposition benches. And Mr Abbott is the doyen of featherbedding the big polluters against the interests of the average Australian who wants action on climate change.

Opposition senators interjecting—

Senator BOB BROWN—The baying poddy calves of the opposition are simply underlining the fact that they are squibbing and letting down the average Australian because they are simply going to allow the big polluters to continue to pollute. We had an example of that in Senator Abetz’s speech. He said that the prescription that the Greens, the Independents and the Labor Party government are looking at takes into account transport. That is exactly what the opposition did when they supported the Carbon Pollution Reduction Scheme. They supported a price on the cost of fossil fuel emissions including transport and they had an offset arrangement there. So they supported that and now they do not. Senator Abetz said that in Tasmania there would be a bigger impost on transport than anywhere else. We remain flexible and open-minded about how the proposed price on carbon coming from transport systems is levied. My colleague Senator Milne has made it clear that one of the things we want to see is increased cheap, fast, efficient public transport in this country so that people have a real option when it comes to reducing carbon pollution in the atmosphere.

When you look a little further you will see that another thing Senator Abetz will not tackle, has not tackled and never can tackle is the biggest polluter of greenhouse gases in the atmosphere in Tasmania, which is Forestry Tasmania’s logging of the native forests of Tasmania. That produces more greenhouse gas emissions than the transport system of not just Tasmania but the whole economy. Senator Abetz is the chief at the gate of that continued pollution occurring at the expense of the transport system and of everybody else. Not only that, he is the chief purveyor of a mill proposed by Gunns to pollute the Tamar Valley, which would release 10 million tonnes of greenhouse gas emissions per annum, which is the equivalent of a two per cent national increase on the pollution quotient. That is Senator Abetz for you. That is support of the polluters against the interests of the average Australian and that is writ large in this opposition.

I say to the opposition, through you, Mr Acting Deputy President: if you want to repeal a government, Independent and Greens arrangement to tackle climate change which converts into legislation through this parliament—and you have been welcomed to join this but have failed to do so—go right ahead. Come on in spinner, because we will take you on in this next election in every country town, in every suburb, in every city of Australia as the polluters’ party, which you are. You are the big polluters’ party against the interests of the ordinary Australian. That is the difference. You do not like it but that is what you are going to get. So come on in. If that is what you want to do we will take you on, very gladly. Thank you very much.

I would have thought that an opposition which claims to be conservative and which claims to be economically literate would
have made a decision different to that and would have seen its responsibility differently. But the problem is that they have a leader whose mantra is, ‘I will oppose everything.’ And isn’t it wearing thin on the public? They all roll their eyes when they talk to me about it. They are the negative knockers brigade of the opposition, the obstructors, the people who want to stop progress in Australia in 2011. They are the people who are economically destructive in this modern Australia.

Sir Nicholas Stern reminded the world—

Senator Ian Macdonald—Who?

Senator BOB BROWN—‘Who?’ says Senator Macdonald from Queensland when I raise the name of Sir Nicholas Stern, who has been to this nation a few times and is the former chief economic adviser of the World Bank. He does not know who that is. That ignorance—which of course you are allowing him to continue to display, Mr Acting Deputy President, because you do not invoke the standing orders of this place, as you should—which is writ large in what he is doing and saying—

The ACTING DEPUTY PRESIDENT (Senator Trood)—Senator Brown, order! It ill behoves you to cast aspersions on the chair.

Senator Abetz—Mr Acting Deputy President, I raise a point of order. I fully agree with your observation. I would ask that that be withdrawn.

Senator BOB BROWN—You have not asked me to withdraw, Mr Acting Deputy President, because, as you know—

The ACTING DEPUTY PRESIDENT—Senator Brown, would you withdraw the remark, please.

Senator BOB BROWN—I will not, because it is your job, and it is my right in this chamber to acquaint you with the rules, Mr Acting Deputy President. That having been the case and having been established before in this place—

Senator Joyce—Mr Acting Deputy President, I rise on a point of order. Senator Brown is holding the chair in contempt and defying the chair. I ask that he be removed from the chamber.

The ACTING DEPUTY PRESIDENT—Senator Brown, I am very happy to give you the protection of the chair when I think you need it, and I will certainly ensure that you are provided with it when you need it. It was my judgment that you did not need the protection of the chair at this stage. I ask you to withdraw your remark.

Senator BOB BROWN—I did need your protection and therefore I was quite in order to draw your attention to the fact that the chair had failed to protect me, and I do not withdraw. I have been in this position before. The rules are very clear on this—

The ACTING DEPUTY PRESIDENT—Senator Brown, resume your seat, please. Yes, Senator Joyce?

Senator Joyce—Mr Acting Deputy President, he has defied the chair now a second time. He is in contempt of the chair.

The ACTING DEPUTY PRESIDENT—Do you have a point of order, Senator Joyce?

Senator Joyce—Yes. The point of order is that he should be removed from the chamber.

Senator Ian Macdonald—Mr Acting Deputy President—

The ACTING DEPUTY PRESIDENT—Just a moment, Senator Macdonald. Senator Brown, I have made it clear to you that I will provide you with the protection of the chair when you need it. It is my judgment that you had not been in need of the protection of the chair, but, if the senators on my left become unusually or extraordinarily rowdy, I will provide you with the protection you need. So, in those circumstances, Senator Brown,
perhaps you would be good enough to withdraw your reference to the chair and we can move ahead with the debate.

Senator BOB BROWN—I needed that protection, and I am quite conversant with this situation. I have been in it before.

The ACTING DEPUTY PRESIDENT—Senator Brown, I have made it clear to you that I will provide you with the protection of the chair should you need it in the future. In the circumstances, I would ask you to withdraw your remark, and we can proceed with the debate.

Senator BOB BROWN—My remarks were absolutely within the standing orders and my right on the floor of this parliament, Mr Acting Deputy President. I will not withdraw the remarks, which would set a precedent which would remove and diminish that right of any senator on the floor of the chamber.

Senator Joyce—Mr Acting Deputy President, I stand in reference to standing order 203, on infringement of an order: ‘uses objectionable words and refuses to withdraw such words’. He being in breach of that, you ask for him to be removed from the chamber.

Senator BOB BROWN—Mr Acting Deputy President, on that point of order: the words I used were in no way objectionable. They were disputing a ruling that you had made. Of course, that must be part of the discourse on the floor of this chamber; otherwise, we would remove from the floor of the chamber the right to make determinations that would go to the chair. That is not how the Senate is constituted. The Senate is constituted so that the chair provides protection equally to all members, and, when there is a dispute between the chair and the members, that may be heard. I was respectful at all times. I put a point very clearly, in that you had not provided me with that protection in the way that we see of other senators. That was reasonable. You have now said you will from here on in. I am quite content with that. But my remark was in order at the time, and I am not going to withdraw it.

Senator Brandis—On a point of order, Mr Acting Deputy President, Senator Joyce...
referred you to standing order 203(1)(c)—that is, the refusal to withdraw objectionable words. But might I also direct you to standing order 203(1)(e): if a senator ‘persistently and wilfully disregards the authority of the chair’. That would seem to be the most applicable subparagraph of standing order 203. Senator Brown is debating your ruling. On four occasions now, in the clearest terms, you have asked Senator Brown to withdraw his words, and in the clearest terms Senator Brown has refused to withdraw his words. There could not be a clearer instance, if I may say so, with respect, of a senator persistently and wilfully disregarding the authority of the chair. Might I respectfully submit, Mr Acting Deputy President, that in those circumstances you should conclude that there has at least been a breach of standing order 203(1)(e) and take the course prescribed by that standing order.

Senator BOB BROWN—Mr Acting Deputy President, I ask that you acquaint the chamber by informing it of the words which were found to be objectionable at the core of this matter.

The ACTING DEPUTY PRESIDENT—Senator Brown, the objectionable words are your unwillingness to abide by a ruling of the chair. Several senators have drawn my attention to the provisions of standing order 203. I have consulted the Clerk on the matter. Senator Brown, it is clear, on the advice that I have received, and on the view of your fellow senators, that there is a breach of Senate standing order 203. For the final time, I ask that you withdraw your offensive remarks; otherwise, I will be obliged to name you.

Senator BOB BROWN—Mr Acting Deputy President, I ask you to tell me what the remarks I made were which were offensive or objectionable.

The ACTING DEPUTY PRESIDENT—Senator Brown, you have been persistently disregarding my ruling. You are now being querulous with the chair. You are continuing to oppose it. I am very happy to proceed with this matter, but if you persist in this course I will name you and the consequences will follow. You have one more opportunity to withdraw your remarks or I will name you.

Senator Chris Evans—Mr Acting Deputy President, could I see if we can see a way through this? I am very keen to support the chair; we have always supported the chair in rulings. I was not in the chamber for the remarks et cetera, and I do not want to delay the Senate unnecessarily, nor do we really want to get to the situation of naming senators. We have not got there for many years, and I think it has been a sign of maturity in the chamber that we have moved on from those sorts of things.

Opposition senators interjecting—

Senator Chris Evans—I am just seeing if there is a way through which would perhaps allow us to have the matter referred to the President for report back, and whether that is a way of moving us on—bearing in mind that the President will rule on the ruling. This is in no way a criticism of the Acting Deputy President, but in terms of removing this impasse, rather than getting to a naming situation, I wonder whether there is an alternative way through. So I wonder whether it might be in the interests of the chamber that we ask the President to review the Hansard, review the decision and report back to the Senate either later today or tomorrow. I am just offering that as an alternative to—

Senator Brandis interjecting—

Senator Chris Evans—Well, I am happy to support the chair.

Senator Abetz—If I may speak briefly on the—on the face of it—reasonable suggestion of the Leader of the Government in the
Senate, I observe that the last time this occasion arose it was once again Senator Bob Brown who was in the midst of it. So, whilst normally, if you would offer some leeway to a senator, that might be appropriate; the simple fact is that there is a degree of serial offending here. Mr Acting Deputy President, the circumstances are that this has been a robust debate. On a number of occasions I was sat down in mid-flight because of interjections from the other side. When we have robust debates, if it gets too much for the speaker at the time, it is proper for the speaker to seek protection from the chair. But to seek to reflect on the chair, not having been told by the senator that he or she seeks protection, is clearly offensive. Nevertheless, we have moved on from that to a situation where you, from the chair, have asked a senator to withdraw certain remarks. Can I say, with great respect in this place, that many of us have, from time to time, simply withdrawn matters that were not necessarily, in our minds or in the minds of other senators, offensive. But, just to keep the show on the road, you show something that I have not yet seen displayed by the Leader of the Greens—that is, simple good grace, and say, ‘I withdraw.’ You then sit down, let the show go on and thus protect the integrity of the chair and any person who might be presiding in that chair from time to time. So I would ask on this occasion that Senator Brown show some good grace and simply withdraw certain remarks.

Can I say, with great respect in this place, that many of us have, from time to time, simply withdrawn matters that were not necessarily, in our minds or in the minds of other senators, offensive. But, just to keep the show on the road, you show something that I have not yet seen displayed by the Leader of the Greens—that is, simple good grace, and say, ‘I withdraw.’ You then sit down, let the show go on and thus protect the integrity of the chair and any person who might be presiding in that chair from time to time. So I would ask on this occasion that Senator Brown show some good grace and simply withdraw and allow the matter to proceed. If he were to do that then the actual words, and whether he should have been required to withdraw them or not, can be referred to the President for him to report back to us on at a future time. But, in the meantime, what harm is there in withdrawing, other than one particular senator’s personal pride?

Senator Milne—Mr Acting Deputy President, I also rise on a point of order relating to standing order 203—‘Infringement of order’. I do ask that the Senate be informed of the objectionable words that have reputedly been used, because I hear a lot of objectionable words in the chamber. This morning I was sitting in here and heard the word ‘liar’ on about six or eight occasions. The speaker was in no way given protection from the chair at that point. I have not heard any objectionable words spoken here this afternoon. Before the Senate acts on this, I think senators need to know what the objectionable words were for which there was a request to withdraw. That is not unreasonable, because people are going to be asked to make judgments about the words that are deemed to be objectionable.

The ACTING DEPUTY PRESIDENT—Whatever words were used, the point of concern here is standing order 203(1)(d): persistently and wilfully refuses to conform to the standing orders; … By which I mean acknowledging the authority of the chair.

Senator BOB BROWN—Mr Acting Deputy President, there are two matters now for consideration, as you have just outlined. The first is my repeated refusal to withdraw, which is based on my belief that you made a false ruling at the outset of this matter by acceding to persistent opposition claims that I had made an objectionable statement in the Senate, when in fact I had not. I am happy to comply with your persistent ruling, but I would ask that you go back to the original words that you ruled, at the behest of repeated appeals from the opposition in this place, to be objectionable, and come back with a ruling to the Senate after consideration on that very matter.

Senator Joyce—Mr Acting Deputy President, I rise on a point of order. In regard to standing order 203(1), Senator Brown is refusing to withdraw his words. Under
203(1)(d) he ‘persistently and wilfully refuses to conform to the standing orders’ and under 203(1)(e) he ‘persistently and wilfully disregards the authority of the chair’, and the course of action is quite literal and noted in 203(3), which states that he will attend in his place, which he is, and he will either apologise or, if he does not, a motion may be moved for which no amendment or adjournment shall be allowed and he will then be removed.

The acting deputy president—Senator Brown, if you are willing to acknowledge the authority of the chair and withdraw your remarks, I am more than happy to refer the matter to the President for further consideration and for him to report back to the Senate on the matter to satisfy you as to the circumstances of the event.

Senator Bob Brown—I am willing to do so withdraw, because I have never disputed the authority of the chair. But nor do I dispute the right of every member on the floor of this parliament to reasonably seek—

Opposition senators interjecting—

Senator Bob Brown—that is all I did.

The acting deputy president—Thank you, Senator Brown. I take that as a withdrawal of the remarks and you may now proceed.

Senator Bob Brown—it is abundantly clear to me, and always has been, that any member of this Senate may find that any particular deputy in the chair is not making a correct ruling. When that happens, it is not only the right, but it is an obligation, of members to query that. We have got some new members in here—

Opposition senators interjecting—

The acting deputy president—in the circumstances I would encourage senators on my left to exercise some restraint and allow Senator Brown to complete his remarks.

Senator Bob Brown—Thank you, Mr Acting Deputy President, and I totally concur with your ruling. I assure you that I stand here in defence of the rights of senators not to be eroded, ever. That is what I am doing here this afternoon.

I come back to the matter at hand, which is this specious motion of lack of confidence in the government, on a presumption in the motion that does not exist—that is, that a carbon tax has been introduced in Australia, when one has not been. What is true here is that the Abbott opposition has decided to take this negative knocking and completely unconstructive opposition to everything that the government and, in the main, the Greens and the Independents put forward in this place. That is a political tactic, but I think it is very fraught.

What we are seeing from Tony Abbott, the honourable Leader of the Opposition, is a patronising of the people of Australia in a way that I have not seen in recent years from any political leader. The honourable leader is treating Australians as fools. What he is trying to do by appearing at petrol stations with a pump in his hand and filling up people’s cars, is to treat with disdain a very important debate that is occurring in this country. It may be that he wants a people’s revolt. In fact he said that. But I think he ought to be very wary indeed about the progress of that low level of political operation in a mature democracy. People will not like it. The intelligence of the Australian people is far higher than Tony Abbott would place it. The knowledge about the threat of climate change is far more developed in the Australian people generally than it is around the opposition party room table. The disdain that Australians have for those people who wilfully pollute, having had decades of forewarning
about the threat of climate change, is very little different to the disdain people generally have for big tobacco, which continues to push its death-dealing products on a populace here and, more particularly, overseas, to make expenses on the basis that it causes no harm. That does not wash in modern Australia. I would have thought that an opposition would understand that in 2011, but it does not.

So we have this motion here today. And, by the way, this motion was brought on in question time. It would be my expectation that question time will resume at the end of the debate on this motion. That is in the hands of this house, but it may well be that the opposition has cut across question time when it could have put this motion a little later in the day. Indeed, it has an urgency motion on exactly the same topic to come. But these are political and strategic matters within the chamber. They are nowhere near as important as the impact of a decision made by an aberrant, straying and lost opposition in their party room today that it will rescind legislation which tackles climate change if such is agreed to by the other components of this parliament. That is a recipe for instability; it is a recipe for economic uncertainty; it is a recipe for job losses. Above all, it is a recipe for far greater pollution by the worst polluters of this country than we are even seeing in 2011. It is daft. You would expect a higher level of political behaviour and nous from this opposition. But they are not showing it and they are showing no signs of getting it.

I go back to my first point. The opposition have this strategy for going to the next election promising to return to uncertainty by rolling back properly considered legislation coming from the Gillard government and agreed to by the other components in both houses of parliament which give a majority—if that occurs. We will willingly debate the opposition on that in the lead-up to the next election. I predict that they are going to be in opposition for a long time to come.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (4.01 pm)—I rise to speak on this motion to censure the Gillard government for introducing a carbon tax after ruling out such a measure in the election. Back in November, I put out an op-ed regarding the price of power. It amazes me that to this day it keeps coming back to my office over and over again. The theme of it was that we do not need any more indicators for people who cannot afford power. They are out there. There are people right now, as my mother-in-law told me—she does meals on wheels—who in winter are found in bed, not because of infirmity but because they cannot afford power and that is the only way that they can afford to stay warm. This is a disgrace in a nation such as ours that has an abundance of wealth. These people do not need any more pricing mechanisms to teach them to use less power. These people cannot afford it as it is. There are people out there who are just scraping by. Their fundamentals of life—their standard of living—have been affected because they cannot afford things.

That is why the Australian electorate went into hyperspace when Ms Gillard announced the carbon tax. They read it for what it is: yet another assault on the fundamental standard of living that is their birthright. They read it for what it is: yet another frolic orchestrated by this strange, eclectic group of the Greens, the Independents and the Labor Party. They try to sign off on all issues at the same time and come up with a policy to match. I always thought that the Manic Monkey Cafe in inner suburban Nirvanaville was dry. But it is not: obviously, it is on for young and old. This is what we are getting here.

Is this going to change the temperature of the globe? No, it is not. This is merely a ges-
ture—a gesture given by those who can afford it to those who cannot. It is being forced on people who cannot afford it. It will make no difference to the temperature of the globe; it will do nothing. It is merely a gesture, and the cruellest gesture to the people who cannot afford to pay for it.

Then we have this myriad of terms. I have heard people in the other place quoting Macbeth. I am more likely to quote Oscar Wilde: ‘The love that dare not speak its name’. In this case, it is the tax that dare not speak its name. Fortunately, Bob Brown has helped us out in an interview with Jon Faine in Melbourne. Jon Faine asked: ‘Are you avoiding calling it a carbon tax? Even Julia Gillard on The 7.30 Report conceded it’s a tax.’ Senator Brown replied: ‘It is a carbon tax.’ Mr Faine said: ‘Call it what it is: a carbon tax.’

Today we had a peculiarity. Senator Evans and the rest stitched themselves into corners trying not to say the word. If they do not say the word ‘tax’, it all gets better, so they say the word ‘price’ instead. They are still treating us as fools. Even though the whole Australian electorate—and listen to any talkback radio show—has gone into meltdown about this, they are still trying to use guile and cunning to try and avoid talking about what they are stitching us up with. It is amazing. It is contemptuous. It is absolutely hypocritical.

I want to bring the attention of the chamber to some statements made by Ms Gillard about Mr Abbott. These were statements regarding health and Medicare. This is from Ms Gillard:

[Abbott] should resign … This minister went to the Australian electorate before the last election and gave his word, and he did not keep it. It is no more complicated than that. It does not require any more frills or explanation than that. He went to the Australian electorate and he gave his word, a rock-solid, ironclad guarantee, and he did not keep it. When you look at the transcript of inter-

view, there is no doubt. There is no equivocation here, no weasel words and no shades of grey.

That is Ms Gillard’s statement to Mr Abbott. I ask Ms Gillard to look at this statement. She also said this:

When he is out there in the public domain, moralising and telling others what to do, surely one of the standards he should model and exhibit in his own life is truthfulness. Surely that is one of the standards he should exhibit in his own life, but he has fallen short of that standard. I think he knows that he has fallen short and feels deeply uncomfortable about it. But, like the common problem across the Howard government frontbench, when confronted with a difficult choice he lacked the bottle to do the right thing, and the right thing would have been to offer his resignation and go to the backbench.

I put your ruler across you, Ms Gillard; I put your own statements back to you, Ms Gillard. You should offer your resignation and go to the backbench, which you deemed to be fit and proper in your dissertations to other people.

This is the height of hypocrisy. This is what we have with this government. We have the selling of an office, an office that was held by great people: by Curtin, by Chifley, by Menzies. And, even though I did not agree with Whitlam’s politics, I do not think that what Ms Gillard said could ever have been pinned on him. This is taking the prime office of our nation to a lower place. Ms Gillard is responsible for what is really a heinous event. She is taking away the Australian people’s respect for the highest office in this land. She has been shown to be a person who cannot be trusted with her word—and not her word on an oblique issue but her word on something utterly categorical in how people made their decisions about how they voted.

Senator Brandis—Gough sacked ministers for lying to the public.

Senator JOYCE—Yes, Gough sacked ministers for lying to the public. This is
really a statement of the character and the temperament of the people who are leading our nation. That question has not been answered by Ms Gillard. It has not been answered by any of the people on the front bench. We heard Minister Evans today in question time giving the ‘er, um’ answer. The ‘er, um’ answer is what you give when you know the answer but do not quite know how to say it because it will just get you into more strife than you are already in. The ‘er, um’ answer was the one given to the question of whether the tax will be on fuel. The ‘er’ is obviously coming from the Labor Party, but the ‘um’ is coming from the Greens: ‘Um, it’s going to be in.’ ‘Er, we don’t know what to do about it.’

This is yet another assault on the fundamental fabric, the standard of living of the Australian people. This is why for the life of me, even as an outsider, I cannot figure out who was doing the tactics in the Labor Party the day they announced this. What on earth was going on? Without a shadow of a doubt your own backbench never knew about this. It was one of those things that just popped out. You can forget about all Rudd’s sins. They pale into insignificance compared with this one. This is the whopper of all time.

What are you going to do? Is this hypocritical stance going to permeate? Is that what we will see? Is your polling, which has been going down to 32 per cent, going to continue to go down? Are you going to continue to lose the respect of the Australian people? Are you going to continue to have this contemptuous approach? And who are the people you are affecting most? Let us go to the nub of the issue. Is this how you say ‘thank you’ to the people of Mackay, the people of Wollongong, the people of the Hunter Valley and the people of Tasmania, where you have every seat? Are you so unaware of the predicament of the people who can hardly afford to get by at the moment that this is what you wish to do to them? Is this it? Is this your grand new vision? And for what—a gesture that will do nought for the temperature of the globe and nought for international politics? It is just one of these frolics to which you have been inspired because you have to kowtow to the new political masters in this place, Senator Bob Brown and his cohort.

Now we also have this obscure repeat rendition by the Independents. We have Mr Windsor turning up at the press conference telling us not to construe—that was his word: ‘construe’—anything from his appearance at a press conference. But what can we construe when someone turns up at a press conference to announce a carbon tax? What can we take away from that—nothing was lost and was asking directions or that he was wandering aimlessly back through the corridors and was filling some time by standing next to the Prime Minister as she announced the carbon tax? What he has come up against is that his own electorate is in meltdown because of what he has done. It is like the final damnation, the final insult to people who have supported him throughout his political career. He has become so detached that he is taking them through this arduous teeth-pulling exercise: ‘Will I or won’t I? What am I doing at the front of the political church in this big fluffy white dress? How did I get here? What will happen to me next? This is all just too fantastic.’

But the Australian people have woken up to it. They have called the Labor Party on it, and they are going to punish the Labor Party for it. This has framed it. When things are in a flux there are certain things that crystallise people’s perceptions of them, and this has done it. The Labor Party are so foolish, because it was such an arduous fight in which there was no redeeming feature and nothing
to offer the Australian people. Yet the conceit
of the Labor Party has taken them back there.

It is going to be a very interesting time. I
am waiting with bated breath to see Paul
Howes, in his next Mussolini impersonation,
standing behind the podium, banging the
table, ranting and raving about the Australian
workers and how he is going to support
them. Where is Mr Howes these days? What
has happened to that man? Where has his
ticker gone? Where did it all go—Mr Howes
gesticulating as he holds up the Australian
and points to it, talking about the working
man? Now, when they are really under assa-
ult, when they are really under attack,
where is the brave Mr Howes? Where has he
gone? This is the hypocrisy of it. If ever
there was a time for this man to stand up it is
now, but you will not get sight nor sound of
him. It is one thing for one audience, but
when the heat is on he is out of the kitchen;
he is gone. And what about the monastic si-
lence of Mr Shorten? He is such a peaceful
chap. He does not want to cause a ruckus. He
does not want to go out there and support his
leader—not yet; not when he sees the sunny
uplands of his own career racing towards
him.

This is the flux that the Australian people
have been put in. Who are the people who
are going to cool the planet? Who are these
wondrous sages who are going to do it? They
are none less than the people who brought
you the ceiling insulation debacle, who could
not for $2½ billion get fluffy stuff into the
ceiling for the rats and the mice to sleep on
without burning down 190 houses. These are
the wondrous sages who brought you the
Building the Education Revolution—a build-
ing in every backyard whether you wanted
one or not, sometimes at three times the
price—16.8 billion cold, hard dollars gone
west.

These are the same people who have got
you in excess of $181 billion in debt. Do not
believe me; go to the Australian Office of
Financial Management. Take it right from
the horse’s mouth. Go to their website and
read and weep about exactly where they have
placed this nation. These are the same wise
sages who gave us the draft guide to the
Murray-Darling Basin Plan, who have al-
most started riots in regional Australia. These
are the people who have given us basically a
whole submarine fleet, and we do not know
whether one of them is operating. These are
the same wondrous sages who have a lot of
our naval ships in dock because they are
rusting. These are the same wondrous sages
who gave us Indigenous housing but they
cannot actually build a house. These are the
people, apparently, who are going to cool the
planet from a room in Canberra. What cre-
dentials do they take to it? Not one success
but a whole litany of attacks on the funda-
mental fabric—the cost of living.

My suggestion to you is you try to work
out how to reduce the cost of living, how to
reduce the cost of power. Try to work out
how, as your famous previous leader Mr
Latham said, to ease the squeeze. You re-
member Mr Latham, don’t you? He was sup-
ported by one Ms Gillard. That is what you
should be concentrating on. Now you are
coming up once more with these weasel
words: 34,000 green jobs. Why not 34 mil-
lion? Why not 34 billion? Why stop at
34,000? Why not double the carbon tax and
double the number of jobs? Why not triple
the carbon tax and triple the number of jobs?
Who wants a job at BlueScope Steel when
you can be making footpaths around a duck
pond? Who wants a job in the manufacturing
industry when you can be creating wind
chimes at Nimbin? There is a great future
for this! What are those boats doing off Newcas-
tle? ‘Out, damned spot!’; get off my horizon!
We do not need those boats. We can replace
them with something else, maybe Paul Howes’s books—build them up with them and send them over to China. How is this economy going to work under you guys? How is it actually going to stick together? How are we going to pay our bills? What do we say to the people of Mackay? What do we say to the people of Newcastle? What about the Hunter Valley—do they deserve this? Does the home of Les Darcy deserve this? Have they descended that much that they have to put up with these Greens frolics, these Independents?

Labor are completely out of tune with their own electorate. Why do you think your polling went down to 32 per cent and is falling through the floor? Does it ever resonate with you? You listen to the wondrous illuminati who listen to themselves but you do not go out and listen to the people—listen to them talk, listen to what they are saying. It is all very well for white-collar upper middle-class suburbia to make a proclamation that puts the pump on the people who live in the outer suburbs and who live in the regional towns. It is all very well to say to them, ‘Well, it’s not right that you should turn on your heater, it’s not right that you should turn on your air conditioner and it’s not right that you should be able to afford the fundamentals’—which is the power delivered to this nation. It is only just that the people of Korea get their power 30 per cent cheaper than Australians, yet they use Australians’ coal to make it.

They say they want certainty. We in the National Party will give you certainty. There is no more certain word in this place than the word ‘no’—those wondrous two letters, that single syllable. That is a very certain word. It is a word the Australian people thought they could trust from you. When you said no, you would not bring in a carbon tax, they thought they could trust you on that. This is about trust and it is a trust that has been deserted. Now they have to sit back and listen to their Prime Minister using weasel words. They have to deal with the fact that the Prime Minister gave a warrant to the Australian people of a certain outcome. On that warrant they cast their ballot. On that ballot the Labor Party, with the assistance of Mr Oakeshott and Mr Windsor, formed a government. Now it has been deserted. If those people, all of them—the Greens, the Labor Party, Mr Oakeshott and Mr Windsor—believe in honour then it should be honour to stick to your word. If they are not sticking to their word then the dishonour rests on all their heads.

I just want to close in quoting our Prime Minister. This was from her magnum opus, her speech to the Australian people about why she should be elected:

I stand for tax cuts, tax benefits, tax relief for every Australian business.

Those are her words, not mine. Those opposite are trying to weasel their way out of this carbon tax by calling it a carbon price—by tomorrow morning, gosh knows, it will be a geranium. Who knows? We have this morphing lingua franca of the Labor Party as they try to enmesh themselves in some sort of convoluted process so that the Australian people cannot wise up to what they are doing.

How does your standing for tax cuts, tax benefits and tax relief for every Australian business fit in with the new tax? What is your answer? Will you be upfront in telling the Australian people how you are going to basically put a new tax on the fundamentals of their life? We are sitting here in a room with concrete under our floor, concrete that will be taxed. We are sitting here with lights that are on, lights that will be taxed. We are sitting here with steel purlins on trusses that will be taxed. Motor vehicles out there in the street will be taxed.
I said about Mr Rudd that every time you open your fridge a little white light will go on to remind you that Mr Rudd is taxing you. We cannot use that metaphor anymore, so I say to the Australian people: turn to your clock radios and, when you see the red light on your clock radio, think of the big red lady and remind yourself that that red light is there because you are being taxed by this government, which lied to you.

Senator WONG (South Australia—Minister for Finance and Deregulation) (4.21 pm)—I rise to oppose this motion of censure against the government after quite an hysterical contribution by Senator Joyce, full of a whole range of inaccurate assertions. I do not propose to go through all of them, but I have to say that if opposition senators come into this place to talk about the cost of living the first thing the Australian people should remind them of is that they are the senators who voted for Work Choices, to rip away wages and conditions from working people. They are the senators who voted for Work Choices and are still wishing to do more on that front. We know that Senator Abetz cannot help himself. He really wants to revive that policy and every time it comes up you see him say something on discipline until they put him back in his box again.

I remind Senator Joyce, who talks about the cost of living, that this is a government that put in place a stimulus package to protect the jobs of working Australians families. It was a stimulus package that you opposed. We know you would have been happier if hundreds of thousands of Australians were on the unemployment queues. This is also an opposition that, when it talks about tax, let us remember, went to the last election with a tax hike. That was what was funding your paid parental leave scheme. You come in here and talk to us about taxation, but you do not remind people that not only did you propose increased taxation but also you are proposing to take over $10½ billion out of taxpayers’ funds and give it to polluters without any net environmental advantage. If you want to talk to us about a policy which is crazy, Senator Joyce, have a look at what Mr Hunt has cooked up for your side of politics.

At the last election the Labor Party said very clearly: we believe climate change is real, we believe carbon change is real, and we want to move to a market mechanism that puts a price on carbon. The Prime Minister announced a proposal to come to a market mechanism that puts a price on carbon. There has been a lot of talk about truth and people not telling the truth. I remind the opposition that Mr Abbott is the Leader of the Opposition who said that people should not take anything he says as the gospel truth unless it is written down—‘Don’t take it as the gospel truth unless I have actually written it down.’ I do not think anybody watching the debate on climate change over the last three years, including in the election campaign, would be under any allusions about the fact that the Labor Party believes that climate change is real and we wanted to introduce a market mechanism to price carbon. That is what has been announced.

Senator Brandis—Why did you not introduce a tax?

Senator WONG—Senator Brandis keeps interjecting. One of the more ironic moments in this Senate was Senator George Brandis SC lecturing us about the common man. At least I will cop a bit of that from Senator Joyce because he might actually go to the pub occasionally but, seriously, Senator Brandis SC telling us that we should understand what working people want really is irony in the extreme.

Senator Cormann—You are so close to working families, aren’t you?

Senator WONG—Senator Cormann, if you want to go personal, we can, I am sure.
One of the things that I think is important for us to remember is why we are doing this, because there has been an enormous amount of hysteria, yelling and screaming from the other side, and an enormous amount of chest beating, but very little discussion about the real policy issue here. After all the heat and light of this debate has finished, after all of the argument in the parliament and on talkback radio has passed, that in five or 10 years time will be the policy issue—

**Senator Brandis**—Why don’t you care about working families, Penny?

**Senator Wong**—Dear me. We will come back to that another time. Where was I? The policy issue that really matters is the one that people will look back on in five or 10 or 15 years time and that is how did this government—how did this parliament—deal with the issue of climate change. Let us remind ourselves of what the big policy issues are, when we get beyond Senator Joyce screaming at us. First, the science: unlike the other side, we on this side have a belief that the science is clear—that climate change is real and human beings are contributing to it and, more importantly, that climate change poses a substantial risk not only to the globe but also to us in this country. If you do believe that, then the question really is: what do you want to do about it? The second point is that we are, if not the, certainly one of the highest per capita emitters in the world. What does that mean in simple terms? It means that we pollute more per person than almost any other country in the world. It is not viable for us to say that this is not something that we should deal with. It also tells us what sort of an economy we have. We have an economy that is very much predicated on putting a lot of pollution into the atmosphere.

**Senator Brandis**—You believe it, but why did the Prime Minister lie about it?

**Senator Wong**—Have you finished, George? I listened to you. Poor George SC. Mr Acting Deputy President, do we have to listen to the whining interjections all day?

**The Acting Deputy President** (Senator Mark Bishop)—Order! Senator Wong, resume your seat, please. I remind all senators that interruption is disorderly. Senator Joyce was listened to in virtual silence for the entire period of his contribution and the same courtesy should be extended in a routine manner to Senator Wong.

**Senator Wong**—Thank you. I was pointing out the fact that we as one of the highest polluters per head in the world shows our economy is predicated on putting a lot of carbon pollution into the atmosphere. There may be some in this chamber who think that that is a good thing and we do not have to worry about it. There are others who ask whether, in five or 10 or 20 years time, we want the same old-fashioned economy that pollutants as much as we do today per person or an economy that is far more based on clean energy, on less polluting ways of doing things. Just as the rest of the world is seeking to move to cleaner energy, to less polluting ways of doing business, so too must Australia. If you believe that the world will increasingly put a premium on low-carbon goods and services, if you agree in the long term—as business does—that the world will move to pricing carbon, as it is, then really the question is: how do we move and how do we do it in a cost-effective way? We do not wish to lead the world, but we cannot afford to be left behind on this key economic reform. So the policy question is: how do you do this at the lowest cost?

We are a Labor government and there has been a lot of talk about us not reflecting Labor values in this policy—assertions from those opposite, which I completely reject. We are a Labor government and we will
bring Labor values to this policy area as we bring Labor values to all policy areas. You saw that in how we approached this before; you will continue to see it in how we approach this.

As the Prime Minister has said, every cent that is raised through putting a price on carbon will go back to Australians—either households, which will be our first priority, or various other mechanisms—to help move us to a low-pollution economy of the future. That is the reality; that is how we will approach it. What we have seen today from the opposition, as we have seen from them since the announcement and over the last three years, is the same hysteria, fear campaign and bandying around of figures which are not true. They are led by a hollow man and they are hollow people. They are people without a vision for the challenge that is so important to Australia’s future. All they can come up with in the face of a challenge like climate change is a scare campaign. That is all they can do. They have no answer other than a fear campaign and a three-word slogan which has now morphed into something else.

They do, however, seem of late to have had a propensity to look outside of their own party for their policy announcements. It has been quite interesting to observe where they have got some of their savings ideas for the floods package. They appeared to be surprisingly similar to some of the things that we have seen on the One Nation website. We have seen Mr Morrison making a range of comments which sound surprisingly similar to some of the things we have heard in other political circles. I found an interesting quote from Mr Abbott on climate change. He said:

… medieval times they grew crops in Greenland. In the 1700s they had ice fairs on the Thames.

Interestingly, One Nation say on their website: There have been times when it is a lot warmer than now, when Greenland was ice free and you could grow melons in the open in England … and even in the 1600s when the Thames River in London froze over.

Isn’t it interesting where the opposition are getting their advice? Why the surprising similarity between what Mr Abbott said and what has been said on the One Nation website? The reality is that those on that side have no policy on this area. They have no policy, actually, on very much at all. The only thing that they seem to be able to do is to say no and to say, ‘This is a really bad idea and we are going to campaign against it. We are going to run a scare campaign. We are going to run a fear campaign. This is a great big new tax,’ or some other slogan. That is their only policy position. This is an issue that is central to the nation’s future. It is about the competitiveness of this nation going forward. This is about dealing with an issue that will not go away, and all the opposition can do is oppose. That is all they can do—oppose. They have a leader whose knee-jerk response to any policy proposition that is put forward by the government is to oppose it.

I want to remind the opposition of some of their views previously, because they come in here beating their chests as if this is somehow something they have never agreed with and never wanted to do. In 2007 the then Prime Minister John Howard went to the election with a policy for an emissions trading scheme.

Senator A bez—In the event of world action, and you know that.

Senator WONG—No amount of interjecting, Senator A bez, is going to change that. It was your policy. People like you inside the Liberal Party who have extreme views on this issue did not like it, but it was your policy. It was your policy because it
was the most sensible policy response to climate change.

I also remind the opposition of what Mr Abbott is on the record as saying. He said: I also think that if you want to put a price on carbon why not just do it with a simple tax. Surprise, surprise! Now the sky is going to fall in because the government is proposing to price carbon when Mr Abbott is on the record as saying he wants a price on carbon through a tax. That is what Tony Abbott said. In July 2009 Mr Abbott went on the record supporting a carbon price through a tax. But, now, if we do price carbon then the sky will fall in. That is Senator Joyce’s position. That is your position, Senator Abetz.

We also heard Mr Turnbull describe Mr Abbott’s straight talking, or not straight talking, most pithily when he said:

Tony himself has, in just four or five months, publicly advocated the blocking of the ETS, the passing of the ETS, the amending of the ETS and, if the amendments were satisfactory, passing it, and now the blocking of it …

His only redeeming virtue in this remarkable lack of conviction is that every time he announced a new position to me he would preface it with “Mate, mate, I know I am a bit of a weather vane on this, but …”

Mr Abbott has altered his position many times on this issue because each time his judgment has been based only on what he thinks is politically necessary and not on what he thinks is the right thing to do. That is the true reason, Senator Abetz, your party have had so many different positions on this. You have previously advocated an emissions trading scheme. You have previously advocated passing the emissions trading scheme with amendments. You then tore down a leader rather than pass the emissions trading scheme, and now you are running a fear campaign. The reason you have had so many positions on this issue of importance to the nation is that you never judge it by what it means for the future. You only judge it by what it means for your political position today. That is the reason why you have no policy when it comes to climate change.

The world is moving on. We know that business is already recognising the importance of a carbon price. We know from talking to business that it believes a carbon price is coming, and many in the business community want the certainty that a carbon price will provide. When it comes to electricity prices—and I am happy to deal with that directly because Senator Joyce talked about it—what is the primary factor driving increases in electricity prices in this country? It is the need to invest further in the network. That investment is being recovered in part through electricity prices. What is one of the factors that is leading to investment uncertainty? It is the lack of a carbon price. This is something the electricity sector itself has said on a number of occasions, that the lack of certainty is leading to poor investment decisions and that if we want to do something sensible we need to give business that certainty because we know investment is a long-run proposition.

I also make this point about other countries. There continues to be peddled by the opposition this incorrect information—some might even call it a lie—that other countries are not acting. We know that emissions trading schemes are already in operation in 31 European countries and 10 US states. We also know that a recent economic study estimated that the US, the UK and China have implicit carbon prices well in excess of Australia’s. We do not believe we should lead the world but we do not believe we should be left behind as a nation. This nation does need to begin the economic reform, the economic change that is required to move to a lower carbon, cleaner energy economy. The cheapest way to do that is not the way you propose, which is both to say no but also to give
polluters billions of dollars of taxpayers’ money. The cheapest way to do that is to price what is currently free, and that is pollution.

In closing I say this. This is a tough debate. This is a hard debate. This is a debate where it is easy for people to score political points today. But I have always been of the view that the climate change debate is a debate that will be best considered if you look at the longer term and, if you think forward, as I said, five or 10 or 20 years from now, what people will say and think about the decisions that were made. I hope that what we will see is people saying that we actually grasped the nettle, we actually faced the future with confidence, we priced carbon and we reformed our economy so today the nation is amongst the most competitive clean energy economies in the world. That is what I hope we do. If we take the path that those opposite demand, what we know is that we will continue to be one of the most highly polluting countries, an old-fashioned economy, and people will look back in 10 or 20 years time and say, ‘That Senate, that parliament, missed the opportunity to do the right thing for the next generations of Australians.’

Senator XENOPHON (South Australia) (4.39 pm)—I can indicate that I will not be supporting the censure motion and I will outline my reasons why. I can say at the outset that if the Gillard government was a majority government I might be inclined to support this motion, but that is not the case. In what some have called the new paradigm after the election result, which very few foresaw, we see a minority government for the first time in something like 70 years. That has obviously caused a rethink of policies and priorities.

Let us look at the wording of this motion. I can understand and respect the opposition’s right to move this motion, but it uses the words ‘gross deception’. ‘Deception’ is an act of deceiving. It is a state of being deceived. It is intended to deceive. It is a case of fraud or artifice. In other words, it is something that is quite deliberately intended. In ‘gross deception’, the adjective says it is unqualified, it is complete, it is rank, it is flagrant and it is extreme. I think that if the Gillard government had been returned in its own right then this particular censure motion would have a lot of merit. Clearly as a result of being in minority government compromises have been made, and I think we on all sides know about politics sometimes being the art of the possible, of compromises being made if they are justified, and that they have to be justified in the context of circumstances.

It also is important to put on the record that the leader of the government said there has been consultation with Independents and the Greens. I am not one of those Independents. I am not on that committee, much as I would have liked to participate in that committee—

Senator Abetz—They didn’t want you.

Senator XENOPHON—I was not wanted for whatever reason. I am sure there were a couple of seats at the table. But I understand that. So I want to make it clear that not all Independents have been part of this committee process, and that is something that I regret.

We also need to look at the broader policy issues here. We will be debating this week the issue of the flood levy as a result of the catastrophic natural disasters that Queensland has faced in recent weeks. When you have some of the world’s biggest reinsurers, Munich Re, Swiss Re—and I do not think either of them could be accused of being wholly owned or part-owned subsidiaries of the Greens—predicting that there will be
more natural disasters because of climate change, that there will need to be a rethink about how we deal with natural disasters, prepare for them and fund the reconstruction costs of those natural disasters, then I think we need to listen to the hard-headed bean counters of some of the world’s biggest reinsurers. There are compelling policy issues that need to be dealt with.

In terms of a carbon tax, I want to put on record that I am not supporting this motion because I do not believe that the government at the time that they made the promise sought to deceive the Australian people but by virtue of being a minority government they have entered into this arrangement, this agreement. I can understand the political realities of it. But I do have real problems with the idea of a carbon tax. I think that there is a lack of certainty at the moment for the government to say that this will give certainty. There is no certainty in the absence of a specific price for the carbon. There is no certainty in terms of the impact it will have.

A much better mechanism is to look at an efficient emissions trading scheme, which is something I unapologetically worked for through the report, through the research, through the work done by Frontier Economics which the coalition for a while seemed to be endorsing as a cheaper, cleaner, greener alternative way of reducing emissions, a way that was much more efficient on an intensity based approach. Having said that, I acknowledge that does not appear to be anyone’s policy at the moment apart from mine. But I think it is important that if we are going to look at reducing greenhouse gases we need to do it in a way that is efficient and that reduces revenue churn. My concern with a carbon tax is that there could be an enormous amount of revenue churn. There are huge direct and indirect tax costs to the economy if you have a system in place where you are recycling revenue as part of a compensation mechanism, but if you have an efficient emissions trading scheme you can actually maximise the environmental benefits whilst minimising the economic costs. So I have real concerns about a carbon tax.

I do not have an issue with using natural gas as a transitional fuel to achieve those targets; I think that needs to be looked at, whereas a carbon tax will not give the right price signals for that. Natural gas could be a good transitional fuel because, notwithstanding that it is a fossil fuel, it is much cleaner than coal. I also think we need to have some price mechanisms in place that would be consistent with some of the aims of Beyond Zero Emissions and the work they have done with the Energy Research Institute at the University of Melbourne about Zero Carbon Australia. We are now seeing in Spain the rollout of solar thermal plants which can provide baseload power for 17 hours a day. But in order for that to be economic and efficient you need to have incentives and signals in place, not necessarily a carbon tax, to provide for it. The more of these you build, the more prices will come down. That provides long-term baseload power.

Those are some of the issues. The issue here is: did the government intentionally deceive the Australian people at the last election? Given the result of the election, I cannot say in good faith that was the case. Is there a debate about whether we ought—

Senator Abetz—Delete the word ‘gross’; would you vote for it?

Senator XENOPHON—Senator Abetz asks about deleting the word ‘gross’ from the motion. The word ‘deception’ implies an element of intent: that at the time of the last election there was an intent to deceive the Australian people, that there was no intention of keeping that promise. The government is a minority government. I was in the state parliament when there was a minority Liberal
government and when there was a minority Labor government, and I am aware of the policy compromises that are made in order for governments to be formed. That does not mean that there will not be or ought not to be a robust debate about the whole issue of a carbon tax—that is the best way to deal with this issue and to find the best way forward to reduce greenhouse gases in a way that is efficient and is economically and environmentally responsible. I am sure we will have debates in this place in the coming months and years about how we get the best policy outcome, but to censure the government in the context of its being a minority government is not, I believe, the right thing to do. I welcome an opportunity to debate this matter further, because the way that pricing of carbon is constructed in this country will have huge implications, not just for the environment but for the economic future of this nation.

Senator ABETZ (Tasmania) (4.47 pm)—What the Senate heard this afternoon is one of the most pathetic defences I have ever witnessed.

Senator Xenophon—It wasn’t that bad.

Senator ABETZ—Yes, it was that bad, Senator Xenophon. Senator Evans could not fill his time and could not justify his position. Senator Brown was petulant and then could not come up with any defence and Senator Wong likewise. Even if all the allegations against the coalition were to be accepted, which of course they are not, it does not in any way, shape or form justify the deceit that was perpetrated on the Australian people. I say to you, Senator Xenophon, with the greatest of respect: this was deceit. For example, we went to the Australian people with a GST, the Australian people re-elected us and we came into the Senate and negotiated a compromise with the Australian Democrats. In those circumstances, compromise is acceptable and understandable. But when you go to an election saying, ‘Absolutely no carbon tax,’ there is no room for compromise unless you are willing to engage in deception of the Australian people.

As I said before, there were only two members of the House of Representatives elected in support of a carbon price or a carbon tax. There are only five senators who specifically said in their election materials that they support a carbon tax. As a result those seven are outweighing 210-plus other parliamentarians who have a mandate from the Australian people to oppose a carbon tax. Indeed, everyone on my side and everyone on the Labor Party’s side in both places was either elected or re-elected on that solemn promise of no carbon tax. So with the greatest of respect to Senator Xenophon, for whom I have a fondness and a great regard, there is no way you can argue that this is somehow compromise. If this is the new paradigm, the new paradigm is that the Greens have taken control of the Labor Party agenda. The tail on the Labor dog, which had been painted green, has now morphed into a full backbone and skeleton which are now in full control of Labor Party policy.

Many things have been said in this debate, including one which I want to debunk—indeed, Senator Wong debunked it herself. In one breath, she said, ‘The coalition has no policy on climate change,’ then, in her next breath, she said, ‘Their policy on climate change is far too expensive.’ You cannot have it both ways: we either do have a policy or we do not. Just in case there is any doubt, we had a specific policy at the last election entitled The coalition’s direct action plan: environment and climate change. When you open the cover you will see that the very first line reads:

A Coalition Government will implement a climate change strategy …
Then there are 30 pages of detailed policy outlining that strategy. So do not come in here and compound your deceit of the Australian people by saying that there was no coalition policy in this area, when there was a clear policy articulated in 30 pages in which we were willing to put ‘climate change’ in the very first sentence. That is in stark contrast to the Labor Party policy speech where in 5,400-plus words ‘climate change’ was finally mentioned in the very last paragraph. In amongst a lot of the ‘Yes, we will,’ policies, climate change was No. 5 out of nine. So we clearly do have a policy, a practical direct action plan, which will not impact on everybody’s lifestyle.

Interestingly enough, when we made the allegation that this will impact on every single Australian household budget, not one of the government speakers referred to compensation. Not one of them referred to compensation as being part of their package—very telling. Not one of them was willing to answer Senator Barnaby Joyce’s question as to whether or not this would impact on the price of petrol. What they did was seek to obfuscate by mentioning all manner of things other than the actual issue that is at stake. The issue that is at stake is the deceit of the Australian people. It was writ large by Ms Gillard doing a complete backflip on this policy. She knows that the paradigm in this parliament, as determined by the will of the Australian people, is that over 90 per cent of the elected representatives in this place and the other place have their position courtesy of going to the Australian people saying, ‘We oppose a carbon tax.’

So I say yet again, in an appeal to Senator Xenophon at one minute to midnight: don’t say that this is a new paradigm because, if you are saying that this is a new paradigm, it means that 90 per cent of the parliament can be ignored in favour of 10 per cent. If that is the new paradigm, let that be recognised and noted by the Australian people. This paradigm is in fact a euphemism for deceit because this government knows that in relation to a carbon tax, if there were a vote of no confidence in this government on the basis that it had failed to introduce a carbon tax, we would not support it. We would support a vote of no confidence in this government, but not on its failure to introduce a carbon tax. So I cannot see the need for this compromise. If Labor were to say to the Greens, ‘Sorry, we made a solemn promise; we cannot agree to this carbon tax,’ on that issue Labor would have the full support of the coalition. If you are suggesting that everything that was promised before the last election can simply be jettisoned in some behind-the-scenes deal with the Greens and Independents then it is a sorry state of affairs and something which the Australian people, I am sure, never voted for.

I also say to the Australian people very clearly that it seems that Senator Wong, the former climate change minister, emboldened by the great success of the pink batts policy, emboldened by that great green loans policy, emboldened by the great cash for clunkers policy, thought, ‘There has got to be a fourth arm to this.’ Emboldened by the great success of those environmental policies, she thought, ‘Why not go the whole hog and just introduce a carbon tax?’ When you know how this government deals with public policy, when you have seen their failures in the area of the environment, I simply say: why would you trust them with a carbon tax?

I make the further observation that in the very interesting speech Ms Gillard gave at the Labor Party campaign launch she in fact ridiculed the coalition as being the only party that wanted to introduce a new tax. She said of Mr Abbott:

He stands for more tax in this campaign. I stand for tax cuts, tax benefits, tax relief for every Australian business.
That was after she had said to us, hand on heart:

… I want to speak to you from my heart, I want to speak to you about my values …

One of her great values that came straight from the heart was that she stood for ‘tax cuts, tax benefits, tax relief for every Australian business’. How does a carbon tax deliver on that specific promise? It does not; it is a complete breach of that promise.

Let me conclude as I started. The Labor-Green alliance carbon tax announced last week is one of the biggest deceptions ever perpetrated on the Australian people and that is why the government deserves to be censured. It is a gross betrayal of the Australian people by their government and that is why the government deserves to be censured. It is dishonesty writ large and that is why the government deserves to be censured. Every single senator will be brought to account by the Australian people on whether they believe that this gross dishonesty is acceptable. We make no apology from this side of the chamber for saying it is unacceptable and that is why we will be supporting this censure motion.

Question put:

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

The Senate divided. [5.03 pm]

(The President—Senator the Hon. J J Hogg)

Ayes……………… 33
Noes……………… 35
Majority……… 2

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

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

Question negatived.

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

QUESTIONS WITHOUT NOTICE

Suspension of Standing Orders

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (5.06 pm)—I seek leave to move that question time be extended to the full allocated time.

Leave not granted.

Senator BOB BROWN—Pursuant to contingent notice, I move:

That so much of standing orders be suspended as would prevent me moving a motion that ques-
tion time be extended until the remaining allocated time is expended.

I do this because there is the important principle here that question time in the Senate is private senators’ time, is the time for questioning the government and ought to run its full one hour regardless of what other procedural matters intervene. Today a failed motion of censure of the government interrupted question time, but the return to question time is the priority, from where the Greens sit, in the further deliberations of this house. There is on the slate an urgency motion which is going to traverse exactly the same ground that we have heard in the recent debate. It is more important, in our view, that the provision of question time in the Senate be upheld.

You know, Mr President, that I and the Greens have moved on a number of occasions in the past to ensure that question time be provided for when we sit extra days and question time is not provided for. It is the Greens’ view that question time, where the government is put under scrutiny, is absolutely central to the proceedings of parliament. It ought to be allocated on any day on which parliament sits, and I would expect that the coalition in opposition will support this motion to ensure that the government is put under the scrutiny that is required.

We sit far too little. We have a very sparse sitting schedule for this year, in particular for this part of the year. There is very little opportunity to put the government under scrutiny, and I expect that this coalition will want to ensure that that opportunity is not truncated at the behest of a government which does not want to have more question time. Of course we should. The matter has to be debated now because, if it is not, the opportunity is lost, so the urgency is very apparent. I put to the opposition that question time be extended and that it is very important. The government will not like it. I know that. The government does not want it. But it is not our job to protect the government from question time; it is our job to search the government in question time.

If we proceed, the next question will be from my colleague the honourable Deputy Leader of the Greens, Senator Milne, then there are a series of question opportunities for the coalition and other senators, including government senators acting as private senators, so it is very important that this proceed. Only a half hour is involved, and the Senate ought to insist that the government not escape from questioning under the unusual circumstances which have occurred today.

Senator CHRIS EVANS (Western Australia—Leader of the Government in the Senate) (5.10 pm)—The government opposes Senator Brown’s suspension motion. The longstanding precedent in this parliament in both chambers has been that, if the opposition seek to move a suspension motion, that suspension motion is debated and, if the time for question time has expired, we do not return to question time. The opposition chose today to move a censure motion fairly early in question time, I acknowledge. The government chose to take that censure motion rather than defeat it procedurally. Senator Brown may have preferred that we not do that. I understand that; that is a perfectly reasonable position. But the government’s view was that we would rather debate the merits of the case than debate the procedure, so we took that course, and I appreciate the support of the Independents and Greens for the defeat of that censure motion.

To be fair to Senator Brown, he has argued this position before, so I am not arguing that he is not consistent in it, but the reality is that what he is asking is that sometime around half past five I try and round up whichever ministers are still in the building and available and we have another go at
question time. Ministers, like all other members of parliament, plan their day around question time being between two o’clock and three o’clock in the afternoon. One of the great things that the Senate has done is that we have always called question time to a halt at three o’clock rather than letting it drag on, as it does in the House of Representatives under certain arrangements. Under successive governments of both persuasions, we have run a more orderly and timely question time process. To suggest that some time, whenever we get around to it, we call question time back on again and hope that ministers turn up, have their briefs and are ready to go is, quite frankly, not very practical. We have a cabinet meeting scheduled shortly which cabinet ministers—and I think there are five in the Senate—are required to attend. It would be a total disruption of the cabinet and government processes—

Senator Bob Brown—This is the parliament.

Senator CHRIS EVANS—Senator, it is the parliament, and the parliament has always tried to extend courtesies and procedures that allow everyone to plan their day. I think it would be a grave mistake to overturn all those precedents that have been set in relation to these matters. The fact is that the opposition chose to move the censure motion, as is their right, and that was debated. But the time for question time has now passed.

We have three more question times this week in which the government will be accountable and will be here and, Senator, you will be able to ask us questions. I think your party raised with us earlier in the day whether or not there would be any compensation for the Greens for the lost question today. I indicated, as I have to the Independents in the past, that we will look at that question. We have always tried to make sure that minor parties in the Senate get a fair crack at question time, that they get a proportionate chance to ask questions. As you know, with the agreement of the opposition, on occasions we have extended time to make sure that the Independents got their question up on the allocated day. The chamber has tried to work constructively to make sure that all senators get an opportunity.

The reality is that we have moved past the time for questions. We have precedents for not looking to go back to question time this late in the day. As I say, there has been no warning for ministers and no arrangements are in place, and we have a cabinet meeting due. I think we ought to follow normal practice. I would urge the opposition to think through those practicalities and also to think through their role as an alternative government, in that we have to have arrangements in place that allow governments to function. Exercising their capacity to move a censure motion earlier in question time effectively gives up the right for the rest of question time. That is a tactical decision by the opposition. It is perfectly within their rights. They took it. But I think to then say, ‘We want to do that and, by the way, we’d like to go back into question time,’ is unreasonable. It is not the sort of procedure that the House of Representatives entertains.

So I take Senator Brown’s point, but we are at Monday. There are three more question times. The government is held to account. We were here accounting for ourselves through the censure motion. I suggest that we move on to other business. We have the condolence motion for Sapper Jamie Ronald Larcombe, which we have been due to deal with for some time now. I think it would be appropriate if we moved on and dealt with that.

Senator FIFIELD (Victoria)—Manager of Opposition Business in the Senate (5.15
—I have to say, it does pain me to say that the opposition will not be supporting the Greens motion. The coalition is always loath to curtail any opportunity for question time. We always question very seriously any attempt by the government on a sitting day to put forward a reason that question time should not be held. But we have never sought, on this side of the chamber, to frustrate the business of the Senate. We are, more often than not, extremely cooperative with the government; and we do recognise that the chamber has been delayed today—not inappropriately delayed; it was very appropriately delayed. It was very important that the Senate debate the censure motion today. It is a pity that it did not pass, but it was important to put on the record the blatant breach of faith with the Australian people that this government has demonstrated through its pursuit of the carbon tax. But we do recognise that the chamber needs to function, that business needs to be dealt with, so we will not be supporting the Greens motion on this occasion. But we will be continuing with motions to take note of answers, because we think it is very important that, with respect to that part of question time that was held, there is the opportunity to take note of those answers and to further ventilate the matters we have been debating today.

I must say I am a little surprised that the Greens needed to put this motion today, and in fact that they do not have the support of the government. I would have thought that this is actually evidence that the Greens need to negotiate a better coalition deal, a better alliance deal, with the government. Surely Senator Brown could ensure, at the Monday morning tactics meeting between Labor and the Greens—their combined tactics meeting—that these sorts of arrangements are sorted out. That might be something for Senator Brown to place on the agenda of the next meeting that he has with the Prime Minister. Being part of the government, in effect, Senator Brown should be able to resolve these sorts of issues directly with the government.

So, as I said, it is with regret that we will not be supporting the Greens motion on this occasion, but the chamber must continue to function. I would suggest that in future Senator Brown talks with his Labor colleagues about these issues.

Senator MILNE (Tasmania) (5.17 pm)—I rise to note with interest that on this matter the coalition is in the balance of power. The government have a view, the Greens have a view, the coalition are in the balance of power and have chosen to support the government rather than support the scrutiny that question time provides. I think it is worth noting for the record here that, for all of the bluster we have heard today, for all the standing up and shouting we have heard today, when push comes to shove they abandon question time.

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

The Senate divided. [5.22 pm]

(The President—Senator the Hon. JJ Hogg)

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AYES
Fielding, S.
Ludlam, S.
Siewert, R.

NOES
Back, C.J.
Bernardi, C.
Boswell, R.L.D.
Bushby, D.C.
Carr, K.J.
Senator CHRIS EVANS—(Western Australia)—Leader of the Government in the Senate) (5.25 pm)—I seek leave to make a very short statement on the condolence motion.

Leave granted.

Senator CHRIS EVANS—I have spoken to most of the representatives in the chamber about the government’s intention, given the way the schedule has been disrupted today, to bring on the condolence motion for Sapper Jamie Larcombe tomorrow at 12.30. I think it is generally agreed around the chamber, so we will look to do that in government business time, given that today has been a bit disrupted and we would not get to it until it is quite late. If people are happy with that, we will do it first thing in the morning.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Carbon Pricing

Senator FIERRAVANTI-WELLS—(New South Wales) (5.26 pm)—I move:

That the Senate take note of the answers given by the Minister for Tertiary Education, Skills, Jobs and Workplace Relations (Senator Evans) to questions without notice asked by the Leader of the Opposition in the Senate (Senator Abetz) and the Leader of the Nationals in the Senate (Senator Joyce) today, relating to a proposed carbon tax.

What we have seen with the carbon tax is the ultimate betrayal by a Prime Minister and a Labor government that absolutely have no mandate for a carbon tax. It is definitely a tax that is designed to drive up the cost of living. Senator Brandis spoke earlier about electricity prices going up by about $300 for the average family. But for the average family in New South Wales, who are suffering the burden of 16 long years under Labor, the cost for them will be much higher, at $500.

Senator Abetz and others in the coalition have already traversed the comments that Prime Minister Gillard made before the federal election ruling out a carbon tax. She has got more front than Myers. She goes on television and tells the world: ‘No, I rule out a carbon tax. There will be no carbon tax under the government I lead.’ And there was Wayne Swan being his usual self, when he said, ‘What we rejected was this hysterical allegation that somehow we are moving towards a carbon tax.

‘Well, Treasurer, that hysterical allegation has now become the cold, hard reality of what Labor is now doing to screw families and screw them down even further. Of course, during the election we had the ‘real Julia’ and the ‘fake Julia’, so which Julia made this decision? But there was nothing more fake than the promise that was made to the Australian people before the election, and of course that election promise was broken.

But what does one expect? Senator Abetz talked about Whatever it Takes. It is interesting to look at former Senator Richardson’s book, Whatever it Takes—this is their bible—which tells us: ‘Do whatever it takes
and, if you have to lie, lie, lie and tell more damn lies to get into government, do it.’ Senator Richardson tells us that in the Labor Party the game is played hard. The Marquess of Queensberry rules never apply to Labor. That is them, through and through.

I want to take this opportunity to talk about the people of Illawarra. This is Labor’s heartland. The disdain that they have for their heartland is nowhere more evident than in the Illawarra. The headline of the Illawarra Mercury of Friday, 25 February is damning. Those across the way supposedly tell us they stand for the workers. There are potentially 12,000 jobs that will be lost in the Illawarra as a consequence of what the Labor government are going to do to their heartland, their people. The headline says, ‘Killer tax’. That is what the front page of the Illawarra Mercury said on Friday. Today’s Illawarra Mercury reads ‘Battlefront.’ This is what it is about: ‘BlueScope says carbon price could sound manufacturing’s death knell.’ This is what Labor is going to do to their heartland.

The words that I spoke on the CPRS legislation in 2009 still ring true today. I said: ‘The viability of 12,000 is at stake here.’ One person in the Illawarra Mercury commented at the time: ‘Champagne socialists, the lot of them. They are not the working person’s party anymore.’ At the time, the Illawarra Mercury asked a question that is still valid today two years later, because the Labor Party did not consult then and they have not consulted this time. They said: ‘The question now for the federal government is whether throwing 12,000 people in the Illawarra onto the unemployment scrap heap is worth the price of what is likely to be only a notional gain for the environment.’ This is an area that has one of the highest unemployment levels in the country. Labor does not give a damn about its heartland.

Senator O’BRIEN (Tasmania) (5.32 pm)—I rise to speak on the motion to take note of answers relating to carbon pricing. I would not have thought that anyone from the opposition would mention, in the context of this debate, the Illawarra Mercury, which is after all famed most for its ‘Honest John’ headline, which was used to describe former Prime Minister John Howard after he was found out with this: ‘There will never, ever be a GST under my government.’

Senator Cormann—He did not lie. He went to an election.

Senator O’BRIEN—Senator Cormann is trying to justify a lie in a campaign by a former Liberal leader. ‘Never, ever’ means not this election, not the one after that and nor the one after that. There seem to be two rules that those opposite live by. If it is a lie told on their side, it is all right; you can find a way to justify it. But if someone else says something that they seek to portray in that fashion there is no coming back from it. We have to look at the behaviour of this opposition and what occurred when they were in government. Frankly, it was not just Mr Howard who told a lie.

Senator Cormann—No, he didn’t.

Senator O’BRIEN—He said that there would never, ever be a GST. Is there a GST? Did Mr Howard introduce a GST? Yes, Does that mean that there never, ever was a GST? Of course it does not. They will argue that black is white and that white is black to try and justify their opportunistic argument. It is consistent with their opposing everything that this government has put forward. Ever since Mr Abbott took over their leadership, that has been their code: oppose, oppose, oppose. You could have predicted last week how the opposition would behave this week. We also had the experience of Mr Abbott as the health minister saying before an election that he would give a rock-solid, ironclad
guarantee that certain health changes that his government had implemented would not be taken away.

The ACTING DEPUTY PRESIDENT (Senator Fisher)—Order! Hold the clock for a moment. Senator O’Brien, are you in your correct seat? We are not sure that your microphone is working. We are broadcasting and I am sure the world would love to hear your wisdom.

Senator O’BRIEN—I would like to start again!

The ACTING DEPUTY PRESIDENT—Please continue, Senator O’Brien.

Senator O’BRIEN—I am happy to continue. Excuse me: in the heat of the argument I slipped forward one seat, which was not my intention. Thank you, Madam Acting Deputy President. The reality is that from the health minister the Australian people were, in an election campaign, given a guarantee that was described by Mr Abbott as rock-solid and ironclad. After the election, the government reneged on that promise and Mr Abbott justified it.

We have experienced since the last election a government put into power without a majority in the House of Representatives for the first time since the Second World War. In those circumstances, the government called together all parties to sit and discuss the question of climate change, because there is no doubt that this is a very important issue. Many decided to attend. What did the opposition do? They said, ‘No, won’t; we’ll boycott it.’ To have participated and to have been constructive would have undermined the very philosophy that these two parties under Mr Abbott have followed: to oppose everything. You cannot oppose everything if you want to participate in a constructive discussion. From that point on, we knew that whatever came out of that discussion would be opposed by the opposition.

Frankly, the Prime Minister has been trying to put in place arrangements—arrangements that business have been urging upon the government—to assist this country to do what it needs to do to handle the economic imperatives and international pressures that will inevitably come upon our community because of the issue of climate change. With China and the US and a number of other countries taking their steps towards handling this issue, it is incumbent upon this nation to do something.

Going through that process of consulting with the parties who form the majority in the parliament was all that any government could do, and that is what the Prime Minister has done. She has taken to the Australian people a proposition that will be tested through the parliament. It will be the subject of further discussions. Ultimately, it will come back to this chamber and will be voted for or not. That was the appropriate thing for the Prime Minister to do. Playing games about semantics, which is what this opposition seems to be good at, is nothing to do with the good of this nation. At the end of the day, we are going to have to take this argument forward. This opposition will not do that, because all they want to do is oppose, oppose, oppose.

Senator BUSHBY (Tasmania) (5.37 pm)—I rise to speak on the motion to take note of answer relating to carbon pricing. It has been absolutely fascinating today to hear the government members trying to justify and defend the indefensible. There is absolutely no doubt that prior to the election the Prime Minister made ironclad guarantees that no government of which she was the leader would introduce a carbon tax. Within three weeks of the election we saw her backing away from that, and last week we saw her blatantly breaching that undertaking she gave, hand on heart, to the Australian people.
Senator O’Brien made a few comments. In his attempt to defend the indefensible he raised some historic facts that he said were somehow a parallel to what the Prime Minister is currently doing. He referred to former Prime Minister John Howard’s ‘never, ever’ statement about the GST. He said that meant not this election, nor the one after that, nor even the one after that. He said that a lie is a lie is a lie, from my recollection. The reality is that no-one on this side has suggested that things do not change. At times we do need to revise the policy positions, move on and look at how they need to be updated or even completely changed, depending on changes in circumstances. That is what John Howard did. He realised that there was a need to move from the position he was in. What he did not do was deceive the Australian people when that position changed. He went back to them and asked for a mandate to do something completely different to what he earlier said he was going to do. He would not have done it unless he had the people’s mandate.

We have not seen anything like that from the Prime Minister on this particular issue. Mr Abbott has asked her to take it to the people and seek a mandate, but there is no indication whatsoever that she will. The reality is that in all likelihood she was successful in August of last year because of the fact that she, hand on heart, stood in front of the Australian people and said, ‘We will not introduce a carbon tax.’

Senator O’Brien also raised the issue of Abbott and health funding. The fact is that the health agreement he was referring to was put in place under a different minister, Senator Patterson. When Abbott, facing a need to address funding issues, chose to increase real funding in health by something like $7 billion instead of the increase of $8 billion that had been agreed with Senator Patterson, it was not a backflip on his position; it was a change in the overall circumstances, which led to a need to make some changes. Instead of providing an additional $8 billion, he provided an additional $7 billion. So there was certainly no reduction in funding.

Moving on to the actual issue at hand, the answers to the questions: as I said, prior to the election the Labor Party, and more particularly the Prime Minister, repeatedly pledged that they would oppose a carbon tax. A carbon tax would not be introduced under Prime Minister Julia Gillard. This was an issue in the days leading up to the 2010 election. Make no mistake. It is not drawing a long bow to say that there were people who made their decision on how to vote on election day of 2010 based on the Prime Minister’s ironclad guarantee that she would not introduce a carbon tax. We have heard it many times today but I think it is worth hearing again: on the Friday before the election, the Prime Minister stated categorically, ‘I rule out a carbon tax.’ She also claimed on Channel 10: ‘There will be no carbon tax under the government I lead.’ It was not just the Prime Minister making those statements. The Treasurer and Deputy Prime Minister, Wayne Swan, said: ‘What we rejected is this hysterical allegation that somehow we are moving towards a carbon tax.’ Was it really hysterical? Quite clearly not, given that we found out last week that not only are they moving towards a carbon tax but they are going to try to deliver one.

Almost immediately after the election the Prime Minister broke the guarantee that she and other members of her cabinet had provided to the Australian people. Do not believe her when she says that it was for some higher cause—to save the planet or some similar aim. Her comment that it was because of the changing dynamics in the parliament is much closer to the truth—that is, she was only too happy to see that election promise broken in order to hold on to power. That is the real reason she has broken this
promise: so that Labor can hang on to control, hang on to power and hang on to the Treasury bench. She did so by seeking to curry favour from the Independents and, more importantly, the Greens. It is a grubby but certain reality that, once again, Labor is more interested in looking after itself than the interests of the nation.

Senator STERLE (Western Australia) (5.42 pm)—I rise to speak on the motion to take note of answers relating to carbon pricing. It is amazing: I think the fire in this fight has gone out already from that side over there. It is unbelievable. We see the same pictures all the time: Senator Fierravanti-Wells—'the ultimate betrayal'. We have all the light, all the colours and all the movement.

Senator Jacinta Collins—And Richo.

Senator STERLE—That is right: and Richo. Thank you, Senator Collins. I watched the Prime Minister make the announcement last week. It was amazing, because the first line she threw out was, ‘Get ready for the mother of all scare campaigns,’ The mother of all scare campaigns has started. And hasn’t it come with a vengeance? It was brilliantly carried off, in their minds, on Friday morning by their favourite darling of talkback radio, the five-time-failed preselection loser for the Liberal Party, Alan Jones, on his radio show. Sure enough, if you bring out the dog whistles, who is there? Alan Jones. I could go on about ultimate betrayals and all those sorts of things and concur with my colleague and friend Senator O’Brien. How did Senator Brandis refer to former Prime Minister John Howard? ‘The lying rodent’. That’s right.

Senator Bushby—But you’d rather sweep it under the carpet.

Senator STERLE—I hear Senator Bushby over there. In your heart, Senator Bushby, I think you really do try to do the right thing by your side of politics. But you sit there and say that John Howard had a mandate when John Howard told an absolute fib. John Howard said, ‘never, ever, ever’ about a GST. John Howard did not pull a rabbit out of a hat and do the right thing and go to the people the next day, which you lot are carrying on about. He waited. He was no different from the Prime Minister. She has said that she wants to talk about it, that she wants to negotiate it, that it will go through to the other house and that it will come through to this chamber. You lot over there will have the opportunity to do what you want to do and to vote against it, and you will carry on with the rhetoric that we have been hearing since you knifed Malcolm Turnbull and elected Mr Abbott—opposing every single thing.

I do not have a lot of time to put my message across, but I would like to put this to the people of Australia. It was with great embarrassment throughout the election campaign that I watched Mr Abbott put himself up as the future alternative Prime Minister. I sat there and thought to myself: ‘What does this man stand for? What are his policies? What do his faithful disciples on the other side of the chamber see in this man? What is he going to do for Australia? What would he do for our kids if he were to win the election and form government?’ All I heard throughout the whole campaign was what Mr Abbott and the Libs and the doormats were not going to do—nothing about what they were going to do.

Senator Sherry—The National doormats.

Senator STERLE—Did I say doormats?

Senator Sherry—The National Party.

Senator STERLE—The National Party and doormats. But please, help me out; I would love to stand corrected on this. It would be wonderful if someone could challenge me by standing up and telling me what
those opposite were going to do, please. There are a couple of minutes left. What were you going to do? I plead with you. They were going to do nothing. All they wanted to do was stop, stop, stop. We have got a Prime Minister who has said very clearly that she wants to negotiate a carbon price. There will be the opportunity for those opposite to have their say.

I have sat in this place since two o’clock this afternoon, when we had question time. Then, at about 20 past two, those opposite pulled their cunning stunt. It is now quarter to six and the fire has burnt out. It has only been three hours and you are burnt, you are gone—you have got nothing to talk about. There is not even a decent interjection coming from that side. Normally when I am on my feet I get some good interjections. There is nothing. It is an absolute shambles on that side of the parliament. There is no fire—20 minutes is the best they can do.

We need certainty for this country. We need certainty for our children and our grandchildren, we need certainty for business and we need certainty for employers. We got into a sad situation in late 2009. In good faith, Mr Turnbull and his motley crew at the time were in negotiations with Senator Wong and the previous Prime Minister. When there was the belief that this country could move forward and do something about climate change, what did those opposite do? They took out their leader. The lunatics are in charge of the asylum.

Senator Barnett (Tasmania) (5.47 pm)—In speaking to the motion to take note of answers given by Senator Evans today in question time, I make it very clear that either Prime Minister Julia Gillard has lied to the Australian people or she is a puppet of the Australian Greens—or indeed both, and I believe it is the latter and that I can prove it in the next few moments by putting evidence to this Senate. Senator Milne said not so long ago, ‘It is happening because we have shared power in Australia.’ Senator Milne, the Tasmanian senator, confirmed on the record that they have shared power in Australia. We know they have already signed a deal. The Labor Party have signed an agreement with the Australian Greens and these are the consequences. We are now going to see a carbon tax. But I believe that is a fraud on the Australian people and that the government deserves to be censured.

What has been proved today is that there has been no consultation with Labor Party members. Senator Sterle is now leaving the Senate chamber. He should be here to listen to this, because we know that there has been no consultation. The only consultation that has taken place is that with Senator Bob Brown and the Australian Greens. Senator Milne has proved it herself by putting it on the public record. We know that Senator Brown and Prime Minister Julia Gillard have a very close relationship. We saw that in the press conference last week. There was a big smirk, a big smile, on Senator Brown’s face. He was acting as though he was in charge. Guess what. He was. He got what he wanted: he got the carbon tax. We know that is going to be a killer of Australian jobs. We know there is going to be an increased injection into the cost of living. It is a double whammy for Australian families, for the Australian people.

I want to reflect on this total backflip by Prime Minister Julia Gillard. Just prior to the election, she looked square into the eyes of a reporter and said, ‘There will be no carbon tax under the government I lead.’ She did not just say, ‘There will be no carbon tax.’ She said there would be no carbon tax ‘under the government I lead’. That is what she said and she made it very clear, hand on heart. Now she has broken her word, with this great deception on the Australian people. In fact, it is
a fraud. The fact is that there should be an
election prior to proceeding with this deci-
sion. There is no mandate for this carbon tax.
They have promised, they have made a
commitment and she has broken her word.
Integrity for this government has gone out
the door. Honesty has gone up in smoke.
What are the consequences?

Let me take it back to Tasmania. In North-
ern Tasmania, down near George Town, for
example, we have companies employing
hundreds and hundreds of people. We have
Rio, TEMCO and hundreds of industrial and
manufacturing workplaces. I want to draw to
the Senate’s attention the recent comments of
Paul Howes, the head of the Australian
Workers Union, who is very much doing this
for his best interests and the best interests of
the Australian Workers Union. Why isn’t he
standing up to oppose this carbon tax? In fact
he is doing the opposite. Mr Paul Howes is a
grub of a man. But he is worse than that: he
is a viper in the bosom. He could not care
less about the people, about the workers at
Rio. He is doing this for vengeance, for the
interests of himself and for the interests of
the Australian Workers Union. He does not
care about the workers and the working
families at George Town and other parts of
Northern Tasmania.

On record I ask Mr Howes to come clean
and say how the carbon tax will help the
people and the workers of Rio and to get off
his high horse and stop being a viper in the
bosom and start acting in the interests of his
workers. Then people would have a little
more respect for him. What about the people
at TEMCO and elsewhere? What about the
communities in the rural and regional parts
of Tasmania? They are hurting. What about
in Scottsdale, where they are going to see a
6½c increase in the price of petrol? What
about the $300 to $600 increase in the price
of power for the people in Scottsdale? They
are already hurting. They need jobs. Unem-
ployment has gone up in the north of Tasma-
nia. This Labor government, with the Greens
in control, is trashing the Australian econ-
omy in a similar way to that in which the
Tasmanian Labor government, with the
Greens, is trashing the Tasmanian economy.
Enough is enough. We say no. Come clean
and be honest and go to an election before
bringing in this rotten carbon tax.

Question agreed to.

CONDOLENCES

Klugman, Dr Richard (Dick)

The ACTING DEPUTY PRESIDENT
(Senator Fisher)—It is with deep regret that
I inform the Senate of the death on 21 Febru-
ary 2011, of Dr Richard (Dick) Klugman, a
member of the House of Representatives for
the division of Prospect, New South Wales
from 1969 to 1990.

PETITIONS

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

Federal Land Tax
To the Honourable President and members of the
Senate in Parliament assembled:
The Petition of the undersigned shows:
That Petitioners are concerned by the lack of ac-
cess to productive and due to the current Aus-
tralian taxation system, which taxes both Labour and
Capital to the detriment of the nation’s productiv-
ity.
Furthermore the present taxation system with
over 100 taxes is so cumbersome and costly to
prosecute that too much productive time is lost in
compliance.
That Petitioners are concerned by the ever-
increasing amount of wages or profits that are
being consumed in the most basic of all necessi-
ties: access to land.
Whether this access to land is for the family home
or a business, the land being sought has tripled in
price in the decade to 2008 (according to ABS
5204.0, Table 61). Moreover this land price does
not merely reflect the value provided by public
utilities. In many instances price is well above realistic value, due to the withholding of it from sale to gain a windfall price and thus an unearned income. Petitioners are further concerned that this unearned income is at the expense of Australian families who need access to land for the family home. Businesses and Farms also face the same lack of opportunity with productivity being soaked up in high land prices and thus high rents whether they be direct or indirect.

That Petitioners are concerned by the detrimental effects of lack of access to land on the ability of young families to acquire a home and nurture their families. This great Australian dream is alive and must not be allowed to disappear and fracture our society. A very simple and cost effective way to bring land back into the market place is to reinstate the Federal Land Tax.

Your Petitioners respectfully request that the Senate in Parliament:

1. Conduct a review into the effects of Land Price on the ability of Australian Families to gain access to land to build a home or purchase a house-land package.
2. Conduct a review into the effects of Land Price on the productivity of Australian businesses.
3. Conduct a review into the effects of Land Banking and the taking of unearned income to the detriment of Australia’s productivity.
4. Conduct a review into the reinstatement of the Federal Land Tax and the effects it would have on land access in Australia.
5. Conduct a review into using Australian Local Government’s comprehensive Land Rating data to collect a Federal Land Tax.

by Senator Bob Brown (from 359 citizens)

Marriage

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

We, the undersigned citizens draw to the attention of the Senate assembled, that the definition of marriage as “a union between one man and one woman to the exclusion of all others, voluntarily entered into for life” is the foundation upon which our families are built and on which our society stands. To alter the definition of marriage to include same-sex “marriage”, as proposed, would be to change the very structure of society to the detriment of all, especially children.

We, the undersigned citizens therefore request that the Senate upholds the definition of marriage as defined in the Marriage Act 1961 (amended 2004).

by Senator Nash (from 152 citizens)

Petitions received.

NOTICES
Presentation

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

That the Joint Standing Committee on Electoral Matters be authorised to hold a public meeting during the sitting of the Senate on Wednesday, 2 March 2011, from 9.30 am to 11 am, to take evidence for the committee’s inquiry into the conduct of the 2010 Federal Election and matters related thereto.

Senator Siewert to move on the next day of sitting:

That the time for the presentation of the report of the Community Affairs References Committee on planning options and services for people ageing with a disability be extended to 18 April 2011.

Senator Barnett to move on the next day of sitting:

That the Legal and Constitutional Affairs References Committee be authorised to hold a public meeting during the sitting of the Senate on Thursday, 3 March 2011, from 4.45 pm, to take evidence for the committee’s inquiry into the Australian Law Reform Commission.

Senator Boyce to move on the next day of sitting:

That the Parliamentary Joint Committee on Corporations and Financial Services be authorised to hold private meetings otherwise than in accordance with standing order 33(1) during the sittings of the Senate on Thursday, 3 March and Thursday, 24 March 2011.
Senator Boyce to move on the next day of sitting:

That the Parliamentary Joint Committee on Corporations and Financial Services be authorised to hold a public meeting during the sitting of the Senate on Wednesday, 2 March 2011, from 5 pm.

Senator Crossin to move on the next day of sitting:

That the Joint Select Committee on Gambling Reform be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Tuesday, 1 March 2011, from 4 pm.

Senator Wortley to move on the next day of sitting:

That the Joint Select Committee on Cyber Safety be authorised to hold a public meeting during the sitting of the Senate on Thursday, 3 March 2011, from 9.30 am.

Senator Xenophon to move on the next day of sitting:

That the following matter be referred to the Finance and Public Administration References Committee for inquiry and report by 30 June 2011:

The superannuation claims of former and current Commonwealth Public Service employees employed on a full-time, part-time or temporary basis prior to the introduction of compulsory superannuation in 1992, who were either not aware or correctly advised of their eligibility for Commonwealth superannuation (the Commonwealth Superannuation Scheme), with particular reference to:

(a) the number of employees in the Commonwealth Public Service impacted, because they were not aware or correctly advised of their eligibility to Commonwealth superannuation prior to the introduction of compulsory superannuation in 1992, including, but not limited to, employees of the following Commonwealth departments and statutory authorities:

(i) Department of the Interior (which included Transport, Forestry and Conservation, and Agriculture),
(ii) Department of Works (later renamed the Department of Housing and Construction, and then the Department of Construction) in the Australian Capital Territory and New South Wales,
(iii) Department of Administrative Services in the Australian Capital Territory and Western Australia,
(iv) Department of Education in the Australian Capital Territory,
(v) Department of Supply in South Australia and the Australian Capital Territory,
(vi) Post-Master General’s Department in the Australian Capital Territory and New South Wales,
(vii) Australian Government Printing Office in the Australian Capital Territory and New South Wales,
(viii) Defence – Research Weapons Establishment in South Australia,
(ix) Defence – Defence Science and Technology Organisation in South Australia,
(x) Defence – Defence Research Centre in South Australia,
(xi) Australian Broadcasting Commission in South Australia, Tasmania, the Northern Territory and New South Wales,
(xii) Australian Atomic Energy Commission (now Australian Nuclear Science and Technology Organisation) in New South Wales,
(xiii) ACT Electricity Authority in the Australian Capital Territory,
(xiv) Northern Territory Electricity Commission in the Northern Territory,
(xv) Australian Antarctic Division in Tasmania,
(xvi) Australian National Airlines Commission (trading as Trans Australian Airlines (TAA)) in New South Wales, and
(xvii) Commonwealth Scientific and Industrial Research Organisation in the Aus-
Australian Capital Territory, Queensland and Tasmania;
(b) the impact on the retirement incomes of these employees as a result of not being aware or correctly advised of their eligibility to the Commonwealth Superannuation Scheme;
(c) the handling of these cases by the Department of Finance and Deregulation;
(d) what, if any, actions the Department of Finance and Deregulation has taken to notify persons who may be applicable for these claims;
(e) consideration of cases under the Act of Grace by the Department of Finance and Deregulation; and
(f) any other related matters.

Senator Heffernan to move on the next day of sitting:
That the time for the presentation of the report of the Rural Affairs and Transport References Committee on pilot safety, including consideration of the Transport Safety Investigation Amendment (Incident Reports) Bill 2010 be extended to 4 May 2011.

Senator Sherry to move on the next day of sitting:
That the order of the Senate providing modified rules for question time continue to operate as a temporary order until 24 March 2011.

Postponement
The following items of business were postponed:
Business of the Senate notice of motion no. 1 standing in the names of Senators Fisher and Ludlam for today, proposing a reference to the Environment and Communications References Committee, postponed till 1 March 2011.
General business notice of motion no. 174 standing in the name of Senator Xenophon for today, proposing the introduction of the Customs Amendment (Anti-Dumping) Bill 2011, postponed till 2 March 2011.

Withdrawal
Senator McEWEN (South Australia) (5.54 pm)—On behalf of Senator Stephens, pursuant to notice given at the last day of sitting, I now withdraw business of the Senate notices of motion nos. 1 to 4 standing in her name for 11 sitting days after today.

Senator PARRY (Tasmania—Manager of Opposition Business in the Senate) (5.57 pm)—I withdraw general business notice of motion No.132 standing in the name of Senator Mason.

LEAVE OF ABSENCE
Senator McEWEN (South Australia) (5.54 pm)—by leave—I move:
That leave of absence be granted to:
(a) Senator Arbib from 28 February to 3 March 2011, on account of parliamentary business;
(b) Senator Bilyk on 28 February 2011, for personal reasons.
Question agreed to.

COMMITTEES
Parliamentary Budget Office Committee
Meeting
Senator McEWEN (South Australia) (5.55 pm)—by leave—At the request of Senator Faulkner, I move:
That the Joint Select Committee on the Parliamentary Budget Office be authorised to hold a public meeting during the sitting of the Senate today, from 8 pm till 9.45 pm.
Question agreed to.

GOVERNOR-GENERAL’S SPEECH
Address-in-Reply
Senator SHERRY (Tasmania—Minister for Small Business, Minister Assisting on Deregulation and Public Sector Superannua-
tion and Minister Assisting the Minister for Tourism) (5.56 pm)—by leave—I move:

That:

(a) the address-in-reply be presented to Her Excellency the Governor-General by the President and such senators as may desire to accompany him; and

(b) on Tuesday, 1 March 2011, the Senate adjourn at 5 pm, for the purposes of presenting the address-in-reply to the Governor-General.

Question agreed to.

INFRASTRUCTURE

Senator MILNE (Tasmania) (5.58 pm)—I move:

That the Senate—

(a) notes that:

(i) while Victoria, New South Wales, South Australia, Western Australia and the Australian Capital Territory all insure public assets with a comprehensive disaster cover obtained on the international re-insurance market, Queensland, the Northern Territory and Tasmania do not,

(ii) the recent comments by the Prime Minister (Ms Gillard) that Queensland’s lack of insurance cover for its public assets was a ‘matter for Queensland’, are obviously incorrect, given that the flood levy will be borne by the majority of taxpayers, and

(iii) the extent to which the Commonwealth reimburses the states and territories for expenditure related to natural disaster relief and recovery, as set out by the Natural Disaster Relief and Recovery Arrangements, does not take into consideration whether a state or territory has taken out insurance cover; and

(b) calls on the Government to:

(i) reveal the Commonwealth Government’s insurance arrangements for its infrastructure,

(ii) transparently estimate what the cost to the Commonwealth Government would have been had the Queensland Government purchased reinsurance to cover the cost of damage to public infrastructure caused by recent natural disasters,

(iii) table all communication between the Commonwealth and the Queensland, Northern Territory and Tasmanian Governments relating to their lack of natural disaster reinsurance for public infrastructure, since the 2007 election, and

(iv) consider how future Natural Disaster Relief and Recovery Arrangements can take into consideration the extent to which the state and territory governments are insured against damage to public infrastructure caused by natural disasters.

Senator SHERRY (Tasmania—Minister for Small Business, Minister Assisting on Deregulation and Public Sector Superannuation and Minister Assisting the Minister for Tourism) (5.58 pm)—I seek leave to make a brief statement.

The ACTING DEPUTY PRESIDENT (Senator Fisher)—Leave is granted for two minutes.

Senator SHERRY—Thank you. The government is opposing the motion. There has been a great deal of misinformation in relation to the insurance position adopted by the Queensland government. It is not true to suggest that if Queensland had taken out reinsurance the Commonwealth would have been able to avoid any payments under the NDRRA. The scale of this disaster was significantly larger than any state insurance policy could cover. It is misleading to suggest, as we have heard time and time again from some people in the media, that Victoria, New South Wales, South Australia, Western Australia and the ACT all have comprehensive disaster coverage. This is wrong. The states take out a range of positions when it comes
to reinsurance. Victoria insures both roads and bridges. New South Wales insures bridges but not all roads. Queensland and WA insure neither bridges nor roads. So the motion is based on factual errors.

These different positions reflect the fact that the premiums faced by each state will tend to vary based on the nature of the assets being covered and the risks being faced. Currently, each state looks at whether to take out reinsurance based on whether it represents value for money. Queensland assessed reinsurance and found it was better for the taxpayers of Queensland for the government to build up a pool of funds rather than pay reinsurance premiums. The Commonwealth, when it reviewed its insurance arrangements under the previous government, decided to self-insure through Comcover. So, clearly, reinsurance does not always represent value for money for taxpayers. This is a decision that each government needs to take on a case-by-case basis. We acknowledge that insurance is an area where reform is necessary. The government is working with the insurance industry and consumer groups on reforms in the interests of taxpayers and consumers. We will have more to say on this in coming days and weeks.

Question agreed to.

ENERGY

Senator MILNE (Tasmania) (6.00 pm)—I move general notice of business No. 173 standing in my name:

That the Senate—

(a) notes that:

(i) in 2006 the Australian Greens instigated an inquiry by the Standing Committee on Rural and Regional Affairs and Transport into Australia’s future oil supply and alternative transport fuels,

(ii) neither the former Howard Government, the former Rudd Government nor the Gillard Government have implemented the nine recommendations of that inquiry’s tripartite report, with only “Recommendation 6” relating to incentives for fuel efficient vehicles even having been considered.

(iii) following a series of whistleblower leaks, the International Energy Agency in 2010 for the first time publicly acknowledged the real threat of peak oil, and

(iv) a series of diplomatic cables released by Wikileaks and published in the week beginning 6 February 2011 reveals growing confidence that Saudi Arabian oil reserves have been overstated by as much as 40 per cent and that the world’s biggest oil exporter may not be able to supply enough oil to the global market to prevent prices rising dramatically; and

(b) calls on the Government immediately to develop a national plan to respond to the challenge of peak oil and Australia’s dependence on imported foreign oil.

Senator SHERRY (Tasmania—Minister for Small Business, Minister Assisting on Deregulation and Public Sector Superannuation and Minister Assisting the Minister for Tourism) (6.01 pm)—by leave—The government is opposing the motion. The government will examine Australia’s liquid fuel security in the National Energy Security Assessment which will be undertaken by the Department of Resources, Energy and Tourism and is intended to be released to the public in the second half of 2011. This will examine Australia’s current energy security conditions as well as provide a trend analysis of energy security conditions in the short, medium and long term. Any liquid fuel security concerns arising from this assessment will be considered in the paper, which is intended to be finalised during 2012.

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

The Senate divided. [6.06 pm]
(The Acting Deputy President—Senator JM Troeth)

Ayes……….. 5
Noes……….. 23
Majority……. 18

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

NOES
Adams, J. Birmingham, S.
Brown, C.L. * Cameron, D.N.
Cormann, M.H.P. Farrell, D.E.
Faulkner, J.P. Feeney, D.
Fielding, S. Fifield, M.P.
Furner, M.L. Marshall, G.
McEwen, A. Moore, C.
O’Brien, K.W.K. Parry, S.
Polley, H. Pratt, L.C.
Sherry, N.J. Stephens, U.
Troeth, J.M. Williams, J.R.
Wortley, D.
* denotes teller

Question negatived.

MATTERS OF PUBLIC IMPORTANCE

Carbon Pricing

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

The Gillard Government’s flagrant breach of promise to the Australian people not to introduce a carbon tax.

I call upon those senators who approve of the proposed discussion to rise in their places.

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

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

Senator CORMANN (Western Australia) (6.09 pm)—For Australia to introduce a price on carbon, whether through a carbon tax or through an ETS in the absence of an appropriately comprehensive agreement, is bad public policy. That was the conclusion after three years of public policy debate over the past parliament. That was the conclusion that was reached indeed in the lead-up to the 2007 election by then Prime Minister John Howard, who has been quoted in vain by many contributors to debates today. I will quote what then Prime Minister John Howard said a couple of weeks before the 2007 election when the then Leader of the Opposition, Kevin Rudd, had to pull Peter Garrett into line about what was described in the Australian on 30 October 2007 as ‘Garrett’s Kyoto blunder’, ‘Reversal on targets after blunder’, ‘Rudd seeks climate control’ and so on. This is what John Howard said at the time:

We can’t have a situation where Australian industry is bound to take steps to curb greenhouse gas emissions, but competitive countries like China are not bound.

This is the crux of the debate. The emissions trading scheme debate, the debate about putting a price on carbon, changed at the time the talks in Copenhagen failed towards the end of December 2009. The Prime Minister, Julia Gillard, as then Prime Minister Kevin Rudd also realised, knew that that was the case. They knew it was no longer in the public interest for Australia to proceed with a carbon tax or an emissions trading scheme, which is why before the last election the Prime Minister made an absolute ironclad promise that there would be no carbon tax
under the government she leads. And the day before the election she said, ‘I rule out a carbon tax.’ It could not be any more clear. Why did she say these things? Why did she rule out a carbon tax the day before the election? Because she knew that she had to say so in order to succeed the next day at the election. She knew that the Australian people had come down on the side of coalition policy when it came to a proposal for a carbon tax or an emissions trading scheme, which is why the Prime Minister before the election promoted coalition policy on the carbon tax and emissions trading scheme, which is to be opposed to it, only to turn around after the election and adopt the policy of the Greens. I understand why Senator Farrell would leave the chamber now, because I am sure that he is embarrassed that his Prime Minister would be joining with the Greens on something like this.

But Prime Minister Gillard has got form on this. She is the Prime Minister who said back in May 2010: ‘If Stephen Spielberg rang me from Hollywood and asked me to star opposite Brad Pitt in a movie, would I do it? Well, I would be a little bit tempted but, you know what, I don’t reckon Stephen Spielberg is going to give me a call.’ That of course was her way of saying she was not going to challenge Kevin Rudd for the leadership. She said she would be more likely to go to Mars, she would be more likely to go around the world sailing solo a dozen times and she would be more likely to be the full-forward for the Bulldogs than she was to change the leadership of the Labor Party. History has shown that that was yet another occasion when this Prime Minister deceived the Australian people and of course deceived her predecessor.

Consider the sheer arrogance with which this government proceeded: on the day they passed the floods tax grab through the House of Representatives the Prime Minister went out with Senator Bob Brown of the Greens and various other people and announced the carbon tax. She must have been so excited at getting a tax through the House of Representatives that she decided this was the time to make an announcement about yet another tax, even though it was a complete breach of everything she promised to the Australian people before the election. She went off and gave the Australian people the two-finger salute.

Today we are getting sanctimonious lectures from the Labor Party on how important it is to whack yet another tax on people. We are getting lectures on how this is important economic reform. If it was such important economic reform, if it was such an important thing to do, why didn’t the Prime Minister tell the Australian people before the election that that is what she was going to do after the election? I ask this question to senators in the chamber: if this is such an important reform, if this is such an important thing to do, why did the Prime Minister not take this proposal to the cabinet and why did she not take the Labor Party caucus into her confidence and let them have their say about this important economic reform before announcing it with Greens leader Bob Brown last Thursday? Does the Prime Minister trust Greens leader Bob Brown more than she trusts her own cabinet or Labor Party caucus?

On past occasions we have heard Senator Cameron talk about there being ‘lobotomised zombies’ on this side of the parliament. This time we have not heard anything from Senator Cameron because he is quite happy that Prime Minister Gillard is cuddling up to Senator Brown. His side of the Labor Party are very comfortable with that. They want that shift to the extreme Left of Australian politics. They do not want the government to stay in the mainstream of public policy here in Australia. What has happened to the once-proud New South Wales right wing of the
Labor Party? This Prime Minister has completely castrated what was once an effective political machine. This is a Prime Minister who has gone back to her socialist roots and who is now doing deals with the Greens leader before even talking to her own caucus colleagues about what everybody, from the Prime Minister down, now suggests is an important economic reform.

The reality is that this was all about political strategy not about good public policy. It was not about acting in the public interest; it was about a Prime Minister who was told—after fake Julia and real Julia—that we needed a Prime Minister who was seen to be standing for something. One of her spin doctors, maybe her new chief of staff, who recently came on board, said to her, ‘Prime Minister, your problem is that people don’t think you stand for anything, so you should pick a fight. If you pick a fight on an issue that is going to be controversial, people are going to think you actually stand for something.’ My message to the Prime Minister is that she picked the wrong fight, because what she is proposing is not in the national interest. The reason it is not in the national interest is that it is bad public policy. As I mentioned at the beginning of my speech, to put a price on carbon in Australia in the absence of an appropriately comprehensive global agreement is bad public policy. It will make our businesses less competitive than more polluting businesses overseas. It will put pressure on the price of everything—electricity, petrol, groceries—it will cost jobs and it will put pressure on the economy for no environmental benefit.

If we reduce emissions in Australia when emissions are increased in other parts of the world, we will not have achieved a thing; we will have forced people in Australia to make sacrifices for no benefit at all. I will mention two examples that are relevant to my home state of Western Australia. The emissions trading scheme, a carbon tax, will make it harder for us to maximise our opportunities through LNG production, because LNG production in Australia will result in increased emissions in Australia. Exporting LNG to China or Japan where it can displace coal is actually going to be in the world’s best interest. If we are truly focused on helping to reduce global greenhouse gas emissions then we should actually be prepared to increase emissions in Australia if that is what is required to reduce emissions in the world. There is example after example. Magnetite is a process whose whole life cycle is actually more environmentally efficient than traditional iron ore production and use. However, if you only look at the Australian process in isolation, the process at the start, and not at the whole-use cycle, including the component in China, then you will actually make it harder for a process that overall is more environmentally friendly to get off the ground. That is not in the world’s best environmental interest; but it is going to be the consequence of these sorts of decisions.

The Prime Minister made this announcement without having done any homework. She clearly was keen to have a political announcement to grab a headline and be seen to be picking a fight, but Treasury was not aware of it and was caught off guard. When we asked Treasury whether they done any new modelling since 2008, they said that no such modelling had been done. That was the modelling that assumed that the United States of America was going to have an emissions trading scheme by the end of 2010. Newsflash! The United States did not have an emissions trading scheme by the end of 2010; neither does China, which is supposed to have one by 2015; neither is India on track to have one and nor are many other countries.

This carbon tax is a blatant broken promise from an arrogant Prime Minister who is
desperate to look like she stands for something. Nobody on the Labor side is standing up to this Prime Minister who is treating them with absolute contempt. You would have thought that proper due process on something as important as this involved cabinet, caucus and party room discussions. It never happened. (Time expired)

Senator CAMERON (New South Wales) (6.19 pm)—I have been really interested in this so-called debate on this matter of public importance on carbon pricing this afternoon. I think the tone and quality of the debate are epitomised by what we have just heard from Senator Cormann. He argues that this debate is about the extreme Left. I do not understand that, because it is not about the extreme Left. Madam Acting Deputy President Troeth, you know, as do we all here, that people like Professor Ross Garnaut, Mr Malcolm Turnbull, Senator Boyce and yourself have all got concerns about where this is going. It is an absolute fabrication to say this is about a Left versus Right issue. Do you know what this is about? This is about my grandkids, Scott and Amy, and the grandkids of this country having a life in the future. It is about them being able to enjoy the same economics, society and environment that we have enjoyed. If we fail to deal with this seriously, if we want to just be climate deniers and climate sceptics, then we will not be doing the right thing by the grandchildren of communities right around this country.

You know that global warming is real. The science is in. There is no argument about the need to do something about this, yet the argument we have heard from the coalition today is an argument based on finger pointing, denial, fear and the lowest politics that you can find in this country. I do not think it is good enough. I have been quite angry today listening to the quality of the debate from the opposition on this issue. Let’s cut to the chase: the Australian public are sick and tired of the climate sceptics, sick and tired of the climate deniers and I think, even worse, sick and tired of the political opportunists who actually know we have to do something about this but are not prepared to stand up within the coalition and say: ‘Yes, this is a worldwide problem. Yes, this is an issue that needs to be dealt with.’

People on the opposition side know that this is real, so the fundamental question for the opposition is: is climate change real? If the answer is yes then you have to deal with the scientific issues that are before us. If you want to be anti-science, if you want to be anti-intellectual, if you want to be anti the real economics of climate change, you will do exactly what you have been doing here all day—that is, stand up and ignore the elephant in the room. The elephant in the room is that climate change is real. Everyone who stands up to speak in this debate should be saying whether they believe climate change is real or climate change is a fabrication. There is no doubt in my mind and no doubt in the minds of the CSIRO, the Bureau of Meteorology and by far the majority of our scientists that we need to deal with global warming and that carbon pollution is real.

If that is the case, I come back to how I opened up. I want a future for my grandkids. I want them to have a decent environment to bring up their families in the future. If we do not stand up for it now then they are the ones who will suffer the consequences. It would be easy for me to say: ‘This is unreal. This is not right. I don’t believe in it. Nothing is going to happen.’ I might have a few years left, but when I am gone my grandkids will still be here and they have got lives that they must lead. If there is any truth to what the scientists are telling us then what we have to do as a parliament in Australia is stand up for them, not score petty political points about who said what and when they said it and who said the other thing. The reality is that there
is a political consensus growing that carbon pollution is real, is a danger and has to be dealt with. That is the reality.

With every challenge there come opportunities and I want Australia to be part of the opportunities that arise from dealing with climate change. For instance, there will be jobs in a whole range of areas arising from putting a price on carbon and dealing with carbon pollution. In the UK they are talking about the revitalisation of the north-east of England because there is such a huge demand for specialist welders, facilities and skilled tradespersons to build the fleet of wind turbines that is going out into the North Sea. One hundred metre tall wind turbines are being built right across Europe.

The argument from the conservatives in the UK is not about who said what and who did what. They are saying we have got to get on with this. David Cameron—who is absolutely no relative of mine, let me tell you; he must have come from the black Camerons—at least understands the issue of getting on with creating the jobs of the future. David Cameron has said he is putting £60 million into the shipyards in the north-east of England to give them an opportunity to work with the 18 million tonnes of steel that is required to build these wind turbines. He is not arguing as we hear the conservatives argue here. He is not arguing like the Liberals argue here. He is saying we have got to get on with it and deal with this issue. That is the reality of leadership. The problem here is we have got no leadership on the other side except from a few Liberal MPs who know that this is a serious issue and know that it is about the future of the country.

I would not normally quote David Cameron but I may as well given that the Liberals are wont to quote him. He made a speech on 14 May 2010 at the Department of Energy and Climate Change. He said:

The three things that I would pick out are, first of all, the green economy.

Do you ever hear the coalition here talk about the green economy? They never do because they are not interested in jobs. They are only interested in looking back. They are only interested in petty political points. They are only interested in trying to destroy the building of this nation for the future. David Cameron said:

We’ve got a real opportunity to drive the green economy—to have green jobs, green growth, and make sure that we have our share of the industries of the future.

Where are the David Camerons in the coalition? Madam Acting Deputy President Troeth, I must say that you were the equivalent of David Cameron. You stood up and argued that this is a real issue that has to be dealt with. He went on to say:

Clearly there’s the climate change agenda, where we’ve got to get back on track, both nationally and internationally. And third, there is the issue of energy security, which I think is vitally important, which we need to do a huge amount of work on.

On 25 October he went on to announce £60 million for the green jobs economy. He said:

We need thousands of offshore turbines in the next decade and beyond …

Sitting suspended from 6.30 pm to 7.30 pm

Senator CAMERON—Before the break I was quoting the British Prime Minister, David Cameron, and I want to finish that quote. The Prime Minister said:

… there is a hugely compelling economic case to be made for fighting climate change that is barely out of the blocks yet.

This is not the Australian Prime Minister; this is the Conservative British Prime Minister. He goes on:

Both developed and developing countries have the potential to make massive gains from a green economy; the low carbon market is already worth
up to £3.2 trillion and is forecast to grow by around four per cent a year over the next five years.

What could be more of a difference—the British Conservative Prime Minister and the Leader of the Opposition, Tony Abbott, who really does not think that climate change exists. For us on the Labor side we understand that this issue has to be dealt with. We understand that you have to put a price on pollution. What we have said, as distinct from the fear campaigns that have been promoted from the coalition—and fear campaigns will not have the legs to see you through on this, let me tell you—is that every cent raised out of the price on carbon will assist families with household bills. It will help business make the transition to a clean economy and it will tackle climate change.

We are the party dealing with the big issues. We have dealt with the issue of providing decent rights to workers. I found it absolutely galling to see the Leader of the Opposition in Western Sydney, yesterday, asking people if he could pump petrol into their cars. He was a Work Choices warrior! He wanted to rip away workers’ rights, rip away the penalty rates, rip away their annual leave loading and rip away the right to collectively bargain. That was the biggest ever hit on workers’ standards of living in this country. We are the party that provided decent rights for workers. We will provide a decent health system. We will provide fairness in the tax system. We will make sure the mining companies pay a fair share of tax. We will provide a fair go for pensioners. We will provide a fair go for families. And that is on top of dealing with the global financial crisis.

As I have said before, the science on climate change is overwhelming. The only issue we have is that the extremists have control in the coalition. Tony’s troglodytes are triumphant in the coalition. The extremists on industrial relations are in charge. The extremists on the environment are in charge. But we are going to take you on. We are going to take you on every one of those issues because we are about building a sustainable society in this country, a society that is looking after the future, not looking over the shoulder to the past.

I say to the coalition senators: have a look at what is happening with the Conservative Prime Minister, David Cameron, in the UK, where there is a consensus of political views on the need to deal with climate change. It is only the Republicans in the Tea Party in the US and the Australian coalition, linked to One Nation and the Tea Party, that are opposing dealing with climate change in the interests of the nation.

The debate has been an absolute disgrace. The debate from the coalition side has been about fear campaigns. It is about denying the science. It is about being climate change sceptics and the worst thing is that people like Senator Birmingham who believe in climate change are running the same agenda of denial and opposition. I have to say, Senator Birmingham, it is worse coming from you because you know the truth on climate change. (Time expired)

Senator BIRMINGHAM (South Australia) (7.35 pm)—I thank Senator Cameron for the lead-in, although I think it is high time to dispel some of the myths that Senator Cameron and others want to peddle, and they want to peddle them in this debate as much as they have in any other climate debates of recent times. First and foremost I want to dispel the myth that this is, somehow, still a debate about science. It is not a debate about science. Certainly, from my perspective, it is by no means a debate about science. As the coalition spokespeople and our leader keep reinforcing, time and time again, this is by no means a debate about science. It is not a
debate about whether we should take action or not take action. By no means is it that. It is a debate about what action we should take, about what action is appropriate, and about the transparency, processes and mechanisms used to get to that action. These are the important attributes and aspects of this debate. It is not a science debate.

To answer the challenge that Senator Cameron threw up: I accept the science. I have said many times in this place before now that I am not a scientist. I am not a climate scientist. I look around me and I do not see any other climate scientists, or any scientists, in the room either. However, I acknowledge the balance of the science and accept that the world should be acting. I am disappointed, indeed, that the world is not acting in unison in the type of way that would allow far more effective action to be taken overall than can be taken in a world where we see very piecemeal commitments from most of the major emitting nations, nations far larger in the size or scope of their emissions than Australia.

Senator Cameron also wanted to talk about whether or not we could have green jobs and green industries. He cited the British Prime Minister, David Cameron, at length. The answer is yes, we can have those green jobs and those green industries. We can have them and we should have them, but we do not need to have a big new tax across the entire Australian economy to have them. What we need is to drive the type of targeted investment in those industries that is necessary to facilitate their growth and necessary to facilitate the investment and innovation that will get them into the state of efficiency where they can compete. We do not need taxes across everything in the belief that somehow that is going to drive innovation and investment in those sectors.

This debate is a contrast of stories. It is a contrast of the approaches of those who went to an election knowing what they were doing, knowing what they wanted to plan for, committing to it and still standing by it and of those who went to an election saying or doing anything and back-pedalling and back-flipping as fast as they could after the election. If we look at the contrast, we see that the coalition went to the last election with the direct action policy that was released more than a year ago now. It remains our policy. At its heart remains the $10.5 billion emissions reduction fund. This policy is the bedrock of our plan. We took it to last year’s election. We are standing by it after last year’s election. No doubt we will finesse it as we approach the next election to make sure that it meets the needs for that election and beyond, but we stand by the approach, the plan and the mechanisms of our policy.

Contrast that with what the government did. They went to the last election having backflipped and back-pedalled on their policies during their term in office, having changed Prime Minister in unprecedented circumstances. They threw up a climate change convention, a random selection of punters from the white pages. They threw up a cash-for-clunkers scheme to get old cars off the roads. Those were their great climate change policies at the last election. And, of course, they made rock-solid, rolled gold promises that there would be no carbon tax. Their solution was the cash for clunkers and the talkfest of the convention. Those were the things they were going to do.

We on this side are still committed to our policy, whereas the government have ditched every single climate change initiative or policy they announced during the election. They have thrown them all out in favour of doing exactly what they said they would not do. Let us look back at some of the words of the Prime Minister, not the first and most often
quoted words at present—I will come to those—but words she spoke in March 2009. At that time, she said:
I think when you go to an election and you give a promise to the Australian people, you should do everything in your power to honour that promise.
Well, she went to an election as the Leader of the Labor Party, as the incumbent Prime Minister, having rolled Mr Rudd to secure that job. During that election, on not one occasion, not two occasions but many occasions, she ruled out introducing a carbon tax. She point-blank ruled it out. In the days leading up to the election, she stared down the barrel of the television camera and spoke directly to the Australian people, as the media training had told her to do, and she said as she stared down that barrel:
There will be no carbon tax under the government I lead …
It could not have been any more black and white. It could not have been any clearer. This was the promise she gave to the Australian people. If we go back to her earlier words, where she claimed ‘you should do everything in your power to honour that promise’, one has to wonder why she has not lived up to those words. She has done nothing in her power to honour that promise—nothing at all.
This Prime Minister has simply decided to overturn all that she said, to bail on it all, all on the false premise that somehow the new parliament has demanded it. But the new parliament did not demand it; the Prime Minister has offered it. That is what has occurred. The Prime Minister has offered it to this new parliament. She has offered it to the Greens. Indeed, if we take a look at exactly what the Greens have said in recent times, Senator Milne said, ‘We have ownership of this policy because it’s one that we proposed.’ Those are the words that Senator Milne has used since the glorious doorstep press conference announcement outside the Prime Minister’s office last Thursday, when we saw the Prime Minister, Minister Combet, Senator Brown, Senator Milne and two Independents from the other place all there patting each other on the back for an announcement of this almighty reversal of policy intention by a government.
The government stand condemned, because it is bad policy. It is policy that will cost Australian jobs, that will push prices up for Australian households and that will inflict pain. The government equally stand condemned because it is a policy they said they would not deliver. We stand by our policy, a policy that would deliver action on climate change but would do so without the negatives they impose. (Time expired)
Senator WORTLEY (South Australia)
(7.43 pm)—The Labor government has been clear before, during and the since the election that we want to tackle climate change, unlike those opposite. And the best way of doing this is through a price on carbon. We have never resiled from this position. Climate scientists worldwide are telling us that carbon pollution is contributing to climate change, and we as a government accept the climate science and accept that action is needed. We know it is not ‘absolute crap’, to quote the Leader of the Opposition—and, what is more, we are ready to take action.
There are many of us in this place—on this side, on the opposite side and on the crossbenches—who witnessed the government’s concerted, genuine effort in the previous parliament to address the issue of climate change. We even had support from those opposite for a while, until of course the far right of the Liberal Party got control and suddenly those who believed, those who supported addressing the very serious issue of climate change, appeared stone faced. Even as the debate was had in this chamber
today there were those opposite who looked very uncomfortable—I will not name them; they know who they are—because, despite the argument they are now putting forward, they know that putting a price on carbon will cut pollution and it will drive investment in clean energy. They know that a carbon price is the cheapest and fairest way to reduce pollution and invest in clean energy—it is just not their policy.

Last week the Minister for Climate Change and Energy Efficiency, Minister Combet, spoke of the scare tactics used by the opposition in relation to a carbon price. I agree with the minister that the tactics of those opposite are completely unprincipled—not only that; in fact, they look prehistoric when it comes to climate change. They bury their heads in the sand and refuse to accept the need to deliver essential economic reform to propel our nation’s move towards a clean-energy future. They know that putting a price on carbon will cut pollution and it will drive investment in clean energy. They know that a carbon price is the cheapest and fairest way to reduce pollution and invest in clean energy—it is just not their policy.

In stark contrast the Gillard government is committed to tackling climate change and promoting investment in clean energy. For the second time today I say: we are prepared to do the hard yards.

So why are the opposition so flustered about this issue? It is because the Gillard government has released its plan to cut pollution, tackle climate change and deliver the economic reform Australia desperately needs to move to a clean-energy future. Our plan makes the opposition look like they mingle with hairy mammoths rather than belonging to modern-day Australia. Our two-stage plan for a carbon price mechanism will start with a fixed price period for three to five years before transitioning to an emissions trading scheme. A carbon price is a price on pollution. It is the cheapest and fairest way to cut pollution and build a clean-energy economy. The best way to stop businesses polluting and get them to invest in clean energy is to charge them when they pollute. The businesses with the highest levels of pollution will have a very strong incentive to reduce their pollution. We will propose that the carbon price commences on 1 July 2012, subject to the ability to negotiate agreement with a majority in both houses of parliament and pass legislation this year. The government will then use the money raised—and this is a very important point—to assist families with household bills, help businesses make the transition to a clean-energy economy and tackle climate change. The government will not shy away from this difficult but vital economic reform to move Australia to a clean-energy nation.

The Australian economy is an emissions-intensive economy. The terrible reality is that Australia is one of the largest carbon polluters per capita in the world. We emit around 27 tonnes of carbon pollution for every person every year. The US emits around 24 tonnes per person and China emits less than seven tonnes per person. India emits under four tonnes per person. The 2010 Intergenerational Report highlights that, without action to combat climate change, Australia’s GDP will fall by eight per cent by 2100. No responsible government can ignore these findings, which is why we are making a start to reducing carbon pollution now. A carbon price mechanism is the key to our economic transformation and reducing our carbon pollution. It is an interim first step towards an
emissions trading scheme. A carbon price is not only an important economic reform; it is the right thing to do. Those opposite can call it what they want, but we call it essential.

A carbon price is also the least costly, most efficient way of reducing carbon pollution in our economy and driving investment in clean energy. As the Prime Minister pointed out, the opposition know that a carbon price has not been announced, nor has the household assistance package, but there are they out there throwing made-up figures around, doing what they do best: scaremongering. Businesses and the economy can rely on a stable, predictable price on carbon for the first few years to ensure a smooth transition to a clean-energy economy.

Sadly for the opposition, it seems members of the public are more up-to-date with the need for action on climate change than those who sit opposite. Interestingly, a constituent rang my electorate office in Adelaide today to pass on a message. This is what she told my staff:

We accept that pumping pollution into the sea has negative effects, we accept that pumping pollution into soil has negative effects, yet the opposition seem unwilling to accept that pumping pollution into the air has negative effects.

I think there was a lot of that going on today. The fact is that 32 countries and 10 US states already have emissions trading schemes in operation, with many more moving towards a low-pollution economy. In a global economy which is moving to cut pollution, we must not be left behind, because it will hurt our economy and cost us jobs.

(Time expired)

Senator FISHER (South Australia) (7.51 pm)—I rise to speak on this matter of public importance and, unfortunately, express my great concern about the government’s continued and flagrant breaches of its promises—in this case, the Prime Minister’s clear and unequivocal promise not to introduce a carbon tax. In the words of the Leader of the Opposition, Tony Abbott, ‘This Prime Minister has never met a tax she didn’t like.’

Australians would be forgiven for beginning to think that this Prime Minister struggles to make a promise that she does not later want to break. Why? It is pretty simple: because the government may be in government but they are not in power. They are not in power when it comes to environmental policies and climate change policies; the Greens are in power. They are in government but they are not in power when it comes to workplace relations. Senator Cameron dares to stand in here and say that his party, the government, have stood up for workers. No they have not. What a joke. The only organisation or group that the Labor government have stood up for when it comes to workplaces is the union movement. The government are in government but they ain’t in power in Australian workplaces. The union movement is in power, clear and simple.

And what about the National Broadband Network and NBN Co., a government business enterprise? What sort of scrutiny is that supposed to be subject to? Not much according to the very well-paid—although he donates some of it to charity—boss of NBN Co., Mike Quigley. He is starting to reckon that he is subject to too much scrutiny. Again, the Labor government may be in government but they are not in power when it comes to the National Broadband Network, the greatest infrastructure spend in the history of this country. No, that venture is starting to look like it is in the power of NBN Co., and its head, Mike Quigley.

Returning to the environment and the carbon tax, who was at the photo opportunity in the Prime Minister’s courtyard when the government announced its backflip on the carbon tax? Well, there were as many Greens
members as there were government members. There were six people there: the Prime Minister, Minister Combet, Senator Bob Brown, Senator Milne, Mr Oakeshott and Mr Windsor. There were as many Greens as there were government members. And Senator Milne said that the creation of the climate change committee was a Greens idea and the Greens had ownership of the carbon scheme because it is ‘the one we ourselves put on the table’. So the Greens are dictating policy to the government. The government is the government but the Greens are in power and they are claiming credit, again, for a backflip and broken promise by the government.

And take a look at the Multi-Party Climate Change Committee. Senator Milne is deputy chair, Senator Bob Brown is a member and the member for Melbourne, Adam Bandt, is assisting the committee. When you add the number of Greens to the Independents, they can outvote the government on the government’s own committee. The government is not in power; the Greens are in power.

In Australia’s workplaces you do not have to look very far to see that unions are being implanted in workplaces. We only need one member at a workplace before a union is implanted at the bargaining table. There is pretty much unfettered right of entry for union officials to Australia’s workplaces, and the union movement is saying: ‘You know this genuine, good-faith bargaining; what that actually means, Prime Minister, is that, unless an employer is prepared to actually reach a collective agreement, there is no genuine bargaining. There is no good-faith bargaining.’ What is the point of trying to define good-faith bargaining when you have a union movement saying to this Prime Minister, ‘The only way you can be shown to be bargaining in good faith, Prime Minister, is if we actually manage to strong arm an employer into a collective agreement.’ Look no further than the building industry, where the CFMEU is claiming a 24 per cent wage hike over four years. They have the temerity to not even talk about productivity gains in exchange for it.

The Prime Minister kind of pretends she is staring the union movement down by hanging on to the ABCC, the Australian Building and Construction Commissioner, just for that little bit longer. But she knows she is going to bring it to an end. The union movement, and in particular the CFMEU, have been emboldened by the election of the Labor government and they will make sure that the building industry goes back to where it was before the creation of the Australian Building and Construction Commissioner—if the Prime Minister proceeds to pare back and ultimately abolish the building industry cop.

Regarding the National Broadband Network, Mr Quigley was reported in the Australian Financial Review in an extensive interview he did with that paper. He said: ‘The NBN Co. could become dysfunctional if it has to report to too many politicians and oversight committees and bureaucracies. There comes a point at which it just kind of becomes dysfunctional. Every man and his dog oversighting the place.’ Well, Mr Quigley, get used to a government business enterprise and that being transparent and accountable to the Australian people.

Regarding the carbon tax, we were not going to have one and now we are going to have one. Is petrol in or is petrol out? This government is doing a dance with the Greens and the Independents. Well, let’s do the hokey-pokey: let’s put the petrol in, let’s take the petrol out, let’s put the petrol in and let’s shake it all about—or shake the Greens about and see if we can change Christine Milne’s mind. And whilst we are at it let’s turn the Greens right around. (Time expired)
Senator FURNER (Queensland) (7.58 pm)—I do not know what to say. I rise this evening to speak on this matter of public importance and to reiterate the Gillard Labor government’s commitment to take action on climate change. For the past three years, this government has been serious about implementing legislation to help reduce our carbon emissions. As a senator from the state of Queensland, I know what is at stake if nothing is done. Many people rely on tourism in my state. The Great Barrier Reef is one of the natural wonders of the world and something that we could lose if we do not change our ways. Without the reef, we will lose the beautiful coral and marine life that thousands of people flock to see every year. We will lose our tourism industry, which contributes $6.9 billion to Australian economy each year and 53,000 jobs. Through rising sea levels, we will lose our golden beaches to erosion. In addition, if temperatures continue to rise, it will affect those with sensitive health, including our elderly. Rising temperatures will also affect our agricultural industry, which I am sure that Senator ‘Wacka’ would support. We would also see tropical diseases and pests spread around our nation, which would be detrimental to our health.

The ACTING DEPUTY PRESIDENT (Senator Crossin)—Senator Furner, I am sorry, but I need to remind you about using the correct names of senators during your contribution.

Senator FURNER—I am sorry; I will withdraw that, Senator Williams. He approaches me in that exchange, but that is fine. To continue, this is why we need to act and why this government is serious about getting the job done.

In our 42nd Parliament, I was fortunate to part of a Senate Economics Legislation Committee inquiry into the exposure drafts of the legislation to implement the Carbon Pollution Reduction Scheme and the Senate Select Committee on Climate Policy. In the latter, we heard from all walks of life, including leading scientists, trade unions, government department staff, industrial associations, businesses, community organisations and economists on climate change. The Senate Select Committee on Climate Policy received more than 8,000 submissions. Ten hearings were held around the country and 188 witnesses presented their views on the CPRS.

This level of involvement goes to show that many people are talking about this issue and many believe that action needs to be taken. Throughout this inquiry, climate scientists told us that human activity is posing a great threat to the physical wellbeing of planet Earth. From what we heard over those 10 days, government senators recommended that the government must act on climate change. Unfortunately, those opposite were against the policy, and we saw the bill fail to pass the Senate.

However, the opposition and Mr Abbott operate that way. Their mentality is ‘just say no’. We saw the former Leader of the Opposition Mr Turnbull come to the table to discuss action on climate change and senators willing to cross the floor and vote with the government with amendments. We saw the sacking of that leader, and someone who describes climate change as ‘absolute crap’ took the leadership of the coalition. Five months ago even opposition Treasury spokesperson Joe Hockey said: ‘Inevitably, we’ll have a price on carbon … we’ll have to.’

The Labor government is committed to tackling climate change and moving Australian into a greener economy. We believe that a carbon price mechanism is the right way to move forward with this. If passed, the scheme would come into effect on 1 July
We will have a fixed price period for three to five years before transitioning to an emissions trading scheme. By introducing a carbon price mechanism, we are introducing a price on pollution. This will help reduce the amount of emissions businesses are emitting and help them to invest in cleaner energy alternatives. Businesses that are the highest polluters will be encouraged to seek greener alternatives and therefore emissions will be reduced.

All money raised by the government with this scheme will be given back to the community through household assistance and measures to help businesses become green. While the framework has been released for this, the government will be working with the Multi-Party Climate Change Committee to work out the specifics of a carbon price. The specifics which need to be established include the carbon price and the assistance that will be provided to businesses and households during this transition to a cleaner economy. Before we went to the election, the Labor Party were supportive of taking action on climate change. In our last term, we tried on three occasions to pass our emissions trading scheme legislation but were denied by both the opposition and the Greens.

In 1996, John Howard promised to never introduce a goods and services tax. He said:

Suggestions I have left open the possibility of a GST are completely wrong. A GST or anything resembling it is no longer Coalition policy. Nor will it be policy at any time in the future. It is completely off the political agenda in Australia.

In 1999, the A New Tax System (Goods and Services Tax) Act 1999 was introduced, and it came into effect in 2000.

On 27 September, the Multi-Party Climate Change Committee was established by the Prime Minister to explore options on implementing a carbon price. Having the Multi-Party Climate Change Committee involved in the process will ensure that this policy will have input from all members who wish to be involved. This committee will also be supported by expert advisers, including economist Professor Ross Garnaut, who conducted the Garnaut review. Professor Garnaut found that if we sit here and do nothing then the expected rise in temperature will be damaging to our environment and to our economy.

Even without seeing the particulars of this policy, Mr Abbott has already condemned it. The coalition have been using their usual scare tactics to tell the public that putting a price on carbon will drive up the costs of living. We know that electricity prices have been climbing in the past three years. But these prices are set to increase with or without a carbon price. According to the Australian Industry Group CEO, Heather Ridout:

While much concern has focused on carbon pricing, energy prices are going up significantly with or without it. Some of those cost drivers could be reduced by a well-designed carbon price. This could eliminate the policy uncertainty that is damaging investment in new electricity generation.

The government expects pricing to increase under this program but items which are manufactured by greener methods should be cheaper, and the Labor government will ensure that any impact felt by our working families will be combated by household assistance.

In closing, rather than talk about doing the hokey-pokey or something ridiculous—as the previous speaker did—I say that it is about time the coalition got out of their Neanderthal caves and got on board with the implementation of a policy that is going to help our economy and help our future environment.

Senator WILLIAMS (New South Wales) (8.06 pm)—Senator Furner, you might as well do the hokey-pokey. When Australia produces 1.4 per cent of the world’s green-
house gases—550 million tonnes approximately—you are going to bring on a tax to reduce it by how much? Let us say 100 million tonnes. Let us say that Australia’s production is going to go from 550 million tonnes back to 450 million tonnes. In the meantime, India and China alone by 2020 will be producing another five billion tonnes—‘b’ for billion—and our 100 million tonnes is going to save the Great Barrier Reef and save the world! This is outrageous.

But let us get back to the whole crunch of this matter of public importance and what the Prime Minister, Ms Gillard, said. Let me give you some quotes. My colleague Senator Birmingham has already quoted this. Ms Gillard, in an interview with Jon Faine on 20 March 2009, said:

I think when you go to an election and you give a promise to the Australian people, you should do everything in your power to honour that promise. We are determined to do that. We gave our word to the Australian people in the election, and this is a government that prides itself on delivering election promises. We want Australians to be able to say well, they’ve said this and they did this.

Is that true? No, it is false. Another quote from Ms Gillard comes from the ABC’s Lateline on 16 June 2009:

We’re always there delivering our election promises. That’s important to us. And we’re always there acting in the national interest.

I can give you more. At a press conference on 20 March 2009, Ms Gillard said:

…we will deliver in full the election promise we took to the Australian people—

Senator Nash—But.

Senator WILLIAMS—Exactly, Senator Nash: but. We know what happened prior to the 21 August election: the promise that a Gillard government would not bring in a price on carbon—a carbon tax.

Senator Nash—Can you say that again, Senator Williams?

Senator WILLIAMS—Just prior to 21 August, Ms Gillard, the Prime Minister, said, ‘We will not bring in a carbon tax.’ I quote Ms Gillard again:

Look, we’ve said we would work through options in good faith at the committee …

A committee was formed after the election, and they were going towards an understanding that Mr Windsor would seek to participate in that committee as they prepared to break their election promise. The journalist asked, ‘So you’re not ruling it out then?’ Gillard replied:

Well look, you know I just think the rule-in, rule-out games are a little bit silly.

That is a comment made by Ms Gillard on 16 September 2010. Let me quote the Treasurer, Mr Wayne Swan, on the carbon tax:

We have made our position very clear, we have ruled it out.

That was on The 7.30 Report on the ABC on 12 August 2010. The journalist asked, ‘Can you tell us exactly when Labor will apply a price on carbon?’ Mr Swan replied:

Certainly what we rejected is this hysterical allegation that somehow we are moving towards a carbon tax. …We reject that.

On Channel 10, on 15 August, came the statement ‘There will be no carbon tax.’

I will give you one example of what this tax will do. Our cement industry produces 10 million tonnes of cement in Australia each year. For every tonne of cement, we produce 0.8 of a tonne of greenhouse gas. So the industry produces 10 million tonnes of CO2. We also import two million tonnes of cement. In China, where they produce more than a billion tonnes of cement every year, they produce 1.1 tonnes of greenhouse gas per tonne of cement. While Australia’s 10 million tonnes of
cement produce eight million tonnes of greenhouse gas, 10 million tonnes in China will produce 11 million tonnes of greenhouse gas. So what are we going to do? If the Greens get their way, this industry—$26 a tonne, eight million tonnes of greenhouse gas, 14 factories, more than 1,800 jobs plus all the truckies and transporters and everyone who relies on the industry—will have $16 million of tax on it. Goodbye, cement industry. Goodbye 10 million tonnes of cement and eight million tonnes of gas. We will then import it from China, where it produces 11 million tonnes of gas. And this is going to save the Barrier Reef. This is going to lower sea levels. This is going to cool the climate.

This proposal is absolutely outrageous—putting a tax on energy and on industry, costing jobs. You people in the Labor Party—the 26 of you out of the 32 senators in the Labor Party who have come from the union movement—will be held accountable when those jobs are gone, when those people lose their industry and their jobs are transferred overseas. They will look to the Labor Party and say: ‘You are so weak you were run over by the Greens. The Greens rule you, the Greens will continue to rule you and you will destroy those industries. (Time expired)

The ACTING DEPUTY PRESIDENT (Senator Crossin)—Order! The time for discussion of the matter of public importance has expired.

MINISTERIAL STATEMENTS

Egypt and Libya

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (8.11 pm)—I present two ministerial statements, relating to the Australian government’s response to the Egypt crisis and Libya.

DOCUMENTS

Tabling

The ACTING DEPUTY PRESIDENT (Senator Crossin)—Pursuant to standing orders 38 and 166, I present documents as listed below which were presented to the President, the Deputy President and Temporary Chairmen of Committees since the Senate last sat. In accordance with the terms of the standing orders, the publication of the documents was authorised.

The list read as follows—

(a) Committee report

Parliamentary Standing Committee on Public Works—1st report—Referrals made in October and November 2010 (received 22 February 2011)

(b) Government responses to parliamentary committee reports

1. Economics Legislation Committee—Report—Tax Laws Amendment (Public Benefit Test) Bill 2010 (received 11 February 2011)

2. Finance and Public Administration—Standing Committee—Report—Residential and community aged care in Australia (received 17 February 2011)

3. Rural and Regional Affairs and Transport References Committee—Report—The effectiveness of Airservices Australia’s management of aircraft noise (received 22 February 2011)

4. Environment, Communications and the Arts Committee—Report—The reporting of sports news and the emergence of digital media (received 25 February 2011)

(c) Government document


(d) Reports of the Auditor-General

1. Report no. 28 of 2010-11—Performance audit—Management of the Australian Broadband Guarantee Program: Department of Broadband, Communica-
tions and the Digital Economy (received 15 February 2011)
2. Report no. 29 of 2010-11—Performance audit—Management of the implementation of new policy initiatives: Australian Federal Police (received 16 February 2011)

(e) Letters of advice relating to Senate orders
1. Letter of advice relating to lists of contracts:
   - Australian Organ and Tissue Donation and Transplantation Authority (received 22 February 2011)
2. Letters of advice relating to lists of departmental and agency appointments and vacancies:
   - Agriculture, Fisheries and Forestry portfolio (received 11 February 2011)
   - Climate Change and Energy Efficiency portfolio (received 14 February 2011)
   - Families, Housing, Community Services and Indigenous Affairs portfolio (received 14 February 2011)
   - Australian National Audit Office (received 14 February 2011)
   - Australian Public Service Commission (received 14 February 2011)
   - Commonwealth Ombudsman (received 14 February 2011)
   - Office of the Inspector-General of Intelligence and Security (received 14 February 2011)
   - Attorney-General’s portfolio (received 15 February 2011)
   - Finance and Deregulation portfolio (received 15 February 2011)
   - Australian Information Commissioner (received 15 February 2011)
   - National Archives of Australia (received 15 February 2011)
   - Office for the Arts (received 15 February 2011)
   - Education, Employment and Workplace Relations portfolio (received 16 February 2011)
   - Sustainability, Environment, Water, Population and Communities portfolio (received 16 February 2011)
   - Human Services portfolio (received 17 February 2011)
   - Department of the Prime Minister and Cabinet (received 18 February 2011)
   - Office of the Official Secretary to the Governor-General (received 18 February 2011)
   - Veterans’ Affairs portfolio (received 18 February 2011)
   - Office for Sport (received 18 February 2011)
3. Letters of advice relating to lists of departmental and agency grants:
   - Climate Change and Energy Efficiency portfolio (received 14 February 2011)
   - Families, Housing, Community Services and Indigenous Affairs portfolio (received 14 February 2011)
   - Australian National Audit Office (received 14 February 2011)
   - Australian Public Service Commission (received 14 February 2011)
   - Commonwealth Ombudsman (received 14 February 2011)
   - Sustainability, Environment, Water, Population and Communities portfolio (received 14 February 2011)
   - Finance and Deregulation portfolio (received 15 February 2011)
   - Australian Information Commissioner (received 15 February 2011)
The ACTING DEPUTY PRESIDENT—
In accordance with the usual practice and with the concurrence of the Senate, the government responses will be incorporated in Hansard.

The document read as follows—
Senate Economics Legislation Committee Inquiry into Tax Laws Amendment (Public Benefit Test) Bill 2010
Government Response
Recommendation 1: The Committee recommends that the incoming government should follow the emerging international best practice and work with the Council of Australian Governments to amend legislation governing not-for-profit entities to include a definition and test of ‘public benefit’.
Recommendation 3: The Committee recommends that the incoming government work through COAG to establish a single independent national commission for not-for-profit organisations. The incoming government should establish a working group, or use the COAG Business Regulation and Competition Working Group. The working group should consult extensively with the sector in a timely manner to address issues arising from the establishment of a commission which applies a public benefit test. The Australian model should draw on the Charity Commissions in the United Kingdom and New Zealand.
Recommendation 4: The Committee recommends that the working group consider the functions and role of an Australian commission which should include, but not be limited to, the following:

- promote public trust and confidence in the charitable sector;
- encourage and promote the effective use of charitable resources;
- develop and maintain a register of all not-for-profit organisations in Australia using a unique identifying number (for example an ABN) as the identifier;
- develop and maintain an accessible, searchable public interface;
- undertake either an annual descriptive analysis of the organisations that it regulates or provide the required information annually to the ABS for collation and analysis;
- educate and assist charities in relation to matters of good governance and management;
- facilitate, consider and process applications for registration as charitable entities;
- process annual returns submitted by charitable entities;
- supply information and documents in appropriate circumstances for the purposes of the Tax Acts;
- monitor charitable entities and their activities to ensure that registered entities continue to be qualified;
- inquire into charitable entities and persons engaging in serious wrongdoing in connection with a charitable entity;
- monitor and promote compliance with legislation;
- consider, report and make recommendations in relation to any matter relating to charities; and
• stimulate and promote research into any matter relating to charities.

The Government committed to strengthening the not-for-profit sector in its 2010 election campaign including a scoping study for a national regulator for the sector to be completed in early 2011.

The Government will consider the recommendations of the Senate Economic Legislation Committee as part of the scoping study for a national regulator that Treasury has been tasked to undertake.

• A test of public benefit would be considered as part of any proposal to codify the key principles of the common law definition of charity.

Recommendation 2: The Committee recommends that the Attorney-General’s Department provide a report to the Committee on the operation of Miviludes and other law enforcement agencies overseas tasked with monitoring and controlling the unacceptable and/or illegal activities of cult-like organisations who use psychological pressure and breaches of general and industrial law to maintain control over individuals. The report should advise on the effectiveness of Miviludes and other similar organisations, given issues that need to be addressed to develop an international best practice approach for dealing with cult-like behaviour.

The Government does not support this recommendation.

The Government recognises the financial, psychological and emotional impact that the activities of cult-like organisations can have on individuals and their families and considers that religious observance should not be regarded as a shield behind which breaches of the law can be hidden. However, it is doubtful that the Commonwealth has legislative authority under the Constitution to establish an agency with similar functions to the French Mission interministerielle de vigilance et de lutte contre les derive sectaires (“Miviludes”).

Miviludes’ primary tasks include:

• observing and analysing the movement of religious and other groups which are perceived as constituting a threat to public order or that violate French law;

• producing and archiving documentation and discussion papers on groups considered “sects”;

• providing information and training relating to potential threats to public order to the media, the French government and individuals; and

• helping victims of “sectarian deviances” to receive financial aid.

Australia is home to a diversity of faiths, united by tolerance, mutual respect and a commitment to democratic traditions. All Australians are free to choose their religion and are able to express and practise their religion and their beliefs, without intimidation and without interference. The Government considers that it is not the Government’s role to interfere with the religious beliefs or practices of individuals, unless they are in breach of Australian laws.

States and territories are generally responsible for criminal laws and enforcement action directed against criminal activity including conduct resulting in physical, emotional or psychological harm perpetrated by members of religious organisations. Law enforcement agencies and Directors of Public Prosecutions are appropriately equipped to deal with allegations of wrongdoing or criminal activity.

State and territory laws also provide for restitution and compensation for victims in certain circumstances, including through victims of crime compensation schemes. Access to such schemes varies depending on specific criteria in the relevant state or territory.

On 8 March 2006, the United Nations Special Rapporteur on Freedom of Religion or Belief released “Mission to France,” addendum two to her report, “Civil and Political Rights, Including the Question of Religious Intolerance” (E/CN.4/2006/5/Add.4). The report concerned France’s policies in the late 1990s, during the terms of Miviludes’ two predecessors. The Special Rapporteur’s findings included a statement that the policies “undermined the right to freedom of religion or belief and raised serious concerns about religious intolerance.” The Special Rapporteur indicated an intention to continue to closely monitor Miviludes to ensure its actions remained
consistent with the right to freedom of religion and to “avoid past mistakes”.

The Government does not propose to provide any further report on the operation of Miviludes and other law enforcement agencies overseas who monitor and/or control “cult-like” activities.

AUSTRALIAN GOVERNMENT RESPONSE TO SENATE STANDING COMMITTEE ON FINANCE AND PUBLIC ADMINISTRATION REPORT
RESIDENTIAL AND COMMUNITY AGED CARE IN AUSTRALIA
OCTOBER 2010
Australian Government Response: Senate Finance and Public Administration Committee Report: Residential and Community Aged Care in Australia

INTRODUCTION
The Australian Government welcomes the report of the Senate Standing Committee on Finance and Public Administration on Residential and Community Aged Care in Australia. The Government is committed to the long-term viability of Australia’s aged care sector and the protection of the nation’s frail and elderly. Through the Council of Australian Governments it has reformed roles and responsibilities within the federation to take full policy and funding responsibility for aged care. This will allow the Government to build a national aged care system to provide better support for older Australians. The reforms will also support the integration of the aged care system with Local Hospital Networks through the Government’s National Health and Hospitals Network.

Over the next four years, increased funding from the Australian Government will bring direct financial support for aged and community care providers who care for older Australians to a record level of $47.8 billion, including $10.8 billion in 2010-11.

The Australian Government will invest more than $900 million over the next four years to deliver:

- more health care services; and
- greater protections for older Australians receiving care.

This investment builds on:

- the Australian Government’s commitment to maintain the Conditional Adjustment Payment in the forward estimates – worth $2.3 billion over the next four years;
- the $15 million provided in the last budget to increase the viability supplement for rural and remote residential aged care providers; and
- the $728 million flowing to aged care providers as a result of the Australian Government’s pension reforms.

The Australian Government has also asked the Productivity Commission to conduct the most comprehensive inquiry into aged care for decades. The Commission is due to report by the end of April 2011. The recommendations of the Commission and the recommendations of the Henry Review of taxation, together with the recommendations contained in the Senate’s report, will provide vital input into future policy deliberations.

The Prime Minister has made it clear that further reform of the aged care sector will be a second term priority for the Gillard Government.

RESPONSE TO RECOMMENDATIONS
The Committee made 31 recommendations. The Australian Government response to specific recommendations is provided below.

Recommendation 1
The committee recommends the establishment of a national aged care forum, reporting directly to the Minister for Health and Ageing and coordinated by the Department of Health and Ageing, to consider, on an on-going basis, current and future challenges to the aged care sector.

Response
The Australian Government supports Recommendation 1 of the Committee.

The Australian Government established the Ageing Consultative Committee in June 2008 to provide the Minister for Ageing with relevant advice, on an on-going basis, on current and future challenges to the aged care sector. The Committee’s
membership includes for-profit and not-for-profit care providers, consumer groups, and professional and union bodies.

**Recommendation 2**

The committee recommends that the national aged care forum establish a taskforce (or equivalent body) representative of all involved aged care stakeholders including clients to action and where possible implement determinations of the national forum.

**Response**

The Australian Government supports in principle Recommendation 2 of the Committee.

The Australian Government’s Ageing Consultative Committee already has the capacity to establish working groups as needed to address issues that may arise. Recent working groups have developed a Charter of Rights and Responsibilities for Care Recipients in Community Care and a detailed proposal for the phased implementation of consumer directed care into community aged care programs. A Quality in Community Care Reference Group has been established to provide advice on issues related to quality assurance in community care and input, as requested, on specific aspects of the development of enhanced quality assurance mechanisms.

The Australian Government has also established an Aged Care Workforce Committee to assist the Department of Health and Ageing in formulating advice to the Minister on key areas relating to the aged care workforce.

**Recommendation 3**

The committee recommends that the Department of Health and Ageing, in cooperation with the suggested taskforce and in partnership with all involved stakeholders including clients, undertake an all-encompassing review of the Aged Care Act 1997 and related regulations. The review should:

- equally examine the provision of residential and community aged care services in Australia with consideration of both current and future challenges in the provision of aged care services;
- provide future projections to enable both short and longer-term sectoral planning.

**Response**

The Australian Government supports in principle Recommendation 3 of the Committee.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will:

- examine the social, clinical and institutional aspects of aged care in Australia, building on the substantial base of existing reviews into this sector;
- address the interests of special needs groups;
- develop regulatory and funding options for residential and community aged care (including the Home and Community Care program);
- examine the future workforce requirements of the aged care sector;
- recommend a path for transitioning from the current regulatory arrangements to a new system that ensures continuity of care and allows the sector time to adjust;
- examine whether the regulation of retirement specific living options should be aligned more closely with the rest of the aged care sector; and
- assess the fiscal implications of any change in aged care roles and responsibilities.

The Commission is due to report by the end of April 2011.

**Recommendation 4**

The committee recommends that the Department of Health and Ageing in association with the suggested taskforce and in consultation with all aged care stakeholders including clients undertake analysis to establish benchmark of care costs.

**Response**

The Australian Government does not support Recommendation 4 of the Committee.

A similar recommendation was made by the Productivity Commission in its 1988 Inquiry into
Nursing Homes Subsidies. The Australian Government at that time did not accept the Commission’s proposal as the most appropriate way to assess the adequacy of Government subsidies and resident contributions in meeting average costs.

The Australian Government considers that the sustainability of the industry as a whole is best measured by:

- macroeconomic indicators of viability of the industry such as the level of building activity in the industry, the level of interest expressed by providers in entering or expanding their involvement in the industry, and the prices paid for ‘licences’ to operate in the industry; and
- detailed economic simulations of high care and low care homes to see what factors influence the viability of individual homes.

This view was confirmed by Professor Len Gray in his independent Two Year Review of Aged Care Reforms, which was completed in 2001, who indicated that such a benchmarking process would be very complex and expensive to undertake. The Australian Government’s preferred approach is also in line with that adopted by Professor Hogan in his independent Review of Pricing Arrangements in Residential Aged Care, which was completed in 2004.

Recommendation 5
The committee recommends that the Department of Health and Ageing recommence publication of Audited General Purpose Financial Reports as soon practicable and continue to publish such reports annually as a matter of course.

Response
The Australian Government supports Recommendation 5 of the Committee.

The Department of Health and Ageing has published the deidentified data sets it has derived from the Audited General Purpose Financial Reports of approved providers of residential aged care for 2006-07 and 2007-08. It will publish the deidentified data set for the 2008-09 Audited General Purpose Financial Reports as soon as it is available.

In addition, through the National Health and Hospitals Network—Aged care—increasing business efficiency measure in the 2010-11 Budget, the Australian Government will provide $7.0 million over the next four years (including $0.3 million in capital) to improve the business efficiency of aged care providers by establishing a new provider benchmarking system. The new benchmarking system will allow aged care providers to compare their operational and service performance with other providers, and identify areas where they can improve their performance. This information will also be available to consumers to inform their choice of an aged care service provider.

Eligible aged care providers will also have access to financial advisory services to improve their operational efficiency. This will include financial advice on strategic planning, business analysis, operational reviews and human resources management.

Recommendation 6
The committee recommends that the Department of Health and Ageing review the Audited General Purpose Financial Reports with an aim to identifying any necessary reporting changes to ensure that the information available provides a clear and comparative understanding of provider performance.

Response
The Australian Government supports in principle Recommendation 6 of the Committee.

To satisfy the financial reporting eligibility requirement for the Conditional Adjustment Payment, a residential aged care provider must prepare a financial report that:

- is a general purpose financial report within the meaning of Statement of Accounting Concepts SAC 2 ‘Objective of General Purpose Financial Reporting’;
- is in accordance with the accounting standards;
- gives a true and fair view of the financial position and performance of the entity for the financial year;
- has been audited by a registered company auditor (within the meaning of the Corporations Act 2001), or a person approved by the Department of Health and Ageing.
The Australian Government considers that General Purpose Financial Reports are the most appropriate statements for aged care providers to prepare, because, as the Australian Accounting Standards Board (AASB) says, 'general purpose financial reporting focuses on providing information to meet the common information needs of users who are unable to command the preparation of reports tailored to their particular information needs. These users must rely on the information communicated to them by the reporting entity.'

(AASB, Statement of Accounting Concepts 2, paragraph 7)

In addition, through the National Health and Hospitals Network—Aged care—increasing business efficiency measure in the 2010-11 Budget, the Australian Government will provide $7.0 million over the next four years (including $0.3 million in capital) to improve the business efficiency of aged care providers by establishing a new provider benchmarking system. The new benchmarking system will allow aged care providers to compare their operational and service performance with other providers, and identify areas where they can improve their performance. This information will also be available to consumers to inform their choice of an aged care service provider.

Eligible aged care providers will also have access to financial advisory services to improve their operational efficiency. This will include financial advice on strategic planning, business analysis, operational reviews and human resources management.

**Recommendation 7**

The committee recommends the establishment of a nationally consistent methodological approach to data gathering and research on the financial status of the residential and community aged care sector. Towards this goal, the committee recommends the establishment of a roundtable of key stakeholders engaged in such research and facilitated by the Department of Health and Ageing to discuss and agree upon common indicators and definitions to enable comparative analysis.

**Response**

The Australian Government supports in principle Recommendation 7 of the Committee.
Eligible aged care providers will also have access to financial advisory services to improve their operational efficiency. This will include financial advice on strategic planning, business analysis, operational reviews and human resources management.

**Recommendation 8**
The committee recommends that the Department of Health and Ageing in association with the suggested taskforce (or equivalent body) and in collaboration with the Australian Institute of Health and Welfare review and address deficiencies in information in the aged care sector.

**Response**
The Australian Government supports Recommendation 8 of the Committee.

The Department of Health and Ageing will continue to work with the Australian Institute of Health and Welfare to ensure the availability of reliable statistical information on the aged care sector.

**Recommendation 9**
The committee recommends that the Department of Health and Ageing undertake a ‘stress test’ of the aged care sector in order to measure the sector’s financial wellbeing.

**Response**
The Australian Government supports in principle Recommendation 9 of the Committee.

The Australian Government continually assesses the sustainability of the industry by monitoring:

- macroeconomic indicators of viability of the industry such as the level of building activity in the industry, the level of interest expressed by providers in entering or expanding their involvement in the industry, and the prices paid for ‘licences’ to operate in the industry; and
- detailed economic simulations of high care and low care homes to see what factors influence the viability of individual homes.

**Recommendation 10**
The committee recommends that the Department of Health and Ageing, in association with the suggested taskforce, undertake a review:

- to identify the costs and resources required to meet new regulation, accreditation and compliance measures with a view to rationalising the administrative processes as required; and
- to identify more cost effective means of meeting the requirements of the compliance framework.

**Response**
The Australian Government supports in principle Recommendation 10 of the Committee.

The Australian Government considers the costs of compliance when making regulation and the costs of regulation introduced in recent years has been assessed as minor.

The Australian Government currently has a number of processes underway that will examine key aspects of aged care regulation and these will provide opportunities to consider the scope to streamline regulation and reduce administrative and compliance burdens. These include the Productivity Commission’s Caring for Older Australians Inquiry and the review of aged care accreditation standards and processes.

The Australian Government is also currently working to implement recommendations made by the Productivity Commission in its review of regulatory burdens in social and economic infrastructure services.

The development of a nationally unified aged care system will also provide the Australian Government with a platform to streamline provider administrative and compliance processes.

**Recommendation 11**
The committee recommends that the Department of Health and Ageing implement measures, including additional funding, to assist smaller providers to meet the requirements of the compliance framework.

**Response**
The Australian Government supports in principle Recommendation 11 of the Committee.

A viability supplement is paid to eligible residential aged care providers, including smaller providers, in regional, rural and remote areas to assist with the additional costs of providing care in these areas. In the 2009-10 Budget, the Australian Government provided an additional $14.8 million
for this supplement, over two years, to increase the average level of the viability supplement for eligible aged care homes by 40 per cent. In the 2010-11 Budget, the Australian Government provided an additional $10.1 million for this supplement, over four years, to increase the average level of the viability supplement for eligible providers of community care packages by 40 per cent.

The Australian Government also subsidises the costs of accreditation for small aged care homes.

Recommendation 12

The committee recommends that the issue of professional nursing and other aged care staffing requirements be considered in the overarching review of the aged care sector.

Response

The Australian Government supports in principle Recommendation 12 of the Committee.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will examine the future workforce requirements of the aged care sector. The Commission is due to report by the end of April 2011.

The Australian Government has also established an Aged Care Workforce Committee to assist the Department of Health and Ageing in formulating advice to the Minister on how best to meet Australian Government policy objectives in key areas relating to the aged care workforce.

The Australian Government will commit more than $310 million over the next four years to support the aged care workforce and to support aged care workers while they undertake education and training.

New measures in the 2010-11 Budget worth $103 million over four years will enable The Australian Government to:

- Support and encourage aged care workers to upskill by introducing an Aged Care Education and Training Incentive Payments scheme, which will provide payments of up to $5,000 to support up to 50,000 aged care workers over the next four years while they undertake training and further education ($59.9 million).
- Provide an additional 600 fully funded enrolled nurse training places and 300 undergraduate nursing scholarships ($21 million).
- Build on its reforms that recognise the important role of nurse practitioners, through an $18.7 million investment to establish different models of practice to utilise nurse practitioners in aged care ($18.7 million).
- Work to document a national scope of practice and competency framework for personal carer workers and assistants in nursing ($3.7 million).

The Australian Government will also shift the focus of its existing workforce programs ($211.2 million) to improve clinical care. This will include:

- Introducing Teaching Nursing Homes to strengthen the links between the aged care sector, research and training institutions and support the sector’s engagement with Local Hospital Networks.
- For the first time, providing financial incentives for aged care providers to make available up to 400 nursing graduate placements to ensure new graduates benefit from experienced clinical support and mentoring.
- Up to 640 clinical training placements to enable improved clinical training and supervision in the sector.
- 40 aged care nurse practitioner scholarships to build on the Australian Government’s MB S and PBS reforms for nurse practitioners.
- Ongoing provision of undergraduate and postgraduate training and scholarships to grow the nursing workforce (2,520 places).
- Support for up to 2,600 enrolled nurse training places.
- Continuing to support the skill base of personal care workers through the provision of 18,600 Certificate III and IV qualifications and 7,000 short courses.
In total, the Australian Government will fund more than 31,000 aged care training places and scholarships and more than 1000 clinical and graduate placements over the next four years.

In addition, through the National Health and Hospitals Network—Workforce—research into aged care staffing levels measure in the 2010-11 Budget, the Australian Government will provide $0.5 million over two years to conduct research into aged care staffing levels. Research will examine the relationship between staffing and the quality of care, supervision and support for residents with particular types of care needs.

**Recommendation 13**

The committee recommends that the Department of Health and Ageing, in association with the suggested taskforce, review aged care staffing challenges and identify methods of address, with particular focus on staffing requirements in rural and remote areas.

**Response**

The Australian Government supports in principle Recommendation 13 of the Committee.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will examine the future workforce requirements of the aged care sector. The Commission is due to report by the end of April 2011.

The Australian Government has also established an Aged Care Workforce Committee to assist the Department of Health and Ageing in formulating advice to the Minister on how best to meet Australian Government policy objectives in key areas relating to the aged care workforce.

In addition, through the National Health and Hospitals Network—Workforce—research into aged care staffing levels measure in the 2010-11 Budget, the Australian Government will provide $0.5 million over two years to conduct research into aged care staffing levels. Research will examine the relationship between staffing and the quality of care, supervision and support for residents with particular types of care needs.

**Recommendation 14**

The committee recommends that the taskforce undertake a review of the indexation formula used for the aged care sector in order to identify its adequacy in relation to costs faced by the sector and to identify modifications to the formula if required.

The committee further recommends that consideration be given to an independent mechanism to continually assess the indexation formula.

**Response**

The Australian Government notes Recommendation 14 of the Committee.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission has been asked to examine options that are financially sustainable for Government and individuals with appropriate levels of private contributions, with transparent financing for services, that reflect the cost of care and provide sufficient revenue to meet quality standards, provide an appropriately skilled and adequately remunerated workforce, and earn a return that will attract the investment, including capital investment, needed to meet future demand.

**Recommendation 15**

The committee recommends that the all-encompassing review specifically consider the provision of aged care services in rural and remote areas and the effectiveness of the current viability supplement to support service provision.

**Response**

The Australian Government supports in principle Recommendation 15 of the Committee.

In the 2009-10 Budget, the Australian Government provided an additional $14.8 million for this supplement, over two years, to increase the average level of the viability supplement for eligible aged care homes by 40 per cent. In the 2010-11
Budget, the Australian Government provided an additional $10.1 million for this supplement, over four years, to increase the average level of the viability supplement for eligible providers of community care packages by 40 per cent.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will address the interests of special needs groups, including culturally and linguistically diverse communities. The Commission is due to report by the end of April 2011.

The Australian Government’s Ageing Consultative Committee has also identified this issue as one requiring its further attention.

**Recommendation 16**
The committee recommends that the Commonwealth and Norfolk Island Government initiate discussions in relation to a proposal to develop homecare services on Norfolk Island.

**Response**
The Australian Government supports in principle Recommendation 16 of the Committee.

The Australian Government is committed to working with the Norfolk Island Government to explore the possible need for further reforms to improve services available to people on Norfolk Island.

**Recommendation 17**
The committee recommends that the all-encompassing review specifically consider and address the expectations and needs of persons from non-English speaking backgrounds.

**Response**
The Australian Government supports in principle Recommendation 17 of the Committee.

The Australian Government has made an election commitment to strengthen support for the delivery of culturally appropriate care to older people from culturally and linguistically diverse backgrounds living in residential aged care facilities. The Government will invest $5 million to provide improved access to translation services and cultural awareness training for aged care staff.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will address the interests of special needs groups, including culturally and linguistically diverse communities. The Commission is due to report by the end of April 2011.

The Australian Government’s Ageing Consultative Committee has also identified this issue as one requiring its further attention.

**Recommendation 18**
The committee recommends that the Department of Health and Ageing conduct a review into the implications of ‘elderly homeless’ incorporated as a special needs category under the Aged Care Act 1997.

**Response**
The Australian Government supports in principle Recommendation 18 of the Committee.

On 20 May 2009, the then Minister for Ageing, the Hon Justine Elliot, announced the amendment of the Aged Care Act 1997 to include homeless older people as a ‘special needs’ group to formally recognise their unique requirements. This was one of several measures to improve the care and support for older homeless Australians announced in response to the December 2008 White Paper on Homelessness, The Road Home.

**Recommendation 19**
The committee recommends that the suggested all-encompassing aged care review specifically consider and address the expectations and needs of the homeless and other socio-economically disadvantaged persons.

**Response**
The Australian Government supports in principle Recommendation 19 of the Committee.

On 20 May 2009, the then Minister for Ageing, the Hon Justine Elliot, announced the amendment of the Aged Care Act 1997 to include homeless older people as a ‘special needs’ group to formally recognise their unique requirements. This was one of several measures to improve the care and support for older homeless Australians an-

The Australian Government also committed to a continuation of the Assistance with Care and Housing for the Aged program and to make capital grants available for at least one aged care home for older people who are homeless or at risk of being homeless each year for the next four years.

In addition, the Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia's aged care needs over the coming decades.

In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will address the interests of special needs groups, including Aboriginal and Torres Strait Islander people. The Commission is due to report by the end of April 2011.

**Recommendation 20**

The committee recommends that the suggested all-encompassing aged care review specifically consider and address the expectations and needs of elderly Indigenous Australians and their communities.

**Response**

The Australian Government supports in principle Recommendation 20 of the Committee.

On 11 November 2008, the then Minister for Ageing, the Hon Justine Elliot, detailed the next stage of the Australian Government’s $46 million Indigenous Aged Care Plan. The plan is about taking practical and commonsense measures to improve the care and welfare of older indigenous Australians. The Australian Government will work with Indigenous communities to improve their facilities and care, and find the right balance between cultural sensitivity and ensuring the health and welfare of older and frail Indigenous people.

In addition, the Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades.

In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will address the interests of special needs groups, including Aboriginal and Torres Strait Islander people. The Commission is due to report by the end of April 2011.

**Recommendation 21**

The committee recommends that the Department of Health and Ageing consider further initiatives to attract culturally-appropriate staff in consultation with involved stakeholders including Indigenous clients.

**Response**

The Australian Government supports in principle Recommendation 21 of the Committee.

The Australian Government has introduced new aged care workforce programs and restructured existing programs to deliver more flexible training initiatives focused on improving clinical care, assisting recruitment and retention and creating career paths. This includes investment in training from vocational places through to undergraduate and postgraduate nursing qualifications, support for clinical and graduate placements, and financial incentives to encourage aged care workers to undertake study and remain in the workforce. An unqualified personal care worker will be able to progress through the vocational education system onto undergraduate nursing studies and postgraduate study.

The recent reforms announced in the 2010-11 Budget will benefit all aged care workers. In rolling out these reforms, the Department of Health and Ageing will ensure that appropriate strategies are in place to effectively target and provide training support for Aboriginal and Torres Strait Islander aged care staff. Additional support for workers in financially less viable facilities in rural and remote services will continue and this includes travel, accommodation and some backfilling costs for staff attending training.

The Specialised Training Project currently provides funding for up to 2,000 training places over four years to up-skill community aged care workers from a culturally and linguistically diverse (CALD) and an Aboriginal and Torres Strait Is-
lander (ATSI) background to attain accredited community aged care related competencies and/or qualifications.

Since July 2007, four separate initiatives have been implemented to create over 700 permanent part-time positions for Aboriginal and Torres Strait Islander people in aged care services nationally. These initiatives stem from changes to Community Development Employment Projects (CDEP) processes.

To date, approximately 81 part-time positions in Home and Community Care (HACC) and Aboriginal Flexible services have been implemented nationally in urban and regional locations under Building an Indigenous Workforce in Community Care. A further 349 permanent part-time employment positions have been funded under the Northern Territory Emergency Response Welfare Reform Agenda. Of these, 304 are in the HACC program and 45 part-time positions in Aboriginal Flexible and residential aged care services. Under the Cape York Welfare Reform Trial, 12 part-time positions have been created in four communities in Cape York in the HACC program and in residential and aged care services.

In 2009, under the National Partnership for Indigenous Economic Participation, approximately 260 part-time positions were funded in HACC, Flexible and residential aged care services from further changes to CDEP processes.

In 2010, the extension of the National Partnership for Indigenous Economic Partnership into the Torres Strait Islands will see up to 50 permanent part-time positions being funded for Torres Strait Islander workers in their own communities.

All of these initiatives include funding for training and other workforce supports aimed at improving retention rates of local Aboriginal and Torres Strait Islander workers in aged care services. This is currently being implemented in the Northern Territory and Cape York, and will roll out nationally in 2010.

In 2010, the Department is also implementing 80 business administration traineeships in remote regions for Aboriginal and Torres Strait Islander workers in aged care services under the Indigenous Remote Service Delivery initiative.

**Recommendation 22**

The committee recommends that the Australian Government implement the recommendation of the 2007 National Review of Aged Care Assessment Teams and review the legislative requirement for re-assessment of those residents: moving from low to high care within an aged care complex where the low and high care facilities have separate provider numbers; and entering an aged care facility with a low care approval but who require high care.

**Response**

The Australian Government supports Recommendation 22 in part, with further consideration occurring as part of the Review of the Aged Care Funding Instrument.

While an Aged Care Assessment Team approval is required to enable classification of a resident as high care when they first enter an aged care home, current arrangements do allow residents to move from low to high care as their needs change without reassessment by an Aged Care Assessment Team. This applies whether they are ‘ageing in place’ in the same complex or transferring to another facility.

Issues around the relationship between Aged Care Assessment Team assessments and the Aged Care Funding Instrument are being considered as part of the Review of the Aged Care Funding Instrument.

**Recommendation 23**

In the light of disparities in information regarding the Aged Care Assessment Team (ACAT) assessments and re-assessments between the Department of Health and Ageing and involved providers, the committee recommends that the department launch an information campaign on recent reforms to the ACAT.

**Response**

The Australian Government supports in principle Recommendation 23 of the Committee. A communication strategy was developed and actioned to implement the legislation changes. The Department of Health and Ageing has produced the following materials:
Recommendation 24
The committee recommends that the Department of Health and Ageing review methods directed to affirming the ACAT as a single nationally consistent program which genuinely serves as a single entry point to aged care services. The review should entail dialogue with aged care clients and providers as well as liaison with state and territory health departments.

Response
The Australian Government does not support Recommendation 24 of the Committee.

It is not appropriate that the ACAT be the single entry point to aged care services.

Through the National Health and Hospitals Network—Aged care—one stop shops measure in the 2010-11 Budget, the Australian Government will provide $36.8 million over four years (including $20.0 million in capital in 2010-11) to enable older Australians and their families to more easily access information and assessment for aged care services, through establishing one stop shops across the country. The Australian Government will fund a national, integrated aged care system offering information and assessment through telephone and web based technology, which will assist older Australians to access services in the place that best suits their care needs. This measure will also enable older Australians to be linked to assessment services, including through the one stop shops purchasing more complex aged care assessment services. This will enable one stop shops to better refer older people to appropriate assessment and care services.

Recommendation 25
The committee recommends that the Department of Health and Ageing conduct a national education campaign directed at new and potential aged care clients to raise awareness of the aged care services available to them including the role of ACAT and of their rights and entitlements in relation to such services.

Response
The Australian Government supports in principle Recommendation 25 of the Committee.

The Australian Government already provides information and advice to new, potential and existing aged care clients on the services available to them through a variety of outlets, including:

- the Commonwealth Respite and Carelink Centres network operates through 54 centres and around 65 ‘shopfronts’ around Australia;
- the Aged Care Information Line – a national freecall service to provide information about aged care services; and
- Australian Government web based information services for older people, namely:

www.agedcareaustralia.gov.au
www.commcarelink.health.gov.au

In addition, through the National Health and Hospitals Network—Aged care—one stop shops measure in the 2010-11 Budget, the Australian Government will provide $36.8 million over four...
years (including $20.0 million in capital in 2010-11) to enable older Australians and their families to more easily access information and assessment for aged care services, through establishing one stop shops across the country.

The Australian Government will fund a national, integrated aged care system offering information and assessment through telephone and web based technology, which will assist older Australians to access services in the place that best suits their care needs. This measure will also enable older Australians to be linked to assessment services, including through the one stop shops purchasing more complex aged care assessment services. This will enable one stop shops to better refer older people to appropriate assessment and care services.

**Recommendation 26**
The committee recommends that the Department of Health and Ageing analyse decoupling of residential care and accommodation. Such a review should consider and assess the views, concerns and recommendations of involved stakeholders including the Productivity Commission.

**Response**
The Australian Government supports in principle Recommendation 26 of the Committee.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will develop regulatory and funding options for residential and community aged care. The Commission is due to report by the end of April 2011.

**Recommendation 27**
The committee recommends that the Australian Government expand community aged care funding and services to meet growing demand and expected quality service provision outcomes.

**Response**
The Australian Government agrees to consider further Recommendation 27 of the Committee.

The Australian Government’s planning framework for aged care services aims to achieve and maintain a national provision level of 113 operational residential places and community care places per 1000 of the population, aged 70 years and over, by June 2011. This framework was designed to keep the growth in the number of Australian Government subsidised aged care places in line with the growth in the aged population. In addition, funding for the Home and Community Care Program is increased each year in recognition of the growing demand for community aged care services.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will develop regulatory and funding options for residential and community aged care. The Commission is due to report by the end of April 2011.

**Recommendation 28**
The committee recommends that the all-encompassing review of the residential and community aged care sector take a client-based approach in order to ensure that its findings are client focused.

**Response**
The Australian Government supports in principle Recommendation 28 of the Committee.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will develop regulatory and funding options for residential and community aged care that are based on business models that reflect the forms of care that older people need and want, minimise the complexity...
of the aged care system for clients and allow smooth transitions for clients between different types and levels of aged care and between aged, primary, acute, sub-acute, disability services and palliative care services, as need determines. The Commission is due to report by the end of April 2011.

Recommendation 29
The committee recommends that the all-encompassing review of the aged care sector consider options to enable greater flexibility in relation to payments and services directed at providing a client-centred aged care system for Australia.

Response
The Australian Government supports in principle Recommendation 29 of the Committee.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will develop regulatory and funding options for residential and community aged care that are based on business models that reflect the forms of care that older people need and want, minimise the complexity of the aged care system for clients and allow smooth transitions for clients between different types and levels of aged care and between aged, primary, acute, sub-acute, disability services and palliative care services, as need determines. The Commission is due to report by the end of April 2011.

Recommendation 30
The committee recommends that the suggested taskforce undertake a review of the current planning ratio for community, high- and low-care places. Drawing on all available demographic and social information, the review is an opportunity to assess the planning ratio in light of growing and diverse demand on aged care services.

Response
The Australian Government supports in principle Recommendation 30 of the Committee.

The Australian Government has commissioned the Productivity Commission to conduct a public inquiry into Australia’s aged care needs over the coming decades. In undertaking the inquiry, the Commission will develop options for further structural reform of the aged care system so it can meet the challenges facing it in coming decades. In particular, the Commission will develop regulatory and funding options for residential and community aged care that are based on business models that reflect the forms of care that older people need and want, minimise the complexity of the aged care system for clients and allow smooth transitions for clients between different types and levels of aged care and between aged, primary, acute, sub-acute, disability services and palliative care services, as need determines. The Commission is due to report by the end of April 2011.
Government Response

Senate Rural and Regional Affairs and Transport References Committee Inquiry Report on the effectiveness of Airservices Australia’s Management of Aircraft Noise

February 2011 Introduction

On 25 November 2009 the Senate referred the following matter to the Senate Rural and Regional Affairs and Transport References Committee for inquiry and report by 1 June 2010:

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

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

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

The committee subsequently resolved to extend the reporting date to allow for a more detailed examination of the issues.

Although the inquiry was prompted by concerns regarding aircraft noise and flight path changes at Perth Airport, the committee acknowledged the long standing issues associated with the management of aircraft noise at airports around Australia. Accordingly, the committee intended the report to be a broad assessment of the effectiveness of Airservices Australia’s management of aircraft noise, rather than an exclusive analysis of the particular issues associated with a specific airport.

The Australian Government thanks the Committee for its examination of these matters and the recommendations it has presented for consideration.

Managing aircraft noise – Australian Government priorities

Airports are important economic and social assets for Australia. They underpin an air transport network that is responsible annually for over 50 million domestic journeys, 25 million international journeys and the movement of high-value and time-sensitive air freight. They generate and support half a million jobs in local communities through their support for the broader tourism industry. They also support essential medical and emergency services, flight training and other services.

Airports, however, have environmental impacts on local communities, in particular through the generation of aircraft noise. Aircraft noise management requires a careful balance between the protection of amenity of affected residents and recognition of the broader economic and social contribution of aviation activity.

Responsibility for aircraft noise management is shared between a number of key stakeholders including airlines and aircraft operators, Airservices Australia, airports, government regulatory and planning agencies and residents. The Australian Government is committed to playing its part in ensuring that the environmental impacts of aviation, including aircraft noise, are minimised.


The White Paper included over 130 initiatives aimed at maintaining and improving Australia’s aviation safety, supporting growth in the aviation industry, providing for greater planning and investment certainty for the aviation sector and minimising the environmental impacts of aviation.
activity. In particular, the White Paper confirmed a number of initiatives to ensure the impact of aircraft noise on communities living near airports and under flight paths is addressed as both Australia’s aviation industry and communities continue to grow.

Since the release of the White Paper, the Government has implemented its commitment to regulate to restrict the operations of marginally compliant Chapter 3 aircraft, such as hush-kitted Boeing 727s, where they contribute to unacceptable levels of noise. New services using these outdated aircraft were prohibited at Australia’s major airports from 1 July 2010 and pre-existing services ceased from 1 September 2010.

Consistent with the Aviation White Paper, an Aircraft Noise Ombudsman has been established to independently review noise complaints handling procedures and make recommendations for improvements where necessary and to improve Airservices’ consultation arrangements and the presentation and distribution of aircraft noise–related information to the general public. Mr Ron Brent, the former acting Commonwealth Ombudsman, commenced as the inaugural Aircraft Noise Ombudsman on 1 September 2010.

The Government has a number of ongoing commitments to improve aircraft noise management in Australia. The Government will maintain the existing curfew regime at Sydney, Adelaide, Gold Coast (Coolangatta) and Essendon airports where communities have grown in expectation of these arrangements continuing.

The Government is working with state, territory and local governments to put in place an effective national land use planning regime for land near airports and flight paths in recognition of the key role played by state and local government land–use planning systems in constraining incompatible residential developments in noise–affected areas.

For the first time in a decade, a federal government has implemented a range of new measures to address aircraft noise and is working with communities, other levels of government, airports and stakeholders to continue to show leadership on this issue.

**Committee recommendations**

The Committee examined a range of issues related to the existing regulatory framework for aircraft noise management in Australia, Airservices Australia’s communications, consultation and complaints handling procedures, the role and governance of the newly established Aircraft Noise Ombudsman, aircraft movement forecasts for major airports, the application of the Environment Protection and Biodiversity Act 1999 to aviation activity and the role of home insulation for the amelioration of aircraft noise.

The Government’s responses to the Committee’s ten recommendations are attached.

**Recommendation 1**

The committee recommends that Airservices Australia should be a permanent member of all federal airport Community Aviation Consultation Groups.

**Response**

The Government supports this recommendation. The Aviation White Paper, which was released prior to the Committee’s inquiry, recognised the view that Community Aviation Consultation Groups could work better if other industry stakeholders, including airlines, Airservices Australia (Airservices) and the Civil Aviation Safety Authority, were represented. This is already taking place.

**Recommendation 2**

The committee recommends that a Community Aviation Advocate position should be funded and established where significant or extensive changes to the management of aircraft noise or airspace are proposed to assist and represent local communities.

**Response**

The Government supports this recommendation. The Aviation White Paper, which was released prior to the Committee’s inquiry, recognised the view that Community Aviation Consultation Groups could work better if other industry stakeholders, including airlines, Airservices Australia (Airservices) and the Civil Aviation Safety Authority, were represented. This is already taking place.

**Recommendation 2**

The committee recommends that a Community Aviation Advocate position should be funded and established where significant or extensive changes to the management of aircraft noise or airspace are proposed to assist and represent local communities.

**Response**

The Government supports this recommendation. The Aviation White Paper, which was released prior to the Committee’s inquiry, recognised the view that Community Aviation Consultation Groups could work better if other industry stakeholders, including airlines, Airservices Australia (Airservices) and the Civil Aviation Safety Authority, were represented. This is already taking place.
dress planning and development issues and a range of other operational matters, such as aircraft noise, which affect airports’ relations with their neighbours. The Government has released guidelines to assist airports in establishing these consultative groups.

The establishment of a Community Aviation Advocate position would constitute a duplication of the role intended for community representatives within the Community Aviation Consultation Groups.

Further, the Government has strengthened requirements for community consultation regarding major developments at airports through the passage of the Airports Amendment Bill 2010.

The Government has also established the position of Aircraft Noise Ombudsman to improve public information about the impacts of noise from aircraft operations, review community complaints and consultation processes and give communities an additional opportunity to address issues and complaints.

Recommendation 3

The committee recommends that the Aircraft Noise Ombudsman undertakes a review of the Airservices Australia’s Communication and Consultation Protocol to determine the extent to which the protocol:

- was developed in consultation with Australian communities and will be subject to regular ongoing review;
- clearly articulates the roles and responsibilities of all stakeholders and the minimum standards of consultation which communities can anticipate, and
- commits Airservices Australia to providing readily available, easily understood and pertinent information (such as environmental noise assessments) to community consultation forums.

The committee recommends that the Aircraft Noise Ombudsman report the findings of this review, together with appropriate recommendations, to the Minister for Infrastructure, Transport, Regional Development and Local Government and to the Australian Parliament and this committee.

Response

The Government notes this recommendation and further notes this is a matter for the Aircraft Noise Ombudsman (ANO).

A core function of the ANO is to monitor and report on the effectiveness of Airservices’ community consultation processes on aircraft noise-related issues (see ANO Charter publicly available on the ANO website).

Given the independent nature of the ANO, any decision to review the Communication and Consultation Protocol and the extent of such a review is a matter for the independent ANO.

The ANO’s discretion to identify and review issues is central to the independence of the ANO office.

The ANO will provide regular reports (including the findings of any reviews) to the Airservices Board and the Minister for Infrastructure and Transport, and produce a detailed annual report for publication (and tabling in Parliament as part of the Airservices Annual Report).

Recommendation 4

The committee recommends that an independent review be undertaken of Airservices Australia’s procedures for the lodgement of complaints about aircraft noise and the extent to which complaints data is analysed and disseminated to relevant stakeholders with a view to more effectively managing aircraft noise issues.

Response

The Government notes this recommendation and further notes this is a matter for the Aircraft Noise Ombudsman (ANO).

A core function of the ANO is to review and make recommendations to the Board of Airservices Australia for improvements in aircraft noise enquiry and complaint handling, noise information provision and community consultations (see ANO Charter available on the ANO website). A review of the complaints procedures and noise information dissemination therefore falls within the remit of the ANO.

Given the independent nature of the ANO, any decision to review these matters and the extent of such a review is a matter for the independent ANO.
The Government notes that on 12 November 2010 the ANO announced its first review of the handling of aircraft noise complaints. The terms of reference for the review can be found on the ANO website.

**Recommendation 5**

The committee recommends that the Aircraft Noise Ombudsman must be established independently of Airservices Australia and report publicly and directly to the Minister for Infrastructure, Transport, Regional Development and Local Government and to the Australian Parliament.

**Response**

The Government does not support the recommendation to establish the Aircraft Noise Ombudsman (ANO) independent of Airservices Australia. However, the Government fully supports the independence of the ANO and has ensured the ANO’s role is fully transparent and his activities will be reported publicly.

The Government is committed to confirming that appropriate mechanisms are in place to ensure that the ANO remains independent of Airservices’ management structure.

The ANO is already independent and has the discretion to identify and review issues that fall within the powers and duties described in the ANO’s Charter.

The ANO’s Charter, includes the publishing of an annual report, will provide transparency in the ANO’s operations and accountability.

**Recommendation 6**

The committee recommends that the Aircraft Noise Ombudsman should provide an annual report of its operations and this should include a description of the actions Airservices Australia has undertaken to implement recommendations and, where appropriate, a description of those instances where appropriate action has not been taken.

**Response**

The Government supports this recommendation. As part of its Charter, the Aircraft Noise Ombudsman will produce an annual report for publication and provision to the Airservices Board, the Minister for Infrastructure and Transport and the public.

**Recommendation 7**

The committee recommends that the government revise the current process through which ANEFs are developed to establish an independent body charged with the coordination of the process and the review of the accuracy and reasonableness of the data upon which the forecasts are made.

**Response**

The Government does not support this recommendation.

The Government encourages airports to take a comprehensive and broad view of future traffic in developing their Australian Noise Exposure Forecasts (ANEFs) and has supported the adoption by some airports of long range or “ultimate practical capacity” ANEFs which reflect a long-term view of the potential growth of traffic and noise.

The preparation of ANEFs by airports has assisted in reducing inappropriate development from encroachment on airport operations and ameliorating aircraft noise impacts on communities.

The Government has recognised that there is scope to improve the technical processes and independence associated with assessment and scrutiny of ANEFs. Airservices Australia and the Department of Infrastructure and Transport will be considering options to improve these processes.

The Government is committed to working in partnership with State and Territory Governments to improve land management and land use planning around airports and, ultimately, to establish a national land use planning regime near airports and under flight paths. A national regime would be an important step in balancing the interests of the local economy and the effective use of the airport with the preservation of the amenity and safety of surrounding communities.

The Government has established a National Aerodrome Safety Advisory Group (NASAG), including the Australian Government Department of Infrastructure and Transport and all State and Territory transport and planning departments to
examine options for the establishment of such a regime. Part of NASAG’s work will involve the development of alternative noise metrics to complement the use of ANEFs in off-airport planning.

**Recommendation 8**
The committee recommends Airservices Australia review noise levels over affected areas with a view to offering a noise amelioration scheme compensating residents affected by aircraft noise consistent with that of other Australian capital city airports.

**Response**
The Government notes this recommendation. This Government has shown leadership in implementing a range of new measures to address aircraft noise, including banning older, noisier jets, putting into place better mechanisms for community consultation and engagement, and working on developing better land use planning around airports. These measures are important steps in balancing the interests of the local economy and the effective use of airports with the preservation of the amenity and safety of surrounding communities.

We will continue to work with communities, other levels of government, airports and stakeholders to address the impacts of aircraft noise.

The Aircraft Noise Insulation Programs implemented in Sydney and Adelaide provided insulation measures for public buildings in the 25 Australian Noise Exposure Index (ANEI), for houses in the 30 ANEI and for voluntary acquisition above the 40 ANEI.

Residences in Perth in the vicinity of the aircraft flight paths introduced as a result of the Western Australian Route Review Project lie well outside these noise contours.

**Recommendation 9**
The committee recommends that despite the completion of the Western Australian Route Review Project, sufficient grounds exist for the Minister for Environment Protection, Heritage and the Arts to review the changes to flight paths under paragraph 160(2)(b) of the EPBC Act 1999 in response to stakeholder concerns.

**Response**
The Government does not support this recommendation. The Department of Sustainability, Environment, Water, Population and Communities has considered the application of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) to the Western Australian Route Review Project (WARRP) following the receipt of inquiries from the local community and others. Following inquiries, the Department formed the view that the WARRP did not require referral under Section 160 of the EPBC Act. The Department found that the review process of Airservices ensured that any significant environmental impacts that might arise from their activities would be mitigated.

**Recommendation 10**
The committee recommends that Airservices Australia be required to have regard to paragraph 160(2)(b) of the EPBC Act 1999 and seek advice from the Minister for Environment Protection, Heritage and the Arts in advance of major changes to air routes around airports under its jurisdiction.

**Response**
The Government supports this recommendation. Section 160(2)(b) of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) requires Airservices Australia and the Office of Airspace Regulation (within the Civil Aviation Safety Authority) to refer the adoption or implementation of a plan for aviation airspace management involving aircraft operations that have, will have or are likely to have a significant impact on the environment to the Minister for Sustainability, Environment, Water, Population and Communities for advice.

Airservices is further required under Section 160 of the EPBC Act to take account of advice provided by the Minister.
INTRODUCTION
On 12 February 2009, the Senate referred the matter of the reporting of sports news and the emergence of digital media to the Senate Standing Committee on Environment, Communications and the Arts for inquiry and report by 14 May 2009 (the Senate Inquiry).

The terms of reference for the Senate Inquiry covered:

- the balance of commercial and public interests in the reporting and broadcasting of sports news
- the nature of sports news reporting in the digital age, and the effect of new technologies (including video streaming on the internet, archived photo galleries and mobile devices) on the nature of sports news reporting
- whether and why sporting organisations want digital reporting of sports regulated, and what should be protected by such regulation
- the appropriate balance between sporting and media organisations’ respective commercial interests in the issue
- the appropriate balance between regulation and commercial negotiation in ensuring that competing organisations get fair access to sporting events for reporting purposes
- the appropriate balance between the public’s right to access alternative sources of information using new types of digital media, and the rights of sporting organisations to control or limit access to ensure a fair commercial return or for other reasons
- should sporting organisations be able to apply frequency limitations to news reports in the digital media
- the current accreditation processes for journalists and media representatives at sporting events, and the use of accreditation for controlling reporting on events
- options other than regulation or commercial negotiation (such as industry guidelines for sports and news agencies in sports reporting, dispute resolution mechanisms and codes of practice) to manage sports news to balance commercial interests and public interests.

The Senate Inquiry received 44 submissions, the majority of which were from either sporting or media organisations. On 14 May 2009, the Committee tabled its report to the President of the Senate. The report made five recommendations, which considered: the Independent Sport Panel’s review and recommendations; copyright; media access to sporting events negotiations; and consideration of an industry code to aid in dispute resolution between media and sporting organisations.

BACKGROUND
Review of sport and sporting trends
The Independent Sport Panel (the Panel) was established on 28 August 2008 to investigate and report to the Minister for Sport, the Hon Kate Ellis MP, on measures needed to ensure Australia’s sporting system remains prepared for future challenges, at the elite and grassroots levels. The Minister for Sport released the Panel’s report on 17 November 2009.

The Panel was tasked with a number of priorities, one of which was to identify opportunities to increase and diversify the funding base for sport.

The Panel noted the need for a balance between the profitability of sport and reasonable access to sports media for news reporting. They stated that this balance would need to consider the public’s right to alternative sources of information, and professional sport’s need for control over material in order to ensure a fair commercial return.

The Panel did not believe there was a demonstrated need for government intervention. Instead, the Panel considered it appropriate for sporting and media organisations to reach mutually beneficial arrangements.

Separately, during the course of the Senate Inquiry, the Australian Sports Commission identified problems for smaller sporting organisations.
with engaging mixed media professionals and creating online content which can attract improved returns.

Copyright legislation and sport

Under the Copyright Act 1968 (the Copyright Act), a sporting event per se is not protected by copyright. Copyright protects original expressions in certain material forms, including literary, dramatic, musical and artistic works and other subject matter (sound recordings, cinematograph films, television and sound broadcasts and published editions of works).

Examples of material relating to a sporting event that can be protected by copyright include a film of the event made for the purpose of a television broadcast, the broadcast transmission, photographs taken by a photographer or written text by a spectator to describe or analyse the event. In the latter case, copyright protects original expression in the written text and not the underlying facts or events.

Material recording a sporting event may embody several separate copyrights.

For example, film made of an event may have separate copyrights in the film, in a prepared script, in a sound recording used in the sound track, and in a background photograph included in the film.

The first owner of copyright is normally the author of a work but there are exceptions, including where the author is a journalist employed by a newspaper or magazine or where the author is an employee and the work is made pursuant to a contract of employment. In addition, a future copyright can be assigned by the author. The first owner of a film is the ‘maker’. This means the first owner of copyright in film of a sporting event may be the television broadcaster who arranges for its making. Alternatively, the broadcaster may sell the copyright in film coverage or a broadcast transmission to another party such as a sporting organisation.

Under the Copyright Act, the rights holders are free to decide whether and how to licence copies of the material in which they own the copyright. However, sporting organisations are able to use contracts to place restrictions on a copyright owner on the use of material made at an event through conditions placed on entry to the event. These conditions are usually agreed through accreditation contracts signed between a journalist or editor on behalf of a media organisation and the sporting organisation. As well as dealing with the exploitation of material made at an event, accreditation agreements also commonly cover such matters as liability in the event of injury, security, and operational health and safety matters.

A media organisation that wishes to use copyright material relating to a sporting event may seek authorisation from the copyright owner. In the absence of authorisation, a media organisation may rely on one of the copyright exceptions in the Copyright Act.

Two particularly relevant exceptions are sections 42 and 103B, which allow ‘fair dealings’ for the purpose of reporting the news. Section 42 states:

(1) A fair dealing with a literary, dramatic, musical or artistic work, or with an adaptation of a literary, dramatic or musical work, does not constitute an infringement of the copyright in the work if:

   (a) it is for the purpose of, or is associated with, the reporting of news in a newspaper, magazine or similar periodical and a sufficient acknowledgement of the work is made; or

   (b) it is for the purpose of, or is associated with, the reporting of news by means of a communication or in a cinematograph film.

Section 103B is a parallel provision which provides for a fair dealing with ‘an audiovisual item’ (meaning a sound recording, a cinematograph film, a sound broadcast or a television broadcast) for the purpose of reporting the news.

In order for either of the above exceptions to apply, the particular dealing with copyright material must be both ‘fair’ and for the purpose of reporting the news.

Some sporting organisations have raised concerns about the use of video highlight packages, and more particularly the availability of online archives of video highlights. While print media in particular has a long history of freely available
archival material, sporting organisations have argued that the greater accessibility of online media is problematic.

Legal action is an available remedy for rights holders and exclusive licensees who think their copyright has been infringed. Guidance on whether a particular dealing is likely to be fair or for the purpose of reporting the news can be obtained from legal authority and by examining similar provisions. In addition, industry conventions have been developed to reduce the potential for legal disputes. In its submission, the Special Broadcasting Service (SBS) referred to the 'three by three by three' rule, which has evolved to suit the needs of television:

[N]on-rights holders will use no more than three minutes of footage, spaced at intervals of longer than three hours, no more than three times a day ... [T]his convention may be flexible in particular circumstances—such as where an extraordinarily newsworthy sporting event demands more regular reporting.¹

¹ SBS submission to the Senate Inquiry on the reporting of sports news and the emergence of digital media, 2009, page 6.

Amendments to Copyright Legislation

In 2002, the Copyright Law Review Committee provided a report titled Copyright and Contract to the then Attorney-General. The report examined the way contracts were being used in the digital environment to set the terms and conditions of access to, and use of, copyright material, and included recommendations suggesting amendments to the Copyright Act. A recommendation was to protect certain exceptions, including sections 42 and 103B, from being modified or excluded by contractual agreements.

A number of submissions to the Senate Inquiry, including those from the Australian Associated Press and Optus, recommended adopting the Copyright Law Review Committee's recommendation.

Industry codes

A prescribed industry code of conduct was raised as a possible mechanism to reduce conflict between media and sporting organisations over copyright and fair dealing. A prescribed industry code is a code which regulates the conduct of participants in an industry, both in their dealings with each other and towards their consumers. These codes can be either mandatory or voluntary.

Section 51AE of the Trade Practices Act 1974 (the Trade Practices Act) provides for regulations relating to prescribed industry codes. The regulations may:

- prescribe an industry code, or specified provisions of an industry code; and
- declare the industry code to be a mandatory industry code or voluntary industry code; and
- for a voluntary industry code, specify the method by which a corporation agrees to be bound by the code and the method by which it ceases to be bound (by reference to provisions of the code or otherwise).

The policy guidelines for developing a prescribed industry code require that proposals for such a code only proceed if:

- The code would remedy an identified market failure or promote a social policy objective; and
- The code would be the most effective means for remedying that market failure or promoting that policy objective; and
- There are significant and irremediable deficiencies in any existing self-regulatory regime—for example, the code scheme has inadequate industry coverage or the code itself fails to address industry problems; and
- A systemic enforcement issue exists because there is a history of breaches of any voluntary industry codes; and
- A range of self-regulatory options and "light-handed" quasi-regulatory options has been examined and demonstrated to be ineffective.²

There are four mandatory prescribed industry codes declared by regulation under Part IVB of the Trade Practices Act: the Franchising Code of Conduct, the Oil Code, the Horticulture Code of Conduct and the Unit Pricing Code of Conduct.
No voluntary prescribed industry codes have been declared under Part IVB of the Trade Practices Act.

Industry codes—enforceability

The enforceability of prescribed industry codes is governed by Part IVB of the Trade Practices Act. Section 51AD of that Act provides that a corporation must not, in trade or commerce, contravene an ‘applicable industry code’. An applicable industry code is one which has been declared by regulations under section 51AE to be either a mandatory or a voluntary prescribed industry code.

Voluntary prescribed industry codes are applicable only to those corporations which have consented to be bound by the code. The code can specify how and to what extent corporations agree to be bound.

A breach of a prescribed industry code is a breach of the Trade Practices Act, which can be prosecuted either privately by affected parties or by the Australian Competition and Consumer Commission, which has responsibility for the enforcement of prescribed industry codes. The Trade Practices Act provides for civil remedies for breaches, including damages (section 82), remedial orders (section 87), and injunctions (section 80). There are no criminal sanctions or civil penalties for breaches of a code.

Developments since the Inquiry

Following the release of the Committee report’s in May 2009, the Government noted a continuation of disputes over access to sporting venues between some media agencies and sporting organisations. To assist in the resolution of these disputes, the Minister for Broadband, Communications and the Digital Economy, Senator the Hon Stephen Conroy, asked the Chairman of the Australian Competition and Consumer Commission, Mr Graeme Samuel, to chair a series of roundtables between sporting and media organisations.

The roundtables focused on issues surrounding the use of text, photography and data and led to the development of a new voluntary code of practice for the sports news reporting industry.

The Code of Practice for Sports News Reporting (the Code) sets out the rights and responsibilities of sporting and media organisations with regards to text, photography and data. The objective of the Code is to ensure that media organisations are able to access sporting events for the purpose of sports news reporting.

The Code was signed into being from 30 March 2010. A Code Administration Committee was established on that day to manage any issues that may develop, with Mr Kevan Gosper and Mr Mark Hollands appointed as the independent chair and secretary of the Committee respectively.

It is understood that discussions about the Code played an important part in the return of AAP agency photographers to AFL matches for the 2010 season, the first time since 2007.


Recommendations and Australian Government Response#

The Australian Government has considered the Committee’s report and provides the following response to the recommendations. The Senate Committee’s recommendations are addressed in turn below.

Recommendation 1

The committee urges the Government to take into account the opportunities and challenges presented by digital media to sports organisations’ current and future revenue prospects and options, and recommends that the current Crawford review of sports pay particular attention to the capacity of sports to invest in digital innovation.

Australian Government Response

The Government notes this recommendation. In its report, the Independent Sport Panel (the Panel) addressed the impact the digital media was having on the broadcasting of sport in Australia.

The Panel reported:

- A balance is needed between the ability of sports to protect their commercial rights and generate funds to promote their sport, and reasonable access to content for news reporting for media outlets.
• There needs to be an appropriate balance between the public’s right to access alternative sources of information using new types of digital media, and the rights of sporting organisations to control or limit access to ensure a fair commercial return.

• The Panel believes that at this time there is not a demonstrated need for government intervention; it is appropriate for sporting organisations to deal with the various media outlets to attain mutually beneficial arrangements.

The Panel did not make any specific recommendations on the issue.

The Government also notes the Australian Sports Commission's work in assisting sporting organisations to take full advantage of the digital era’s opportunities. The Australian Sports Commission provides direct support to national sporting organisations by helping them identify commercial opportunities to improve capacity and sustainability, and identify and develop initiatives to increase non-government funding sources.

Recommendation 2
The committee recommends that the Parliament should not amend copyright law to clarify the application of the news ‘fair dealing’ exception, unless future specific case law outcomes appear to warrant it.

Australian Government Response
The Government supports this recommendation. The Government agrees that there is no compelling evidence at present to indicate that the ‘fair dealing’ exceptions for reporting the news (sections 42 and 103B of the Copyright Act) are inadequate in their present form.

The exceptions are flexible and technology neutral. If made too prescriptive, they may fail to maintain the necessary balance between the rights of copyright owners and the larger public interest in encouraging innovation and access to information. This is particularly important for responding to new forms of digital media.

Recommendation 3
The committee recommends that the government consider and respond to the Copyright Law Review Committee report and its recommendations.

Australian Government Response
The Government does not support this recommendation in the present context. The report of the Copyright Law Review Committee, Copyright and Contracts, examined the extent to which electronic trade in copyright works and other subject matter was subject to agreements which purported to exclude or modify exceptions to the exclusive rights of copyright owners provided under the Copyright Act, especially online consumer licences. The report is of limited relevance to the matters considered by the Committee, such as accreditation contracts. The Committee noted that it became aware of the report late in its inquiry and did not consider the issues in detail.

Recommendation 4
The committee recommends that stakeholders negotiate media access to sporting events based on the principle that all bona fide journalists, including photojournalists and news agencies, should be able to access sporting events regardless of their technological platform.

Australian Government Response
The Government supports this recommendation. In order to expedite agreement on access arrangements for all bona fide journalists (including photographers and news agencies), the Government convened a series of roundtables between major news agencies, print media and sporting organisations that made submissions to the Inquiry. These meetings were chaired by the Chairman of the Australian Competition and Consumer Commission, Mr Graeme Samuel.

The roundtables facilitated agreement between media and sporting organisations, and led to the development of the Code of Practice for Sports News Reporting (the Code). The Code took effect from 30 March 2010. The initial signatories and members of the Code Committee are:

Independent members
Mr Kevan Gosper (independent chair)
Mr Mark Hollands (independent secretary)

Code signatories
Agence France-Presse—Mr Marc Lavine
As recommended by the Senate Committee, the Code specifically protects the right of bona fide media organisations to be present at sporting matches regardless of the eventual platform on which their photography, text and data would be reported. Additionally, the Code prohibits limits on the quantity or timing of news updates.

The Government considers the Code to be a good-faith response from sporting and media organisations that is in accordance with the Recommendation.

Recommendation 5

In the event that these negotiations are unsuccessful, the committee recommends that the Minister consider initiating the process for consideration of a code under Section 51AE of the Trade Practices Act.

Australian Government Response

The Government notes this recommendation and will monitor the performance of the Code of Practice for Sports News Reporting (the Code).

The Code Administration Committee will provide an annual report on the performance of the Code to the Minister for Broadband, Communications and the Digital Economy, the Chair of the Australian Competition and Consumer Commission, and the Minister for Sport. This report will include:

(a) A statement on the success or otherwise of the Code in managing complaints and any recommended changes to the Code;
(b) The nature of any disputes/breaches of the Code that occurred during the period;
(c) The number of disputes/breaches;
(d) An outline of how disputes were resolved;
(e) The progress of any disputes which were heard by the mediator but which were not able to be resolved; and
(f) Any opinion recorded by a mediator in connection with the mediation of a dispute that a party was not acting in good faith.

In addition, in the event that 70 per cent of the Code Administration Committee agree that a signatory has committed a significant and blatant breach of the Code, or a number of breaches of the Code, and mediation has not been able to resolve these breaches, the Committee can choose to inform the Department of Broadband, Communications and the Digital Economy about their concerns, for referral to the Government and possible further action.

COMMITTEES

Public Works Committee

Report

Senator POLLEY (Tasmania) (8.13 pm)—by leave—I move:

That consideration of Parliamentary Standing Committee on Public Works report tabled today be listed on the Notice Paper as an order of the day.

Question agreed to.

AUDITOR-GENERAL’S REPORTS

Report No. 31 of 2010-11

The ACTING DEPUTY PRESIDENT (Senator Crossin)—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Report No. 31 of 2010-11: Performance audit—Administration of the superannuation lost members register: Australian Taxation Office.

QUEENSLAND FLOODS

The ACTING DEPUTY PRESIDENT (Senator Crossin)—I present a message of condolence relating to the Queensland floods from the President of the Senate of the Philippines, the Hon. Juan Ponce Enrile.
COMMITTEES
Scrutiny of New Taxes Committee Report

Senator WILLIAMS (New South Wales) (8.14 pm)—On behalf of Senator Cormann, I present a report of the Select Committee on the Scrutiny of New Taxes, *The student amenities fee—Another tax by another name*, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator WILLIAMS—by leave—I move:

That the Senate take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Public Accounts and Audit Committee Annual Report

Senator POLLEY (Tasmania) (8.15 pm)—On behalf of Senator Bishop, I present the 2009-10 annual report of the Joint Committee of Public Accounts and Audit.

DELEGATION REPORTS

Parliamentary Delegation to the 31st ASEAN Inter-Parliamentary Assembly, Vietnam, 19 to 25 September 2010

Senator WILLIAMS (New South Wales) (8.15 pm)—I present the report of the Australian parliamentary delegation to the 31st ASEAN Inter-Parliamentary Assembly which took place in Vietnam from 19 to 25 September 2010. I seek leave to move a motion in relation to the report.

Leave granted.

Senator WILLIAMS—I move:

That the Senate take note of the document.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

COMMITTEES
Legal and Constitutional Affairs Legislation Committee Membership

The ACTING DEPUTY PRESIDENT (Senator Crossin)—Mr President has received a letter from a party leader seeking variations to the membership of a committee.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (8.17 pm)—I move:

That Senator Siewert replace Senator Ludlam on the Legal and Constitutional Affairs Legislation Committee for the committee's inquiry into the Patent Amendment (Human Genes and Biological Materials) Bill 2010, and Senator Ludlam be appointed as a participating member of the committee.

Question agreed to.

Parliamentary Budget Office Committee Membership

The ACTING DEPUTY PRESIDENT (Senator Crossin)—A message has been received from the House of Representatives informing the Senate of the appointment of members to the Joint Select Committee on the Parliamentary Budget Office.

CRIMES LEGISLATION AMENDMENT BILL 2010
WATER EFFICIENCY LABELLING AND STANDARDS AMENDMENT BILL 2010 [2011]

Returned from the House of Representatives

Message received from the House of Representatives returning the bills without amendment.
NATIONAL RADIOACTIVE WASTE MANAGEMENT BILL 2010
SCREEN AUSTRALIA (TRANSFER OF ASSETS) BILL 2010
STATUTE LAW REVISION BILL (No. 2) 2010

First Reading

Bills received from the House of Representatives.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (8.19 pm)—I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the Notice Paper. 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 FEENEY (Victoria—Parliamentary Secretary for Defence) (8.20 pm)—I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

National Radioactive Waste Management Bill 2010

The purpose of the Bill is to establish a facility, for managing at a single site, radioactive waste currently stored at a host of locations across the country.
This will ensure the safe and responsible management of waste arising from medical, industrial and research uses of radioactive material in Australia.

This new legislative framework is based on volunteerism.
Under the Bill, no site can be considered as a potential location for a facility without a voluntary nomination and agreement from persons with the relevant rights and interests.
A facility will be conditional on comprehensive environmental and regulatory approval processes. These will be conducted independently of the Bill and ensure Australia adheres to international best practice.
Decisions to select a site for a national facility will be guided by procedural fairness. The Administrative Decisions (Judicial Review) Act 1977 will also ensure a higher level of accountability for decisions than is currently available.
Transparency in this process is important. For this reason, a regional consultative committee must be established under the Bill. The committee will raise awareness and inform local communities through each stage of the process; from site selection to construction and operation of the facility.

Radioactive Waste

Australia produces low level and intermediate level waste through its use of radioactive materials.

Low level waste includes lightly contaminated laboratory waste such as paper, plastic, glassware and protective clothing, contaminated soil, smoke detectors and emergency exit signs.

Intermediate level waste arises from the production of nuclear medicines, from overseas reprocessing of spent research reactor fuel and from disused medical and industrial sources such as radiotherapy sources and soil moisture meters.

During the past 50 years, about 4,000 cubic metres of low level and short-lived intermediate level radioactive waste has accumulated in Australia.
It is currently stored at interim facilities located in suburban and regional areas across Australia, in some cases under less than ideal management arrangements.

By comparison, Britain and France annually produce around 25,000 cubic metres of low and...
short-lived intermediate level waste. But unlike the current situation in Australia, Britain and France dispose of such waste in purpose built repositories.

Beneficial Uses of Radioactive Materials
Radioactive materials have a variety of important uses in medicine, industry, agriculture, environmental science, sterilisation, computers and mobile phones as well as in our homes.

The Australian Nuclear Science and Technology Organisation (ANSTO) is a public research organisation responsible for delivering specialised advice, scientific services and products to government, industry, universities and other research organisations. ANSTO provides around 85 per cent of the nuclear medicines to Australian hospitals that help doctors diagnose and treat a range of diseases including cancer.

Around 500,000 patients annually, benefit from radio-isotopes in medical procedures such as cancer diagnosis and treatment.

Accepting these benefits means also accepting the responsibility to safely manage the resulting radioactive waste. This benefit and responsibility go hand in hand.

Responsible management of radioactive waste
Australia needs to comply with its international obligations under the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management.

In addition to providing proper disposal of Australia’s low level and short-lived intermediate level radioactive waste, the facility will store approximately 32 cubic metres of long-lived intermediate level nuclear waste arising from reprocessing ANSTO’s spent research reactor fuel. This material will return to Australia from France and the United Kingdom in 2015 and 2016.

We need a long term solution to this unavoidable, but manageable, issue.

Senate Committee Report
The Bill includes changes recommended by the Senate Legal and Constitutional Affairs Legislation Committee in May 2010.

In summary, the Senate Report recommended:

- The Minister undertake consultations with all parties with an interest in, or who would be affected by a decision to select the Muckaty Station site as the location for a facility;
- The Bill be amended to make the establishment of a regional consultative committee mandatory, immediately following the selection of a site for a facility;
- The Bill be amended to require the Minister to respond in writing to comments received in accordance with procedural fairness requirements;
- The Explanatory Memorandum be amended to include a detailed rationale for the Minister’s absolute discretion in relation to decision making under the Bill;
- The Bill be amended to include an objects clause; and
- Subject to consideration of the preceding recommendations, the Senate pass the Bill.

The Bill and Explanatory Memorandum have been amended to incorporate all of these recommendations, other than recommendation 3.

Given the possibility of a large number of submissions being received at various decision-making points, the intent of Recommendation 3 will be met by posting, on line, detailed reasons for key decisions as they are made, in line with requirements of the ADJR Act.

National Radioactive Waste Management Bill 2010

Schedule 1

Key decisions under the current Act are not susceptible to review under the ADJR Act.

Decisions under this Bill will be reviewable.

Schedule 2
In 2007, the Lauder Branch of the Ngapa clan volunteered a site on Muckaty Station as a potential location for a facility.
This community has a right to be heard and for their nomination to be considered under the Bill. This Government will honour those commitments.

Accordingly, Schedule 2 contains a saving provision to ensure that the nomination can continue to be considered as a potential site for a facility. Procedural fairness requirements will apply if this site is selected under the Bill.

Part 2-Nomination of sites

The current Act allows a facility to be established only in the Northern Territory. The Bill will allow the Minister to make a declaration allowing people to make voluntary, nationwide nominations.

In deciding whether to make a declaration, the Minister must first consider whether a facility can be constructed and operated on Aboriginal land that has been nominated by a Land Council in the Northern Territory.

Importantly, procedural fairness requirements will apply to any decision to approve any site and to open the nationwide volunteer site nomination process.

In accordance with the 2007 ALP Platform, three sites on Defence land in the Northern Territory identified by the former Government have been removed from further consideration as potential sites.

A facility cannot be forced on a community.

Part 3-Selecting the site for a facility

A decision to select a site should not be taken lightly. Comprehensive evaluations are necessary to verify whether a site is suitable. Flora and fauna samples need to be collected, geological and hydrological conditions must be evaluated and heritage investigations must take place.

These activities have a minor impact on land but could lead to significant delays if they are not undertaken.

Part 3 of the Bill authorises these activities for the purpose of selecting a site.

Certain State, Territory and Commonwealth laws which attempt to regulate, hinder or prevent these activities, will have no affect.

A declaration selecting the site will not guarantee the final location of the facility. This will be determined by separate environmental and regulatory approvals.

Part 4-Acquisition or extinguishment of rights and interests

Part 4 of the Bill allows the Minister to select a site and to identify land required for an access road to the site. Procedural fairness requirements will apply to these decisions.

Part 4 of the Bill authorises the acquisition or extinguishment of rights and interests in relation to the selected site and land required for an access road.

The Minister must also establish a regional consultative committee once a site has been selected. The Government is committed to ensuring community input and an open dialogue with regional interests on this important project.

Part 5-Conducting activities in relation to selected site

Part 5 of the Bill authorises certain persons to conduct activities on the selected site for the purposes of constructing a facility.

Australian Government facilities are regulated through the Commonwealth.

In conducting these activities the Environment Protection and Biodiversity Conservation Act 1999, the Australian Radiation Protection and Nuclear Safety Act 1998 and the Nuclear Non-Proliferation (Safeguards) Act 1987 must be complied with in order to construct and operate a national radioactive waste management facility.

State and Territory laws will not apply to the extent that these laws may regulate, hinder or prevent certain activities from taking place.

One effect of permitting State and Territory Laws to apply would be to permit legislation that has been enacted by most States and the Northern Territory and prohibits siting a facility and transporting waste.
Part 6-Granting of rights and interests in land to original owners

Part 6 of the Bill preserves rules in the current Act allowing the Minister to grant certain acquired rights and interests back to the original owners. This refers to land that was nominated by a Land Council, before the opening of the nation-wide volunteer site nomination process.

Part 7-Miscellaneous

Part 7 provides that affected parties must be compensated on just terms, where land is acquired for a facility.

Full details of the measures in the Bill are contained in the explanatory memorandum that has been circulated to honourable members.

I commend the Bill.

Screen Australia (Transfer of Assets) Bill 2010

This Government places a very high value on a creative and viable Australian film and television industry, which produces high quality cultural content appealing to Australian audiences. The Government acknowledges the enormous contribution the film and television industry has made to the cultural life of the nation. Beyond the initial reach and impact of screen productions, they also provide an important record of Australian cultural life for future generations. The importance of this industry will be further enhanced with the rollout of the National Broadband Network.

This Bill facilitates the transfer of part of Screen Australia’s film library and associated sales and digital learning functions to the National Film and Sound Archive (NFSA). It deals with consequential and transitional matters related to the transfer of staff, assets, liabilities and other matters. The Bill also provides for a change in name for the NFSA to the National Film and Sound Archive of Australia.

Screen Australia and the NFSA were established on 1 July 2008, delivering on a major element in the Government’s 2007 Election policy, New Directions for the Arts. Screen Australia is the Australian Government’s key agency for providing support to the film and television sector. The NFSA is the Australian Government’s collecting institution for the nation’s audiovisual heritage and has a national collection of over 1.6 million items.

The agencies have now successfully completed over two years of operations as separate statutory authorities. However, in that time it has become clear that the functions associated with the portion of Screen Australia’s film library produced by the former Film Australia Limited and its predecessor agencies, and related sales and digital learning functions, are now best placed with the NFSA. This film library is a substantial archival resource and the Government considers that the NFSA, as Australia’s premier collecting institution for audio-visual material, should be responsible for preserving and supporting the development of this resource. The transfer of this film library and digital learning functions will also enhance and complement the NFSA’s new direction of providing greater online content and improving access to its collection of audio visual materials.

Screen Australia’s film library amongst other things consists of a collection of approximately 5,000 films (and associated materials) produced by the former Film Australia Limited and its predecessor agencies. This part of the film library is one of the largest and most historically significant sources of archival, documentary and stock footage in Australia reflecting a century of our history. The sales function relates to the commercial use of the film library’s holdings. The digital learning function is a collection of primarily online educational resources which uses audio-visual material and stills within this film library and associated teaching materials which are suitable for primary, secondary, tertiary and lifelong learning.

In relation to the change in name for the NFSA, the addition of ‘of Australia’ to the end of the NFSA’s name will bring the agency’s name into line with the majority of the Australian Government collecting institutions such as the National Gallery of Australia, the National Museum of Australia and the National Library of Australia. The change will enable the agency to be identified internationally as Australia’s premier audio-visual collecting institution.
Statute Law Revision Bill (No. 2) 2010

Statute Law Revision Bills have been used for the last thirty years to improve the quality of Commonwealth legislation. The bills do not make substantive changes to law but still perform the important function of repairing minor errors in the Commonwealth statute books and improving the accuracy and usability of consolidated versions of Commonwealth Acts.

This continual process of statutory review complements the Government’s commitment to creating clearer Commonwealth laws. This connection was aptly put in a media article which referred to the previous Statute Law Revision Bill as “hoovering up the statutory detritus”. There is no doubt that the review process undertaken in the preparation of this Bill serves to ensure the statute book contains less clutter, in the form of outdated cross-references, and by repealing obsolete Acts.

Schedules 1–4 of this Bill achieve three main ends:

1. correcting minor and technical errors in Acts, such as grammatical errors and errors in numbering
2. modernising the language of a number of Acts, and
3. repealing obsolete Acts.

By removing or amending such outdated or unclear legislative provisions this Bill helps make the law clearer, more consistent and easier to access.

Schedules 5–8 of the Bill amend a number of Acts to ensure that Commonwealth Ministers and Departments are referred to consistently, rather than by using specific names.

Currently, when the names of Ministers or Departments change, or when responsibility for particular legislation is transferred between Ministers or Departments, the Governor-General makes substituted reference orders under sections 19B and 19BA of the Acts Interpretation Act 1901. The orders allow references to specific Ministers or Departments in legislation to be read as though they are references to the correct Minister or Department. This means that users of Commonwealth legislation have to read the legislation in conjunction with these orders.

The amendments contained in Schedules 5–8 will greatly reduce reliance on section 19B and 19BA orders, and the need for such orders to be made in the future. This is because the amendments insert more generic references to Ministers and Departments in Commonwealth Acts. For example, instead of referring to the “Minister for Finance and Deregulation”, after these amendments have been passed, they will refer to the “Minister for Finance”. This will be defined as “the Minister administering the Financial Management and Accountability Act 1997”. The particular Minister with that responsibility may change over time. This will improve the clarity and usability of Commonwealth Acts.

The Ministerial Council for Corporations has been consulted on the amendments in the Bill to the national corporate regulation scheme laws and has approved them as required under the Corporations Agreement 2002.

I thank the Office of Parliamentary Counsel for the significant time and effort that went into preparing this Bill. This is just one demonstration of the Office’s drafting expertise and commitment to ensuring that Commonwealth legislation is clear, accurate and effective.

Debate (on motion by Senator Feeney) adjourned.

Ordered that the bills be listed on the Notice Paper as separate orders of the day.

ENVIRONMENT PROTECTION AND BIODIVERSITY CONSERVATION (PUBLIC HEALTH AND SAFETY) AMENDMENT BILL 2010

First Reading

Bill received from the House of Representatives.

Senator WILLIAMS (New South Wales) (8.21 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 WILLIAMS (New South Wales) (8.22 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—

This is a bill that deals with the health and welfare of students and teachers at Maclean High School, the nearby TAFE and surrounding residential area on the North Coast of NSW. For too long they have had to put up with the stench and disease-threat from a colony of bats that have taken up residence in surrounding trees. And Mr President we are talking about tens of thousands of bats here, not just a few.

Bubblers and seats have been covered to avoid contamination. Classrooms have had their windows permanently closed, and air conditioning has been installed in some rooms because the windows cannot be opened. Car parks, walkways and disabled accesses are all going to be covered because of the flying foxes. The surrounding residential area has also had to put up with this nightmare.

The Federal Government would not agree to the removal of the bats, so the State authorities would not seek a licence for their removal. The Member for Cowper Luke Hartsuyker took up the cause of the 1100 students and teachers and the nearby residents when the Member for the adjoining electorate of Page Janelle Saffin stood idly by and did absolutely nothing. She did say “Flying foxes have been in Maclean for many years, and the problem is one that is primarily a result of poor state planning.”

The Federal Member for Page is also on the record as suggesting the school could be relocated so that the bats may stay.

In other words, hiding behind red tape and placing the interests of the bats ahead of the welfare of the people.

It was Labor and the bats vs the Maclean community.

This legislation, supported by a petition signed by some 4,300 people, will address this disgraceful situation so that the teachers, students and residents of Maclean can be free of this menace and a permanent long term solution can be put in place.

It will stop the bureaucratic merry-go-round by removing the Federal Minister from the process and allow the State Government to get on with the job of addressing this important local issue.

Debate (on motion by Senator Williams) adjourned.

COMMITTEES

Economics References Committee Report

Senator WILLIAMS (New South Wales) (8.22 pm)—On behalf of the Chair of the Senate Economics References Committee, Senator Bushby, I present the final report of the Economics References Committee on the decision of the Australian Competition and Consumer Commission on the proposed acquisition of Franklins by Metcash Trading Limited, together with submissions received by the committee.

Ordered that the report be printed.

Senator WILLIAMS—by leave—I move:

That the Senate take note of the report.

Senator WILLIAMS—I seek leave to continue my remarks.

Leave granted; debate adjourned.

TAX LAWS AMENDMENT (TEMPORARY FLOOD AND CYCLONE RECONSTRUCTION LEVY) BILL 2011

INCOME TAX RATES AMENDMENT (TEMPORARY FLOOD AND CYCLONE RECONSTRUCTION LEVY) BILL 2011

Second Reading

Debate resumed.
Senator WORTLEY (South Australia) (8.24 pm)—A longstanding aid program serves our national interest, creating a more secure, stable and economically prosperous region. Paying for the reconstruction in the considered way outlined by the government is the right thing to do. The impact of the floods is devastating, but during reconstruction we must also ensure that we stay on track when it comes to the challenges to our economy, including meeting the skill needs and attending to our infrastructure constraints over time. The task of rebuilding after the floods will mean added demands now on our capacity, skills and resources. That is why we have made room in the budget through spending cuts and a temporary levy to fund the rebuild. Many of those affected by the floods have lost loved family members, children, life partners, parents and siblings. Some have lost homes and businesses and many have lost a way of living. Introducing the temporary reconstruction flood levy is the right thing to do.

Senator BERNARDI (South Australia) (8.25 pm)—In rising to make a contribution to this debate on the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 it is wise for us all to be mindful about exactly why we have to do this. No-one can underestimate the devastation that has occurred in Queensland and Western Australia, and indeed other parts of Australia, due to floods and cyclones. Regrettably, these are a natural if not catastrophic part of life in Australia, given our climate and the nature of our vast continent. However, we also have to be mindful of exactly why we need to have a bill of this nature introduced into this place. The simple reason is that this government has squandered an unprecedented amount of taxpayers’ money. This government is borrowing $100 million every single day to fund irresponsible and reckless spending. That means the amount of $1.8 billion that is going to be raised by this levy is only 18 days of government borrowings.

When we put that into perspective, we think that that is going to go on for year after year. There are billions and billions of dollars that will be spent paying the interest payments and mortgaging future generations—that is why we are debating this bill today. The government has spent far more than it has earned. In fact, I would dare say that this government has not earned any money. It has only spent money, recklessly. It is taking money from taxpayers who have entrusted the government to do the right thing with that money for the long-term interest of Australia. Unfortunately for the government, its political imperatives have always been much more important than Australia’s national interest. How else can we explain the sudden urgency to go out and spend billions of dollars on a pink batts program—giving it away to people—that this government made such a mess of. Not only were billions of dollars wasted, there are also thousands of houses that are at risk of further disaster. There are hundreds of millions of dollars to be spent checking the work that the government has already paid for. Who can forget the fact that a number of young men lost their lives due to inadequate safety programs?

That was just one aspect of the waste of taxpayers’ money by this government. There were billions more dollars rorted through the Building the Education Revolution program, which is still rolling out across the country and all. This government has been in denial repeatedly about its problems. Whenever it has had a bad policy and the flaws of that policy have been brought to its attention by the coalition, the government has said, ‘Please, you’re just being negative.’ Of course we have been negative, because they...
are such bad programs. We are being negative now not because we lack heart or compassion for the people affected by the floods in Queensland or the cyclones or those who have been affected by disasters elsewhere; we are being negative because this levy is an unnecessary burden on the taxpayers of Australia. It has only been foisted upon us because of the inadequacy of this government in managing our financial resources and its inability or unwillingness to cut its cloth to fit its budget.

What further evidence do we need of that other than the fact that not only does this government always underestimate expenditure because it does not know how to implement policies and programs but also the Prime Minister herself at the National Press Club said, ‘We will find further savings if it costs more money.’ It is a stark admission—a confession, if you will—that there is still plenty of fat to rip out of this government’s wasteful budget.

Going back to how they have managed the national finances, we have to remind ourselves that this is just another tax. It is another tax in a long line of taxes. In fact, one could say this government have never met a tax they did not like. They have put up the taxes on things that a lot of people enjoy today. Whether it be a tax on a ready-made drink which actually supports responsible mixing of alcohol or on cigarettes, which are unfortunately still quite popular in our society, or imposing a mining tax to stifle investment and put Australia at a competitive disadvantage, they have never met a tax they did not like.

The role of government is not to put free pink batts in people’s roofs, imperilling their lives and their properties. That is not the role of government. It is not the role of government to send out $900 cheques to dead people and people living overseas. That is not the responsibility of government. The responsibility of government is to invest taxpayers’ money prudently for the future. That means sometimes setting it aside for a rainy day. By goodness, didn’t the rainy days come in Queensland? But if you do not save for a rainy day you cannot then provide the resources that are necessary. This is the tragedy of this government’s mismanagement and fiscal ineptitude.

We have a circumstance where there is a legitimate role for government to assist in the rebuilding and provision of public infrastructure in Queensland and around the country. Yet we have the government ignoring so many aspects of where help is really needed because they simply are not prepared to save the money in areas where they have their pet hobbyhorses. There are any number of areas in which we could save money. The coalition has identified quite a number of them in our finding of $1.8 billion to assist in the rebuilding of Queensland and the other states. But the government are unwilling to make those tough choices. They think that it is easier to play the wealth redistribution game, attack taxpayers and say: ‘Please just give more. We know you have a little bit left in you.’

The taxpayers and families of Australia are already suffering. They are suffering because this government has injected too much money into the money supply. It is fuelling inflation. It does not show up in the government’s figures because the government can manipulate those, but it shows up in the everyday lives of ordinary Australians. It shows up in the cost of utility bills, food, interest rates and mortgages, which would be much lower today if this government had not injected nearly $100 billion of borrowed money into our economy. There is no question about that, and we do not expect to hear much about it from the other side.
One of the interesting things that has given me an insight into the inability of the other side—the Labor Party and government—to come to terms with what they are creating is their great spinmeistering in saying, ‘Electricity price rises are nothing to do with us,’ even though they are going to be impacted by their proposed carbon tax. Their justification for future price increases is that prices have increased in the past. Quite frankly, we know why prices of electricity have increased in the past. It is because there is $1.1 billion of renewable energy impost on Australian consumers at the moment. It is an interesting thing when you look at your bill and you see that the costs have gone up, your electricity consumption has gone down but apparently your greenhouse gas emissions remain the same. It is such a fraud.

This government is blaming everyone else for its policy failings. This is just another example. It might seem quite small. The taxpayers of Australia are going to be asked to pay $300, $400, $500, $1,000 or whatever it is a year in additional tax. The total sum of $1.8 billion may not seem so significant but it is like straws that are piled onto a camel’s back. Families of Australia are already struggling, and this is another impost on them, another levy in the face of the taxes that have already been enacted and the rises in cost-of-living pressures, including health insurance and a number of necessities. The fact that this government is prepared to pile straw upon straw on the good people of Australia, who are only interested in making this a better country, means eventually their backs are going to break. This is my great concern. Eventually, if governments borrow too much money and they put too many demands on taxpayers, their will, resilience and ability to make additional contributions stops. It stifles creativity; it stifles investment. What worse message can there be when Australians rally to the aid of their fellow man and say, ‘I will reach into my pocket voluntarily to support those who are in trouble and struggling or for charities,’ than to be encouraged to do so disingenuously by the government that all the time had in mind for them not only to give voluntarily but also to be forced to give through a tax or a levy. That is exactly what happened.

The Australian people will naturally be dubious about future demands on their charity dollars. I do not want that to happen because I think personal charity and the willingness of Australians and many other people in the world to give to good causes is so important to the culture and the camaraderie of our society. It builds cohesiveness and it builds that elusive Australian quality which some would refer to as mateship—that is, looking after others. But the Australian people will be right to question next time demands are forced upon them, next time they are asked to reach into their pockets voluntarily and give $5, $50, $500 or whatever they can afford, whether it be for disaster relief, for a humanitarian mission or just to help someone who is in need. They are going to be right to ask, ‘What if I give all I can afford to now and then the government, because of their own ineptitude and financial mismanagement, say they are going to force us to give that little bit more through a “temporary” levy?’ I put quotation marks around ‘temporary’ because that is always the question. How can we plan for certainty when the government are prepared to change the rules on a whim?

I regret to say it looks like this levy will get through the parliament. I regret to say that because I think it sends a very bad message. This is not about restoring goodwill. It is not about restoring the budget to surplus, because you and I know, Madam Acting Deputy President, and everyone else in this chamber knows except those who publicly will not advocate it, that this government
will never ever deliver a surplus. It will not deliver a surplus, so it is not about that; it is just about saying, ‘How can we scramble together more money so that we can throw it into silly and ridiculous programs?’

I stand opposed to this levy because I am opposed to new taxes of any sort. If there should be an admirable aim of this government, of this parliament, it is to reduce the burden on taxpayers, promote more self-reliance, promote the freedom of willing giving. We should be looking at reducing our tax requirements by cutting the unnecessary fat from the budget. The coalition has found some unnecessary fat and I can tell you there is plenty more out there. Even the government acknowledge that they can find further savings if they are required to do so. Why don’t they do it, rather than slug the Australian people with something they can ill afford? No matter how well intentioned, they can ill afford it. Why wouldn’t the government just say, ‘Let’s cut back a little bit’? It would not be hard. Every family in Australia has to do it on occasions when the electricity bill comes in and it has gone up 16 per cent. But of course it is not the government’s fault, only that small $1.1 billion through the renewable energy targets. When the bills come in and the food prices have gone up by 16 or 20 per cent or when interest rates have gone up by four per cent and the government have lured the first home buyers into the market with some incentives and never any warning about being prudent about the future and that they are risking financial ruin, what do the government do? They just apply another tax. It is easier for the Australian people to have to wear it than for the government to make a difficult decision. I regret it has come to this.

I know the other side, the government, has referred to some levies and things that have taken place under previous governments and I regret that there have been times when they were needed in order to overcome budget black holes that were left to us as a legacy, kind of like a nasty present for an incoming government, such as the $96 billion debt that we inherited in 1996. That is $96,000 million. The difficult thing is that it does not sound that much money when you compare it with what this government has run up in only the last three years. It took them 10 or 12 or 13 years to run up that much debt and in only three years we are now $150 billion underwater, so $150,000 million underwater, and there is not a prospect, not a hope, not a snowball’s chance of them ever repaying that debt. That is a burden that will be left to successive generations in this country. It is a burden that no Labor government has ever undertaken. The Labor governments in my memory and in my research have never ever repaid the debts that they have accumulated.

Unfortunately it is going to fall in this instance on the Australian people to shoulder this burden, but at least it has been done, I would guess, in an upfront way. What the government has not done at any stage is acknowledge that the Australian people are going to have to wear this yoke around their neck for the next 20 or 30 years repaying such reckless ineptitude. That is going to put pressure on all of us when surely disaster will strike this nation again. I hope it is a long way away, I sincerely do, but rest assured that it will take place again. The only hope we have, the only prospect we have, is that we will have a government that is actually prepared to invest for the future, to prepare for the unforeseen but the all too expected. This is not a burden. This is not an onerous obligation. It is common sense. It is something that every family does and every individual does and it is something that successful governments do. Unfortunately this is not a successful gov-
ernment. It is successfully getting itself re-elected and we know why and how they got themselves re-elected: because they have no regard for the truth. They only have regard for spin and swindle. This is a government built on spin and swindle. They are swindling the Australian people, they are spinning to their heart’s content, and fortunately they are now being exposed by it.

In conclusion, I do not support this levy. I stand very firmly with the coalition. I do not support additional imposts on the Australian taxpayers because they can ill afford it. It is time for the government to get real, to take some responsibility for their own actions and look at how they can cut their cloth to fit the taxpayer budget.

Senator CAROL BROWN (Tasmania) (8.43 pm)—I rise to make a contribution on the debate on the temporary flood reconstruction levy. The two bills we are debating here today, the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011, do exactly as they suggest in their titles. They impose a small, temporary levy on those earning over $50,000 to assist with the rebuilding and reconstruction of flood affected areas. As everyone in the chamber is aware, over the Christmas and new year period Queensland in particular suffered from some of the worst floods we have ever experienced. This was truly a once-in-a-lifetime natural disaster. City streets turned to rivers, houses were swept away, whole communities were destroyed and people’s lives were changed forever. It is difficult to find the right words to describe the destruction and devastation caused by the floodwaters. The damage sustained was catastrophic. Whole towns and communities were destroyed. People’s lives were torn to pieces.

We have seen the harrowing images of complete towns and communities buried beneath floodwaters and now the waters have subsided we are left with the huge task of rebuilding and reconstruction. We know that this will not be easy; we know it will not be done quickly. A huge amount of work is required to rebuild the roads, railway lines, schools and bridges which have been destroyed. This is all vital infrastructure which we must rebuild, and to complete this rebuilding process we must pass these two bills.

This will be a costly natural disaster. In fact, the recent floods could prove to be the most costly natural disaster in Australian history. The damage caused by the floods is unprecedented. A huge amount of time, money and resources will need to be committed to fully rebuild those areas which have been crippled by the devastating floodwaters. Whilst the destruction in Queensland was devastating, other areas around Australia have not been immune from the destruction of the floodwaters either. Victoria and New South Wales were also severely impacted by the floods, as was my home state of Tasmania, which felt the effects of floodwaters too. I was pleased that the federal government and the Tasmanian state Labor government quickly joined together to provide assistance for Tasmanians affected by the floods. Tasmanian primary producers and small businesses have the opportunity to apply for category C grants, worth up to $25,000, under the Natural Disaster Relief and Recovery Arrangements. The grants, which are funded on a fifty-fifty basis, will help primary producers, small businesses and not-for-profit organisations get back to undertaking business as soon as possible. The Prime Minister highlighted that the assistance is:

… in addition to joint Federal-Tasmanian Government assistance available under NDRRA to restore critical public infrastructure—such as
roads and bridges—once certain thresholds are met.

There is no doubting the impact these floodwaters have had around Australia. The damage has been wide reaching and devastating, and the effects on the Australian economy will be vast. Already, Treasury estimates that the floods will take half a percentage point off growth in 2010-11. As the Treasurer pointed out, this is around $6 billion stripped out of the economy. Key economic sectors in Queensland have been severely impacted and this does not include the damage sustained to critical public and community infrastructure, and the damage bill to rebuild that critical infrastructure comes in at $5.6 billion. That is why we have put forward our package of budget saving measures as well as the Tax Laws Amendment (Temporary Flood Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood Reconstruction Levy) Bill 2011.

As the federal government, it is our responsibility to be there ready to help rebuild this critical infrastructure. To rebuild this infrastructure, we have announced a $5.6 billion package made up of a temporary levy and substantial budgetary saving measures. This is a package that we believe is right. Two-thirds of the $5.6 billion package will come from savings within the budget. The government has decided that more than $2½ billion will come from cuts to programs and about $1 billion will come from infrastructure projects that have been identified as projects which can be delayed.

Our entire flood-rebuilding package, including the temporary levy and the savings measures, is fully costed and accounted for. This is in stark contrast to the alternative package put up by those opposite. Whilst those opposite are happy to oppose our package, which includes the one-off, temporary levy, it is important to note that it was they who presided over the gun levy, the dairy industry levy and the Ansett levy, just to name a few. In fact, those opposite introduced six levies in total during their tenure in government—that is, six levies in 12 years. They were happy to introduce levy after levy when they were in government, but they will not support a one-year temporary levy, a levy to rebuild Australia, a levy to repair affected Queensland communities after unprecedented levels of damage caused by the floodwaters. Those opposite have a history of being very supportive of levies. They introduced six of them whilst in government. Last year, during the election campaign, their leader, Mr Abbott, tried to impose a two-year $6 billion levy on Australian businesses as part of their paid parental leave scheme.

I am not sure how Mr Abbott and those opposite think they can now fool the Australian people by saying they oppose levies, when they have the track record and the history to show that they are more than comfortable introducing levies. They are partial to levies. They have used them before and so their opposition to this levy can be construed as nothing more than an attempt to play politics and try to score cheap political points. How can opposition senators come into this place and tell their constituents that they have been happy to support levies in the past but will not support a levy to rebuild Australia? Maybe it is because they think they are able to pull billions of dollars of savings out of the budget. How wrong those opposite have got it. How wrong they were. Their alternative plan to fund the rebuilding of the areas affected by the floodwaters got it wrong—they mucked up the figures. It is not the first time, mind you, those opposite have put forward an alternative budgetary savings plan that was full of holes.

The opposition Treasury spokesperson, Mr Hockey, along with the Leader of the Opposition, Mr Abbott, tried to pull the wool
over the Australian people’s eyes. They were again exposed for counting savings measures which had already been accounted for, double-counting savings and overall just trying to deliver another costings con job. I suppose all these bungles were hardly surprising from an opposition who advocated a wait-and-see approach to the global financial crisis, an approach which we all know would have led to results similar to those experienced by the rest of the world: high levels of unemployment, large amounts of government debt and an economy in recession. This is in stark contrast to the Labor government. We on this side of the chamber have the economic credibility to deliver a package of measured budget savings and a one-off temporary measure.

Our levy will be introduced for the 2011-12 financial year and will only apply to those people earning a taxable income of $50,000 or more. Those people earning between $50,000 and $100,000 will pay a rate of 0.5 per cent as part of the flood levy and those taxpayers earning $100,000 or more will pay the levy at a rate of one per cent. The levy will not apply to those low-income taxpayers with an income of $50,000 or less. There have also been a number of exemptions put in place to ensure that taxpayers who have been affected by a natural disaster during 2010-11 will not have to pay the flood levy. For instance, those people who received the Australian government disaster relief payment will not be required to pay the flood levy, as well as a number of other people who meet specific criteria. The levy will be automatically withheld from a taxpayer’s pay. Employees that are entitled to an exemption from the levy can ask their employers not to withhold the flood levy. Also, businesses will not need to pay the levy but will be required to withhold it from an employee’s pay.

It is worth remembering that this is a temporary levy—it will only apply for the 2011-12 financial year—and that it is a modest levy. In fact, about 50 per cent of taxpayers will pay nothing. Over 60 per cent of taxpayers will pay less than $1 a week. About 70 per cent of taxpayers will pay less than $2 a week and over 85 per cent of taxpayers will pay less than $5 a week. These are modest levels. In fact a person on the average full-time wage of $68,000 will pay just $1.74 per week. The Treasurer has highlighted that this amount is actually: … less than a tenth of the tax cuts that they have received over the past three years. Let’s just put that into perspective: it is less than a bus ticket, less than a packet of Burger Rings, less than a weekend newspaper and less than a cup of coffee.

The two pieces of legislation we are debating here today form a vital part of the Labor government’s responsible flood rebuilding package. We have made significant savings to the federal budget and we plan to introduce a small one-off temporary levy to fund the rebuilding of vital infrastructure. In fact, for every $1 contributed to the flood rebuilding process via the levy, we have found $2 of savings in the budget. We have found spending cuts of $2.8 billion and delayed $1 billion of infrastructure projects, which is two-thirds of the cost, with the remainder met through the one-off levy of $1.8 billion.

It is time for the political point scoring and mud slinging to end. The time has come to get on with the job of rebuilding Queensland. Australians have responded to the flood crisis with such compassion and kindness. We have heard amazing stories of comradeship and mateship, of complete strangers responding to the distress calls of their fellow Australians, and of everyone pitching in and helping each other out. It is now our turn as the federal government to come to the party and meet our obligation to stand with the people of Queensland and rebuild the
communities devastated by the floodwaters. These two pieces of legislation will help with that rebuilding process and I urge all senators to support the bills.

Senator BACK (Western Australia) (8.55 pm)—The very fact that we are here debating the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and the Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 is a testament to the incompetence of this Labor government. We should not even be here debating it. If this government were competent, it would still have most, if not all, of the surplus funding of $22 billion which it inherited from the last Liberal coalition government led by Mr Howard. If it were competent to manage those funds, we would not even be having this discussion. Do we support Queenslanders, Victorians, New South Welshmen, Western Australians, Tasmanians and New Zealanders in their natural disasters? Of course we do. We always have and we always will, so do not hide behind that curtain of protection by appealing to the goodwill of Australians.

Why do we need a levy? As Dorothea Mackellar said in her poem a hundred years ago and others have said repeatedly, we are a land of drought and flooding rains. We always have been a land of natural disasters and we always will be. Some of them I will draw attention to this evening. What would any responsible family, any responsible household, any responsible business do? They would always save for a rainy day. Labor governments do not know how to save for rainy days, but they were handed a surplus of $22 billion when they came into government and one would have thought they would have been capable of keeping this budget in surplus for that purpose.

I have sat here this evening and today and listened to the nonsense that has been put forward about Howard-Costello governments always calling for levies when the need arose—a levy on gun control, a levy on dairying and a levy on Ansett. Why did the Howard-Costello government have to do that? There were two reasons. One was that that government inherited a $96 billion debt from the last Labor government and it spent through until 2007 repaying that debt. For those who are not aware, the average interest bill alone whilst they were paying down that principal was in excess of $5 billion a year. That was one of the two reasons they had to do it. The second reason was that they were very active in prudently managing the economy and in effecting cuts where it was necessary. It was only after their efforts to repay debt and after their efforts to prune the budget that they may have had to go to a levy. I will remind this chamber that it did not even go to a vote when Mr Howard called for the levy on guns as a result of those shocking events in 1996 in Tasmania. The circumstances here today could not be more profoundly different. Labor did not inherit a $96 billion debt; it inherited a $22 billion surplus. We have seen little if any evidence of this government being willing to cut its cloth so that it could make these savings on its own.

What are the funding alternatives in an event such as this? There are three: the first is to find alternative cuts or deferrals, the second is to add to loans and the third is a levy. Which one did the government rush to? I return to the alternative of funding cuts or deferrals and remind Senator Carol Brown, if I may—through you, Madam Acting Deputy President—that the coalition offered to work cooperatively with this Labor government to try and find those extra cuts in the budget. What was the reaction? As usual it was one of rejection.
If I could return for one moment to when the global financial crisis first hit, who was the person who first suggested that there be some limited level of underwriting of deposits by the banks? It was Malcolm Turnbull. The figure he suggested was $100,000. He was laughed at and was rejected by this Treasurer, who knows very little about economics, who only days later not only accepted—

Senator Farrell—You rejected him, too.

Senator BACK—We did not reject the man at all, Senator Farrell.

Senator Farrell—You did; he was your leader.

Senator BACK—We will have to have a conversation about that at another time. In fact, Treasurer Swan went beyond the $100,000 deposit guarantee and put in an unlimited deposit guarantee and, of course, we know the rest is history. The government had the opportunity and the offer of the coalition to work cooperatively to find some of those cuts or deferrals. For example, since we have had the floods down the Murray-Darling, we could defer a $600 million payment for water buybacks, which would appear to not be necessary in this or the next financial year, and defer the Australia-Indonesia education partnership of $450 million—not to stop it, not to completely remove it, but to defer it. At a time when Indonesia was in terrible straits as a result of the tsunami, the Howard government donated $1 billion when their own Muslim brothers in the United Arab Emirates, in Dubai, came up with the princely sum of $1 million to assist. This is a time when we need support and need to be able to wind back some of that $448 million.

Of course, we come to the famous automotive transformation scheme overseen by Senator Carr—Carr by name and car by nature. That was $500 million which could be either deferred or indeed cut.

*Government senators interjecting—*

Senator BACK—There are plenty of opportunities, Senator Brown and Senator Farrell, to be able to avoid that levy. The second option is to increase loans. But what has this Labor government been doing since the middle of 2009? It has been borrowing in excess of $100 million a day, seven days of every week. They have been borrowing $700 million a week. Of course, they have the great big excuse that they want to return the budget to surplus.

*Senator Carol Brown interjecting—*

Senator BACK—Do not worry about it, Senator Brown—you have never returned a surplus budget. Labor would not know what it was to return a surplus budget. Nevertheless, why is the loan option not attractive? Because they are embarrassed by the amount they are borrowing at this moment. We know, of course, the response of the banks to that.

We turn then to some of the advice the government received in an inquiry recently. Mr Eslake said:

I would be concerned if every time a significant or expensive natural disaster or indeed any other exigency fell to the Australian government the response was to slug the 40 per cent of the population who are considered rich enough to bear an additional tax burden.

Professor McKibbin said:

My view is that we should always, where possible, establish good principles for economic management because when the big decisions have to be made we have a framework in which to act, whereas if we continue to do what we have always done we end up becoming a banana republic.

Where have we heard the term ‘banana republic’ before? I think it was from a previous Labor Prime Minister.
So we look then at this flood levy, the third option, that we say is totally unnecessary. What about the bureaucracy that is going to be put into place to administer it? What about the fact that the levy was called down before Cyclone Yasi hit the North Queensland coast? What do we do now? Do we increase the levy, do we increase borrowings or do we dig a bit further into cuts? What do we do when we have another natural disaster? Is the $1.8 billion cast in stone? I doubt it. And of course, as Senator Carol Brown said, there will be some in the salary brackets who will be exempted, and I intend to come back to that. Isn’t the brilliant management of this particular government wonderful?

In some of the deferrals the government have decided to defer flood mitigation work on the Bruce Highway and the Herbert River floodplain. I do not know those areas all that well but I would have thought that the highest priority should be protecting the Bruce Highway through keeping the channel of logistics and transport open and doing something about flood mitigation on the Herbert River floodplain. They ought to be highest on the priority list to do, not to cut. But, of course, that is what we see the government doing.

To secure the support of Mr Wilkie, in this case, we saw that they had already reversed one of the earlier decisions, which was about the Australian learning and teaching program. They also reversed a $365 million solar flagship and the NRAS program. And it is my understanding that Mr Katter was able to get $650 million for North Queensland flood mitigation as a result of Cyclone Yasi. At least he got something for his vote. Our good member for O’Connor, Mr Crook, got absolutely nothing. Not only did Western Australia get nothing—and I do not intend dwelling on WA, much to your surprise, Madam Acting Deputy President Kroger—but the good member got nothing for his electorate of O’Connor in giving away his vote.

This government has lost the confidence of the Australian people. We saw its waste in the Gillard memorial halls exercise. Some of us in this chamber sat and watched and wept as we learnt about the waste. In three states only—the states of Queensland, New South Wales and Victoria—when you took the figures per square metre for the building construction in the state schools as opposed to the independent schools, the dollars per square metre differential equated to more than $2 billion. There alone, in one project, in three states, is the equivalent of the levy that this government so shamelessly wants to visit upon some within the Australian community. In the pink batts program, magically and mystically, there was another $2 billion of waste. There were the green loans—one could go on and on. There is no confidence in this government left in the Australian people.

How then do we prioritise these projects? If there is $5.6 billion and if $1.8 billion is the levy, there is $3.8 billion left to get underway with the reconstruction programs. We have seen that the Prime Minister has gone through and made savage cuts so heroically to the budget. What are they? Cash for clunkers is one that she was ashamed of to start with. Everything that she has cut is from projects that she knows very well were dear to the heart of her predecessor, the person she knifed and deposed but also the person of whose gang of four she was a member. The government has discontinued bad policies, bad funding and bad projects.

As was said earlier this evening, all this is a tax on generosity. We are per capita the most generous country in the world when it comes to responding to natural disasters. I spoke earlier about the overwhelming response by Australians to the tsunamis that
afflicted those to the north. We have seen it with Christchurch. We saw it with these floods. I would be very interested to know what the change in donations to the Queensland Premier’s flood appeal has been since 27 January, when this Prime Minister shamelessly announced the introduction of the levy.

Senator Boyce interjecting—

Senator BACK—It is a secret, apparently, Senator Boyce tells me. They are so ashamed of the cut-off of funds in those donations that they will not even come out—well, it certainly did not cause much difficulty for that Premier to be in front of the cameras when there was a story to be told. I want her to tell us: what was the cessation of donations once it became known that people who had donated generously will now, in fact, be levied? As has been said by the government’s own advisers, this has not been an economic decision; this has been a political decision—a poor political decision, a disincentive to donate.

It is interesting, isn’t it? Just today we see that, because Queensland, of all the mainland states, has been alone in not insuring against disasters, we find ourselves now in the circumstance of having to grant further support. Whilst there will be an outpouring of support, assistance, time and effort, it behoves the Queensland government to do as the other mainland states do—that is, to take out that disaster insurance—as indeed it behoves people in fire prone areas and flood prone areas to insure. It is simply not good enough. We now see, with the current break-up of the GST as recommended by the Grants Commission, that Queensland will save $15 a head, Victorians will save 50c a head, and it will be the other states that bear that burden.

Speaking of Victoria for a moment, it is only two years ago that we regrettably had the Black Saturday fires, with in excess of $4½ billion worth of damage. If you think back to that time, the world was in the global financial crisis. At that time there was no need, despite the economic circumstances we found ourselves in, to go to the Australian people with a levy. Here we are now, where the government is calling for this levy. I ask why. I ask why the inconsistency, and I ask why the incompetence of this government.

Finally, in this contribution I wish to speak about the poor management of disasters at the financial level by the Attorney-General’s Department and Emergency Management Australia under the Australian government response and recovery arrangements. The Gascoyne River floods in December, the worst in WA’s history, afflicted that entire area and destroyed the town of Gascoyne Junction and the pastoral properties down the Gascoyne. All of the plantations in Carnarvon were destroyed. Caravan parks and houses were washed away. In accordance with the disaster response agreement, the Premier wrote to the Prime Minister on 31 December, declaring it a category C natural disaster. In her defence, the Prime Minister wrote back to the Premier on 5 or 6 January with a copy to the Attorney-General, agreeing with the Premier, and she went to visit the Gascoyne.

No-one got the $1,000 per head or $400 per child under the response and recovery arrangements. Not a single person received those payments from Centrelink until I asked the question, here in the chamber, of Senator Ludwig, representing the Attorney-General. I got absolutely no answer because he did not know the answer. Only then did we find out that a government bureaucracy here in Canberra had made its decision that people of the Gascoyne were not entitled because not very much had happened. It was then, 24 hours later, that the Prime Minister, to her credit, put out a requirement that they were to be paid those funds.
I will refer very briefly to the squandering that went on in Queensland as a result of those floods. People north of Brisbane, some 1,170 kilometres, at the Yarrabah community, ended up getting flood relief funding—1,700 kilometres away! People in Laura, halfway up Cape York, ended up getting funding as a result of Cyclone Yasi, when they suffered no damage at all. To answer Senator Brown’s comment about the Prime Minister waiving any costs for people who have drawn down these funds: in Queensland, I understand, there were plenty who availed themselves of the $1,000, donated it back to flood relief but of course, as a result of being recipients, are now themselves exempted from paying that particular levy.

We have seen throughout this exercise a complete and utter disregard for the generosity of Australians; we have seen a disregard for what I would regard as an acceptance and an understanding of the fact that we live in a country of droughts and flooding rains. It is time this government acted responsibly—and, if they cannot, for them to stand to one side for a government that has and will again.

Senator BOYCE (Queensland) (9.15 pm)—I am proud to stand here today as a senator representing the people of Queensland, who are a proud people. I was reduced to tears listening to a number of people in Grantham, one of the towns that was most affected by the floods, saying to me, ‘I hate to say this, but we need help; we really need help.’ But they were not looking for the sort of help that is being suggested by this … government. I was searching for a term there, but I am not sure what it is—the Labor-Greens alliance. The Labor-Greens alliance has tried to characterise opposition to the flood levy which would be imposed by the Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 as not standing up for the Queensland constituency. I am sorry, but I represent a large portion of the Queensland constituency. I was driven recently in a taxi by a man whose main occupation is growing vegetables in the Lockyer Valley. He lost his house, he lost his crop—a pumpkin crop that was 90 per cent ready to go—and he said to me, ‘This flood levy is BS.’ That is not the sort of help that Queenslanders want. They are appalled by the suggestion that this is the way to fix it; they look at the record of this government.

If we go back to previous Premier’s relief appeals, established by and named after the current Premier, I contributed to the last one. But where was the governance? Where was the accountability? It did not exist. There is still $700,000 sitting unspent in the Cyclone Larry Premier’s appeal. Why would anyone in their right mind contribute to this appeal? Well, they would contribute to this appeal, as thousands and thousands of people throughout Australia have, because they think it is designed to help all those who were affected by the floods. Sorry, but a little while later you find out that in fact it is means-tested, it is income tested, it is only available for personal loss. Then we discover that the rate at which this is being pushed out is pathetic—less than 20 per cent of the over-$200 million that has been contributed to the Premier’s flood relief appeal has so far been distributed.

Once again we are looking at incompetence by this government. Not only are we looking at incompetence; we are looking at what is to me a very frightening ignorance. Senators on the other side have over and over spoken about ‘flood affected’ people. I am sorry, but there was almost no-one in Queensland who was not flood affected. I spoke to a woman in Rocklea, whose business had not been flooded. She told me about
having a visit from her local member, who just kept walking when he discovered that she had not had water through the premises. But her business was a fireworks events business. She had had 39 cancellations between Christmas and early January. So you tell me she was not flood affected. There was a business on the Sunshine Coast. There was no flooding whatsoever on the Sunshine Coast, but one of their major customers went into liquidation, owing them over $160,000, because of the flood effects on that customer.

The list goes on and on: ‘flood affected’ means almost everyone in Queensland—and yet the flood levy, were it to be passed, will be available to those who were ‘damaged’ by the floods. I am sorry, but practically every business, practically every individual, in Queensland has somehow been affected by the floods—often, people who were simply not able to get home for 24 hours, or did not have power for 48 hours. A lot of companies, businesses and individuals did not actually have water through their premises, but if you could not get to work for three days, and your employer chose to see that as leave without pay, you were affected. If your customers could not order because they had no ability to sell, if your suppliers could not supply, if the freight companies that deliver your products could not deliver, if you had nothing for those freight companies to deliver, you were affected. It is ridiculous, absolutely crazy, for this government to talk about individuals who were affected by the floods. It is not just individuals who were affected by the floods, and it will not be by just assisting individuals that we will solve this problem. We will solve this problem by assisting individuals and by assisting companies, the job creators of Queensland. It goes on and on.

I was interested to hear Senator Milne refer to the fact that this levy was a one-off event, yet that climate change meant that there would be more and more extreme weather events. She asked, ‘What are we going to do next summer?’ I ask the Labor government the same question. Right now we have a 12-month ‘temporary’ levy. There was nothing in the bank from this government for the future. This is not the first and last time that extreme weather events will happen and yet this government had absolutely nothing in the back pocket for it.

In Queensland we are talking of needing $5.6 billion for the rebuilding of infrastructure in flood affected regions. Yet up until last Saturday the Prime Minister and others were not even in the slightest interested in assisting local government with their infrastructure. There was the crazy situation where if employed council workers undertook flood reparation work they were not covered by federal government support. As one mayor said to me, ‘We should send the council workers off to repaint the library, even though it does not need it, and put subcontractors in to fix the roads and bridges.’ How ridiculous. In a lot of cases councils just went ahead, as they do in Queensland, because they are sensible people representing their local ratepayers. They have roots in the area and they understand their ratepayers. They went ahead and used their council workers to undertake the desperately urgent work that needed to be done, with their fingers crossed that they could persuade the federal government to fund that. How ridiculous that this went on for six weeks before some agreement was dragged out of this government for the funding to take place.

An even more vulnerable group is the not-for-profits. There was an opportunity for Premier Bligh, when she wrote to the federal government on 10 January telling them that she wanted to invoke the national disaster relief agreement, to say, ‘Let’s include the not-for-profits in this group.’ She did not. From conversations I have had, it would ap-
pear that leaving them out was a complete oversight of hers. It took five weeks for Premier Bligh to ask the federal government to provide some sort of emergency funding to the thousands and thousands of community groups that are the backbone of our community. This is something that was acknowledged even by Premier Bligh when she was involved in the pre-18-February announcement on this. These are the organisations that keep people going. Riding for the Disabled, near Caboolture, lost everything except their horses. They lost their saddles and everything else. What they lost was probably the result of hundreds and hundreds of hours of volunteer fundraising, raffles and the like. We all know what goes into getting $10,000 or so of resources for a not-for-profit organisation—I hope we all know what goes into getting $10,000 worth of resources for a not-for-profit organisation. Yet it apparently had not occurred to the Premier what sorts of organisations had to be rebuilt in order to maintain communities and community spirit in those areas.

Even worse, the Queensland Alliance, which is the peak body for the mental health organisations of Queensland, supplied to the Premier and to others at the end of January a survey of the capacity of mental health organisations in Queensland to meet the needs from the floods. They pointed out that 30 per cent of their organisations had damage to premises. They pointed out that the ability of the organisations surveyed to deliver mental health services was reduced by about one-third state wide. Most of these organisations are not-for-profit ones. Yet where was the quick emergency reaction to these groups? It did not exist. It was not until 18 February, after vast amounts of advocacy and lobbying, that the not-for-profit organisations finally got some assistance.

Looking now at the criteria for paying the flood levy: people who earn under $50,000 do not pay anything, people who earn between $50,000 and $100,000 pay 0.5 per cent and people who earn over $100,000 will pay one per cent—0.5 per cent plus 0.5 per cent. That is fine. I want to look at some of the groups that are going to be seriously affected by this decision. I would like to talk about a family that have farmed near Esk on the Brisbane River for well over 100 years. They have done the sorts of things that farmers have needed to do to survive. They have planted trees so that they have a timber component. They have leased land to a quarry so that they have another income stream. And guess what. The paulownia plantation that they had has been destroyed. Their farm has been destroyed. But, because they will earn income because they have a quarrying business occupying some of their site, they will pay the flood levy. I am sorry, but we are still back to that ‘What is flood damaged and what is flood affected?’ dichotomy. It is ridiculous that there are thousands of businesses that are required to pay the flood levy because a person is only exempt from the flood levy if they get the $1,000 payment.

We believe that there has already been a huge influx of people. Many people who were inconvenienced in a minor way, such as by having to stay with friends overnight. That means they meet the criteria for not being able to get home for 24 hours. Or they might not have had power for two days—they might have had a generator, but they did not have mains power for two days. These people had not done anything about getting flood compensation. If they claim that flood compensation now, they will be exempted from the flood levy. And yet that only applies to a personal levy. We have many people who are very deserving of that flood compensation. But others who had a minor inconvenience did not claim it or, as someone earlier said, claimed it and donated it because they did not feel that they needed that
money or that they were entitled it. Like many proud Queenslanders, they did not want the help unless they desperately needed it.

But now we have businesses in many rural areas in which people have diversified where the income of the company will be such that these people will have to pay the flood levy, irrespective of the fact that their major source of income has been completely destroyed. There is no heart and there is no shame in this government in terms of the way that it attacks commerce and enterprise. You cannot live in most parts of Queensland right now and not be flood affected. Lots of places were not flood or cyclone damaged, but the damage that was done by the floods and the cyclones was not just to property or lifestyle. Damage was done to business and chains of supply. This is about people going about being part of a community and earning a living within a community. This levy as proposed by the Labor government has absolutely nothing to do with reality in Queensland. It ignores the fact that people in Queensland do not want help on this basis. They want personal help. It ignores the fact that vast numbers of people in Queensland who have been hurt are not in any way assisted by this attempt at a levy.

**Senator EGGLESTON** (Western Australia) (9.35 pm)—This has certainly been a summer of catastrophic flooding in Australia. There have been floods in Queensland, Victoria, Tasmania and in WA. Great rivers, such as the Gascoyne, have flooded and there has been flooding in the Pilbara and the Kimberley from recent cyclones. According to the Insurance Council of Australia, the current insurance claim for these floods—not including WA—is $2.757 billion. That is a lot of money. This will inevitably continue to rise. The total number of claims is over 104,000, which shows that many people across this country have been the victims of the flooding that has occurred over this last summer. The Insurance Council of Australia, while giving these statistics about the total number of claims and the total value of these claims, admits that the total cost of restoration, including of infrastructure and uninsured properties, is not known.

Tonight we are debating the Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011 and the Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011, which impose a levy to pay for flood damage. But, given that flooding is so common in Australia, I think we have to ask ourselves whether imposing a levy is really good public policy or whether we should be looking at other things. Should the money come from other sources, such as government, or should it come, for example, from insurance? I find it curious that this levy is being imposed before, apparently, a full evaluation of the total cost of the damage caused by the recent flooding in Queensland has been made. I think it is rather curious that the government has decided to impose a levy to raise $1.8 billion to be used to restore damage in Queensland before the total cost of that damage has been assessed.

A little while ago prominent economist Saul Eslake, speaking to a House of Representatives inquiry into this same matter, said there were three pathways available to government to meet the unanticipated costs of natural disasters. These were the imposition of new taxes, which is what this government is doing; borrowing the necessary funds and repaying the debt over time; and reducing spending. I think that, given this government’s track record, reduction of government spending is by far the most preferable pathway that should be followed to provide the money necessary for the restoration of infrastructure, buildings and facilities in Queensland that were damaged by the floods which
are the responsibility of the government and which are not otherwise covered by insurance.

It is this matter of flood insurance that I would like to make a few remarks about. I think it is high time we expanded the coverage of flood insurance in Australia, because flooding is very much an annual part of the Australian calendar. In fact, according to the Insurance Council of Australia, flood is a persistent risk in the Australian community and it accounts for nearly one-third of natural hazard damage in this country. That is quite a remarkable statistic, I think. The floods in Australia are predominantly caused, according to the Insurance Council of Australia, by heavy rainfall associated with La Nina years, in which more floods, on average, occur than in El Nino years, and rainfall causes both riverine and flash floods.

Insurance for floods does exist in Australia, but unfortunately not a lot of people take it out. Appropriate insurance is also available for government requirements, at admittedly high premiums. But surely taking out such insurance would be a prudent action by a government whose jurisdictions are subject to frequent natural disasters, including flooding. I understand that in 2008 the Insurance Council of Australia sought to have the Australian Competition and Consumer Commission develop a standard definition of flooding, but the ACCC decided not to authorise the proposal put forward by the Insurance Council of Australia. For that reason, according to the representative of a very large insurance company in Australia who came to see me last week in my office in Perth, Australians are underinsured for flood damage. I think this is a matter that should be addressed both at government level and by the community. The chief manager of the Commonwealth Bank has supported the extension of flood insurance in this country.

The Insurance Council of Australia has said that Australia does not so much need a specific definition of floods—it certainly does not need a flood tax—as it needs a universal definition of flood so that insurance companies can offer appropriate cover to interested consumers. In March 2008 the Insurance Council of Australia lodged an application with the ACCC seeking authorisation of an agreement between its members to adopt, on a voluntary basis, a common definition of inland flood. The ICA’s proposed definition, which was put to the ACCC, went as follows:

Inland Flood is the covering of land that is not normally underwater by:

- water that overflows or escapes from a naturally occurring or man made inland water course (such as a river, creek, canal or storm water channel) or a water pool (such as a lake, pond or dam), whether it is in its original state or it has been modified; or
- water released from a dam whether it be accidentally released or intentionally released to control, mitigate, regulate, or otherwise respond to excess water, or
- water that cannot drain or run off as a result of water that is overflowing or escaping from an inland watercourse or water pool preventing the escape of water.

That was the definition that the Insurance Council of Australia put to the ACCC for their consideration. But in July 2008 the ACCC issued a finding in which they declined to authorise that definition. They did this because, they said, they had consulted widely on the definition of inland flood put forward by the ICA and they found that significant concerns about the proposed definition of flood had been raised by a number of consumer bodies, including the Consumer Law Action Centre, the Consumers Federation of Australia, the Insurance Law Service, the Legal Aid Commission of New South Wales and Legal Aid Queensland. Obviously
a lot of significant bodies had serious reservations about the definition put forward by the Insurance Council of Australia. These concerns related to the terminology chosen by the Insurance Council of Australia. It was argued that the ICA’s definition would in fact increase consumer confusion about the meaning and nature of flood cover rather than improve consumer understanding. The ACCC’s statement went on to say:

The ACCC is particularly concerned that the ICA definition of flood introduced a range of new concepts the legal implications of which are not clearly understood.

The ACCC said that they recognised that this was a complex issue and encouraged the Insurance Council of Australia to work with consumer groups and other interested stakeholders to develop a common definition of flood which would make it easier for consumers to understand what the term ‘flood’ means and the extent to which an individual’s insurance policy covers them for flood damage.

I understand that because of the recent floods in Queensland there is now a very definite movement to put forward another application to the Australian Competition and Consumer Commission to come up with a suitable definition of flood in order that larger numbers of members of the public, state governments and institutions can be covered for flooding. If the cost of flood damage were to be transferred to insurance companies, it would certainly take a great deal of pressure off governments and there would be no need for what appear to be little political stunts like levies to raise $1.8 billion for the Queensland flood situation before there has been any real assessment of the total cost of the damage in Queensland.

It is very important that a legal definition of flooding is developed and put in place to give comfort to private policyholders, institutions and governments to cover the problem of flooding in this country. As I said, flooding occurs on quite a large scale in this country, accounting for one-third of the cost of natural disasters each year. It is perhaps surprising to hear that flooding is a real problem in Australia, because it is largely a dry continent.

I think taking this kind of approach is far preferable to the government seeking to impose a levy. A levy would not address the basic issue, which is that people who expose themselves to the risk of flood need to be able to cover their costs should flooding occur. With that, I conclude this presentation, asking simply that the government and the community in general support the endeavours of the Insurance Council of Australia to develop an appropriate standard definition of flooding that is acceptable to the ACCC so that an authorisation for insurance for flooding purposes can be issued.

**ADJOURNMENT**

*The President*—Order! It being 9.50 pm, I propose the question:

That the Senate do now adjourn.

**Migration**

*Senator Lundy* (Australian Capital Territory—Parliamentary Secretary for Immigration and Multicultural Affairs and Parliamentary Secretary to the Prime Minister) (9.50 pm)—Australia is a nation built on migration. Each sitting day of parliament we are reminded of this in our acknowledgement of the First Australians, Aboriginal and Torres Strait Islanders. Acknowledging their custodianship of the land and paying our respects underlines that for the rest of us our path to this country was through migration. I love this about Australia. It is inspiring to think of the active commitment made over the generations to build a country, to form a nation. For many of us Australia has been a choice, a promise founded on values of
equality and a fair go. As the Minister for Immigration and Citizenship, Minister Bowen, recently reflected, people choose to migrate to Australia because of its values. It is on belief and vision that we gathered from the corners of the globe and it is ideals that sealed our commitment and tied our fate.

Australia’s values and our character lie at the core of Australian multiculturalism. It is our laid-back approach, our warm welcome and hospitality that have enabled us to thrive in our diversity. In eschewing the trappings of class and the strictures of tradition, we have built a country driven by a collective desire for betterment, one that is open to innovation and new ideas and that is accepting of each other’s strengths and skills. It is an egalitarian belief that our value is not determined by our personal history or our background but by our potential, our willingness to contribute and our desire to give something back. It is a vision of this nation held by successive governments and nurtured over many decades. We have always known that the strength of this country was not just our magnificent coastlines or our incredible Red Centre but our people, the people of Australia.

From the outset, Australia’s multiculturalism has meant full citizenship. To migrate to Australia was to commit fully and to belong wholly. Our model of citizenship commands loyalty; it demands that our system of the rule of law, our rights and responsibilities and our democratic values are upheld. In return, our multiculturalism recognises that commitment through acknowledgment of a shared future through investment in the potential of new citizens and their families. This investment has endured over the decades and preceded any formal ‘multicultural policy’.

The Adult Migrant English Program—AMEP—has operated for well over 60 years. It has been a staple of successful settlement and a cornerstone of multiculturalism in Australia. In 1945, when the AMEP began, Australia’s population was approximately seven million people. In the interceding years we have taken this many again through our migration program. Since the end of the Second World War some seven million migrants have come to our shores and made Australia home. It is a truly marvellous social phenomenon to triple in size and integrate every culture of the world in the course of one lifetime. This is the genius of Australian multiculturalism: it is our capacity to evolve and draw in the best elements of each new culture. It has also been our recognition of who we are—the cultures we count among us, the diversity we live within and how we reflect upon ourselves.

The Special Broadcasting Service, or SBS, is an acknowledged part of our multicultural story. It has been important in mirroring our changing face, in showing us Australia not as a myth trapped in the past but as a contemporary cosmopolitan society in the 21st century. The establishment of SBS was recognition of the need for new Australians to feel connected, to have media in different languages and content sourced from all over the world that reflects our different cultures. The charter, mandate and themes of SBS remain completely relevant, as do the ongoing principles of Australia’s brand of multiculturalism.

When Labor were elected to government in 2007 we appointed the Australian Multicultural Advisory Council, or AMAC, and commissioned it to provide advice to the government on a new multicultural policy. I would like to recognise this evening in this
adjournment debate the contribution of each of the members of AMAC over a long period of time, particularly the leadership of the Chair, Andrew Demetriou, and the Deputy Chair, Judge Rauf Soulio. The council’s advice was received in April 2010 and on 16 February this year the government launched our new policy, titled The People of Australia. It is a policy that puts in place robust institutional architecture to strengthen and promote the multicultural attributes of Australia, from which we all benefit. The policy will revitalise and strengthen our unique form of multiculturalism and it recognises that our multiculturalism here is built on the values of mutual respect, rights and responsibilities and fairness.

The government’s new multiculturalism policy takes a whole-of-government approach to maintaining our socially cohesive society for all Australians. The policy embraces four key principles: celebrating and valuing our diversity, maintaining social cohesion, communicating the benefits of Australia’s diversity, and responding to intolerance and discrimination. As a government we are committed to combating racism. Racism discounts the contribution that migrant Australians have made to our nation and ignores the sacrifices they make for our collective future. That is why, as part of the policy, the government will establish a new national partnership to develop and implement a comprehensive anti-racism strategy for Australia. This will be supported by the recent announcement that we will restore the position of race discrimination commissioner to a fulltime position.

The strategy will concentrate on research, the development of educational resources, public awareness to combat racism, and to promote tolerance and acceptance. It will involve youth engagement, ongoing evaluation and, of course, consultation. The partnership draws on a broad range of expertise and brings together the existing expertise on anti-racism and multicultural matters across three government departments, including the government’s ministerial multicultural council and the Australian Human Rights Commission. As part of the policy and our commitment to multicultural Australia, we will also introduce a new independent advisory body. This new body will have broader terms of reference and will succeed the current Australian Multicultural Advisory Council. The new council will advise the government broadly on multicultural affairs and related policy, and help ensure that government services are responsive to the needs of migrant and refugee communities, as well as all Australians. The new council will also act as a champion for multiculturalism in the community and implement an ambassadors program to celebrate the benefits that diversity brings. To help strengthen the independence of reporting from government, the council will also be tasked with managing Australia’s access and equity strategy.

A third component of our policy is the Multicultural Youth Sports Partnership program, which is designed to foster inclusion through sport. This grants program will create opportunities for young people from ethnically diverse backgrounds to engage in their communities through sport. We all know what a wonderful platform sport is to promote acceptance, break down social barriers and make friends. It is an innate way of Australian life and we all know that sport teaches kids about not just teamwork but also working together to achieve goals and respect. It crosses cultural, religious and political divides. On the sporting field, all that matters is the task at hand, having fun and hopefully learning some life skills along the way.

The future of multiculturalism in Australia is recognition of who we are. It is in the strengths of our greatest asset—our people,
the people of Australia—and I am proud to commend the policy to the Senate. It is a policy, after all, about all Australians and for all Australians. Testimony to the role that sport plays was a wonderful event hosted by Craig Foster from SBS and myself this morning. This sporting event was a prelude, if you like, to Harmony Day, which will be on 21 March, and it was about the Harmony game. Schools, community clubs and any organisation around the country can register, either on the department’s website or on the SBS website, to participate in Harmony Day events or, indeed, a Harmony game. I urge them to do so because Harmony Day is a wonderful opportunity that all Australians have to celebrate their commitment to and appreciation of what it is to be a truly wonderfully multicultural nation.

Israel

Senator BARNETT (Tasmania) (10.00 pm)—Tonight I acknowledge Australia’s important relationship with the nation of Israel. In particular, I would like to speak about Australia’s involvement at the Evian Conference in 1938 and call on the Australian government to apologise for the hurt that was caused. I will also call on the Australian government to support efforts to commemorate the battle of Be’er-Sheva through the establishment of a museum. I will acknowledge the outstanding Indigenous Australian William Cooper and make further comments about the Australia-Israel Leadership Forum in which I had the privilege to participate in 2009 and 2010.

Australia and Israel have long enjoyed a close and productive relationship. In fact, Australia was the first nation to formally recognise the sovereignty of the state of Israel in 1948. Israel, it is said, is trapped between history and hope. From the first day of it being an independent state as authorised by the United Nations on 15 May 1948 to today, disputes, battles and wars have been fought over not only its borders but its right to exist. In 2008 the Australian parliament commemorated Israel’s 60 years as an independent nation and I spoke in the Senate in support of those sentiments. Australia’s relationship with Israel is highly valued.

Within the context of this relationship, however, there have been difficult times. Tonight I want to talk about one such occasion where Australia did not act as a true friend should, and that was in comments made by our representative at the Evian Conference in France in 1938. Reports of attacks against the German Jewish population reached Australia as early as 1933. The German Consul-General denied the reports and the Sydney Morning Herald stated:

It is an unfortunate blot on the progress of the nations towards peace and goodwill that events in Germany include an outbreak of hatred and intolerance against the Jews.

Some prominent Australians also expressed sympathetic attitudes, including the then Premier of New South Wales in 1933, Bertram Stevens, who stated at a public rally:

The Jewish citizens as we know them in this country are excellent citizens, worthy in every way of all rights and privileges that we enjoy under the British flag.

From 11 July to 18 July of 1938 the Evian Conference was held in France, convened by President Roosevelt. Australia was one of 31 countries participating in the conference aimed at creating an international committee to coordinate international refugee policy and facilitate the flow of the increasing number of refugees fleeing Nazi persecution. Australia was represented by the Minister for Trade and Customs, TW White, who expressed this sentiment:

It will no doubt be appreciated also that as we have no real racial problem, we are not desirous of importing one by encouraging any scheme of large-scale foreign migration …
It is a matter of national shame that White’s statement on behalf of the government of Australia is still visible at the Yad Vashem holocaust memorial in Jerusalem as the single representative response for all other nations’ responses of indifference at the Evian Conference and is viewed by thousands of tourists annually.

I note that the foreign minister, Kevin Rudd, expressed regret for Australia’s initial refusal to open our doors to those fleeing Nazi persecution at an address to the Australia-Israel Leadership Forum event that I attended with others last December in Jerusalem. This was indeed a dark spot in Australia’s history. I say ‘initial refusal’ as weeks after the infamous Kristallnacht in November 1938, just a few months after the Evian Conference, Australia decided to reassess its alien immigration policy and decided to then admit 15,000 refugees over three years, compared to the previous quota of 1,800 in that year. Perhaps, on reflection, this was still not enough, but progress was made.

But the hurt remains, and I do not believe that Australia has gone far enough to formally and deliberately apologise for those offensive and insensitive comments. Tonight, I call on the Australian government to make a further and unequivocal apology for those remarks and to do all that we can to remove the hurt that response created as our Jewish friends faced the beginnings of unthinkable persecution. I ask the foreign minister to express regret and an apology on his next visit to Israel as foreign minister or, indeed, as part of the next Australia-Israel Leadership Forum. The formal apology should also be acknowledged on a plaque and presented to the Yad Vashem holocaust memorial in Jerusalem for public display.

I would also like to highlight the incredible work of Aboriginal leader William Cooper. After reading reports in the Melbourne papers on 6 December 1938, Cooper led a group of protestors down Collins Street in Melbourne to the German consulate where they attempted to present a petition protesting the cruel persecution of the Jews in Germany to the German consul-general, D.W. Dreschler. Dreschler would not take the petition. Amazingly, at the time of the protest, now known as ‘the only private protest against the Germans following Kristallnacht’, Cooper was 77 years old. Last December in Israel, Cooper’s efforts were recognised when he became the first Indigenous Australian to be honoured with a chair for the study of resistance in his name at the Yad Vashem holocaust museum in Jerusalem. Many of Cooper’s family and friends flew from Australia to witness the event. Our foreign minister, Kevin Rudd, gave a speech in his honour. I was fortunate enough to be there and I visited the museum with the Australia-Israel Leadership Forum, but I was also saddened to learn that, of the six million Jews killed by the Nazis during WWII, over 1.5 million were children.

I also want to acknowledge Norman and Barbara Miller, who were at that presentation in Jerusalem last year, for the work they have done to highlight William Cooper’s efforts and to ensure his story is told. I believe William Cooper should also be recognised in Australia today. I recognise the Millers here tonight, together with Pastor Paul Moroney and Hilary Moroney, Graham McLennan and many others from the Australian Christian Values Institute.

The Australia-Israel Leadership Forum, founded and hosted by Albert Dadon, is an excellent organisation. He should be congratulated. I had the privilege of participating in this program in 2009 and 2010, together with my many parliamentary colleagues. There were also members of the business community, such as Ron Cross, who I enjoyed getting to know for the first time, and
members of the media. Other highlights of the visit to Israel included meetings with President Shimon Peres, Prime Minister Benjamin Netanyahu and other members of the Knesset, including Ronit Tirosh MK and Danny Danon MK. We had a dialogue on issues such as terrorism, the peace process, water, IT and a possible free trade agreement with Australia.

Now to Be’er Sheva. On 31 October 1917 for one dramatic hour, Australian troops spearheaded one of the most strategic and decisive Allied victories of the First World War. The Australian Light Horsemens, armed with bayonets, led the frontal attack that captured the city of Be’er Sheva, in modern-day southern Israel, then Turkish Palestine, by charging about six kilometres across the open plain in full view of 4,600 entrenched Turkish infantry armed with machine guns and artillery. This feat has become known in military circles as ‘the last great cavalry charge in history’. The battle was as significant a victory as Gallipoli was a military failure. With regard to commemorating the events at Be’er Sheva, I support the establishment of a museum at Be’er Sheva near the Park of the Australian Soldier commemorating the Light Horse and which was officially opened by former Governor-General Major General Michael Jeffery in 2008. This site is also very near the Commonwealth war graves where many of the Light Horsemens are buried. I visited this wonderful Park of the Australian Soldier in 2009. It was a great honour.

Among those working to recognise the events at Be’er Sheva and their significance for Australia is a great Australian Kelvin Crombie, author of the book ANZACS and Israel: A Common Destiny and indeed other publications. He is supported in this by Barry Rodgers and there are many others who support the efforts for the establishment of a museum at Be’er Sheva. On a personal note, I would like to note that my wife’s grandfather, Oscar George Bramich, and great-uncle, George Henry Bramich, both trained in Tasmania for the Light Horse, with George Bramich serving with the Light Horse in Israel. But this is about bigger issues, of course—it is about paying honour and respect to those brave men of the Australian Light Horse who served in the Battle of Be’er Sheva and strengthening the relationship between our nation and the nation of Israel. I would ask the Australian government to support the establishment of this museum that is being proposed for Be’er Sheva and to consider positively a proposal for funding such a museum.

In conclusion, I ask the Australian government to give careful consideration to the matters I have raised in this speech—that is, the apology to Jewish refugees at the Evian Conference and the establishment of a museum at Be’er Sheva. I will be writing to the Minister for Foreign Affairs, Hon. Kevin Rudd, on both these matters.

**International Women’s Day**

**Senator McEWEN** (South Australia) (10.09 pm)—Tonight I would like to address some comments to the fact that on 8 March 2011 Australia will acknowledge 100 years of International Women’s Day. In 1910, influential German socialist, politician and advocate for women’s rights Clara Zetkin proposed the idea of an International Women’s Day to her colleagues at the International Conference of Working Women in Copenhagen. Zetkin proposed that every year, in every country, there should be a celebration on the same day—a women’s day to press for gender equality and other demands. Zetkin’s proposal was received with unanimous support from over 100 women representing 17 countries, and the very first International Women’s Day was held the following year on 19 March 1911. That date
was chosen because during the 1848 revolution on 19 March the King of Prussia recognised for the first time the strength of the armed people and gave way before the threat of a proletarian uprising. He had made and broken many promises, among them being the introduction of votes for women.

Celebrated on 8 March since 1913, International Women’s Day is a day where women are recognised for their achievements, regardless of national, ethnic, linguistic, cultural, economic or political divisions. It is a day where the world can reflect on many amazing achievements of women, yet consider the areas in which there is still much work to be done. The very first International Women’s Day in 1911 was observed across Europe with meetings and protests, sparking great public debate about the rights of women, particularly in the political arena.

A century later, the world will next week mark the 100th anniversary of that first International Women’s Day. Today International Women’s Day is usually marked peacefully, recognising and celebrating the achievements of women in the past and acknowledging what we need to do in the future.

Since its establishment, International Women’s Day has grown to assume a new global dimension for women in both developed and developing countries; the commemoration is somewhat of a rallying point to build and strengthen support for women’s rights. There are over 1,000 events planned across the world for International Women’s Day on 8 March, with countries such as the UK, Canada, the US and Ireland amongst many others participating. Here in Australia there will be at least 140 events held across the country to mark the day. Tomorrow in this parliament there will be a cross-party International Women’s Day breakfast held to acknowledge the fact that we are celebrating this milestone.

This year, International Women’s Day also coincides with the launch of the new United Nations entity for gender equality and the empowerment of women called UN Women. Including the well-known UNIFEM, UN Women is a new organisation which will accelerate the UN’s goals on gender equality and the empowerment of women. The creation of UN Women came about as part of the UN reform agenda, bringing together resources and mandates for a greater impact. Australia is proud to have been one of the first countries to pledge multi-year core funding for UN Women, as we are committed to supporting international efforts to bring about equality for women. The Australian arm, UN Women Australia, will be coordinating events across the country, raising funds for the core programs of UN Women and focusing on female leadership and political participation.

As a woman involved in politics, I feel that it is crucial that we have an organisation such as UN Women to accelerate and improve gender equality. Despite concerted efforts, women remain underrepresented in decision-making entities across the globe. Throughout the world and at all levels of government, women’s political representation is significantly lower than that of men. The figure of 30 per cent is considered by the United Nations as the minimum percentage required to ensure a critical mass of women needed to influence decision-making processes and political agendas. Here in the Australian Senate, we are fortunate enough to surpass the 30 per cent mark of women, with 27 out of 76 Senate seats held by women, equating to just over 35 per cent. However, in the other place only 37 of 150 seats are held by women, meaning that just over 24 per cent of House of Representative members are women. It is evident that in the Australian parliament we still have a long way to go to reach complete equality, and for the
I was pleased to read an article in South Australia's daily newspaper, the Advertiser, recently, about the growing number of women holding elected positions within the state's local government. Following South Australia's recent local government elections, there are now 193 women councillors representing their communities across the state. This takes women's representation in local government in South Australia up three per cent to a total of 27 per cent. It is a notable increase and a testament to the local government authorities who have worked very hard to increase women's representation, but there is still a lot more work to be done.

It is hard to believe that while in 1902 Australia granted women the right to vote and also to seek election it took over 100 years, until 2010, for a woman to become the Prime Minister of this country. To this day, even though the suffrage movement had a stranglehold in this country more than a century ago, women are still significantly under-represented and are facing barriers in their everyday lives. The federal Labor government has made concerted efforts to address this issue. We are committed to achieving an equal place in society for women by engaging with women's organisations that support gender equality. We are committed to international engagement and are working with and supporting international forums and policies on matters which affect women.

We are committed to reducing violence against women and their children. Recently, the Minister for the Status of Women, Kate Ellis, announced the endorsement by the Commonwealth, state and territory governments of the National Plan to Reduce Violence against Women and their Children. The national plan is a single, unified strategy that brings together government efforts to reduce violence against women. The national plan is the first of its kind to place such a strong focus on prevention and recognises that only sustained, united action on multiple levels across generations and across all jurisdictions will achieve long-term change. All forms of violence against women are unacceptable, and the Gillard government is working hard to reduce the prevalence of violence against women.

One of the most significant steps the federal Labor government has taken to provide equality for women is the introduction on 1 January this year of paid parental leave. With the gender pay gap still in place, the government has made a point of addressing this issue and promoting access to full employment and decent working conditions for women. The national Paid Parental Leave scheme creates more certainty for expecting families. It gives incentives to employers to hire women as it is government funded. It can be transferred to another parent in order to provide fair and reasonable opportunity to either parent. It encourages employers not to overlook female employees. It has taken us a step closer to removing the barriers to women's participation in the workplace and has been received with much success across the country in the few months that it has been in place.

Unfortunately, Clara Zetkin passed away in 1933, but her passing did not bring the end of her legacy. Her bequest of International Women's Day lives on. For many women of the world International Women's Day is not just one day; it has a far wider meaning and is a philosophy by which to lead their lives. It is not only an occasion to review how far women have come in the struggle for equality; it is an opportunity to unite, network, and learn from each other. Each and every one of us has the ability to make meaningful changes. Just like Clara Zetkin did, we need to make the most of the opportunities we are
given and we need to work together to support all women, wherever they are in the world, to achieve true equality.

**Simpson Prize**

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations (10.18 pm)—I am very pleased this evening to congratulate the winners and runners-up of the Australian government’s Simpson Prize for 2011. The Simpson Prize is a popular national history competition for year 9 and year 10 students which recognises the significance of the Australian Anzac tradition. This morning, I joined the Minister for School Education, Early Childhood and Youth, Peter Garrett, who presented prizes to the winners and runners-up from each state and territory. All the recipients are in Canberra today and tomorrow to attend a two-day briefing program, which includes visits to Parliament House, the Australian War Memorial and the National Museum. As part of their award, the eight winners as well as two teachers will travel to Gallipoli to take part in an 11-day exploration program and attend the Anzac Day commemorative service. This morning I had the privilege of meeting the Victorian winner, Lauren McAlary, from Star of the Sea College in Gardenvale, and the Victorian runner-up, Thomas Posa, from Melbourne High School. One of the teachers is Ms Geraldine Carrodus from Sacre Coeur college, more recently associated with Star of the Sea College.

It is notable that more than 600 students from nearly 100 schools submitted either a 900- to 1,200-word essay or a 15-minute audio-visual presentation responding to the question ‘Has the Anzac legend changed over 95 years?’. In responding to the question, students had to investigate and consider at least two periods of Australian history. In doing so, these students demonstrated how the Anzac tradition is still very much a part of who we are today. The Australian government provided $186,000 to fund the award, which is now in its 13th year. Beginning in 1998, the award honours John Simpson Kirkpatrick, better known as ‘the man with the donkey’, who was famous for his bravery as a stretcher bearer at Gallipoli in 1915. Simpson was among those who landed at Gallipoli on 25 April 1915, and was killed after just three weeks by a Turkish bullet while trying to retrieve wounded men. Simpson remains one of the most famous figures who served at Gallipoli. This award honours his memory and gives today’s eight winners the opportunity to visit Gallipoli—a life-changing experience that they will never forget.

All Australian students should have the opportunity to study history, because history is not just about the past; it helps us understand the present. It is worth noting that late last year the Australian curriculum for history was endorsed by federal, state and territory ministers, and that it will be implemented this year. This landmark decision will help deliver a world-class Australian curriculum that will benefit all Australian students, families and teachers. As Minister Garrett said today:

>The Australian Curriculum will deliver a consistent, rigorous and engaging approach to history education for every student in the country.

I would also like to acknowledge the work and contribution of the History Teachers’ Association of Australia and its state affiliates, which have conducted this competition on behalf of the Australian government. It is days like Anzac Day and events like this competition that serve as powerful reminders of this country’s enduring Anzac spirit and that help us remember and honour all those Australians who have served and died in wars, conflicts and peacekeeping operations.
Tabling

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number. An explanatory statement is tabled with an instrument unless otherwise indicated by an asterisk.]

Aged Care Act—Quality of Care Amendment Principles 2011 (No. 1) [F2011L00266].

Airports Act—Select Legislative Instrument 2011 No. 1—Airports Amendment Regulations 2011 (No. 1) [F2011L00219].

Appropriation Act (No. 1) 2005-2006—Determination to Reduce Appropriations Upon Request (No. 6 of 2010-2011) [F2011L00214].

Appropriation Act (No. 1) 2009-2010—Determination to Reduce Appropriations Upon Request (No. 7 of 2010-2011) [F2011L00218].

Appropriation Act (No. 1) 2009-2010 and Appropriation Act (No. 4) 2004-2005—Determination to Reduce Appropriations Upon Request (No. 4 of 2010-2011) [F2011L00211].

Australian Prudential Regulation Authority Act—Australian Prudential Regulation Authority (Confidentiality) Determination No. 5 of 2011—Information provided by locally-incorporated banks and foreign ADIs under Reporting Standard ARS 320.0 [F2011L00306].

Australian Research Council Act—

Discovery Projects Funding Rules for funding commencing in 2012 [F2011L00304].

Linkage Infrastructure, Equipment and Facilities (LIEF) Funding Rules for funding commencing in 2011 [F2011L00301].

Civil Aviation Act—

Civil Aviation Regulations—

Instruments Nos CASA—

54/11—Instructions — for approved use of P-RNAV procedures [F2011L00295].

57/11—Permission — flying over a public gathering at the Australian International Air Show, Avalon; Permission — flying below minimum height at the Australian International Air Show, Avalon [F2011L00296].

62/11—Instructions — for approved use of P-RNAV procedures [F2011L00299].

81/11—Instructions — for approved use of P-RNAV procedures (Express Freighters, B767-300F aircraft) [F2011L00307].

EX05/11—Exemption — use of radiocommunication systems in firefighting operations (New South Wales Rural Fire Service) [F2011L00066].

EX12/11—Exemption under regulation 308 of CAR 1988 — carriage of cockpit voice recorders and flight data recorders [F2011L00221].

EX13/11—Exemption — power-assisted glider at the Australian International Air Show, Avalon [F2011L00283].

EX17/11—Exemption — display of landing lights and navigation and anti-collision lights [F2011L00286].

EX18/11—Exemption — night acrobatic flight [F2011L00285].

EX19/11—Exemption — landing on moving vehicle [F2011L00284].

EX22/11—Exemption — turns after take-off at Australian International Air Show [F2011L00297].

EX23/11—Exemption — operations by sport and recreational aircraft in restricted area R979A [F2011L00300].

Civil Aviation Safety Regulations—
Airworthiness Directives—
AD/AB139/3 Amdt 1—Fin Assembly [F2011L00275].
AD/CF6/65 Amdt 2—ECU Software Upgrade [F2011L00232].
AD/CF6/70 Amdt 1—Low Pressure Turbine Case [F2011L00236].

Instruments Nos—
CASA EX16/11—Exemption— for cabin crew member to use passenger seat [F2011L00260].

Revocation of Airworthiness Directives—Instrument No. CASA ADCX 003/11 [F2011L00216].

Commissioner of Taxation—Public Rulings—
Product Rulings—
Erratum—PR 2009/49.
PR 2011/3.

Taxation Determinations—
Addenda—TD 92/164 and TD 92/198.
Errata—TD 50W, TD 93/37W and TD 2006/51A.

Taxation Rulings—
Addenda—TR 93/3 and TR 98/2.
TR 2011/1.

Commonwealth Places (Mirror Taxes) Amendment Regulations 2011 (No. 1) [F2011L00239].

Competition and Consumer Act—
Consumer Protection Notices Nos—
12 of 2011—Permanent Ban on Combustible Candle Holders [F2011L00220].
13 of 2011—Permanent Ban on Inflatable Toys, Novelties and Furniture Containing Beads [F2011L00222].
14 of 2011—Permanent Ban on Miniature Motorbikes (Monkey Bikes) with Unsafe Design Features [F2011L00224].
15 of 2011—Permanent Ban on Novelty Cigarettes [F2011L00225].
16 of 2011—Permanent Ban on Pools and Spas with Unsafe Design Features [F2011L00223].
17 of 2011—Permanent Ban on Sky Lanterns [F2011L00227].
18 of 2011—Permanent Ban on Toy-Like Novelty Cigarette Lighters [F2011L00228].
19 of 2011—Permanent Ban on Undeclared Knives or Cutters in Art, Craft and Stationery Sets [F2011L00229].
20 of 2011—Permanent Ban on Yo-Yo Water Balls [F2011L00230].

Corporations Act—
ASIC Class Orders—
[CO 11/128] [F2011L00289].
[CO 11/140] [F2011L00278].
ASIC Market Integrity Rules (ASX Market) Amendment 2011 (No. 1) [F2011L00217].

Customs Act—Tariff Concession Orders—
1044650 [F2011L00263].
1044710 [F2011L00265].
1044904 [F2011L00269].
1045125 [F2011L00268].
1045179 [F2011L00262].

Defence Act—Determinations under section 58B—Defence Determinations—
2011/8—Disturbance and motor vehicle allowance – amendment.
2011/9—Post indexes – amendment.
2011/10—Member with dependants (unaccompanied) – amendment.

Education Services for Overseas Students Act—ESOS Assurance Fund 2011 Contributions Criteria [F2011L00233].

Environment Protection and Biodiversity Conservation Act—
Amendments of lists of—
Exempt native specimens—
EPBC303DC/SFS/2011/05 [F2011L00294].
Specimens taken to be suitable for live import—
EPBC/s.303EC/SSLI/Amend/040 [F2011L00293].
EPBC/s.303EC/SSLI/Amend/042 [F2011L00291].
EPBC/s.303EC/SSLI/Amend/044 [F2011L00292].

Threatened species, dated—
23 December 2010—
[F2011L00248].
[F2011L00252].
[F2011L00256].
[F2011L00259].
20 January 2011 [F2011L00258].
2 February 2011 [F2011L00288].
4 February 2011 [F2011L00290].


Federal Financial Relations Act—
Federal Financial Relations (General purpose financial assistance) Determinations—
No. 20 (November 2010) [F2011L00277].
No. 22 (January 2011) [F2011L00231].

Federal Financial Relations (National Partnership payments) Determination No. 30 (February 2011) [F2011L00243].

Financial Management and Accountability Act—Financial Management and Accountability Determination 2011/02 – Section 32 (Transfer of Functions from DSEWPC to DPMC) [F2011L00226].

Fisheries Management Act—

Fisheries Closures (Saving) Direction 2011 [F2011L00273].


Food Standards Australia New Zealand Act—Australia New Zealand Food Standards Code – Amendment No. 121 – 2011 [F2011L00213].

Higher Education Support Act—Higher Education Provider Approvals Nos—
2 of 2011—TOP Education Group Pty Ltd [F2011L00241].

Income Tax Assessment Act 1936—Select Legislative Instruments 2011 Nos—
3—Income Tax Amendment Regulations 2011 (No. 1) [F2011L00244].
4—Income Tax Amendment Regulations 2011 (No. 2) [F2011L00247].
Income Tax Assessment Act 1997—
   Film Certification Advisory Board Rules 2008 (Amendment No. 1 of 2011) [F2011L00276].
   Select Legislative Instrument 2011 No. 5—Income Tax Assessment Amendment Regulations 2011 (No. 1) [F2011L00251].

Migration Act—
   Migration Agents Regulations—Office of the MARA Notices—
       MN07-11b of 2011—Migration Agents (Continuing Professional Development – Distance Learning) [F2011L00261].
       MN07-11c of 2011—Migration Agents (Continuing Professional Development – Seminar) [F2011L00257].
       MN07-11e of 2011—Migration Agents (Continuing Professional Development – Workshop) [F2011L00254].
       MN07-11f of 2011—Migration Agents (Continuing Professional Development – Miscellaneous Activities) [F2011L00253].

Migration Regulations—Instruments IMMI—
   10/086—Level of salary and exemptions to the English language requirement for Subclass 457 (Business (Long Stay)) Visas [F2011L00249].

Statements for period 1 July to 31 December 2010 under sections—
   46A(2) [49].
   48B [13].
   91Q.
   195A [10].
   197AB [19].
   345.
   351 [105].
   417 [120].


Motor Vehicle Standards Act—

National Health Act—
   Continence Aids Payment Scheme Variation 2011 (No. 2) [F2011L00215].

Instruments Nos PB—
   15 of 2011—National Health (Price and Special Patient Contribution) Amendment Determination 2011 (No. 2) [F2011L00298].

Private Health Insurance Act—Private Health Insurance (Prostheses) Amendment Rules 2011 (No. 1) [F2011L00274].

Remuneration Tribunal Act—
   Determination 2011/01: Remuneration and Allowances for Holders of Public Office [F2011L00267].

Social Security Act—

Taxation Administration Act—Select Legislative Instrument 2011 No. 6—Taxation
Administration Amendment Regulations 2011 (No. 1) [F2011L00250].

Telecommunications (Interception and Access) Act—


Telecommunications (Interception and Access) (Staff Members of Tasmania and South Australia Police) Declaration 2011 [F2011L00237].


Governor-General’s Proclamation—Commencement of provisions of an Act

QUESTIONS ON NOTICE

The following answers to questions were circulated:

**Families, Housing, Community Services and Indigenous Affairs: Accommodation**

(Question No. 27)

Senator Humphries asked the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, upon notice, on 29 September 2010:

Do any of the departments or agencies within the Minister’s portfolio consider that new or additional office accommodation may be required in the next 2 years; if so, would that accommodation be provided in Canberra; and if so, approximately how many staff are estimated to need accommodation in the new or additional offices.

Senator Arbib—The Minister for Families, Housing, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

Please refer to Senator Arbib’s response to Question Nos. 2869, 2886 and 2887 on behalf of the Minister for Families, Housing, Community Services and Indigenous Affairs.

**Status of Women: Accommodation**

(Question No. 41)

Senator Humphries asked the Minister representing the Minister for the Status of Women, upon notice, on 29 September 2010:

Do any of the departments or agencies within the Minister’s portfolio consider that new or additional office accommodation may be required in the next 2 years; if so, would that accommodation be provided in Canberra; and if so, approximately how many staff are estimated to need accommodation in the new or additional offices.

Senator Wong—The Minister for the Status of Women has provided the following answer to the honourable senator’s question:

Please refer to Senator Arbib’s response to Question Nos. 2869, 2886 and 2887 on behalf of the Minister for Families, Housing, Community Services and Indigenous Affairs.

**Social Housing and Homelessness: Accommodation**

(Question No. 44)

Senator Humphries asked the Minister for Social Housing and Homelessness, upon notice, on 29 September 2010:

Do any of the departments or agencies within the Minister’s portfolio consider that new or additional office accommodation may be required in the next 2 years; if so, would that accommodation be provided in Canberra; and if so, approximately how many staff are estimated to need accommodation in the new or additional offices.

Senator Arbib—The Minister for Social Housing and Homelessness has provided the following answer to the honourable senator’s question is as follows:

Please refer to my response to Question Nos. 2869, 2886 and 2887 on behalf of the Minister for Families, Housing, Community Services and Indigenous Affairs.
Defence: Staffing  
(Question No. 93)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 29 September 2010:
With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications’: How many full-time equivalent uniformed personnel were employed in the military workforce:
(a) as at 30 June 2010; and
(b) as at 1 July 2009.

Senator Chris Evans—The Minister for Defence has provided the following answer to the honourable senator’s question:
The workforce data detailed in the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications’ are based on approved allocations at the time of publication and reflect full-time equivalent average numbers.
(a) As at 30 June 2010, there were 57,799 full-time equivalent-averaged uniformed personnel employed in the military workforce. This figure is an actual achievement against the allocation.
(b) As at 1 July 2009, there were 55,068 full-time equivalent-averaged uniformed personnel employed in the military workforce. This figure is an actual achievement against the allocation.

Defence: Staffing  
(Question No. 94)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 29 September 2010:
With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications - Military Workforce’: How many full-time equivalent civilian personnel were employed in implementing the White Paper initiatives:
(a) as at 30 June 2010; and
(b) as at 1 July 2009.

Senator Chris Evans—The Minister for Defence has provided the following answer to the honourable senator’s question:
(a) and (b) The Government provisioned an additional 999 civilian personnel (in Defence and the Defence Materiel Organisation, including full-time equivalent Australian Public Service staff and contractors) for 2009-10 under the White Paper, as reflected in The Strategic Reform Program: Making It Happen.
This workforce has been allocated across all Defence Groups to implement a range of White Paper initiatives including the Defence Capability Plan.
These Australian Public Service personnel ranged from junior to senior officers on an as needed basis according to the particular White Paper initiatives being actioned.
Because of the breadth and depth of the White Paper initiatives, the number of personnel varied throughout the specified period and it is not possible to provide a specific total referenced to each White Paper initiative.
The workforce data in the table below is based on approved allocations at the time of publication and reflects full-time equivalent average numbers. Over the period 1 July 2009 to 30 June 2010, Defence was employing 20,878 full-time equivalent civilian personnel (as published in the Defence Annual Re-
port 2009-10), of which 820 were contractors. This is 1,410 below the 09-10 indicative allocation of 22,288 (as published in The Strategic Reform Program: Making It Happen).

### White Paper and Strategic Reform Program Indicative Workforce Implications

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<th>Year</th>
<th>08/09</th>
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### Civilian Workforce (Australian Public Service and Contractors)

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### Defence: Staffing

(Question No. 95)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 29 September 2010:

With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications - Military Workforce’: For the period 1 July 2009 to 30 June 2010, how many full-time equivalent uniformed personnel were employed in implementing the White Paper initiatives.

Senator Chris Evans—The Minister for Defence has provided the following answer to the honourable senator’s question:

The Government provisioned an additional 1,201 full-time equivalent uniformed personnel for 2010-11 under the White Paper, as reflected in the Strategic Reform Program: Making It Happen.
This workforce has been allocated to the Services to implement a range of White Paper initiatives including the Defence Capability Plan. The breakdown by Service is Navy 566, Army 392 and Air Force 243.

These personnel ranged from junior to senior officers on an as needed basis according to the particular White Paper initiatives being actioned, including through the SRP.

Because of the breadth and depth of the White Paper initiatives, the number of personnel varied throughout the specified period and it is not possible to provide a specific total referenced to each White Paper initiative.

The workforce data detailed in the following table is based on approved allocations at the time of publication and reflects full-time equivalent average numbers. Over the period 1 July 2009 to 30 June 2010, Defence was employing 57,697 full-time equivalent average uniformed personnel which is 1,297 above the 09-10 indicative allocation of 56,400.

### White Paper and Strategic Reform Program Indicative Workforce Implications

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Defence: Staffing
(Question No. 96)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 29 September 2010:

With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications - Military Workforce’: For the period 1 July 2009 to 30 June 2010, what reduction has there been in the number of full-time equivalent personnel employed in implementing:

(a) efficiency improvements;
(b) civilianisation; and
(c) support productivity improvements?

Senator Chris Evans—The Minister for Defence has provided the following answer to the honourable senator’s question:

With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications - Military Workforce’, for the period 1 July 2009 to 30 June 2010:

(a) with regards to implementing the efficiency improvements component of the Strategic Reform Program, there was a reduction of 12 Average Funded Strength (AFS) related to efficiency improvements;

(b) with regards to implementing the civilianisation component of the Strategic Reform Program, there was no reduction in the number of full-time equivalent personnel employed. The civilianisation component of the Strategic Reform Program did not commence until financial year 2010-11; and

(c) with regards to implementing the support productivity improvements component of the Strategic Reform Program, there was no reduction in the number of full-time equivalent personnel employed. The support productivity improvements component of the Strategic Reform Program is a continuous improvement plan scheduled to commence in financial year 2014-15, following on from the completed implementation of the other Workforce and Shared Services components of the Strategic Reform Program.

Defence: Staffing
(Question No. 97)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 29 September 2010:

With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications - Military Workforce’: As at 30 June 2010, what increase or reduction has there been in full-time equivalent civilian personnel employed in the department and in the Defence Materiel Organisation since 1 July 2008.

Senator Chris Evans—The Minister for Defence has provided the following answer to the honourable senator’s question:

The workforce data detailed in the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications’ are based on approved allocations at the time of publication and reflect full-time equivalent average numbers.

As at 30 June 2010, Defence was employing 20,878 full-time equivalent average civilian personnel, of which 820 were contractors. This is a reduction of -314 (-1.5%) since 1 July 2008. This is comprised of Defence 15,232 (-475, -3%) and the Defence Materiel Organisation 5,646 (+161, 2.9%).
Defence: Staffing
(Question No. 98)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 29 September 2010:
With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications - Civilian Workforce’: For the period 1 July 2009 to 30 June 2010, how many full-time equivalent personnel were employed as Australian Public Service staff or contractors.

Senator Chris Evans—The Minister for Defence has provided the following answer to the honourable senator’s question:
The workforce data detailed in the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications’ are based on approved allocations at the time of publication and reflect full-time equivalent average numbers.
As at 30 June 2010, Defence was employing 20,878 full-time equivalent average civilian personnel, of which 820 were contractors.

Defence: Staffing
(Question No. 100)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 29 September 2010:
With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications - Civilian Workforce’: For the period 1 July 2009 to 30 June 2010, what reduction has there been in the number of full-time equivalent Australian Public Service staff or contractors employed in implementing:
(a) efficiency improvements;
(b) civilianisation;
(c) support productivity improvements; and
(d) contractor conversion (reduction to contractors)?

Senator Chris Evans—The Minister for Defence has provided the following answer to the honourable senator’s question:
With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications’, for the period 1 July 2009 to 30 June 2010:
(a) with regards to implementing the efficiency improvements component of the Strategic Reform Program, there was 345 reductions in the number of full-time equivalent personnel employed, of which 270 full-time equivalent positions were carried through from a previous reform;
(b) with regards to implementing the civilianisation component of the Strategic Reform Program, there was no reduction in the number of full-time equivalent personnel employed. The civilianisation component of the Strategic Reform Program did not commence until financial year 2010-11. On commencement of this program the effect of civilianisation will see growth to the Australian Public Service to equalise the reductions to Military personnel;
(c) with regards to implementing the support productivity improvements component of the Strategic Reform Program, there was no reduction in the number of full-time equivalent personnel employed. The support productivity improvements component of the Strategic Reform Program is a continuous improvement plan scheduled to commence in financial year 2014-15, following on
from the completed implementation of the other Workforce and Shared Services components of the Strategic Reform Program; and

(d) with regards to implementing the contractor conversion component of the Strategic Reform Program, there was 215 conversions undertaken in the period 1 July to 30 June 2010, resulting in 215 contractor positions being reduced and an increase of 215 Australian Public Service full time equivalent.

Defence: Staffing
(Question No. 101)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 29 September 2010:

With reference to the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications - Civilian Workforce’: As at 30 June 2010, what increase or reduction has there been in full-time equivalent Australian Public Service staff or contractors employed since 1 July 2008.

Senator Chris Evans—The Minister for Defence Science and Personnel has provided the following answer to the honourable senator’s question:

The workforce data detailed in the White Paper and the Strategic Reform Program ‘Indicative Workforce Implications’ are based on approved allocations at the time of publication and reflect full-time equivalent average numbers.

As at 30 June 2010, Defence was employing 20,878 full-time equivalent average civilian personnel, of which 820 were contractors. This is a reduction of -314 (-1.5%) since 1 July 2008.

Australian Taxation Office: Trusts
(Question No. 183)

Senator Cormann asked the Minister representing the Treasurer, upon notice, on 3 November 2010:

(1) Is the department or the Australian Taxation Office currently undertaking any review of trusts; if so, what is the nature and timing of the review.

(2) Is the Minister planning any changes to trust taxation law in the current term of government.

Senator Wong—The Treasurer has provided the following answer to the honourable senator’s question:

(1) On 16 December 2010, the Government announced that it will conduct a public consultation process as the first step towards updating the trust income tax provisions in Division 6 of Part III of the Income Tax Assessment Act 1936 (ITAA 1936) and rewriting them into the Income Tax Assessment Act 1997.

In developing an initial consultation paper for release in the first part of 2011, Treasury will draw heavily on the expertise of the private sector, particularly through the established Tax Design Panel process and the Board of Taxation.

The options to be canvassed in public consultation will be developed within the broad policy framework currently applying to the taxation of trust income. This framework does not include the taxation of trusts as companies.

(2) The Government is aware that there are a number of issues with the current operation of Division 6 of Part III of the ITAA 1936.

On 16 December 2010, the Government announced that it will consider whether there are any issues with the taxation of trusts that must be addressed in this current tax year, based on advice
sought from the Board of Taxation. In addition, the Government announced that it plans to introduce amendments before 30 June 2011 so that beneficiaries can continue to use the primary production averaging and farm management deposits provisions in a loss year. Although these amendments for primary producers will affect trusts, they will not amend the trust income tax provisions in Division 6 of Part III of the ITAA 1936.

The Government considers that it is important to update and rewrite the trust income tax provisions to give more certainty to the many thousands of small businesses and farmers who use trusts. The Government will make the changes that it considers necessary to achieve this outcome.

**Australian Taxation Office**

(Question No. 184)

**Senator Cormann** asked the Minister representing the Treasurer, upon notice, on 3 November 2010:

Has the department assessed the impact of the recent draft private equity determinations of the Commissioner of Taxation on foreign investment in Australia; if so, what is the expected impact of the draft private equity determinations on the level of foreign investment in Australia; if not, when will such an investigation be undertaken.

**Senator Wong**—The Treasurer has provided the following answer to the honourable senator’s question:

In December 2009, the Australian Taxation Office (ATO) released two draft Tax Determinations concerning the taxation treatment of private equity investments in Australia by foreign investors. The ATO view in one of the tax determinations is that, depending on the facts and circumstances, gains on private equity investments can be taxed on revenue account. The other determination finds that the general anti-avoidance tax provisions can be applied to prevent treaty shopping.

In December 2010, the ATO released the final Tax Determinations confirming the view taken in the draft determinations, along with two additional draft Tax Determinations dealing with the application of tax treaty and source rules to private equity arrangements.

The Treasury has assessed their impact on the level of foreign investment in Australia as follows:

- The Tax Determinations are expected to have little real impact on foreign portfolio investment. This is on the basis that they deal with a specific set of circumstances that includes highly structured, closely held, foreign non-portfolio private equity investments, as opposed to foreign portfolio investments.

- Analysis of information on foreign private equity investment in Australia indicates that it represented under 2 per cent of gross foreign investment for the fiscal year 2009-10. On this basis, the Determinations are expected to have minimal impact on the overall level of foreign investment in Australia.

- While tax impacts will be taken into account by private equity in deciding where to invest, and the extent to which investment is made in that location, it is expected that there will continue to be some level of foreign private equity investment in Australia.

- There appears to continue to be considerable interest in private equity investment, arguably reflecting positive non-tax factors. In this regard, there have been some bids for Australian entities by foreign private equity firms since the release of the draft and final Tax Determinations.

- At the same time, negative non-tax factors (e.g. the cost of debt and the difficulty in maintaining the high returns of the past) may dampen demand somewhat, making it difficult to determine to what extent tax factors affect the level of private equity activity.


**Australian Heritage Council**

*(Question No. 188)*

**Senator Bob Brown** asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 4 November 2010:

Has the Australian Heritage Council’s final recommendations on the assessment of national and international heritage values of the West Kimberley been sent to the Minister; if so, when were they sent; if not, when will they be sent.

**Senator Conroy**—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

The Australian Heritage Council provided its assessment on national heritage values of the west Kimberley to the former Minister on 30 June 2010.

I have extended the period in which to make my decision about national heritage listing to 30 June 2011 in order to allow time for further consultation.

In making my decision on national heritage listing I will carefully consider the Council’s assessment and all comments received .

**Bledisloe Boulevard and Harbourlights Way**

*(Question No. 194)*

**Senator Siewert** asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 11 November 2010:

With reference to Bledisloe Boulevard and Harbourlights Way, Lots 812 and 813 which have been identified by the Sunshine Coast Regional Council, Queensland, as one of its upcoming significant development applications: Is the Minister aware of this development; if so:

(1) Is the Minister aware that this development site is adjacent to the Pumicestone Passage which is subject to three environmental treaties: the Chinese Migratory Bird Agreement, the Japanese Migratory Bird Agreement and the Ramsar Convention.

(2) Is the Government concerned that this development will drastically reduce the available bushland and mangrove swamp habitat in the north west section of the Pumicestone Passage and have a serious negative impact on the native and migratory wildlife.

(3) Will the Minister take action on this issue using powers under the Environment Protection and Biodiversity Conservation Act 1999 and ensure an environment protection and biodiversity conservation assessment is a mandatory condition on the development application of these lots.

**Senator Conroy**—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

I have been made aware by my department that this development was referred to the then Department of Environment and Heritage on 10 April 2002, as part of the North Lake and South Lake Residential Precincts at Pelican Waters, Caloundra QLD. The project was declared by a delegate of the then Minister not to be a controlled action under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) on 2 May 2002. Therefore, the project required no further assessment or approval under the EPBC Act.

(1) and 2) As part of the decision for this project a delegate for the then Minister for Environment and Heritage, considered that significant impacts to matters of national environmental significance were unlikely. Matters of national environmental significance which were considered in assessing the impacts of this project included, amongst other things, listed threatened species and communities, listed migratory species, and wetlands of international importance.
(3) The powers of the Minister administering the EPBC Act in relation to an environmental assessment have already been exercised as described above.

**Sustainable Rural Water Use and Infrastructure Program**

(Question No. 195)

**Senator Hanson-Young** asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 15 November 2010:

(1) Can a detailed breakdown be provided of all state priority projects that are being funded, are to be funded in the future, or are under consideration for funding under the $3.7 billion set aside for that purpose under the Sustainable Rural Water Use and Infrastructure program, and for each project:

(a) what is the nature of the project;

(b) whether the state government has submitted project details: if so, when;

(c) whether the Commonwealth Government has requested more information from the proponent of each project, or approved the project, and if so, when;

(d) what is the cost of the project;

(e) what are the benefits that the project will deliver;

(f) how much water savings will the project deliver and at what cost;

(g) how much of the water ‘saved’ in each project would normally flow back to rivers and other wetlands if the project was not implemented; and

(h) whether it is possible for the Commonwealth to not proceed with funding the project and why.

(2) How much money remains of the original $3.7 billion.

(3) (a) What federal money is presently available to assist Murray-Darling Basin communities to transition to a lower water future, aside from money that will be used for water buybacks and irrigator efficiency; and (b) how does the Government presently plan to spend that money.

**Senator Conroy**—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

(1) Funding of $3.7 billion is committed in-principle for the State Priority Projects (SPPs), of which $3.2 billion is funded from the Sustainable Rural Water Use and Infrastructure Program (SRWUIP) and $430 million is funded from the Restoring the Balance for water purchase program.

Of the SRWUIP-funded SPPs, 13 are State-led projects ($2.5 billion) and two are Commonwealth-led programs ($760 million).

In relation to the State-led projects, business Cases were received from all jurisdictions by 30 June 2010, except the ACT. Of the 12 projects for which business cases have been received: one project is complete; two are underway; one has been recently approved to proceed to contract negotiation; one is the subject of ongoing negotiation; and seven are currently undergoing due diligence assessment.

The two Commonwealth-led programs - the Private Irrigation Infrastructure Operators Program in NSW and the Private Irrigation Infrastructure Program in South Australia (PIIPSA) are underway - with successful applicants for Round One announced and projects already contracted or on contract negotiations. A call for applications under Round 2 of PIIPSA was made on 5 November 2010.

For those Priority Projects that have been agreed (but may not yet be signed in contract) the expected total project water savings is around 300 GL (entitlements). Of this, around 150 GL (long term average yield) is expected to transfer to the Commonwealth for the environment.

A description of the nature of the SPPs, the status and cost of the project, and the benefits the projects aim to deliver, subject to due diligence assessment, is provided at Attachment A.

QUESTIONS ON NOTICE
Until the outcomes of due diligence assessments are finalised and contracts are signed it is not possible to determine the total volume of water savings that will be achieved through the SPPs, or where the water will be used by the Commonwealth for environmental watering.

If a project does not pass due diligence assessment, clause 4.12.5 of the Intergovernmental Agreement for Murray Darling Basin Reform of July 2008 provides for the parties to enter into discussion about possible reconfiguration of the project on a no commitment basis.

(2) Up to $3.7 billion remains committed to the State Priority Projects agreed as part of the Intergovernmental Agreement of Murray Darling Basin Reform.

Of the $3.2 billion for the State Priority Projects funded under SRWUIP:

a. as at 31 October 2010, $160 million has been expended on State Priority Projects funded under the SRWUIP;

b. funding of $952.8 million was announced on 6 November 2010 for the Northern Victoria Irrigation Renewal Project, subject to contract negotiations;

c. $266 million has been announced so far under the two Commonwealth led grant programs in NSW and SA; and

d. contracts are signed and underway for around $130m for Priority Projects and start up activities, including early works in Victoria and New South Wales and South Australia and agreed projects in Queensland. Some of this contracted money has been expended.

(3) The Australian Government has announced funding of up to $200 million under the SRWUIP for the Strengthening Basin Communities program, which assists local governments in the Murray-Darling Basin plan for reduced water availability and deliver associated local water saving initiatives. At 19 November 2010, $44 million in grants to 75 projects had been committed under this program, involving 70 per cent of the local government authorities in the Basin.

**Attachment A**

**State Priority Projects**

<table>
<thead>
<tr>
<th>State</th>
<th>Project Title</th>
<th>Status</th>
<th>Short Project Description</th>
<th>Total Project Value (up to $m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Australia</td>
<td>Lower Lakes Integrated Pipelines</td>
<td>Project Complete</td>
<td>Construction of three pipelines, including two potable pipelines and one irrigation pipeline servicing communities that were previously reliant on the Lower Lakes.</td>
<td>120</td>
</tr>
<tr>
<td></td>
<td>Riverine Recovery</td>
<td>Early Works approved. Full business case under due diligence.</td>
<td>The proposed project will invest in wetland and floodplain management and infrastructure to restore river operations.</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Lower Lakes and Coorong Recovery</td>
<td>Feasibility Study complete. Early Works underway. Full business case under due diligence.</td>
<td>Remedial works in the Lower Lakes area of South Australia aimed at providing enduring environmental outcomes for the Coorong and Lower Lakes.</td>
<td>200</td>
</tr>
</tbody>
</table>

**QUESTIONS ON NOTICE**
<table>
<thead>
<tr>
<th>State</th>
<th>Project Title</th>
<th>Status</th>
<th>Short Project Description</th>
<th>Total Project Value (up to $m)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Private Irrigation Infrastructure Program</strong></td>
<td>Round 1 contract negotiations and Round 2 open.</td>
<td>A Commonwealth-led grant program open to irrigators which aims to improve the efficiency and productivity of water use both off and on-farm and generate water savings for the environment.</td>
<td>110</td>
</tr>
<tr>
<td>Victoria</td>
<td><strong>Northern Victoria Irrigation Renewal Stage 2</strong></td>
<td>Contract negotiations.</td>
<td>Modernisation of the channels, replacement or removal of meter outlets, and creation of new direct connections for customers currently connected to distribution and spur channels. The project will address system level water efficiency and generate water savings for the environment.</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td><strong>Sunraysia Modernisation</strong></td>
<td>Under due diligence assessment.</td>
<td>The proposed project aims to renew or replace main pumping stations and line or pipe the main delivery arteries in three irrigation districts around Mildura.</td>
<td>103</td>
</tr>
<tr>
<td>New South Wales</td>
<td><strong>On Farm Irrigated Farm Modernisation</strong></td>
<td>Early Works underway. Full business case under due diligence assessment.</td>
<td>The proposed project aims to increase the water use efficiency of irrigated agriculture in regulated catchments in the NSW Murray-Darling Basin.</td>
<td>300</td>
</tr>
<tr>
<td></td>
<td><strong>Basin Pipe (North and South)</strong></td>
<td>Under due diligence assessment.</td>
<td>The proposed project aims to replace current irrigation infrastructure with more efficient piped irrigation systems in the Murray-Darling Basin.</td>
<td>137</td>
</tr>
<tr>
<td></td>
<td><strong>NSW Water Metering Scheme</strong></td>
<td>Early Works underway. Full business case under due diligence assessment.</td>
<td>The proposed project aims to install or upgrade meters in NSW groundwater, unregulated and regulated water sources and replace existing customer-owned meters with State Water-owned meters connected via telemetry.</td>
<td>221</td>
</tr>
<tr>
<td>State</td>
<td>Project Title</td>
<td>Status</td>
<td>Short Project Description</td>
<td>Total Project Value (up to $m)</td>
</tr>
<tr>
<td>--------------------------</td>
<td>------------------------------------------------------</td>
<td>---------------------------------------------</td>
<td>------------------------------------------------------------------------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td></td>
<td>Healthy Floodplains</td>
<td>Under due diligence assessment.</td>
<td>The proposed project aims to reform the management of water on floodplains across the Murray-Darling Basin.</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Private Irrigation Infrastructure Operators Program</td>
<td>Contract negotiations for Round 1.</td>
<td>A Commonwealth-led grant program open to private Irrigation Operators in NSW to improve the efficiency and productivity of water use both off and on-farm and will generate water savings for the environment.</td>
<td>650</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>Salt Management Strategy</td>
<td>Final Business Case not delivered to date.</td>
<td>The proposed project aims to reduce salt concentration in ACT waterways and provide environmental and economic benefits to the ACT.</td>
<td>85</td>
</tr>
<tr>
<td>Queensland</td>
<td>On Farm Water Use Efficiency</td>
<td>Phase 1 agreed 13 April 2010. Project underway.</td>
<td>Investment in on-farm works and measures that lead to improved water use efficiency that will recover and share water savings from implementing on-farm water saving technologies.</td>
<td>115</td>
</tr>
<tr>
<td></td>
<td>SunWater infrastructure modernisation</td>
<td>Project scope under negotiation.</td>
<td>The proposed project involves modernisation of six SunWater owned supply schemes, to increase the volume of usable water, and enhance the capacity to provide flows for environmental purposes.</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Coal Seam Gas Water feasibility study</td>
<td>Project agreed 13 April 2010. Project underway.</td>
<td>A feasibility study aimed at undertaking a detailed analysis of the use of Coal Seam Gas water in the Qld Murray-Darling Basin.</td>
<td>5</td>
</tr>
</tbody>
</table>

**Coal Seam Gas Industry**

**(Question No. 210)**

Senator Siewert asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 17 November 2010:

**QUESTIONS ON NOTICE**
With reference to the coal seam gas mine planned for Curtis Island, within the Murray-Darling Basin catchment area:

(1) Have any studies been conducted into the cumulative effects of the coal seam gas industry on the area.

(2) What measures are in place to assess and manage the cumulative effects of the multiple coal seam gas mines.

(3) What size buffer zones have been established between the project, and the:
   (a) Ramsar protected wetlands;
   (b) stream orders 2, 3 and 4; and
   (c) stream orders 5, 6 and 7.

(4) (a) How will the expert panel, which will help assess the hydraulic connectivity of a proposed draw-down aquifer, be selected; and (b) how will its impartiality be guaranteed.

(5) Will there be any opportunity for non-government groups to comment on each of the stipulated management plans before they are approved.

Senator Conroy—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

(1) The facilities proposed on Curtis Island are liquid natural gas processing plants. Curtis Island is not in the Murray-Darling Basin.

However, there are currently four coal seam gas projects relating to proposed developments on Curtis Island, north of Gladstone in Queensland. These include two projects I have approved, for Santos and Queensland Gas Company (QGC), and two projects for which decisions have not been made, proposed by Australia Pacific LNG (APLNG) and Shell (which may be supplied by coal seam gas fields proposed by Arrow Energy).

A number of studies have been undertaken which address the issue of cumulative impacts of the Santos, QGC and APLNG projects on groundwater and surface water resources in the Surat Basin, which lies partly within the Murray-Darling Basin. (The Arrow Energy proposal is at an early stage of environmental assessment.)

In relation to the Santos, QGC, and APLNG projects, reports and studies include:

• reports by the Queensland Coordinator-General on the Santos, QGC, and APLNG projects. These reports are available on the Coordinator-General’s website: (http://www.dip.qld.gov.au/coordinator-general-projects/completed.html);

• independent expert advice provided to the Department of Sustainability, Environment, Water, Population and Communities (the department) by Geoscience Australia on 17 September 2010. This advice was tabled in the Senate on 16 November 2010;

• the “Assessment of impacts of the proposed coal seam gas operations on surface and groundwater systems in the Murray-Darling Basin”, which I released on 10 December 2011.

Under the conditions of my approval for the Santos and QGC coal seam gas projects, the proponents must provide a cumulative impact assessment report which addresses potential impacts on matters of national environmental significance. The proponents must also produce a cumulative impact assessment report under conditions of state approvals.

The Queensland Water Commission (QWC) is also responsible for the development and management of a regional cumulative groundwater model, including associated monitoring of the impacts of coal seam gas projects. Under the conditions of approval I imposed on the Santos and British
Gas/Queensland Gas Company projects, the proponents are required to develop a regional groundwater model, which may be undertaken through contributions to the QWC model.

(2) Strict approval conditions include requirements for:

- The development of a regional groundwater model, to be developed as an early warning system, so that any hydrological changes can be identified at an early stage and appropriate, effective remedial actions implemented to avoid impacts on matters of national environmental significance.

- The development of a cumulative impact report that must address cumulative impacts relating to all listed species and listed ecological communities within and outside the project area, and any surface or groundwater environmental values which, if altered, may have an impact on matters of national environmental significance within or outside the project area.

- The development and implementation of a water monitoring and management plan, for my approval on the advice of an expert panel. That plan must include programs for such things as aquifer connectivity studies, programs and schedules for piloting of aquifer reinjection, and early warning drawdown thresholds which, if exceeded, will trigger requirements to restore groundwater pressure. Consistent with an adaptive management approach, the proponents must review and update this plan to take into account the regional groundwater model, as well as the cumulative impact assessment reports required under the conditions.

- Strict disturbance limits, requirements to secure substantial offsets, and to invest in rehabilitation of substantial areas of land.

The conditions also provide that, if I consider it necessary or desirable for the better protection of matters of national environmental significance, I can impose additional requirements.

Conditions to manage cumulative impacts, in relation to matters of state responsibility, have also been imposed by the State of Queensland on the Santos, QGC and APLNG coal seam gas projects. These include conditions for cumulative impact assessment reports, regional groundwater modelling, participation in the establishing and funding of a CSG industry monitoring group, and an assessment of cumulative impacts to environmental values which must be submitted before the issue of environmental authorities for a petroleum lease. The implementation of these conditions is the responsibility of the Queensland government.

(3) (a) Ramsar protected wetlands; (b) stream orders 2, 3 and 4; and (c) stream orders 5, 6 and 7.

In relation to Ramsar protected wetlands, the approved Santos and Queensland Gas Company (QGC) projects are a long distance from the nearest Ramsar sites (being the Gwydir Wetlands and the Narran Lakes Wetlands). The assessment of these projects determined that water extraction in these projects’ gas fields is unlikely to have a significant impact on these wetlands.

The conditions I imposed on the coal seam gas projects apply to streams and watercourses where matters of national environmental significance may be involved. Where this involves an ephemeral or perennial water course, strict conditions require the proponent to develop an aquatic values management plan to assess each watercourse for matters of national environmental significance, and to address any identified impacts on those matters, such as the Fitzroy River Turtle and the Murray Cod. Where reasonably possible, to avoid impacts on those matters, horizontal directional drilling must be used for major waterway crossings.

Requirements for buffer zones for watercourses more generally is a matter for the state. I am advised that the Queensland Coordinator-General model conditions for an environmental authority include buffer zones of 200m from any natural significant wetland; 100m from any natural wetland, lakes or springs; and 100m from the high bank of any other watercourse.
(4) The expert panel will be appointed by me on advice from my department. I will consider the necessary independence and expertise of the panel. Panel members will be required to declare any conflict of interest.

(5) Consistent with standard practice, in making decisions on whether to approve plans that required as conditions of the coal seam gas approvals, I or my delegate will seek independent expert advice on draft plans as necessary. I expect the expert panel members to bring a diversity of views and experience to their task.

**Tillegra Dam**

*(Question No. 221)*

**Senator Siewert** asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 26 November 2010:

(1) Is the Minister aware of the proposal for the Tillegra Dam, north of the New South Wales city of Newcastle.

(2) Is the Minister aware that no sustainable diversion limit has been set for the Hunter River system in New South Wales.

(3) Is the Minister aware of the two reports produced by Professor Richard Kingsford on the likely significant impacts of the Tillegra Dam proposal on the Ramsar-listed Hunter Estuary Wetlands.

(4) Will the Minister visit the Williams River Valley as intended in October 2010.

(5) What steps will the Minister take to inform himself of the issues if the Tillegra Dam proposal is referred to him by the New South Wales Government before the end of 2010.

**Senator Conroy**—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

The Minister is aware that the Tillegra Dam proposal was subsequently withdrawn from assessment under the Environment Protection and Biodiversity Conservation Act 1999. It is therefore no longer under consideration by the Minister or his department.

**Australian War Memorial: Program Funding**

*(Question No. 222)*

**Senator Humphries** asked the Minister representing the Minister for Veterans’ Affairs, upon notice, on 29 November 2010.

(1) What was the operational budget of the Australian War Memorial in the 2007-08 financial year.

(2) What is the current operational budget of the Australian War Memorial.

(3) Can the Minister confirm a reduction in the operational budget of the Australian War Memorial since 2007.

(4) Can a list be provided of any capital works at the Australian War Memorial since 2002, including details of each of the works.

(5) Can a list be provided of all capital works commissioned by the Rudd and Gillard Governments since 2007, including details of each of the works.

**Senator Chris Evans**—The Minister for Veterans’ Affairs has provided the following answer to the honourable senator’s question:

(1) and (2) Government appropriation for the Australian War Memorial was as follows:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>$37,983,000</td>
</tr>
<tr>
<td>2010-11</td>
<td>$38,067,000</td>
</tr>
</tbody>
</table>
(3) The Memorial’s operating budget from Government Appropriation is adjusted for indexation and the efficiency dividend each year. This level of funding reduced from 2007/08 to 2008/09 but was increased in 2009/10 when the Memorial sought (and obtained) approval from the Department of Finance and Deregulation for a one off transfer of a portion of capital funding to general funding to assist with the operational budget.

(4) and (5) Capital works at the Australian War Memorial since 2002, including details of each of the works:
- Permanent exhibitions in ANZAC Hall. Cost: $2.6m
- Parade Ground – upgrade of parade ground. Cost: $2.5m
- CEW Bean Building – construction of building for staff and collection storage. Cost: $11.3m.
- Conflicts 1945 to today – permanent exhibition development in Main Building. Cost: $24.6m
- Eastern Precinct – construction of underground car park, new café, Eastern Courtyard including National Service memorial. Cost: $17.5m.

Since 2007:
- Hall of Valour – redevelopment of Hall of Valour (currently in progress). Cost: $4.5m.

**Treasury: Stationery**

(Question Nos 227, 262 and 263)

Senator Humphries asked the Minister representing the Treasurer, the Assistant Treasurer and the Minister for Financial Services and Superannuation, upon notice, on 29 November 2011:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries in their portfolio:

(1) What has been the total amount spent on stationery and publications, including a breakdown of all spending.

(2) What has been the total amount spent on printing ministerial letterhead.

(3) What is the grams per square metre [GSM] of the ministerial letterhead.

(4) Is the letterhead carbon neutral.

Senator Wong—The Treasurer has provided the following answer to the honourable senator’s question:

(1) What has been the total amount spent on stationery and publications, including a breakdown of all spending.

The total amount spent on stationery and publications for each Treasury portfolio Minister and the Parliamentary Secretary to the Treasurer from September 14 2010 to the date of the question are set out below. All amounts are GST exclusive.

Deputy Prime Minister and Treasurer’s office
- Envelopes x 3 sizes $ 1,036.79
- Paper $ 1,105.07
- Office supplies $ 2,051.31
- Publications /subscriptions $ 3,092.90
- Total $ 7,286.07

QUESTIONS ON NOTICE
Assistant Treasurer’s office

- Envelopes x 3 sizes $1,036.79
- Paper $440.15
- Office supplies $1,626.41
- Publications/subscriptions $nil
- Total $3,103.35

Parliamentary Secretary to the Treasurer’s office

- Envelopes x 3 sizes $1,036.79
- Paper $268.37
- Office supplies $4,347.25
- Publications/subscriptions $192.54
- Total $5,844.95

(2) What has been the total amount spent on printing ministerial letterhead.

No Ministerial letterhead has been purchased. The letterhead is generated through a Microsoft Word template and printed on standard printer paper.

(3) What is the grams per square metre [GSM] of the ministerial letterhead.

Not applicable.

(4) Is the letterhead carbon neutral.

Not applicable.

Regional Australia, Regional Development and Local Government: Stationery

(Question No. 230)

Senator Humphries asked the Minister representing the Minister for Regional Australia, Regional Development and Local Government, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries in their portfolio:

(1) What has been the total amount spent on stationery and publications, including a breakdown of all spending.

(2) What has been the total amount spent on printing ministerial letterhead.

(3) What is the grams per square metre [GSM] of the ministerial letterhead.

(4) Is the letterhead carbon neutral.

Senator Sherry—The Minister for Regional Australia, Regional Development and Local Government has provided the following answer to the honourable senator’s question:

(1) The total amount spent on publications from 14 September 2010 to 29 November 2010 was $1,181. On stationery, the cost per ream (500 sheets) of paper (excluding pre-printed ministerial letterhead) is $5.00.

(2) My ministerial office uses ‘Stephen Swiss White’ A4 paper and matching envelopes for ministerial correspondence. The cost per ream (500 sheets) was $32.87 and if ordered in bulk the cost per ream (50 reams or more) is discounted to $26.40 per ream. The cost of envelopes was $76.50 per box of 500.

(3) The ministerial letterhead is 115gsm.

(4) The paper used for ministerial correspondence is certified carbon neutral by the Department of Climate Change and Energy Efficiency’s National Carbon Offset Standard (NCOS).
Immigration and Citizenship: Stationery
(Question No. 234)

Senator Humphries asked the Minister for Immigration and Citizenship, upon notice, on 29 November 2010:
(1) What has been the total amount spent on stationery and publications, including a breakdown of all spending.
(2) What has been the total amount spent on printing ministerial letterhead.
(3) What is the grams per square metre [GSM] of the ministerial letterhead.
(4) Is the letterhead carbon neutral.

Senator Carr—The Minister for Immigration and Citizenship has provided the following answer to the honourable senator’s question:
(1) Minister - Stationery (Business Cards and With Compliment Slips); $1,130, Subscriptions (Newspapers): $3,235.
Parliamentary Secretary - Stationery (Envelopes) $280.00, Publications: Nil.
These costs represent the total spend from 14 September 2010 to 29 November 2010.
(2) Pre-printed letterheads are not provided to the Minister or Parliamentary Secretary.
(3) N/A
(3) N/A

Health and Ageing: Stationery
(Question Nos 236, 261 and 264)

Senator Humphries asked the Minister representing the Minister for Health and Ageing, upon notice, on 29 November 2010:
Since 14 September 2010, for each Minister and any Parliamentary Secretaries in their portfolio:
(1) What has been the total amount spent on stationery and publications, including a breakdown of all spending.
(2) What has been the total amount spent on printing ministerial letterhead.
(3) What is the grams per square metre [GSM] of the ministerial letterhead.
(4) Is the letterhead carbon neutral.

Senator Ludwig—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:
(1) Since 14 September 2010 to 29 November 2010, the total amount spent on stationery and publications for each Minister and any Parliamentary Secretaries in their portfolio is as follows:
- Minister for Health & Ageing: $3105.54. The precise detail requested in the question is not readily available.
- Minister for Mental Health & Ageing: $516.20. The precise detail requested in the question is not readily available.
- Minister for Indigenous Health: $3161.18. The precise detail requested in the question is not readily available.
- Parliamentary Secretary for Health & Ageing: $617.20. The precise detail requested in the question is not readily available.
(2) No pre-printed Ministerial letterhead is used by the department. Electronic templates are standard practice.

(3) No pre-printed Ministerial letterhead is used by the department. Electronic templates are standard practice.

(4) No pre-printed Ministerial letterhead is used by the department. Electronic templates are standard practice.

**Families, Housing, Community Services and Indigenous Affairs: Stationery**

*(Question No. 237)*

**Senator Humphries** asked the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries in their portfolio:

(1) What has been the total amount spent on stationery and publications, including a breakdown of all spending.

(2) What has been the total amount spent on printing ministerial letterhead.

(3) What is the grams per square metre [GSM] of the ministerial letterhead.

(4) Is the letterhead carbon neutral.

**Senator Arbib**—The Minister for Families, Housing, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

(1) During the period 14 September to 30 November 2010, the Department spent the following on stationery and publications:

<table>
<thead>
<tr>
<th>Minister/Parliamentary Secretary</th>
<th>Envelopes</th>
<th>Copy paper</th>
<th>Letterhead &amp; With Compliments Slips</th>
<th>Publications</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Hon Jenny Macklin MP</td>
<td>nil</td>
<td>$512.52</td>
<td>nil</td>
<td>$1,254.34</td>
<td>$1,766.86</td>
</tr>
<tr>
<td>Senator the Hon Jan McLucas</td>
<td>$8,006.35</td>
<td>$157.80</td>
<td>nil</td>
<td>nil</td>
<td>$8,164.15</td>
</tr>
<tr>
<td>The Hon Julie Collins MP</td>
<td>$8,006.35</td>
<td>$10.07</td>
<td>nil</td>
<td>$97.54</td>
<td>$8,113.96</td>
</tr>
</tbody>
</table>

*GST exclusive

(2) During the period 14 September to 29 November 2010, the Department had nil expenditure for printing letterhead for Minister Macklin and Parliamentary Secretaries McLucas and Collins.

(3) The Department did not arrange any printed letterhead during the period 14 September to 29 November 2010.

(4) The Department did not arrange any printed letterhead during the period 14 September to 29 November 2010.

**Sustainability, Environment, Water, Population and Communities: Stationery**

*(Question No. 238)*

**Senator Humphries** asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries in their portfolio:

(1) What has been the total amount spent on stationery and publications, including a breakdown of all spending.

(2) What has been the total amount spent on printing ministerial letterhead.
(3) What is the grams per square metre [GSM] of the ministerial letterhead.

(4) Is the letterhead carbon neutral.

**Senator Conroy**—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

1. As of 14 December 2010, costs (excluding GST) for these items are:

<table>
<thead>
<tr>
<th>Item</th>
<th>Minister for Sustainability, Environment, Water, Population and Communities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stationary (A4 Paper supplies, envelopes and business cards)</td>
<td>$3,256.67 (ex GST)</td>
</tr>
<tr>
<td>Publications (Books, publications, journals and newspapers)</td>
<td>$3,045.89 (ex GST)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$<strong>6,302.56 (ex GST)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Parliamentary Secretary for Sustainability and Urban Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stationary (A4 Paper supplies, envelopes and business cards)</td>
<td>$1,434.65 (ex GST)</td>
</tr>
<tr>
<td>Publications (Books, publications, journals and newspapers)</td>
<td>0 (ex GST)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$<strong>1,434.65 (ex GST)</strong></td>
</tr>
</tbody>
</table>

2. Nil. Letterhead is printed on standard 100% recycled departmental photocopier paper.

3. Standard departmental photocopier paper is 80 grams per square metre [GSM].

4. Overall the letterhead is not carbon neutral, however, the department purchases 100% green energy which would cover the printing energy costs.

### Innovation, Industry, Science and Research: Stationery

(Question No. 241)

**Senator Humphries** asked the Minister for Innovation, Industry, Science and Research, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries in their portfolio:

1. What has been the total amount spent on stationery and publications, including a breakdown of all spending.

2. What has been the total amount spent on printing ministerial letterhead.

3. What is the grams per square metre [GSM] of the ministerial letterhead.

4. Is the letterhead carbon neutral

**Senator Carr**—The answer to the honourable senator’s question is as follows:

1. From 14 September to 29 November 2010, the following stationery used by the Minister’s Office has been ordered:
   - Standard EXP800 Laser Copy Paper A4 80 GSM at $4.73 per ream (GST Inclusive).
   - Reflex A4 Colours Copy Paper 80 GSM Sand at $12.35 per ream (GST Inclusive).
   - Optix A4 Colour Paper A4 80 GSM Juni Purple at $16.87 per ream (GST Inclusive).

   The amount spent on publications, such as newspapers and magazines from 14 September to 29 November 2010 was $1,516.48 (GST Inclusive). A breakdown of individual spending is unable to be provided due to the level of resources required to go through individual invoices.
(2) (3) and (4) The minister does not use pre-printed letterhead. Instead, a template is printed on non-standard paper, which is 115 GSM and is carbon neutral. Between 14 September and 29 November 2010, no non-standard paper was purchased or ordered.

**Human Services: Stationery**  
*(Question No. 249)*

*Senator Humphries* asked the Minister representing the Minister for Human Services, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries in their portfolio:

1. What has been the total amount spent on stationery and publications, including a breakdown of all spending.
2. What has been the total amount spent on printing ministerial letterhead.
3. What is the grams per square metre [GSM] of the ministerial letterhead.
4. Is the letterhead carbon neutral.

*Senator Arbib*—The Minister for Human Services has provided the following answer to the honourable senator’s question:

(1) From 14 September 2010 to 29 November 2010, the amount of money spent on publications was $1,548.90 which includes magazine subscriptions, book purchases and newspaper type publications purchased for the Minister’s Office. As stationery is often ordered in bulk and used over an extended period of time, it is difficult to determine the cost over a finite period. Rather than calculating the actual cost of stationery used over the period, the Minister’s stationery costs per unit are as follows:

   The cost of standard white 50 per cent recycled (80 gsm) paper used in the Minister’s office is $28.50 per box (2500 sheets).

   The cost of the DL size pre-printed envelopes is $346.00 for 3,000 when ordered in a batch of 3,000 envelopes.

2. The Minister does not have a pre-printed ministerial letterhead.
3. Not applicable.
4. Not applicable.

**Small Business: Stationery**  
*(Question No. 258)*

*Senator Humphries* asked the Minister for Small Business, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries in their portfolio:

1. What has been the total amount spent on stationery and publications, including a breakdown of all spending.
2. What has been the total amount spent on printing ministerial letterhead.
3. What is the grams per square metre [GSM] of the ministerial letterhead.
4. Is the letterhead carbon neutral.

*Senator Sherry*—The answer to the honourable senator’s question is as follows:

(1) From 14 September to 29 November 2010, the following stationery used by the Minister’s Office has been ordered:
QUESTIONS ON NOTICE

Senator Humphries asked the Minister representing the Treasurer, upon notice, on 13 December 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries within their portfolio:

(1) Do the Minister and Parliamentary Secretaries have access to a departmental credit card; if so, can a copy be provided of all bank statements.

(2) (a) How many mobile devices are provided to the Minister’s office; and (b) what is the total spend on mobile devices for each office to date.

(3) At what level is each staff member employed in the office.

(4) What has been the total cost of travel for the Minister and Parliamentary Secretaries.

(5) What has been the total travel for all staff, by office.

Senator Wong—The Treasurer has provided the following answer to the honourable senator’s question:

(1) No

(2) The Treasurer’s office has 27 mobile devices for which the total spend from 14th September 2010 to the end of November 2010 was $20,592.

Minister Shorten’s office has been provided with 13 mobile devices for which the total spend from 14th September 2010 to the end of November 2010 was $9,184.

Minister Bradbury’s office has been provided with two mobile devices for which the total spend from 14th September 2010 to the end of November 2010 was $792.

(3) This is a question for the Department of Finance and Deregulation.

(4) The total cost of international travel for the period between 14 September 2010 to 29 November 2010 for Ministers and the Parliamentary Secretary is $81,525.00.

Costs of official overseas travel by Ministers, Parliamentary Secretaries, accompanying spouses (where relevant) and accompanying staff employed under the Members of Parliament (Staff) Act 1984 are paid for by the Department of Finance and Deregulation (Finance). Dates, destinations, the purpose and costs of all official overseas visits are tabled in the Parliament every six months in a report titled Parliamentarians’ Expenditure on Entitlements paid by the Department of Finance and Deregulation and its supporting information. The reports and supporting information are also published on the Finance web site.

Please also note that domestic travel for the Treasurer and his staff is arranged for and paid by the Department of Finance and Deregulation.

TREASURY

(Question Nos 269, 304, 305)
(5) The total cost of international travel for the period between 14 September 2010 to 29 November 2010 for all Ministerial and Parliamentary Secretary staff is $86,634.00. Please also note that domestic travel for the Treasurer and his staff is arranged for and paid by the Department of Finance and Deregulation.

Regional Australia, Regional Development and Local Government

(Question No. 272)

Senator Humphries asked the Minister representing the Minister for Regional Australia, Regional Development and Local Government, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries within their portfolio:

(1) Do the Minister and Parliamentary Secretaries have access to a departmental credit card; if so, can a copy be provided of all bank statements.

(2) (a) How many mobile devices are provided to the Minister’s office; and (b) what is the total spend on mobile devices for each office to date.

(3) At what level is each staff member employed in the office.

(4) What has been the total cost of travel for the Minister and Parliamentary Secretaries.

(5) What has been the total travel for all staff, by office.

Senator Sherry—The Minister for Regional Australia, Regional Development and Local Government has provided the following answer to the honourable senator’s question:

(1) No.

(2) (a) 33, (b) $9,308 as at 31 December 2010.

(3) The employment of staff under the Members of Parliament (Staff) Act 1984 is administered by the Department of Finance and Deregulation. On 19 October 2010, the Department of Finance and Deregulation tabled with the Senate Finance and Public Administration Committee, Government Personal Positions as at 1 October 2010.

(4) The cost of official travel by Ministers, Parliamentary Secretaries and accompanying staff employed under the Members of Parliament (Staff) Act 1984 are largely paid by the Department of Finance and Deregulation. As such, the information sought will be tabled by the Special Minister of State in the last sitting week of June 2011 in his six-monthly report on Parliamentarians Travel Paid by the Department of Finance and Deregulation. As at 29 November 2010 there was no expenditure on short-term transport (cars or taxis).

(5) The Special Minister of State will respond on my behalf in relation to this question.

Immigration and Citizenship: Staffing

(Question No. 276)

Senator Humphries asked the Minister representing the Immigration and Citizenship, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries within their portfolio:

(1) Do the Minister and Parliamentary Secretaries have access to a departmental credit card; if so, can a copy be provided of all bank statements.

(2) (a) How many mobile devices are provided to the Minister’s office; and (b) what is the total spend on mobile devices for each office to date.

(3) At what level is each staff member employed in the office.

(4) What has been the total cost of travel for the Minister and Parliamentary Secretaries.
(5) What has been the total travel for all staff, by office.

**Senator Carr**—The Minister for Immigration and Citizenship has provided the following answer to the honourable senator’s question:

(1) No.

(2) (a) 14  (b) $3,286.43.

(3) The employment of staff under the *Members of Parliament (Staff) Act 1984* is administered by the Department of Finance and Deregulation. On 19 October 2010, the Department of Finance and Deregulation tabled with the Senate F&PA Committee, Government Personal Positions as at 1 October 2010.

(4) The costs of official travel by Minister’s, Parliamentary Secretaries and accompanying staff employed under the *Members of Parliament (Staff) Act 1984* are largely paid by the Department of Finance and Deregulation. As such, with the exception of those costs listed below, the information sought will be tabled by the Special Minister of State in the last sitting week of June 2011 in his six-monthly report on Parliamentarians Travel paid by the Department of Finance and Deregulation.

As at 29 November 2010, the total cost of short-term transport was as below:

- Minister - $2,845.13
- Parliamentary Secretary - $2,347.74

(5) The Special Minister of State will respond on behalf of other ministers.

**Sustainability, Environment, Water, Population and Communities**  
(Question No. 280)

**Senator Humphries** asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries within their portfolio:

(1) Do the Minister and Parliamentary Secretaries have access to a departmental credit card; if so, can a copy be provided of all bank statements.

(2) (a) How many mobile devices are provided to the Minister’s office; and (b) what is the total spend on mobile devices for each office to date.

(3) At what level is each staff member employed in the office.

(4) What has been the total cost of travel for the Minister and Parliamentary Secretaries.

(5) What has been the total travel for all staff, by office.

**Senator Conroy**—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

(1) No.

(2) (a) 18 Mobile devices, (b) Total spend - $4,876.28 (GST exclusive).

(3) The employment of staff under the Members of Parliament (Staff) Act 1984 is administered by the Department of Finance and Deregulation. On 19 October 2010, the Department of Finance and Deregulation tabled with the Senate Finance & Public Administration Committee, Government Personal Positions as at 1 October 2010.

(4) The costs of official travel by Ministers, Parliamentary Secretaries and accompanying staff employed under the Members of Parliament (Staff) Act 1984 are largely paid by the Department of Finance and Deregulation. As such, with the exception of those costs listed below, the information sought will be tabled by the Special Minister of State in the last sitting week of June 2011 in his...
six-monthly report on Parliamentarians Travel Paid by the Department of Finance and Deregulation.

As at 29 November, the total cost of short-term transport was:

(a) Minister for Sustainability, Environment, Water, Population and Communities - $6,901.67 (GST exclusive).

(b) Parliamentary Secretary for Sustainability and Urban Water - $3,264.37 (GST exclusive).

(5) The Special Minister of State will respond on behalf of the Minister for Sustainability, Environment, Water, Population and Communities.

Innovation, Industry, Science and Research
(Question No. 283)

Senator Humphries asked the Minister for Innovation, Industry, Science and Research, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries within their portfolio:

(1) Do the Minister and Parliamentary Secretaries have access to a departmental credit card; if so, can a copy be provided of all bank statements.

(2) (a) How many mobile devices are provided to the Ministers office; and (b) what is the total spend on mobile devices for each office to date.

(3) At what level is each staff member employed in the office.

(4) What has been the total cost of travel for the Minister and Parliamentary Secretaries.

(5) What has been the total travel for all staff, by office.

Senator Carr — The answer to the honourable senator’s question is as follows:

(1) No.

(2) (a) 5 mobile phones, 11 BlackBerries, 11 data cards. (b) For the period 14 September to 29 November 2010, the total amount spent on digital devices for the Minister’s Office was $5,604.92 (GST Inclusive).

(3) The employment of staff under the Members of Parliament (Staff) Act 1984 is administered by the Department of Finance and Deregulation. On 19 October 2010, the Department of Finance and Deregulation tabled with the Senate Finance and Public Administration Committee, Government Personal Positions as at 1 October 2010.

(4) The costs of official travel by Ministers, Parliamentary Secretaries and accompanying staff employed under the Members of Parliament (Staff) Act 1984 are largely paid by the Department of Finance and Deregulation. As such, with the exception of those costs provided below, the information sought will be tabled by the Special Minister of State in the last sitting week of June 2011 in his six-monthly report on Parliamentarians Travel Paid by the Department of Finance and Deregulation.

As at 29 November, the total cost of short-term transport (such as hire cars and taxis) was Nil.

(5) The Special Minister of State will respond on behalf of other ministers.

Human Services
(Question No. 291)

Senator Humphries asked the Minister representing the Minister for Human Services, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries within their portfolio:
(1) Do the Minister and Parliamentary Secretaries have access to a departmental credit card; if so, can a copy be provided of all bank statements.

(2) (a) How many mobile devices are provided to the Minister’s office; and (b) what is the total spend on mobile devices for each office to date.

(3) At what level is each staff member employed in the office.

(4) What has been the total cost of travel for the Minister and Parliamentary Secretaries.

(5) What has been the total travel for all staff, by office.

Senator Arbib—The Minister for Human Services has provided the answer to the honourable senators question:

(1) The Minister does not have access to a departmental credit card.

(2) (a) There are 10 mobile devices (plus 10 Wireless USB Modems) provided to the Minister’s office, (b) The total spend on mobile devices/Modems as at 29 November 2010 is $13,797.

(3) The employment of staff under the Members of Parliament (Staff) Act 1984 is administered by the Department of Finance and Deregulation. On 19 October 2010, the Department of Finance and Deregulation tabled with the Senate Finance and Public Administration Committee, Government Personal Positions as at 1 October 2010.

(4) The costs of official travel by Ministers, Parliamentary Secretaries and accompanying staff employed under the Members of Parliament (Staff) Act 1984 are largely paid by the Department of Finance and Deregulation. As such, with the exception of those costs listed below, the information sought will be tabled by the Special Minister of State in the last sitting week of June 2011 in his six-monthly report on Parliamentarians Travel Paid by the Department of Finance and Deregulation. As at 29 November, the total cost of short-term transport (such as hire cars and taxis) was $2,086.98.

(5) The Special Minister of State will respond on behalf of all ministers.

Small Business

(Question No. 300)

Senator Humphries asked the Minister for Small Business, upon notice, on 29 November 2010:

Since 14 September 2010, for each Minister and any Parliamentary Secretaries within their portfolio:

(1) Do the Minister and Parliamentary Secretaries have access to a departmental credit card; if so, can a copy be provided of all bank statements.

(2) (a) How many mobile devices are provided to the Minister’s office; and (b) what is the total spend on mobile devices for each office to date.

(3) At what level is each staff member employed in the office.

(4) What has been the total cost of travel for the Minister and Parliamentary Secretaries.

(5) What has been the total travel for all staff, by office.

Senator Sherry—The answer to the honourable senator’s question is as follows:

(1) No.

(2) (a) 1 mobile phone, 8 BlackBerries, 9 data cards. (b) For the period 14 September to 29 November 2010, the total amount spent on digital devices for the Minister’s Office was $4,746.02 (GST Inclusive).

(3) The employment of staff under the Members of Parliament (Staff) Act 1984 is administered by the Department of Finance and Deregulation. On 19 October 2010, the Department of Finance and De-
regulation tabled with the Senate Finance and Public Administration Committee, Government Personal Positions as at 1 October 2010.

(4) The costs of official travel by Ministers, Parliamentary Secretaries and accompanying staff employed under the Members of Parliament (Staff) Act 1984 are largely paid by the Department of Finance and Deregulation. As such, with the exception of those costs provided below, the information sought will be tabled by the Special Minister of State in the last sitting week of June 2011 in his six-monthly report on Parliamentarians Travel Paid by the Department of Finance and Deregulation.

As at 29 November, the total cost of short-term transport (such as hire cars and taxis) was $25.66 (GST Inclusive).

(5) The Special Minister of State will respond on behalf of other ministers.

**Tyre Retailers**

*Senator Ludlam* asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 6 December 2010:

In regard to the *‘Today Tonight’* episode of 19 August 2010 which revealed Australian tyre retailers were making fraudulent claims, imposing a ‘supposed’ government environment levy for tyre disposal when none exists; and also contracting operators who ship to Vietnam, selling to smugglers who then illegally ship into China (where they are banned for importation):

(1) What action has the Commonwealth taken to investigate false claims that the disposal of tyres are subject to a government levy.

(2) Has the department asked the Australian Competition and Consumer Commission to investigate whether these retailers are making false or misleading environmental claims.

(3) How does the department ensure that waste tyres are properly disposed of.

(4) Is the department aware that overseas disposal of waste tyres is threatening the viability of domestic tyre recyclers.

(5) Is the department aware that two Australian companies, Reclaim Industries Limited (an ASX-listed tyre recycler) and Tyrecycle have reported significant financial difficulties since the European Union banned export of tyres into much of south-east Asia and, as a consequence smugglers then started targeting Australia.

(6) What chain of custody processes has the Commonwealth put in place to ensure that the used tyres of the Government fleet of vehicles are not smuggled into China.

(7) Who has the Government fleet tyre contract.

(8) How is it best practice regulation to view the export of used tyres for an international smuggling ring as preferable to a domestic product stewardship scheme.

(9) How will the department stop tyre retailers charging as much as $6 per tyre for ‘tyre recycling’ or ‘mandatory government levies’ when no such levy currently exists.

*Senator Conroy*—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

(1) In November 2009 the Environment Protection and Heritage Council (EPHC) agreed to work with tyre industry stakeholders to put in place schemes that will develop the market and gain more value from the tyres that reach end of life in Australia each year. A Tyre Implementation Working Group (IWG) with representatives from the Australian Government, state governments and the tyre industry was formed for this purpose in May 2010 for 12 months.
As part of its deliberations the Tyres IWG has explored allegations associated with fees and charges for the disposal of used tyres.

I am advised the Department of Sustainability, Environment, Water, Population and Communities (the department) also understands that the Australian Competition and Consumer Commission has investigated this issue.

(2) No.

(3) Under the Australian Constitution the states and territories have primary responsibility for waste management including end of life tyres. Relevant legislation varies between jurisdictions.

The Government, through the EPHC, is committed to working with tyre industry stakeholders on the development of product stewardship initiatives for end of life tyres.

The department also manages Australia’s obligations in relation to waste under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. The export of end of life tyres needs to be in accordance with Australia’s obligations under the Basel Convention and the Commonwealth’s Hazardous Waste (Regulation of Exports and Imports) Act 1989; and with the legislation of the destination country.

(4) The department advisers it is aware of claims made by the Australian Tyre Recycling Association (ATRA) views on the issue.

(5) The department advisers Reclaim Industries Limited and Tyrecycle are represented by ATRA on the Tyre IWG (refer to answer 4).

(6) The export of all end-of-life tyres, regardless of their ownership, needs to be in accordance with Australia’s obligations under the Basel Convention and the Commonwealth’s Hazardous Waste (Regulation of Exports and Imports) Act 1989; and with the legislation of the destination country.

(7) All tyres for the Australian Government vehicle fleet are sourced under the whole-of-government vehicle fleet management and leasing contract with LeasePlan Australia Ltd.

(8) The Government, through the EPHC, is committed to supporting the tyre industry to establish a domestic product stewardship scheme for end of life tyres.

(9) Investigation of false or misleading claims made by tyre retailers in relation to tyre disposal fees or charges is the responsibility of the Australian Competition and Consumer Commission and State and Territory consumer protection agencies.

Office of the Supervising Scientist
(Question No. 314)

Senator Ludlam asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 6 December 2010:

(1) Is the Office of the Supervising Scientist (OSS) aware that in early October 2010, HNC (Australia) Resources Pty Ltd, the mining company behind the Brown’s Oxide Project at Rum Jungle near Batchelor, issued a short statement announcing that it had decided to move to permanent care and maintenance due to the likely cost of the remedial works required to fix the processing plant plus the uncertainty of obtaining approval for a related development.

(2) Did the Minister seek the view of the OSS on this development.

(3) Was any advice received from the OSS; if so, can a copy be provided of that advice.

(4) What implications does this development have for rehabilitation of the former Rum Jungle site.

(5) Has the OSS conducted any review of the recent rehabilitation program for former uranium mines in the South Alligator region.

(6) What monitoring is taking place and what are the early trends from this work.

QUESTIONS ON NOTICE
(7) What is the current status of the rehabilitation program at the former Nabarlek uranium mine in West Arnhem.

(8) What, if any, implications for this rehabilitation might arise from renewed uranium exploration activity in the surrounding region.

(9) What work has the OSS done ahead of the planned environmental impact statement application by Energy Resources of Australia Ltd for heap leach operations at the Ranger mine in Kakadu, especially given that this is a novel technology in a monsoonal tropical region.

(10) Have departmental officers visited uranium heap leach operations overseas; if so, can a list be provided, including: (a) the name and position of each officer; (b) the location of each visit; (c) the date or dates of each visit; and (d) the findings and outcomes.

(11) Who in OSS has carriage of this specific assessment.

Senator Conroy—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

(1) The OSS advises it is aware.

(2) No.

(3) The Supervising Scientist did not provide advice to the Minister on the matter.

(4) The OSS advises that the Brown’s Oxide Project does not currently have any direct implications for the rehabilitation of Rum Jungle.

(5) Officers from the Supervising Scientist Division inspected the rehabilitation works of former uranium mines in the South Alligator Valley in June, July and September 2010.

(6) The OSS advises that the Supervising Scientist has the statutory function of monitoring the South Alligator Region. The rehabilitation work and ongoing monitoring of the containment site is undertaken by the Director of National Parks and staff of Parks Australia. Park staff monitor surface disturbance in and around the containment facility. Sub-surface monitoring equipment has been installed and calibrated and early indications are the equipment is operational. Data has been collected and will shortly be analysed by the overseeing engineering consultants and the Supervising Scientist Division.

(7) The OSS advises that rehabilitation at the Nabarlek site is progressing. Most of the required earthworks, including backfill of the pit, were completed in 1995 and the majority of subsequent activities involved revegetation and weed control. Over the 2010 dry season Uranium Equities (UEL) has remediated the former village site, including asbestos removal. UEL proposes to plant a further 5000 seedlings on the site over the 2010-11 wet season and grassy weed densities have been greatly reduced.

(8) The company currently undertaking exploration has acquired the company that owns the Nabarlek site and has therefore assumed existing obligations for rehabilitation of the site.

(9) The OSS advises that it has undertaken research into technical, environmental and regulatory issues associated with acid heap leach mining processes in the wet/dry tropics to enhance internal knowledge and determine current best practice.

(10) The OSS advises that two officers from the Office of the Supervising Scientist undertook a visit to an acid heap leach facility located at Caetité, Bahia State, Brazil on 2 March 2009. The principal outcome of this visit was familiarisation with operational details of the heap leach uranium extraction process. The Supervising Scientist also visited a former heap leach site at Mecsek in Hungary in October 2008. The principal outcome from this visit was acquisition of awareness of the types of remediation activities that were undertaken to restore the environment for other land uses post mining.
(11) The OSS advises that an Environmental Impact Assessment (EIS) for the proposed heap leach development at Ranger mine has not yet been submitted for consideration under the Environment Protection Biodiversity Conservation Act 1999. The EIS, when submitted, will be subject to consideration by the Northern Territory. The Supervising Scientist is responsible for all matters handled by his office.

National Waste Policy
(Question No. 315)

Senator Ludlam asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 6 December 2010:

With reference to the Government’s National Waste Policy and the proposed Product Stewardship legislation under which national recycling policies for products such as electronic waste can be regulated – a scheme which was to start in 2011:

(1) What is the timetable for the Product Stewardship legislation.
(2) What is the timetable for e-waste recycling.
(3) What expenditure has been earmarked for the e-waste scheme.
(4) What budget allocations have been made to implement e-waste collections.
(5) To date, what progress has been made towards implementing the scheme.
(6) Will the e-waste scheme start in time to help recover disposed televisions, resulting from the current digital switchover.

Senator Conroy—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

(1) The Product Stewardship bill is expected to be introduced into the Australian Parliament in 2011.
(2) A consultation paper on the proposed regulation for the television and computer scheme is expected to be available for public comment in February 2011. The industry led television and computer product stewardship scheme is expected to be operational in late 2011.
(3) The Department advises that over the period 2010-2011 to 2014-2015, there will be around $3.4 million for the National Waste Policy key direction “Taking responsibility”, for the development of a Product Stewardship framework, the development of the scheme for televisions and computers and other Product Stewardship work.
(4) This will be an industry led scheme.
(5) The Department initiated a joint industry-government working group in February 2010. This group has been working with stakeholders to develop the operational arrangements for the new scheme, including governance, reporting, roll-out and standards.
(6) The scheme is expected to be operational in time to address the majority of Australia that will be affected by the digital switchover. Targeted take back events for obsolete televisions have been arranged for those areas of Australia which have already transitioned to the digital services, including regional and remote South Australia and Broken Hill.

Uranium Mining
(Question No. 316)

Senator Ludlam asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 6 December 2010:

With reference to the very high levels of electrical conductivity, recorded in April 2010, downstream from the Ranger Mine in the Kakada National Park, and which recorded the presence of uranium in the
water: Does the Northern Territory Environmental Laboratories undertake analysis of samples for the Office of the Supervising Scientist, including the assessing of contamination of waterways downstream from the Ranger Mine in Kakadu National Park.

Senator Conroy—The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator’s question:

The Office of the Supervising Scientist (OSS) advises that water samples collected during the spike in electrical conductivity that occurred in Magela Creek downstream from the Ranger Mine in April 2010 were sent to Northern Territory Environmental Laboratories (NTEL) for analysis.

The OSS further advises that the Supervising Scientist Division currently has a tender out for its analytical services, and NTEL is one of several companies invited to tender. It is expected that the tender will be let in early 2011.