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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

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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
Minister for Social Inclusion
Minister for Privacy and Freedom of Information
Minister for Sport
Special Minister of State for the Public Service and Integrity
Assistant Treasurer and Minister for Financial Services and Superannuation
Minister for Employment Participation and Childcare
Minister for Indigenous Employment and Economic Development
Minister for Veterans’ Affairs and Minister for Defence Science and Personnel
Minister for Defence Materiel
Minister for Indigenous Health
Minister for Mental Health and Ageing
Minister for the Status of Women
Minister for Social Housing and Homelessness
Special Minister of State
Minister for Small Business
Minister for Home Affairs and Minister for Justice
Minister for Human Services
Cabinet Secretary
Parliamentary Secretary to the Prime Minister
Parliamentary Secretary to the Treasurer
Parliamentary Secretary for School Education and Workplace Relations
Minister Assisting the Prime Minister on Digital Productivity
Parliamentary Secretary for Trade
Parliamentary Secretary for Pacific Island Affairs
Parliamentary Secretary for Defence
Parliamentary Secretary for Immigration and Citizenship
Parliamentary Secretary for Infrastructure and Transport and
Parliamentary Secretary for Health and Ageing
Parliamentary Secretary for Disabilities and Carers
Parliamentary Secretary for Community Services
Parliamentary Secretary for Sustainability and Urban Water
Minister Assisting on Deregulation and Public Sector Superannuation
Minister Assisting the Attorney-General on Queensland Floods Recovery
Parliamentary Secretary for Agriculture, Fisheries and Forestry
Minister Assisting the Minister for Tourism
Parliamentary Secretary for Climate Change and Energy Efficiency

Hon. Simon Crean MP
Hon. Tanya Plibersek MP
Hon. Brendan O’Connor MP
Senator Hon. Mark Arbib
Hon. Gary Gray AO, MP
Hon. Bill Shorten MP
Hon. Kate Ellis MP
Senator Hon. Mark Arbib
Hon. Warren Snowdon MP
Hon. Jason Clare MP
Hon. Warren Snowdon MP
Hon. Mark Butler MP
Hon. Kate Ellis MP
Senator Hon. Mark Arbib
Hon. Gary Gray AO, MP
Senator Hon. Nick Sherry
Hon. Brendan O’Connor MP
Hon. Tanya Plibersek MP
Hon. Mark Dreyfus QC, MP
Senator Hon. Kate Lundy
Hon. David Bradbury MP
Senator Hon. Jacinta Collins
Senator Hon. Stephen Conroy
Hon. Justine Elliot MP
Hon. Richard Marles MP
Senator Hon. David Feeney
Senator Hon. Kate Lundy
Hon. Catherine King MP
Senator Hon. Jan McLucas
Hon. Julie Collins MP
Senator Hon. Don Farrell
Senator Hon. Nick Sherry
Senator Hon. Joe Ludwig
Hon. Dr Mike Kelly AM, MP
Senator Hon. Nick Sherry
Hon. Mark Dreyfus QC, MP
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<td>Leader of the Opposition</td>
<td>Hon. Tony Abbott MP</td>
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<td>Deputy Leader of the Opposition and Shadow Minister for Foreign Affairs and Shadow Minister for Trade</td>
<td>Hon. Julie Bishop MP</td>
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<td>Leader of the Nationals and Shadow Minister for Infrastructure and Transport</td>
<td>Senator Hon. Eric Abetz</td>
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<td>Leader of the Opposition in the Senate and Shadow Minister for Employment and Workplace Relations</td>
<td>Senator Hon. Warren Truss MP</td>
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<tr>
<td>Deputy Leader of the Opposition in the Senate and Shadow Attorney-General and Shadow Minister for the Arts</td>
<td>Senator Hon. George Brandis SC</td>
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<tr>
<td>Shadow Treasurer</td>
<td>Hon. Joe Hockey MP</td>
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<td>Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House</td>
<td>Hon. Christopher Pyne MP</td>
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<td>Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals</td>
<td>Senator Hon. Nigel Scullion</td>
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<td>Shadow Minister for Regional Development, Local Government and Water and Leader of the Nationals in the Senate</td>
<td>Senator Barnaby Joyce</td>
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<td>Shadow Minister for Finance, Deregulation and Debt Reduction and Chairman, Coalition Policy Development Committee</td>
<td>Hon. Andrew Robb AO, MP</td>
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<td>Hon. Ian Macfarlane MP</td>
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<td>Shadow Minister for Defence</td>
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<td>Shadow Minister for Communications and Broadband</td>
<td>Hon. Malcolm Turnbull MP</td>
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<td>Shadow Minister for Health and Ageing</td>
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<td>Shadow Minister for Families, Housing and Human Services</td>
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<td>Shadow Minister for Climate Action, Environment and Heritage</td>
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<td>Shadow Minister for Productivity and Population and Shadow Minister for Immigration and Citizenship</td>
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<td>Shadow Minister for Small Business, Competition Policy and Consumer Affairs</td>
<td>Hon. Bruce Billson MP</td>
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SHADOW MINISTRY—continued

Shadow Minister for Employment Participation: Hon. Sussan Ley MP
Shadow Minister for Justice, Customs and Border Protection: Mr Michael Keenan MP
Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation: Senator Mathias Cormann
Shadow Minister for Childcare and Early Childhood Learning: Hon. Sussan Ley MP
Shadow Minister for Universities and Research: Senator Hon. Brett Mason
Shadow Minister for Youth and Sport and Deputy Manager of Opposition Business in the House: Mr Luke Hartsuyker MP
Shadow Minister for Indigenous Development and Employment: Senator Marise Payne
Shadow Minister for Regional Development: Hon. Bob Baldwin MP
Shadow Special Minister of State: Hon. Bronwyn Bishop MP
Shadow Minister for COAG: Senator Marise Payne
Shadow Minister for Tourism: Hon. Bob Baldwin MP
Shadow Minister for Defence Science, Technology and Personnel: Mr Stuart Robert MP
Shadow Minister for Veterans’ Affairs and Shadow Minister Assisting the Leader of the Opposition on the Centenary of ANZAC: Senator Hon. Michael Ronaldson
Shadow Minister for Regional Communications: Mr Luke Hartsuyker MP
Shadow Minister for Ageing and Shadow Minister for Mental Health: Senator Concetta Fierravanti-Wells
Shadow Minister for Seniors: Hon. Bronwyn Bishop MP
Shadow Minister for Disabilities, Carers and the Voluntary Sector and Manager of Opposition Business in the Senate: Senator Mitch Fifield
Shadow Minister for Housing: Senator Marise Payne
Chairman, Scrutiny of Government Waste Committee: Mr Jamie Briggs MP
Shadow Cabinet Secretary: Hon. Philip Ruddock MP
Shadow Parliamentary Secretary Assisting the Leader of the Opposition: Senator Cory Bernardi
Shadow Parliamentary Secretary for International Development Assistance: Hon. Teresa Gambaro MP
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Shadow Parliamentary Secretary for Tax Reform and Deputy Chairman, Coalition Policy Development Committee: Hon. Tony Smith MP
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The PRESIDENT (Senator the Hon. John Hogg) took the chair at 9.30 am and read prayers and made an acknowledgement of country.

NEW ZEALAND EARTHQUAKE

The PRESIDENT (9.30 am)—I advise honourable senators that the New Zealand High Commission has agreed to make a condolence book for the Christchurch earthquake available at Parliament House for members and senators to sign. The book will be available this morning between 10 o’clock and 12 noon in the glass link way in the President’s suite, and I invite senators to sign it.

I have been asked about the prospect of other people signing the book. The book is very limited in size—that was not our decision; it was the choice of the New Zealand High Commission. Hence signing will be restricted in this instance to senators, as members have signed a similar or the same book on another occasion.

PROTECTING CHILDREN FROM JUNK FOOD ADVERTISING (BROADCASTING AMENDMENT) BILL 2010

Second Reading

Debate resumed from 30 September 2011, on motion by Senator Bob Brown:

That this bill be now read a second time.

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

Senator MOORE (Queensland) (9.33 am)—So many in this chamber, in our parliament and in our community agree with the focus of the Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2010. This is a major issue for our community. However, at the beginning of this speech I have to say to Senator Brown and the people who are supporting this bill that, though we have great sympathy with their desire to make change in our community, at this stage we do not accept the need for the regulation which is spelled out in the bill.

I do note that the bill before us today is not the same bill that the Standing Committee on Community Affairs considered in 2008. There have been changes, and I think they certainly reflect some of the discussion that happened in the Community Affairs consideration at that time. That shows the way the debate must continue. The way we view these things, the way we respond, will evolve as more people come into the discussion and as more evidence is provided. As the National Preventative Health Strategy called on all people and government to do, we must have a key comprehensive strategy on the important issue of obesity in our community.

The strategy stated seven key objectives, the first of which is that there must be shared responsibility. We must develop effective strategic partnerships across the community to ensure that, at all levels of government, industry, business, unions, the non-government sector, research institutions and anywhere else, anyone who wants to be involved in this process should be involved in sharing the response and sharing the knowledge.

The second strategy is that we should act on these issues early and throughout life. This is not a problem that is related to age, location, process or family—it is something that we must consider across all of life. We need to work with individuals, families and, most importantly, within the community.
That leads onto the next objective, which is to engage communities. We need to actively engage with people where they live, where they work and where they play—at home, in schools, in workplaces and in the community. We have to inform, enable—most particularly enable—and support people to make healthy choices: healthy choices for themselves that they can own, not things imposed from outside, not from listening to experts who in many ways in their informing processes lose the audience. Too many words, too many rules and too many directives sometimes lose the battle. I think we have heard a few times that there is a battle. We have to engage, we have to identify and then we need to work together.

The fourth objective is to influence markets and develop connected and coherent policies—for example, through measures such as taxation and responsive regulation. This is one of the key recommendations, because that adjective ‘coherent’ is one that we need to take note of. Very often, in our need to make change, in our responses on something which we feel is important and we value, there is a tendency to leap forward quickly, to take an action that we might think will be positive, we might think will add to change, but we end up not having a coherent set of policies and, most importantly, forgetting to bring people along with us.

You cannot have a coherent policy, one that crosses all levels of government, without engaging with people and making sure that everybody is with you, understands the issue fully, and is prepared to listen and to conciliate and negotiate. Sometimes, in our need to be seen to be doing something, we forget that in making real difference, as I said on another of the objectives, we need to work effectively together.

The next objective is to reduce inequity through targeting disadvantage. We have heard that many times. Government policy has made an attempt to identify areas where there is particular disadvantage and clearly target those people and areas to ensure that the response is effective and not one size fits all. We understand that in working to develop a policy—in any area, but I think most particularly those who engage with families and communities on an issue such as obesity—we need to be sensitive and to understand that there are different needs and issues in different parts of our community. As I said, the directive ‘this will be the response and it will apply across the board’ is sometimes not the most effective response. The National Preventative Health Strategy did pick that up.

When we were looking at the Preventative Health Strategy, we also—as this government does across all elements of social policy—looked at the particular needs of Indigenous Australians. That must be brought into any discussion or debate that we have.

The last recommendation of the strategy, which is also part of the government’s response, is to look at our current primary healthcare process and refocus it to a clear understanding of prevention. We have heard the figures. There is no argument about the fact that if we can identify and prevent the cause of illness, if we can ensure that people understand that and put strategies in place cooperatively to address those major changes, we will have a healthier community across the board, which will inevitably lead to cost savings in the medical system. There have been many studies on that across the globe. The real push, apart from our need to respond to our citizenry in making sure that there is effective health care, is to look at the health budget. We need to refocus the health budget to ensure that prevention, understanding and education have a high profile and we are not completely reliant on extraordinarily expensive emergency care.
Developing the National Preventative Health Strategy took a number of years. In 2008, when the Senate Standing Committee on Community Affairs had its inquiry into the previous bill on this issue, the task force was still working towards bringing forward its final report. The report was produced, the government made an initial response and we continue to respond to those very important principles as we develop health policy and reform health across the country. That means engaging with industry, responding cooperatively and taking a whole-of-life approach to health issues. Most important, and I think a key aspect of the discussion we are having this morning, is working within community to engage within community. As I said earlier, that is not to impose from outside, to rush in with one element of a response, but rather to work cooperatively so that we have—I requote the strategy—a cohesive response that makes people feel as though they are involved, they own the policy and they have a role in it.

I congratulate the Australian Greens for putting this issue clearly on the agenda. They have led over many years in this area of advertising reform and linking it to process. I do not accept that the way to move this forward is to have a simple advertising ban. We had debate in the community and among our committee about how it should work with other areas, and I think that is important. But what we have in the bill this morning is leading with a ban, leading with a direction, leading with legislation, rather than working with industry and community to bring forward processes from those areas. I think that should be the response to the seven principles of the strategy that I outlined.

No-one could doubt that if this piece of legislation went through there would be a change. There would be no advertising of these products between early morning and late night. That is an element of change that we have had between 2008 and now. The bill that went before the community affairs committee in 2008 did not have such a wide range. This one is a wider response. It says there should not be any advertising, of any kind, of what the bill refers to as junk food—and there was quite a degree of debate among the community affairs committee as to how you define the term ‘junk’—on the TV networks between those hours. I believe—and certainly I will be arguing it today—that response is too wide-ranging. It does not bring industry along with it. It says, ‘This is what we’re going to do and this is how it’s going to work.’ While there should always be a wide range of options on the table, in our community now, as a result of the work that has been done on the national health strategy, we have the Preventative Health Agency, which has been given the authority by this parliament to monitor the effectiveness of regulations and initiatives. It will continue to engage with community and bring together the expertise, knowledge and commitment of people in the Australian community and internationally to analyse, work effectively with and disseminate the latest evidence. That will lead to a coherent and cohesive connected policy framework.

We know that efforts have already been made across a range of communities and industries to ensure that the issues of obesity, protection of our community and protection of our health are moved forward. It is important to note that that has occurred. Sometimes, I think, people who are caught up in the need to make change, people who are committed to a principle, do not always acknowledge work that has been done, because that work may not have reached the point that those people want to get to.

Through our community affairs inquiry and through ongoing discussion with industry, we know that there have been a range of changes in the Commercial Television Indus-
try Code of Practice, in industry responsiveness in the areas of healthy food and lifestyle and in ensuring that there is an understanding by the advertising industry and by the communications networks of the best ways to respond both to the needs of the market and to the needs of the wider community and health base.

An example is the Responsible Children’s Marketing Initiative, a voluntary code developed by the Australian food and beverage industry. The code requires that advertisements targeted at children help promote healthy dietary choices and lifestyles. Linked with that healthy choice in lifestyle component of the initiative is a truth in advertising process. This prohibits advertisements shown to any members of the community—it is not limited to children—from portraying something which is wrong, which is misleading or which can lead to false expectations. When you put those things together, you see the cooperative way that the Australian Food and Grocery Council, the Australian Beverages Council and the various bodies involved in communications, TV and advertising are approaching this issue. They are not running away from this issue; they are not moving away from the argument; they are not excluding themselves from a commitment—one we all know we need—to the health of our communities. People have chosen to be involved.

There was certainly some discussion during the hearings of the community affairs committee about the level of trust in industry self-regulation. In some ways I share in that concern. But I always believe we should allow people the opportunity to be engaged and then, should their participation, their cooperation and their actions not meet our requirements, we can pursue options to move in different directions. While the cooperative arrangement is being pursued, however, and while the industry is voluntarily changing its practice and while it is showing a willingness to listen and to be involved, I think we should be encouraging that. As the strategy pointed out, we should attempt to make sure that industry is involved in the process rather than seeing it as the enemy or taking a punitive approach to it. The needs of the industry should be recognised as should its achievements in addressing this issue. The community affairs committee hearings had a number of really positive discussions. That is how we like to work in the community affairs committee—we like to have open discussions so people can share their views and be involved in working towards a genuine outcome.

At some stage—it is in Hansard—I did say that my own childhood was actually enhanced by some of the advertisements for products that were important to me at the time. I hope there is no commercial problem here, but I did refer to Cherry Ripe advertisements and the beautiful images that were in them. As part of that discussion, I talked about the fact that there was, at that time, no doubt in my family and in the families I knew that those sorts of advertisements were about luxury foods. Those products referred to in this bill as ‘junk food’—unnecessarily in my view—were products that were openly available in the community. While they were openly available, people knew and understood what those products were. The key responsibility, when looking at those sorts of advertisements and sharing them in family and school communities, was knowing what was appropriate at what time.

One of the things we talked about was the role of parental responsibility and the role of effective community education. Effective education is needed to ensure that the people watching the advertisements understand that the kinds of foods being promoted, the ones which are the target of this bill, are not your staple family meals. We are not saying that everybody should eat the foods referred to in
this bill—they are not your standard meal. One of the key aspects of the government response to the whole health strategy is community education. People need to understand the necessity for a good basic diet and that the kinds of things we are talking about now are add-ons—they are not core diet, but they are part of life.

The way you work effectively in, live in and survive in the community is to know boundaries. Very often people forget that there must be personal accountability and personal responsibility. Advertising has a role and industry has a role, but the final decision must be with individuals, families and society. I believe that part of the preventative health strategy in our community must look at appropriate education—support for people so that they understand health, they understand diet and they understand the importance of advertising. The government needs to work effectively in that space.

So responding to people in their own lives and their own schools, as we have already done with the various programs aimed at encouraging increased physical activity, to enable them to work out for themselves what is best is a strategy that should be part of our response. We should take that approach rather than immediately moving to a blanket advertising ban. I am not saying that there is no role in this debate for discussion of the regulation of advertising. What I do say is that we need to look at all the options and engage with all the people who have a definite interest in this area. No-one can just decide to move away from this debate—it is the responsibility of all of us. But if we are going to say that our key response is to ban advertising on what is defined as junk food—and I am not quite sure whether that definition is particularly clear—and that everything else will fall in around that, we are not giving the appropriate message, that each of us has a responsibility, to the community and to every individual. We work within our community to achieve a result.

The debate on this issue will continue. The way it should occur is through the Australian Preventative Health Agency, which is calling upon all of us to be involved and work with them so that we have a response that engages, informs and results in an effective policy that we share and own.

Senator BIRMINGHAM (South Australia) (9.52 am)—I rise to speak on the Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2010. The overarching issues that we deal with in this topic are very important and Senator Moore has reflected upon the significance of the overarching issues of obesity, particularly childhood obesity. Obesity is a serious problem. As the report of the Senate Standing Committee on Community Affairs quoted in its report on the predecessor to this bill:

It estimated the total financial cost of obesity in Australia in 2008 was $8.3 billion and suggested that by 2020 the number of obese Australians will have grown to 6 million.

These are significant figures. Whilst I have some general concerns about the often bulk-up of these epidemiological studies into enormous economic costs, the figures on the number of Australians who are overweight, the growing trend of obesity and the impact that has on the health of those individuals, and the costs to our health system and other flow-on economic costs, are quite real. What is also quite real is the known link between childhood obesity and adult obesity. It is a fact that children who are obese are more likely to end up being obese adults. However, I do not believe that this bill presents a serious solution to this problem; in fact, this bill does not really present any solution to this serious problem of obesity.

As Senator Moore expressed, this is very much a cultural problem. People genuinely
know and understand that eating badly is bad for them, but they still do it and they still promulgate that habit to their children. People know that not doing enough exercise is bad for them, yet they still fail to do enough exercise and they still fail to encourage and facilitate enough exercise in the lives of their children. These are things that are known and it is a cultural issue that we have to try to change and redress.

I see in the gallery today that we have some visiting school groups. I am sure all of those students know that eating badly is bad for them and that they need to do more exercise in their lives in order to have a healthy lifestyle in the future. But there are a range of pressures on this—from time pressures to what is served at the family table. All of those types of issues are there, but advertising is by no means the driving force.

If you look at the evidence in this debate, it is quite clear that banning junk food advertising really has no impact whatsoever. If you go through study after study, you will struggle to find any genuine causal link. In a 2004 lead editorial in the *Journal of the Royal Society of Medicine* it was argued:

… there is no good evidence that advertising has a substantial influence on children’s food consumption and, consequently, no reason to believe that a complete ban on advertising would have any useful impact on childhood obesity rates.

It continued by saying:

The claim that food advertising is a major contributor to children’s food choices and the rising tide of childhood obesity has obvious appeal, but as an argument it does not stand up to scrutiny.

Indeed, it does not stand up to scrutiny, and research study after research study has continued to say so. Just last year the Productivity Commission released a staff working paper on childhood obesity that concluded:

… while research shows that television viewing and childhood obesity are related, the direction of causation and the magnitude of the contribution of food advertising to obesity is uncertain.

That is a fairly logical point. Research shows that there is a link between the extent of television viewing—a fairly sedentary activity—and childhood obesity, but it does not show there is a link between the products that are advertised on television and childhood obesity. The Productivity Commission report went on to say:

While research shows correlations between advertising and children’s preferences, there is no strong evidence of a causal relationship between advertising and children’s food preferences and weight outcomes. It is also difficult to isolate the effect of advertising from other factors that affect the television viewing and obesity relationship, such as the sedentary nature of television viewing.

If, as the evidence suggests, the link between television viewing and childhood obesity is tenuous or, at most, small in magnitude, it is unlikely that banning the advertising of energy-dense foods would significantly address the prevalence of childhood obesity. This was a study done only last year by the Productivity Commission—in their usual way, it is very well-sourced and researched—into all of the findings of different experts during that time. The Productivity Commission and the Royal Society of Medicine are not alone in that regard. Frontier Economics released a bulletin in January 2008 in which they tried to assess some of the evidence and analysis in this debate. They found:

Most studies could not identify a clear relationship between advertising and consumption, and those that did indicated the impact was small – a mere 2% of the variance that could be related to different influences such as family meal habits, exercise levels and so forth. Moreover, recent studies of Canada and Sweden indicate that obesity does not diminish where advertising to children has been banned.

I emphasise the last sentence because this is the key point of this debate. We are debating
a bill put forward by the Greens proposing to ban and restrict certain types of food advertising, doing so under the premise that it will somehow have an impact on obesity, yet I am unable to find clear-cut evidence, research, studies or data that suggest it will. What you can find are suggestions that there are better ways of tackling childhood obesity. The PC report, which I referenced before, highlights other alternative community based interventions. In Australia, it highlighted the Be Active Eat Well program, saying:

The intervention was designed and implemented by parents and local organisations (such as schools and community agencies). The strategy includes nutrition strategies, physical activity strategies and screen time strategies to promote healthy eating and physical activity. This long-term intervention ran for several years.

This is the type of intervention program which is far more likely to succeed. Firstly, it is built from the grassroots up. It involves parents, school communities and local people who can impact what happens in day-to-day lives. It involves the correlation and combination of what you eat and how you exercise. This example has, indeed, worked overseas. The Productivity Commission report went on to highlight examples in France of similar community based intervention programs:

In each town the intervention is led by a committee, and suggestions are received for different community initiatives, activities and diets. Initiatives may include organising games at school playtime, walk-to-school groups and learning about vegetables in the classroom.

Half of the towns showed a statistically significant decrease in overweight and obesity combined between 2005 and 2007.

So we have evidence to say that a holistic approach similar to some of the measures Senator Moore was talking about can work, can deliver change. This is where the focus of this debate needs to be. Talking about advertising bans is a distraction to the main game of tackling this issue. Even if there were any evidence that it would work, frankly there is every chance that the horse has bolted on this because children are now viewing less free-to-air television. Children are accessing information from a far wider variety of sources and different media and the internet. If Senator Conroy gets his way, obviously they will be accessing a lot more internet. There are varieties of ways by children will get information.

Advertising is often highlighted as a great plague on society, but that is not the truth. Advertising does not kill people. Advertising does not make people fat or drunk. For all the claims and desires of different people, especially the Greens, banning advertising is not a solution. We need cultural change—things that bring people back to healthy lifestyles. Cultural initiatives are the answer; this bill is not.

Senator SIEWERT (Western Australia) (10.03 am)—One would wonder why advertisers bother spending millions of dollars on advertising. Given the two speeches I have just heard in this place, it is obvious that advertising has an impact; otherwise, advertisers would not be spending millions on it. The Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2010 amends the Broadcasting Services Act 1992 to encourage healthier eating habits among children and to prohibit the broadcasting of advertisements for junk food during certain times. The bill is not the sole thing we need to do to address obesity and associated diseases in our children, our juveniles and our adult population. The Greens have never ever said that—not once. This is part of the comprehensive approach we need to take to manage the obesity epidemic in our community. Some people are saying that we are going to be the peak of the healthiest genera-
tion and that life expectancy will in fact decrease from now because of our unhealthy habits. We have to do something about this epidemic.

The current restriction on advertising to children—people under 14 years of age—set out in the Children’s Television Standards 2009, applies from 7.00 am to 8.30 pm. The bill amends these times to cover the period between 6.00 am and 9.30 pm. A range of key stakeholder organisations, including the Obesity Policy Coalition, have argued that the existing time frame does not represent the actual viewing times of children in this age group. Those organisations support the extension of time to ensure the advertising restriction is effective.

In Australia, 62 per cent of men and 45 per cent of women are considered overweight or obese. High body mass contributes 7.5 per cent to the overall health burden in Australia, with type 2 diabetes at 40 per cent and heart disease at 34 per cent as the major risks. Obesity rates in Australia are generally increasing, so we quite clearly need to address this issue.

Currently in Australia the potential cost saving to the health sector would be $812 million—if we are able to eliminate, for example, just obesity issues. Those statistics give a brief snapshot of why it is so important that we address this issue. Not only are there some very important economic considerations but, most importantly, this is about the health of our community and future generations, ensuring that we have good health programs which generally improve the health of the Australian community.

Successive governments have run advertising and information campaigns to improve diets and increase physical activity with the aim of preventing or reducing obesity and improving our health. Despite these campaigns, obesity rates have continued to rise—the latest figures were released last week. This suggests that to date some of these programs may well not have been effective and that, if we are going to change behaviour, we need to provide different information. A lot of these campaigns have been undermined directly by advertising of products on television to our children. We need to refocus our social marketing campaigns, deal with economic incentives and, in some cases, change our legislative base—for example, by banning junk food advertising, an approach the Greens have been advocating for some considerable time as part of an integrated approach to dealing with this issue.

We need a greater understanding of consumer interaction. This conclusion is supported by research in behavioural economics which has shown that, in many cases, even when consumers have ready access to understandable information, they still fail to choose the products or the services which best suit their needs—because people may ignore or misinterpret relevant information or fail to act because of other barriers to them changing their behaviour.

Biases in consumer decision making are well known to traders of goods and services. They have large marketing budgets and present their products in the best possible light within the limits of the law. They may also exploit consumer biases to increase demand for their products. That is what advertising is all about—let us face it. The large amount of advertising generated by the manufacturers of junk food, for example, makes it very difficult for healthy eating messages to be effective. Again, it highlights the need for strong programs and a variety of programs to tackle this problem from a variety of angles. It also highlights the need for consumers to be involved in assisting in the advisory process, particularly talking to parents.
In marketing to children, advertisers have encouraged the phenomena of what has been called ‘label pester power’. This has been defined as the constant demand for parents to purchase items, be they clothes, toys, gadgets, or various other goods—in particular, food. Pestering consists of persistent nagging—that is, pleas which are repeated consistently for parents to purchase an item. This type of pestering is not as effective with parents as ‘importance nagging’. Importance nagging represents a more sophisticated means by which children claim that something is necessary for their educational or sporting progress, or for their general well-being, which is where the issues concerning food come in. Importance nagging takes advantage of parents’ desire to provide the best for their children, and plays on any guilt they may feel about not spending enough quality time with their children.

According to the Australian Centre for Science in the Public Interest, pestering strategies undermine parental authority, which is where we come to this business of ‘It’s all about parental authority’. Parents are forced to choose between being the bad guy by saying no to junk food, or giving in to incessant demands. This conflict in negotiation between parents and children is recognised as ‘co-shopping’, which is when children are in the shopping centre with their parents. Parents describe this as extremely stressful because of the constant purchase demands made by children. Anybody who has been in a shopping centre with children will understand exactly what I am talking about.

An increasing number of overseas findings agree that television commercials for sweets, snacks and fast foods are the mainstays of advertising which targets children. According to a 2007 study by the American Kaiser Family Foundation, half of all advertising time on children’s television is devoted to food advertising. What does that say about what advertisers want to do? They know their market. They spend an enormous amount of money advertising their products very creatively to children. That is why they advertise these products to children so that children will want to pester their parents to buy them. It is quite obvious. Product makers could save an enormous amount of money if they thought advertising was not working. Many advertisements associate physical activity with the products and highlight the health benefits to be gained by their consumption. It is often stressed that they contain ‘essential nutrients’.

The British Heart Foundation’s Children’s Food Campaign concluded that food marketing to children is almost always for unhealthy products, and this plays an important role in encouraging unhealthy eating habits which are likely to continue from childhood into adulthood. Further, evidence suggests that advertisements affect food choices at both brand and category levels—that is, a McDonald’s hamburger advertisement is likely to not only make it more probable that a person will buy a McDonald’s hamburger in preference to another brand but also that person will buy a hamburger per se. In other words, they will go out, they want a hamburger, but they will then go and buy a McDonald’s. In other words, there is evidence that advertising unhealthy foods to children influences not only which brands children choose but also the overall balance of their diet, encouraging them to eat energy-dense, salty, sugary or fatty foods in place of those which are more nutritious and wholesome.

The advertising industry introduced self-regulation—the Responsible Children’s Marketing Initiative—in January 2009. However, research including the Australian Food and Grocery Council report just this year—January 2011—found that one in five
food advertisements in children’s programs were for high-fat, sugar and salt products. The self-regulation is clearly not working to effectively protect children.

One aspect of the responsible marketing and consumption argument is that, unlike tobacco, junk foods can be enjoyed in moderation without causing undue harm to children and adults. The Cadbury company maintains, for example, that its products can be enjoyed as a treat. However, at the same time as the Cancer Council of New South Wales points out, Cadbury has spent millions of dollars creating a new internet cartoon series featuring Freddo Frog. The marketing features puzzles, games and activities embedded within the cartoon and from which children can be involved in the cartoon’s development. The company claims this represents responsible marketing and does not have children featured. That is simply not responsible marketing and we believe we need to take action. (Time expired)

Senator STEPHENS (New South Wales) (10.13 am)—I am very pleased to contribute to this debate on the Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2010. I was smiling to myself as I was listening to Senator Siewert talking about pressures on parents shopping. I had my two grandchildren in the supermarket on the weekend and went through the painful process of finding the checkout that did not have the lollies at the checkout to tempt them. Trying absolutely to teach two children aged under four that ‘no’ means no is no mean feat, but it is an important role for parents to be able to do that. The real issue that we have today is that while we commend this effort and this debate around childhood obesity and the issue of television advertising that targets children, the government does not believe that this is the way to actually achieve effective change. Just banning advertising to children does nothing about changing parenting skills, understanding behaviour modification, understanding the complexities of obesity and actively developing good habits.

Since the inquiry took place, following the bill’s referral to the Senate Standing Committee on Community Affairs in 2008, the debate has actually moved along quite a lot. One of the purposes of such an inquiry is to push the debate on, to move public opinion, to move the responsibility of the industry and for it to step up to the plate and do something about this issue. The government has some role to play. The work that we are doing in addressing childhood obesity involves ramping up our investment in research and development, supporting organisations like the Juvenile Diabetes Research Foundation and looking at the whole healthy children’s initiative through the COAG process. All of this is part and parcel of addressing the fundamental issues of unhealthy practices, unhealthy foods, food additives and junk food marketing.

One of the things that I have noticed is that food is quite a challenge for parents whose child is attending a childcare centre. They have to observe so many rules and regulations around the child taking their food with them. There are so many specific obligations on parents around packaging their children’s lunches and ensuring that, for example, their lunch materials are not contaminated by peanut butter or other things that might create allergies in children. What we are seeing is a real shift to pre-packaged food. As Senator Siewert said, when things are marketed as very healthy products—such as fruit bars, which are concentrated fructose; or a juice box, which has 15 per cent juice, lots of sugar and plenty of water—the challenge for us is to understand that those things are not necessarily marketed to children; they are actually marketed to parents in the guise of being healthy foods. So the chal-
lenge here for us is to understand what so many people who made submissions to the inquiry said—that is, that we have to take a much more comprehensive approach to these things. Food marketing is just one element of a very complex debate.

In the dissenting report from Senator Siewert and Senator Brown, the issue was about acknowledging the growing challenge of obesity in this country, especially childhood obesity and how that sets people up for a lifetime of poor health outcomes. So the government has decided to try to do something far more constructive in this way by investing through COAG to bring together a national approach through our national health ministers and our national sports ministers and through trying to understand the regulatory environment that we are in and to engage in health prevention rather than health control. We all know that our health budget is only going to grow exponentially unless we start to address these fundamental childhood issues and set people up for a healthy adulthood. A most comprehensive investment of $872 million into that COAG process is just the tip of the iceberg.

If you look at the agreements that underline all of those COAG initiatives, you will see a raft of things. There are issues around research. There are issues around prevention. There are issues around activity. There are issues around education for parents. There are activities around education for community workers and for those who are engaged with and who support families. There are great initiatives around our health workforce in helping parents and children to deal with these issues. We are trying to be far more interventionist at an early age and to look at prevention rather than cure. When you think about that and about what is happening in targeting at-risk groups—Senator Moore has been very concerned about the growing levels of obesity in Aboriginal children—and when you look at what is happening in the Closing the Gap initiative, which is about trying to get fresh foods to community stores and alternatives to deep fried, pre-packaged foods, you see that none of that has anything to do with advertising. It is really about making sure that people have access to a variety of healthy food options, and I think that is a much more sensible approach, and we have worked very hard on that.

An initiative we funded is the Stephanie Alexander Kitchen Garden program, which is part and parcel of a growing community garden program across Australia. This program is really vibrant and dynamic. It goes to the heart of children and families having access to fresh foods. There are lots of conversations about food miles, farmers’ markets and social enterprises that are being developed around ensuring that children from low-income families have an opportunity to access fresh foods of all kinds. We have a revitalised health and PE curriculum in our schools that focuses on educating children at the pressure points of the targeted marketing that Senator Siewert and Senator Brown are so concerned about. We are really trying to find some healthy options. We have school breakfast clubs. We have all of those things happening that are about children educating themselves and each other about healthy food choices.

Going to the nub of this debate, the government have strengthened junk food advertising restrictions. We are limiting the use of popular characters and proprietary characters in advertising during the children’s programming hours. I remember the Milky Bar Kid from my youth, which was a very early challenge in this whole debate. The Milky Bar Kid was very healthy because it was milk. We know the subtle pressures that come into marketing. We know the subtleties of advertising. We know the skills that advertisers use in targeting their markets. Whether
it is about junk food, whether it is about environmental programs or whether it is about something else, it is consumer advertising.

The Children’s Television Standards were reviewed in 2009 and they now require food product advertisements to not mislead or provide incorrect information about the nutritional value of the product. In May last year we released our response to the National Preventative Health Taskforce, noting the recommendation to reduce the exposure of children and others to marketing, advertising, promoting and sponsorship of junk food. We believe our challenge is in educating parents. Our challenge is in ensuring that we do not take the easy option—the fast food option that parents, children and adults and grandparents like me do not go to the cupboard and try to reward. That is another whole issue—a mentality about rewarding children for good behaviour. What we really have to do is take up the challenge and teach children that no means no.

Senator BARNETT (Tasmania) (10.23 am)—Australia is one of the fattest nations on earth. The latest research shows that more than 60 per cent of our adults, 25 per cent of our children are either overweight or obese. Obesity leads to poor health outcomes, as has been indicated already in this chamber during this debate on the Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2010. In terms of statistics, diabetes, heart disease, cancer and arthritis—and those four diseases alone—account for an estimated 80 per cent of the total burden of disease and injury in Australia with huge implications for health expenditure and our economy. There is a time bomb and the fuse has been lit.

Obesity leads to an imbalance between energy consumed and energy expended. A more active healthy lifestyle is the answer, but it is easy to say and it is hard to do. In 2011, in this era we live in, we live in an obesogenic environment where sedentary lifestyles are encouraged rather than discouraged. Our children, for example, are spending more time watching television, being involved in computers on the internet, Facebook and other media like than ever before. Incidental exercise has declined due to urban design, transport arrangements, safety and for other reasons. We eat more, including more energy-dense, nutrient-poor food. Hereditary factors are also very important. While there is much that parents and individuals can do, as has been indicated by a number of speakers in this place already, there is a collective response from all levels of government and in particular the federal government to address the needs of our broader community.

What can be done? I have some suggestions and they are as follows: firstly, targets—they are used for cutting carbon emissions, they should be used to safeguard our children’s health; secondly, children’s health and fitness should be benchmarked, just like we do for literacy and numeracy. These results will be vital for designing healthy and active initiatives in response. When it comes to changing behaviours, we need to go beyond the fear as a motivator, which is now accepted as increasingly ineffective. Encouraging children to enjoy sport and physical activity is a key part of the solution to achieve better healthy outcomes. I also suggest mandatory PE in schools. Years ago, I was banging my head against a brick wall here saying that PE must be mandatory in schools. But in 2004, I am very pleased to say, the Howard government announced at one of my healthy lifestyle forums in Launceston that it would be mandatory and that it should be 120 minutes of mandatory weekly physical activity. But in my view that is not enough. We should now set a higher
target and increase that to 180 minutes over time.

The federal government has dropped the ball with respect to the Active After-school Communities program. Minister Mark Arbib unfortunately has extended the program for only one year. So we will see the conclusion of this program, unless the government has a change of plan. We know that the program works. Everybody loves it. It is popular. In Tasmania, for example, 5,000 students benefit from this program. Around Australia, 3,270 schools and 192,000 students participate, based on the last reports from the Australian Sports Commission, who have done an excellent job, including in Tasmania. It is a fantastic program. It was a program announced by the Howard government in 2004 in Launceston and it should continue. The government has dropped the ball.

Now to healthy eating habits—what about the eating side of things? They are critical for our children. In my view, only healthy food should be sold through our schools. We are creating an environment in which our kids grow up and develop habits to be the best they can be. If we are offering unhealthy food in canteens it should be removed. For example, sugary fizzy drinks should not be there. Educational programs on nutritional health and improved advertising standards are essential to address the obesity epidemic in Australia and to create better eating habits across the board.

Other initiatives, for example, should be the establishment of a voucher system encouraging participation in sport across the community; more healthy school breakfasts; veggie gardens across the country in schools and in childcare centres as well; and healthy cooking classes are recommended. If vending machines do not offer healthy options, they should be removed—and this should include in the workplace as well. Workplace health systems and procedures should be put in place. I was speaking about that only this week with an expert in the field, Ruth Colagigiuri, who was in the parliament together with others for the forum on non-communicable diseases, NCDs. There is UN meeting coming up on 19 September on this issue. Let me put on the record my strong support for that resolution and my strong encouragement for the government to do whatever it can to support a greater focus on NCDs across the globe. This is not an issue just for the First World; it is an issue for the Third World. Chronic disease is becoming out of control and it needs more resources and a more dedicated focus. I draw that to the attention of the government and I hope that they will follow it up.

I called for obesity to be a national health priority back in 2006 and prior to the 2007 election Labor, to its credit, said, yes, it should be—a good announcement. However, very little has happened since then in terms of the extra resources which are needed. To summarise the cost of obesity, at my instigation Access Economics completed a report some years ago and released it at my Healthy Lifestyle Forum to Help Combat Childhood Obesity in Hobart. The report said that obesity costs the community in Australia $58 billion a year. That is a huge cost to our community in both direct and indirect associated costs. For the Tasmanian economy it is estimated to be $1 billion a year. So obesity leads to higher health costs and is a dead weight on our economy.

The fact is that with two million more Australians having become overweight or obese in the past decade, the obesity epidemic is upon us. If we do nothing, an estimated 6.9 million Australians will be obese by 2025—that is not a record. I hope that in a decade’s time we can look back and say, ‘Yes, we’ve been proactive; yes, we saw that it was a problem and we addressed it,’ in the
same way that we can look back at our initiatives to combat tobacco and smoking, where we have got the rates down, and say, ‘Yes, well done. As a community, as a government—across the board—we did have success.’ It is not total success; there is still to work to do in that area. But I hope we can look back and say, ‘Yes, obesity was nominated and identified as a problem and we progressed towards fixing it.’

A lot has been said about the fast-food sector. My call on them now, as it has been over many years, is for them to be part of the solution not part of the problem. I know that moves have been made in the right direction in that regard and I congratulate McDonald’s and others in moving in that right direction. But in terms of the bill before us and the definition of junk food, the bill is simply too strict and too rigid and it is not a bill that I can support in its current form. The AANA, the Australian Association of National Advertisers, have made progress in improving their advertising standards and I know that the Australian Food and Grocery Council are working on reforms amongst their members.

There is certainly a lot more we can do in this area. I would encourage the government to take up the recommendations in the report of the National Preventative Health Taskforce. I know that Professor Rob Moodie was in Parliament House yesterday and that Professor Paul Zimmet is in Parliament House today. Other members of that taskforce put in so much effort and time. For the government to continue to sit on the report and let it get dusty is an absolute national disgrace. They should act on it fast and implement the report’s recommendations, because it is very comprehensive and well thought through.

I thank the Senate for the opportunity to make these points on this bill. (Time expired)
very encouraged by the number of healthy lifestyle Heart Foundation ticks on their menu and their advertising in the store. There is definitely an attempt being made by fast-food outlets and the food industry as a whole to try and educate people so that they understand the need to eat healthily. That is another positive area; it is an area that needs to be encouraged. I am sure that over time, as we have seen, more and more examples like that will appear in both supermarkets and food outlets.

If you reflect on the times, and I think Senator Barnett made the relevant point, you note lifestyles are changing. People, in particular children, are involved in different lifestyles. I can recall going to school by riding a pushbike and riding the bike home and going out and playing with friends. But these days children seem to be driven either to or from school or, in some cases, they catch the bus. Generally, when they arrive home it is a case of their sitting in front of the computer and being on the internet, on Facebook or other types of programs, and doing their homework as well. So I think these sorts of issues need to be examined and considered.

There has been some discussion around tuckshops and veggie gardens in schools. As a senator for Queensland, I have opened new halls and libraries and other facilities under the Building the Education Revolution program and I have noted on just about all occasions that there have been vegetable gardens, quite successful ones, put into operation by the children in those schools. I think over time such children are adopting a better lifestyle and are certainly being educated at the same time on how to eat better and appropriately. It is the same for tuckshop venues where there has been some significant change in terms of the types of food and drinks provided in them.

Food marketing is but one element. Obesity and this particular problem is a really complex challenge to address. If we look at some of the stats out there, we see something like one in four children is overweight or obese. That really is not acceptable. That is why, in relation to COAG, the government have made investments to tackle this particular health challenge. So far we have made the largest-ever health investment of $872.1 million for prevention over six years. That is a huge investment and demonstration of how committed we are to tackling this particular issue. That includes up to $325.5 million for the Healthy Children initiative to increase physical activity and improve nutrition in settings such as schools and early childhood sites. Up to $366 million is available for programs in the workplace—Healthy Workers, and there is Healthy Communities—that target adults as well. There is $52 million for Australian health surveys to provide valuable information on rates of those overweight, obesity, healthy eating and physical activity. In addition there is $59 million over four years to extend the Measure Up campaign, to increase its research and to target at-risk groups.

I want to focus on one of the initiatives, the national Stephanie Alexander Kitchen Garden Program, which received $12.8 million to be established, and up to 190 primary schools will receive grants of up to $60,000 to commit to bringing better lifestyles and healthy eating alternatives into their schools. One of the opportunities I had in opening a BER project in Chevallum, up in the Sunshine Coast hinterland, which is close to Palmwoods, was to witness firsthand the great success of the national Stephanie Alexander Kitchen Garden Program. Part of the money had gone towards a kitchen in the multipurpose hall and I was fortunate enough to taste some of the fruits of their labour, the things the students cooked in that kitchen.
with the ingredients and things that came from their garden. It was such a pleasure to be there on that day and see the joy and satisfaction on the children’s faces in being able to serve those types of food thanks to the school in an area such as Palmwoods ensuring that their students are living and surviving in a healthy environment. Currently 19 schools in Queensland are actively participating in this great initiative. I will not rattle them all off but they include Cairns, Farnborough, Biggenden, Proston, Rosedale, Benarkin, Jandowae, Kulpi, Lowood, Golden Beach, North Arm, Inglewood, Rockville, Bulimba, Geebung, Wellington Point and Nerang. It really demonstrates the capacity and the volume of those schools in Queensland where they have grasped the opportunity of this program with both hands and are making a difference for the children in those school communities.

One other particular area, and I think Senator Moore might have touched on this in her deliberations on this particular issue, is Indigenous communities. I was fortunate to participate in regional, remote and Indigenous committee hearings throughout Queensland. One of the points I made in those hearings was to do with the concerns about nutrition particularly in the far remote Indigenous communities. One of the issues and challenges we face—and that certainly the people in those environments face—is the cost of getting fresh fruit and fresh vegetables to those locations. It is a near-impossible thing to do properly given the tyranny of distance and the issues associated with flooding and rain in those particular areas. So on some occasions there is always a sizeable issue to be dealt with in getting fresh fruit and fresh vegetables out into some of those locations. Taking that example, it is not just an easy fix to whack a ban on television advertisements to satisfy issues associated with obesity. In 2008 a Senate standing committee also dealt with this issue with an inquiry into a former bill, the Protecting Children from Junk Food Advertisement (Broadcasting Amendment) Bill 2008. At that stage the government did not support it on those grounds.

In conclusion, we do not believe this bill is the right way to address this problem of obesity in children. (Time expired)

Senator XENOPHON (South Australia) (10.43 am)—I rise to discuss my proposed amendment to the Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2010 and also to talk about the bill generally. I am not sure if there will be a committee stage but I will be supporting the second reading stage of this bill because I think this is an important bill that needs to be debated and properly considered. I believe there is real merit in this bill but I believe the most effective way to achieve real change is to ensure that the change that is being pushed for is realistic. It is very clear that behind the intent of this bill there is real merit as study after study by renowned psychologists around the world has shown that where adults see advertising children see information. Child psychologists are virtually unanimous in arguing that children lack the cognitive abilities to discern the motives behind a certain broadcast message.

Researchers from the University of Otago, in Dunedin, studied 1,000 children and adults, aged from three to 26. It was a longitudinal study, from childhood to early adulthood. They found that those who watched television for more than two hours a day had higher levels of obesity, blood cholesterol and tobacco, as well as lower levels of physical fitness when they reached adulthood than kids who watched fewer than two hours of television a day. Why? Part of the reason is that, while kids are watching TV, they are not exercising. The study found that another
key factor was that, whilst kids were watching TV, they were constantly being bombarded with ads for drink and foods full of fat and sugar. They take advertising as truth and they do not have the ability to unpack a message to critically analyse why the ad exists and how the advertiser is trying to influence them. There is no doubt that we are facing an obesity crisis in this country and that we are gorging our way to a time when our children, maybe the first generation in a long time, will have shorter life expectancies than those of their parents. Some argue that junk food advertising does not contribute to obesity. I have also listened carefully over the years to the arguments that advertising, especially junk food advertising, is not designed to get children to eat more junk food. To these claims I would simply ask: why advertise then?

Why would these multinational junk food corporations spend billions peddling their unhealthy products if the advertising did not rope in the kids? I support the Australian Greens bill but, in its current form, I feel that it is too broad. The ban times, in my view, are simply too long and do not realistically reflect the demographics of viewers and their viewing habits. I believe the ban should target the times when kids are actually watching TV and, more importantly, watching without parental supervision. That is why I seek to amend the bill to make the junk food advertising operating ban between 6 am and 10 am and between 3.30 pm and 7 pm.

This will protect children without threatening network revenues, to the extent that I fear the proposal will never see the light of day. It is a proposal with a lot of merit. We need to stop these unhealthy messages being sent to our kids. I believe that the amendment that I have circulated is a realistic way to achieve this. But I want to make it clear that I will be supporting the second reading stage of this bill because I believe it has a lot of merit.

Senator WORTLEY (South Australia) (10.46 am)—I rise to offer some remarks on the Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2010. It is undoubtedly the case that obesity in general is having an increasingly adverse effect not only on the physical and social health of our community but also on our economy and the future productivity of our nation. Childhood obesity is a matter of particular concern to this government. In fact, I have visited schools in my home state of South Australia and have had discussions with many of the teachers in those schools. They also have concerns regarding obesity and the importance of eating healthily and also exercising for our young people.

The government understands that obesity is an issue which, if left unaddressed, could have the capacity to burden our health system, with an explosion of preventable diseases. Disturbingly, Bureau of Statistics survey figures indicate that well over 50 per cent of the adult population is now classified as overweight or obese. Even more alarmingly, one in four Australian children is now considered to be overweight or obese. What does the future hold for these children, these present and potential contributors to our society?

The World Health Organisation reports that obesity is a global epidemic. Certainly, obesity has reached serious epidemic proportions in Australia. According to an Australian Diabetes, Obesity and Lifestyle Study report, ‘Physical inactivity and television-viewing time have been shown to be the strongest correlates with measures of obesity.’ I think it would be fair to say that many parents have concerns about the number of hours that young people are actually spending on computer games and other times where they...
are actually just sitting rather than being involved in activities. So what is the government doing to help alleviate childhood obesity and encourage increased physical activity and healthy eating? The government is continuing its preventative health investment through COAG—a massive investment of more than $872 million over six years.

Other programs include our Healthy Children initiative, with funding of up to $325.5 million, which aims to encourage and increase physical activity and to foster healthy diet in early childhood centres and schools. And of course the Stephanie Alexander Kitchen Garden National Program has been a resounding success, where many schools are benefiting through the program that has been implemented. It encourages children to experience the pleasure of growing their own fresh fruits and vegetables and preparing and eating them. More than $12 million has been allocated to the rollout of this particular program in Australian schools. I have visited many schools which have that program in place and the children are enthusiastic towards growing their own vegetables and, in many cases, developing their own recipes and then cooking them. It would have been great if we had had that program when we were younger.

The government are also acting in tandem with our food and beverage producers and manufacturers, by engaging in the Food and Health Dialogue, increasing the availability of healthy foods and educating consumers about the connection between the choice of food and future health outcomes. The government have taken intelligent, considered steps to reduce the appeal of junk food to children. We have listened to the 2009 Children’s Television Standards review and we have strengthened junk food advertising restrictions by limiting the use of popular characters during children’s programs on TV. We have also toughened the law on misleading or incorrect information on the nutritional value of these foods, so parents can make an informed choice when purchasing these products for their children. I am always pleased when I come across parents who are looking at the contents of the food that they are buying—breakfast cereals, in particular, come to mind—and I do that with respect to my child.

In May last year, the government took heed of the National Preventative Health Taskforce and took real steps to help reduce exposure of children and others to the marketing, promotion and sponsorship of junk food. We have done this by working with industry under the existing framework that governs Australian media content and, as a result, change is now being achieved through a combination of government regulation and industry self-regulation. I am pleased to report that the commercial television industry code of practice now requires that advertisements should not encourage unhealthy eating or drinking habits. The importance of that cannot be underestimated when we are talking about them appealing to children.

Among industry initiatives, seven of the biggest fast-food chains have come up with a voluntary code of conduct and have agreed that marketing must encourage a healthy lifestyle and physical activity and that advertising targeted at children must meet industry sugar, fat and salt limits. In another positive move, the Australian food and beverage industry have developed the Responsible Children’s Marketing Initiative—a voluntary code aimed at giving children healthier options. This code requires that advertisements targeted at children help promote healthier lifestyle and dietary choices. The government will continue to monitor the effectiveness of these industry initiatives. We will watch to see if the codes and standards meet the objectives and whether they can ade-
quately address community concern without a need for further government regulation.

Tackling obesity and childhood health in Australia will, of course, require more than just industry self-regulation. It really does need industry to work with the broader community, including families and individuals. It needs a collaborative effort to create a healthier mindset and to try and encourage children to enjoy these foods in moderation and with a healthy physical lifestyle. That is why the Gillard government launched the Australian National Preventive Health Agency on 1 January this year. The agency is designed to consider any and all initiatives to help monitor the effectiveness of current regulations and initiatives and to also bring together some of the best expertise in Australia to gather and analyse evidence.

I need not remind senators of the disinterest of the previous government in tackling childhood obesity. Former Minister for Health and Ageing Tony Abbott consistently dismissed the idea of any decisive role for the Commonwealth in this area. It is fair to say that the Gillard Labor government have not done that. We are very much interested and concerned and we are addressing the issues that we are facing with our young people today. By contrast to the masterful inactivity of the previous government, Labor are demonstrating our commitment to action, elevating this very serious matter to the front line of our National Preventative Health Strategy. So, while we cannot support the bill at this stage, we can express our appreciation of those who join us in putting childhood obesity front and centre.

It is equally the case that we know that it is individual choice that is the essential element in making responsible decisions when it comes to diet and lifestyle. On the issue of choice, this government feels that parents need to make those decisions for their children, and healthy decisions are the way we really should be going. The government commend the Greens’ commitment to targeting obesity in children. We do support the issue. We think it absolutely is important. We understand the significance of it, but the government do not support this bill. We know that food marketing is just one element of a very complex challenge in addressing obesity in our children. As I have already said, the government will continue its investment through COAG to tackle this critical health challenge. So far we have made the largest ever investment in health prevention through $872.1 million over six years through COAG. This includes up to $325.5 million for the healthy children initiative—

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.56 am)—in reply—I thank Senator Siewert for her presentation of the reasons why this bill, the Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2010 should be passing into law today and I thank all members who have contributed to this debate and Senator Xenophon for his flagged amendment. But it is very clear that the bill will not pass the second reading because we have here the classic alternative in this period of nobody dominating the Senate of the government and opposition—the Labor Party and the coalition—combining to have the numbers to block a piece of legislation coming from the crossbench. We will see much more of this. I flagged this very circumstance on George Negus’s program on SBS last night. It is something that some members of the gallery have some difficulty in getting their heads around. I will come back to that in a moment.

This piece of legislation was brought forward by the Greens three years ago. It was then held over to await a taskforce reporting back after the Senate inquiry. The task force
effectively endorsed the parameters of this bill. We have extended the time of prohibition for children’s TV junk food ads. I will quote from that task force report which, in turn, quotes the World Health Organisation. It says:

The World Health Organization has recognised that food marketing to children, particularly television advertising, is an important area for action to prevent obesity and has called upon governments to implement policies and strategies that reduce the impact of foods high in fat, sugar and salt and promote the responsible marketing of foods and beverages …

The general tenor of the argument from Senators Moore and Birmingham, and other contributors, was that this is a cultural problem. It reminds me very much of the now Leader of the Opposition saying that the issue of petrol sniffing was a cultural problem and should be a matter left to parents in Central Australia to deal with—and this at a time when it was known that 400 Indigenous children were addicted to petrol. Subsequent to that the national alarm about the permanent damage petrol sniffing caused to those children became so great that it became mandatory to get rid of the injurious petrol and replace it with non-sniffable petrol. Action was taken by the federal government.

We have a similar situation here—we hear it is a matter of parental responsibility; it does not cover the field; there are other things that should be done. But when it comes to a specific and very important contribution based on medical advice on what we should do if we are going to lessen the rate of obesity—which is increasing in our community and which Access Economics estimates is costing the Australian people $58 billion per annum—the government and the opposition say no, we cannot do that because something else needs to be done; it is a cultural problem. I reject that outright.

This is a clear opportunity to put a restriction on junk food advertising. As Senator Siewert made clear, $400 million to $500 million is being spent on advertising each year but more than that is coming back in profits to junk food advertisers. It is kids and parents who have to contend with that. As Senator Siewert said, why would you spend that money if you were not getting a dividend from it? We know from repeated reports in the Age and other newspapers that the junk food purveyors serially breach so-called commitments to not push their junk food to children during children’s TV hours. But, still, we have this ennui, this inability of government and opposition, the big parties, to act. There is a degree of fear of taking on the all-powerful advertising industry and associated food industries. So be it.

This is a good piece of legislation and it ought to pass the parliament, yet we have this decision by Labor, the Liberals and the National Party to reject the advice of the experts to support the legislation. It would have brought us somewhat into line with Norway, Quebec, the UK and other places which have banned exposing children to such advertising. It will come back to be revisited down the line, when more damage will have been done because of the failure to act now. The Greens will continue to advocate legislative action in this area, because it is the right thing to do. We are proud of this legislation and will continue to foster it in the public arena, where the polls show us that more than 80 per cent of people—in fact some polls show 90 per cent—want this form of legislation. But, of course, we are not going to see that support reflected here today.

This is time for private senators’ legislation, and we are engaged in a very healthy parliamentary process here. I want to comment on an article in today’s Daily Telegraph which talks about the territories legislation which I brought before the Senate and which
it was agreed by the Senate yesterday would go to a committee. Simon Benson and Steve Lewis have commented in the Daily Telegraph in a way that misrepresents—with some deliberateness I would think, because they did not speak with me about it—the process of this parliament and Senate deliberation. I would ask the President to look at that misrepresentation and the matters I now draw to the Senate’s attention. The article says:

... the Greens claimed to have Government backing for a Bill to pave the way for gay marriage and legal euthanasia.

I would ask the President to see whether any such claim was made. What we do know is that an AAP report issued at 12.56 pm on 1 March publicly announced:

Labor will back the Australian Greens’ push to restore the rights of territory governments to legislate on such issues as voluntary euthanasia.

That report was wrong, because the legislation would not do that. The Daily Telegraph report says:

The Greens had ambushed the Government by quietly introducing amendments to its own private member’s Bill late on Tuesday night.

Those amendments were circulated on Friday night. I ask the President to look at that matter.

Senator BOB BROWN—Thank you. The Telegraph says that these amendments were quietly introduced on Tuesday night, but they were introduced on Friday night and circulated. A press release went out on 1 March headed ‘Brown welcomes government support for Greens push to grant territories power’. That press release announced exactly what we were doing—there was no ‘quietly’ about it. I do not know why Benson and Lewis were asleep when these reports went out. What did go out on Tuesday night was an explanatory piece of information which went to every member of the Senate. The article goes on:

The amendment made the Bill far more radical and turned a “machinery” bill into one that would pave the way for the territories to allow legal euthanasia and gay marriage ... That is quite wrong. The amendment did nothing of the sort; it simply extended to the Northern Territory and Norfolk Island the same provisions that applied with the ACT. It did not alter or make more radical in any way the legislation that was before the Senate.

This is a very important piece of the political process. We cannot expect to have an honest public discourse if we have journalists who deliberately deceive the public about processes which are on the record, which are honestly put, by transmogrifying or misrepresenting those processes. The amendment did not turn a machinery bill into one that would do something else; it did nothing of the sort. I do not expect that the Murdoch press would have the honesty or the probity—with their readers, let alone with themselves—to correct this matter, although I will ask them to do so.

The story says that the bill would limit the Commonwealth’s ability to overturn territory legislation. It does nothing of the sort. It
cannot do that. Section 122 of the Constitution provides for that. So it does not limit the Commonwealth’s ability. It certainly took away the executive’s ability, but the Commonwealth is this parliament. Mr Benson and Mr Lewis, who are bottom feeders when it comes to reporting the political process, should lift their game if they are going to be seen historically as fair players in letting the public of Australia know, in fact, what is happening in this parliamentary process.

Of course, behind this, in the reporting of the Senate by these particular reporters, is a political motive, which is to attack the government and the compact made between the government and certain Independents and the Greens. But the only compact I entered into in the last 24 hours was one with the opposition. I spoke to Senator Brandis about this yesterday. That was to agree to allow the committee—which the opposition had, three years ago, not wanted to take place—to look at this legislation. I have not seen this compact between the Greens and Senator Brandis and the coalition turned into news by the Murdoch press, because it has a very clear political intent, which should be kept to its editorial columns but which is written up in this most mischievous and unfair-to-the-public report in today’s paper.

I thank you, Mr Acting Deputy President, for allowing me to make those comments and I finally come back to the innovation we have today, which is private senators’ time here in the parliament. The Greens have worked very hard to achieve this outcome. It was first used by Senator Nash in this house in the last week of sitting. There is much more private senators’ legislation coming through here. As Ralph Nader—indeed, it goes back to Jefferson—commented, ‘Information is the currency of democracy.’ But there is a responsibility for those people who express as much ignorance as Benson and Lewis did today to catch up with the people’s vote in this great country of ours and the new arrangement that allows all parties to take part in legislating in the parliament, in fact for the first time in a century.

We are doing no more or less than happens in New Zealand, Denmark, Sweden, Germany or Ireland. The feedback I get is that people like it. The Murdoch press may not like it but the people do. The feedback is very positive indeed. I am very proud to be part of that and very happy today to be putting forward this legislation to protect children from junk food advertising, even if it is not going to proceed. I accept that that is the way the democratic parliament of Australia, one of the four oldest continuous democracies in the world, proceeds. I thank all senators for their contribution to this debate and I commend this bill to the second reading.

Question put:
That this bill be now read a second time.

The Senate divided. [11.16 am]
(The Acting Deputy President—Senator GM Marshall)

Ayes…………… 6
Noes……………. 28
Majority………. 22

AYES

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

NOES

Bilyk, C.L. Birmingham, S.
Bishop, T.M. Brown, C.L.
Bushby, D.C. Cameron, D.N.
Colbeck, R. Farrell, D.E.
Fenehy, D. Fielding, S.
Fisher, M.J. Turner, M.L.
Hurley, A. Hutchins, S.P.
Landy, K.A. Marshall, G.
McEwen, A. * Moore, C.
Nash, F. O’Brien, K.W.K.
Parry, S. Pratt, L.C.
Scullion, N.G. Sherry, N.J.
I rise to make some comments on the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2010.

Again, I say that it is really important that this issue, which has been on the agenda for a considerable period of time, is given the opportunity for open discussion in this place. I am not quite sure whether Senator Bob Brown will be speaking as fulsomely on this bill as on the previous bill, but nonetheless the principle of having the opportunity for us to have the discussion must be supported and must be, in many ways, rewarded.

As with the previous bill, this bill was actually given the opportunity to be discussed by a Senate committee in 2009. At that time the Environment, Communications and the Arts Committee did have a series of public hearings around the process. The interest of the public in the area was evidenced by the number of people who provided submissions and who actually came up for the public hearings. There continues to be an issue in that there needs to be awareness of the issue to which the bill relates. As I said in relation to the previous bill, there must be full engagement of all those people who are stakeholders in the process—and, in the end, through a cooperative arrangement, with an understanding that the end result must be to the benefit of all Australians, we will be able to reach an outcome.

In that sense, I think the legislation we have in front of us actually cuts through, to an extent, and cuts off the kind of involvement that we are seeing taking place in industry and also across the states—because the issues around this bill actually need the full engagement of all state governments, and the ministers at that level, to commit to having a process that will work, that will be effectively costed and that will come up with an arrangement in which people can have confidence and through which the knowledge and the clarity of the process can be shared.

The bill seeks to establish a government run—and, in this sense, a Commonwealth government run—container deposit scheme that will collect a deposit from importers and producers of beverage containers under four litres. I do not actually have the product in front of me, Mr Acting Deputy President, to show you what up to a four-litre container means, but people in the area know, because they are the ones who are making the purchases on a regular basis.

The bill provides for a full refund to a consumer when containers are returned to the collection point. The actual amount of the environmental deposit could be varied by regulation, so it follows the standard process in this chamber. As we see regularly in Commonwealth legislation, it will start at a certain amount and can then be increased by regulation through the parliamentary process.

According to the bill we have, the scheme will be implemented and run by a Commonwealth department. I do not think Senator Ludlam has actually created a name for the new Commonwealth department, but the process would be run by a Commonwealth department.

Senator Birmingham—You can give it a name!
Senator MOORE—We might be able to have some kind of contest, Senator Birmingham—through you, Mr Acting Deputy President—to develop an effective name for a new Commonwealth department. The department’s functions would include—and these are the preliminary functions as set out in the bill—collecting the container deposit, authorising premises as collection depots and transfer stations and providing grants or other financial incentives to encourage the use of recyclable and reusable containers. The bill goes on to say that the department could fund and support the creation of markets for collected beverage containers and materials, provide financial support for kerbside recycling services, help to offset the collection industry’s costs under the scheme—and that was an issue under discussion at the environment committee’s hearings—and fund product development into the future.

The scheme proposed by this bill is far broader than the current container deposit schemes that are currently in place in a number of states as we speak. We know about the South Australian scheme, because it has been much lauded and talked about in many public meetings that I have attended. A container deposit scheme has been in place in South Australia since the 1970s. I am sure that Senator Birmingham can tell us exactly how it came into being and how it is working. It is a matter of fact that when people talk about this issue they regularly refer to that which is operating in South Australia. The Northern Territory parliament recently passed legislation for a similar scheme to be introduced there.

The scheme that is in this bill, though, is not the same as that which we see working in South Australia and hopefully in the NT. The scheme in South Australia and the one to be introduced in the Northern Territory are based on an industry run arrangement. Industry are fully engaged and are organising, running and owning the scheme. The bill before us would introduce a different mechanism over the top of these two existing arrangements, which would increase the regulatory complexity and possibly the potential cost to industry and the community.

It is not absolutely clear in the bill or from discussions that have taken place how exactly the scheme presented by this bill would be funded. This is an important point when considering a piece of legislation that would if passed immediately create responsibilities for government. How this would be funded and the budgetary implications are not clearly spelt out. In fact, as we have heard, the bill proposes the creation of a new entity that would have particular functions and would need—as we always say in this place—to be effectively resourced so that whatever the purpose of that organisation is they would be able to confidentially commit to completing the task before them.

It is suggested in the bill that the proposed scheme be funded from unclaimed deposits and revenue from recovered resources. Under the bill, the deposit is returned in full. The bill does not provide any funding for the operation of the scheme, including administrative infrastructure for the collection and refund of the deposit and capital investment in collection, transport and recycling infrastructure. As we know, the infrastructure basis of any legislation is critical to its effectiveness. Consistently in Senate estimates, when we talk about the implications of and activities under legislation already in place, we have ongoing discussions about whether the infrastructure resources have been effectively planned and implemented. Key to any effective system at a national level must be an understanding of the funding implications and the infrastructure needs, particularly when we have quite specific duties spelt out in a bill. One of they key aspects of this is
that it is not clear if any shortfall between the income that is generated by the scheme in the bill and what needs to be expended should be covered by the Commonwealth. That is something that any government would be concerned about looking to the future.

The Environmental Protection and Heritage Council, the EPHC, has been as we know investigating national options for addressing package waste and litter formally since 2008. It initiated a regulation impact statement in July 2010 to assess a number of options, including the national container deposit scheme. Because of the complexity of the task, we need to ensure that there is effective consideration given to a range of options. One size will not fit all. It rarely does for any issue, but that is particularly true for the ever present and growing issue of waste and recycling issue and how our community will respond. It is most important that we look at a range of operations and that variations in area and need are reflected in the government response.

As I said, the Senate inquiry into this bill when it was introduced in 2008 found that there was insufficient information to assess whether a national container deposit scheme would increase recycling and decrease litter at the least cost to the community. That is a core point and one which is part of consideration through the regulation impact statement. The need is clear and agreed. Public interest is clear and agreed. The effective response must be carefully considered, planned and implemented. The bill we have before us is but one option out of a range. That is not to say that there should not be consideration given to Senator Ludlam’s bill. But my belief is that we need to look very carefully at the regulation impact statement that is being developed and be aware of the ongoing evolution of knowledge and awareness about this issue.

This is not an issue that is peculiar to Australia. The fight to ensure that human beings do not further damage the planet through their waste is very important and the subject of much discussion internationally. Part of the role of the EPHC is to ensure that that knowledge is assessed and reflected in the Australian environment so that we can get the best result.

The government’s product stewardship bill—currently under development, I trust—will enable the establishment of national product stewardship schemes, including schemes addressing packaging, such as container deposit schemes. The Environment Protection and Heritage Council have agreed to undertake a consultation regulatory impact statement on the options. There has been agreement from the EPHC to consider a range of options in the regulatory impact statement, one of which will be the kind of process that is before us in this bill. Only then will we be able to ensure that the issues have been effectively responded to by the government. I have spoken about the cost, and that is one thing that needs to be taken into account when we are looking at any changes.

I certainly think we can, through the debate we are having now, focus in even more on the issues and ensure that people have the clearest understanding of the shared concerns. As I said earlier this morning in relation to another bill, no-one can self-select out of this debate. It impacts on all of us. If we are going to maintain our environment and maintain our community health we need to effectively find, through all levels of government—engaging with the states in particular, through COAG—ways of ensuring that we have a scheme that is owned by the community, that is effectively resourced by government and that will make a difference to what we do on a daily basis.
Senator BIRMINGHAM (South Australia) (11.30 am)—It is a pleasure to rise to contribute to this debate on the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2010. I thank the Greens for bringing this bill forward and ensuring continued discussion on this important topic. As a South Australian Senator, which Senator Moore alluded to, I have grown up with container deposit schemes. They are part of day-to-day life in South Australia and have been in place since 1977. Many, many people in South Australia, including Senator Hanson-Young, have grown up with such schemes and in many cases have known nothing other than the container deposit scheme.

But it is important when we consider this legislation that we remember the genesis of that scheme—what brought it about—and how things have changed and moved on since 1977. Indeed, at the time the scheme was introduced it was very much an anti-litter provision. It was a littering initiative and it was designed to ensure that we reduced the amount of roadside waste and rubbish from beverage containers. Yes, it had recycling principles underpinning it, but recycling was not at that stage the primary objective of the scheme. Over the years, the recycling principles and benefits have in some ways come to provide a more significant benefit than perhaps the anti-littering principles do in the South Australian scheme. It is certainly a scheme that operates to the benefit of both of those areas.

Since 1977 we have seen, in South Australia and in all states and territories, a great surge in recycling activity. No longer do we require householders to take their waste to a depot to have it recycled. Householders in metropolitan areas in every state of the country can recycle simply by sorting their containers at home and putting them out on the kerbside. Thankfully, that is what most people do. Local government has done a very good job in promoting and developing kerbside recycling initiatives that have in many ways reduced the recycling benefit of initiatives such as container deposit legislation.

That said, the recycling industry still faces some real challenges, in particular the away-from-home recyclables—those resulting from things consumed in the workplace, in public places and in other areas where people consume food, beverages and a whole variety of other goods, but especially in workplace situations. It is in those places where recycling rates are far lower than they have been in households, and it is in those places that we need to see some focus on change and changed behaviour.

Container deposit legislation, as introduced in South Australia and applied there, has had some benefit on the littering front and therefore on public places and roadsides. As I said, that was its initial intention, and it certainly has provided some opportunities to reduce the littering in those community areas and spaces. Again, we have seen local and state governments really up the effort in public spaces to provide for recycling of recyclable materials. We are now seeing an increasing effort in many public places to enable, as you do at home, the separation of those recyclable materials that are the focus of this bill.

In the workplace, much more remains to be done. I do not see particular efforts of container legislation having any real impact in workplaces in most instances. As I see it, container deposit legislation has not changed many workplace practices. Indeed, although workplace recycling has perhaps made some steps in the area of paper recycling, it has to make many greater steps in areas from industrial waste in industrial workplaces right through to consumable waste in office workplaces and the like.
This is where we need a comprehensive approach to recycling and product stewardship. Senator Moore certainly highlighted the need for such a comprehensive approach. Getting a better approach to product stewardship has been talked about for some years. In the electronics area we see huge challenges of what to do with electronic waste and how to make sure that that waste is actually recycled—the roles and responsibilities of the manufacturers, the importers, the wholesalers and the retailers in line with the householders, the businesses and the consumers. These are the issues to be decided. Who pays is always a very significant issue.

But, again, in electronic waste we have seen some progress—not enough, but certainly some. I hope the work of the Environment Protection and Heritage Council can bring some more progress over the next few years than it has over the past few. I know it was a commitment of the Labor government prior to the 2007 election to take issues of container deposit to the Environment Protection and Heritage Council and to try to get them resolved at that council. Unfortunately, the government failed to satisfactorily progress these issues at that ministerial forum. I think it is important that if we are to take steps forward they are done in unison with the states for a national approach in all of these areas of product stewardship and waste management.

I note that there have been moves and steps, some of which Senator Moore alluded to, in other states and territories than South Australia, and the Northern Territory parliament is currently debating a container deposit legislation scheme. There are discussions in other states, and indeed I see news reports today of the New South Wales coalition being open-minded to the adoption of such a scheme, but again highlighting that if it is to be adopted, especially in a state like New South Wales with its close borders to the ACT and Queensland and the significant flow of people across those borders, it needs to have some decent national management protocols in place. So there is every reason to be hopeful that these issues can be constructively and productively discussed and addressed at these ministerial fora.

Equally we should not overlook the fact that these schemes come with costs, and those costs are passed through. That is why I highlighted the significant change that has taken place in South Australia. The reality is that in every other state and territory household recycling rates, and therefore the recycling rates of beverage containers, have increased dramatically over the years, without the need for a container deposit scheme such as this bill proposes. So we need to be confident that, if this is to be implemented in other states or if it is to be implemented at a national level, it is going to provide some level of net benefit.

In noting the work that has been done already by the ministerial council there are questions as to whether the net benefit is actually there. The ministerial council commissioned some research and it was provided in May 2009. It is highlighted in the committee report into this proposed bill. That report, prepared by consultants BDA Group and Wright Corporate Strategy, has attempted to quantify the costs and the benefits of introducing a scheme of this nature. In its quantification of these costs and benefits it has reported a total national annual net economic cost to government, industry and the broader community when it takes into account all of the compliance and administrative cost, some of which Senator Moore mentioned, and highlighted some of the questions as to exactly how the proposal in this bill would work. The BDA report estimates those costs to be around $492 million per annum in net terms. Overall it sees economic costs of $763 million versus economic benefits of $294.
million. Those costs stretch from the administrative costs of operating a scheme like this through to the costs for the packaging industry and others involved in its implementation.

On the other side of the ledger, the benefits do relate to the fact that you will get some level of further increase in recycling rates, but it is a case at the margins whether that level is going to offset the costs involved. It is important to understand that there are consumer costs at play here as well. Broadly speaking, the South Australian scheme that has operated since 1977 is subsidised by consumers across the rest of the country. The national producers of goods which sell within South Australia in that scheme tend not to vary their prices for South Australia and tend not to pass through the increased container deposit to consumers in South Australia. They actually absorb them at a national level but South Australians enjoy the opportunity to reclaim that deposit. That is a nice situation for consumers in my home state but a national scheme would, of course, remove that cross-subsidisation that occurs at present. In removing that cross-subsidisation it would mean that all consumers would end up paying more for these goods. Yes, they are deposits, yes, consumers get them back, but there are other economic costs built into the way it operates, costs that manufacturers will pass through in the pricing structure and costs that consumers will have to pay. So these are things that we need to bear in mind in debate about the costs and benefits of a scheme such as this one.

I am sympathetic to the objects the Greens have in presenting this bill. I do believe that so far as possible we should be seeking to ensure that all recyclable goods are recycled. We should be ensuring we have the right strategies in place. I am willing to consider with an open mind the best discussions that can be had around container deposit legislation. But it does appear at present on the evidence that the costs of implementing such a scheme nationally, given the extent to which the recycling industry has moved and motivated itself and developed over the last few years, may well outweigh the benefits of such a scheme. We need to be clear that there will be distinct benefits if we are going to go through the cost and the time of implementing something along those lines. We need to ensure that all the states and territories are willing to sign up to it. We need to ensure that local government, which has a very significant role in the way recycling works in this country, is on board and sees benefits in this. There are concerns from local government and from recyclers generally that a container deposit scheme incentivises households to take the beverage containers out of the waste stream and return them to get the deposit back. In particular with aluminium products that has a real impact because some of those are the most profitable products that go through the waste stream and that provide a return to those councils and to those recyclers to make kerbside collection viable.

These are factors that will need to be considered. I know full well that in my childhood growing up, in the shed out the back there was a hessian bag and in the hessian bag all the cans and bottles would go. I am sure Senator McEwen’s children have done the same over the years. Indeed, it is a great source of pocket money for children growing up in South Australia.

**Senator Ludwig**—I am jealous.

**Senator BIRMINGHAM**—Senator Ludwig is jealous. The government could do with all the extra pocket money it can get as well, Senator Ludwig. Whilst it is great for young people and it is a great incentive, what happens is that those cans and those bottles do not go into the kerbside collection. When they do not go into the kerbside collection...
there is a cost there in terms of the operation of that kerbside collection and there is a duplication of resources as well. Let us not forget that if we are incentivising people to be making separate drop-offs of recyclable goods, rather than going through the one kerbside collection scheme, there are other flow-on costs to having people divert their activities and their resources to do that when there is a far more efficient mechanism at work. All of these factors will have been considered in the BDA report. It is why it shows there is a net economic cost to this proposal and it is why it needs to be treated with due caution.

But I do encourage the Greens and welcome the fact that on this they are ensuring the discussion continues. They are holding the government to account in this area. As I said, it was a 2007 election promise of the government to look at a scheme like this. We are now in 2011, but we have not seen much progress. We have seen some of the modelling which I have referenced. We will now see a newly structured ministerial council, some of the members of which have indicated their openness and willingness to look at these issues. I hope we can address these issues. If this is not the way to go forward, I hope we can see the ministerial council outline alternative strategies for how we actually get the right product stewardship in place for all products of recyclable standard, including beverage containers. I hope we see the ministerial council progress that with industry to a point where we have appropriate standards and, importantly, we can ensure that we get the same types of recycling returns outside of residential households that we have managed to develop as a country inside residential households. The growth in residential recycling is something of which all Australians should be proud. Let us strive to get recycling done better throughout the rest of the community. I am not convinced as yet that this legislation is the way to do that, but we certainly look forward to seeing more discussion, more analysis and, importantly, more action in the next year or two to ensure that all of those areas that have potential are addressed and fixed.

Senator HANSON-YOUNG (South Australia) (11.46 am)—I rise today to speak in favour of the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2010 put forward by Senator Ludlam on behalf of the Greens. I thank the government and the opposition for their contributions. Of course, everyone thinks this is a great idea. Why wouldn’t we want to put in place a scheme that would allow us to recycle things that are recyclable? In South Australia we have had a successful scheme in place for 30 years. I say this as a South Australian senator. Senator Birmingham spoke about the positive contribution that this scheme has made by ensuring that South Australia has a lower litter rate than it otherwise would and the positive contribution that this type of scheme makes to the community. I remember being woken up several times over the years early on a Saturday morning by kids knocking on the door asking if we had any cans or bottles that they could cash in to put the money towards their community organisation. There are a variety of different reasons why this scheme is positive. It is positive for the environment and for the community. A government which shows some leadership and makes this happen will show that it takes a long-term and responsible view of the types of products that are out there being consumed.

In the time it took Senator Birmingham to give his speech, 62½ thousand beverage containers were thrown out. Over one year, nine million recyclable containers are put into landfill or simply thrown away as litter. The scheme as proposed under this piece of legislation would ensure that we deal with that
litter. The scheme would also include a revenue-positive aspect, producing $90 million annually in surplus which could go directly into community based organisations to promote the necessity of preserving our environment, keeping our communities clean and ensuring that things are not simply thrown onto the kerb.

Both the government and the opposition spoke about this being a great idea. We need to move on this. We need to do things. Yes, it was a promise from the government back in 2007, but what have we seen happen since then? Not much. We have seen the South Australian scheme continuing along very well. We have seen the Northern Territory adopt a similar scheme. I must congratulate the Northern Territory government for having a mature, bipartisan approach and ensuring that legislation similar to that in South Australia is now being initiated in the Northern Territory. That is a wonderful thing to see. But at the federal level, despite the promises from the government in 2007, we have seen very, very little action. ‘We sent it off to COAG and we’re now sending it off to a ministerial council.’ We all know that, if there is one issue that you know you need to talk about but you do not really want to act on, you send it off to COAG, otherwise known as the black hole of government bureaucracy.

Let us face it: if we think this is a good idea, we need to get on and do it. Thankfully there are states that are seriously considering the need to take further action and to move on this. But really this is something on which we should be seeing some leadership from our federal government. This bill puts on the table the opportunity for all sides of parliament to say: ‘You know what? This should not be a very controversial issue.’ This is about recycling cans and bottles. It is about ensuring that we clean up Australia not just once a year but every day. It is about ensuring that there is a process by which people can easily participate, whether they live in South Australia, the Northern Territory, the ACT, Victoria, New South Wales, Queensland, WA or Tasmania. It is about ensuring that, as a country, we believe that picking up after ourselves and making it easy for people to do that is not that bad an idea—as both the government and the opposition agree. It is just too hard to get there, it seems.

We really need to see some leadership at a federal level. A lot of effort is put into programs like Clean Up Australia Day. When we look at the statistics of the types of things that are collected just on that one day, beverage containers make up the overwhelming bulk. Sixty per cent of glass items, 47 per cent of metal items and 33 per cent of plastic items are beverage containers.

I would like this parliament to seriously consider this; it should not be a hard issue. This legislation puts in place a revenue-positive scheme. Ninety million dollars annually would be collected through this scheme that could be put directly back into our local communities. We would be engaging with the public. We would be engaging with local governments. We would be engaging with community groups. We would be working with the states. And we would be showing under that leadership umbrella of the federal government that, yes, we care about what Australia looks like, we care about our environment and we care about taking responsibility for the things that are left behind. That is exactly what this legislation is about. Everyone wants to talk about it; let us get on and do it with a revenue-positive scheme such as that outlined in Senator Ludlam’s bill on behalf of the Greens. What a good way forward. Let us not see the excuses of things just going off to the black hole of COAG; let us actually take some leadership and get something done.
The ACTING DEPUTY PRESIDENT (Senator Hutchins)—You have eight seconds, Senator Xenophon.

Senator XENOPHON (South Australia) (11.52 am)—I support the bill.

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—Order! The time for the debate has expired. Yes, Senator Xenophon?

Senator XENOPHON—Mr Acting Deputy President, I seek leave to incorporate my speech on the second reading debate in Hansard. I thought I was going to have a chance to deliver it. It is a very short speech.

Leave granted.

The speech read as follows—

For decades we’ve been espousing the importance of recycling and this Bill introduces measures which encourage this.

Container deposit legislation has numerous benefits.

It encourages recycling, it reduces litter, it provides economic incentive to clean it up and it provides income to individuals and organisations who collect bottles and cans.

In 1975, South Australia passed container deposit legislation and, in 2003, amended the legislation to expand the scheme to capture an even broader range of beverage containers.

This scheme is working effectively. It has a recovery rate of over 80 percent of containers, with 1.5 tonnes per person recycled per year.

Last year, the Northern Territory Government announced plans to implement its own scheme by the end of 2011, similar to that in operation in South Australia, and it’s time for the rest of the States and Territories to follow suit.

This legislation is a national scheme that all States and Territories can sign up to, where a 10 cent deposit would apply to the sale of each eligible beverage container, with the deposit paid to the department.

Upon ‘return’ to an authorised collection depots or transfer stations, the recycler would receive 10 cents and the Department overseeing the scheme would refund the money to them.

And any unclaimed deposits or funds would be retained by the Department and used to invest in infrastructure for the scheme.

On all accounts, this is a good proposal.

This Bill will reduce litter and waste and the amount that goes into landfill, it provides economic incentives and it’s proven to work not just in South Australia but in countries around the world.

Debate interrupted.

NOTICES

Presentation

Senator Back, Ludwig and Milne to move on Wednesday, 23 March 2011:

That the Senate—

(a) notes that:

(i) 2011 marks the 250th anniversary of veterinary education with the establishment of the first veterinary school in Lyon, France, in 1761, and

(ii) around the world, 2011 is being designated World Veterinary Year to honour the contribution and achievements of the veterinary profession in the community to animal health and production, public health, animal welfare, food safety and bio-security;

(b) recognises that:

(i) in Australia, 2011 marks the 120th anniversary of the first class of graduates from the inaugurated Melbourne Veterinary College,

(ii) seven schools of veterinary medicine are now established in Victoria, New South Wales, Queensland, Western Australia and South Australia,

(iii) veterinarians are dedicated to preserving the bond between humans and animals by practising and promoting the highest standards of science-based,
ethical animal welfare with all animals, large and small,

(iv) veterinarians are on the front line in maintaining Australia’s status as being free from exotic diseases that threaten the environment and human and animal health, and that veterinarians provide extensive pro bono services annually through the ethical treatment of unowned animals and wildlife,

(v) veterinarians are vital to ensuring the high quality of Australia’s commercial herds and flocks and the security of our food supply,

(vi) veterinarians provide a valuable public health service through preventative medicine, control of zoonotic disease and scientific research, and

(vii) significant contributions and achievements have been made by many individual members of the Australian veterinary profession, including:

(A) Nobel Prize winner and Australian of the Year, Dr Peter C Doherty, who achieved major breakthroughs in the field of immunology which were vital in understanding the body’s rejection of incompatible tissues in transplantation and in fighting meningitis viruses,

(B) Professor Mary Barton, a leading veterinary bacteriologist with a distinguished career in government and in veterinary public health, who has a strong research background in bacterial infections of animals and in antibiotic resistance in animal and human health; and

(C) Dr Reg Pascoe, a renowned equine surgeon and dermatologist, and a leader in his profession for more than 50 years, who, while running a busy practice in Oakey, published 70 research papers and many texts while earning a doctorate, and has also dedicated years to the National Veterinary Examination and the Veterinary Surgeons’ Board of Queensland, and

(c) further recognises:

(i) that 2011 is World Veterinary Year,

(ii) the valuable and diverse roles veterinarians perform in the Australian community, and

(iii) the veterinary profession as it celebrates the past and continuing contribution by veterinarians.

Senator Colbeck to move on the next day of sitting:
That the Senate—

(a) notes that:

(i) the incursion of Apis cerana, the Asian honey bee, was discovered in May 2007 near Cairns, Queensland,

(ii) the Asian honey bee has the capacity to wipe out the wild population of the European honey bee in Australia, putting at risk:

(A) $4 billion worth of agricultural produce pollinated by the European honey bee, as the Asian honey bee is incapable of domestication, leaving Australian agriculture reliant on incidental pollination, and

(b) the $80 million Australian honey industry,

(iii) the Asian honey bee:

(A) is a carrier of the varroa mite, another major threat to the European honey bee population and honey industry in Australia,

(B) has the potential to become a pest as virulent and damaging to the Australian environment as the rabbit, cane toad and European wasp, and

(c) poses a major threat to biodiversity through negative impacts on native flora and fauna, and

(iv) the incursion of the Asian honey bee remains contained in a radius of approximately 50 to 55km of Cairns; and

CHAMBER
(b) calls on the Government to develop, coor-
dinate and implement a program to eradi-
cate the Asian honey bee from Australia.

Senator Johnston to move on the next
day of sitting:

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

The adequacy and appropriateness of cur-
rent guidance and advice available to offi-
cers giving evidence to Senate committees
and when providing information to the
Senate and to senators, including:

(a) the adequacy and applicability of gov-
ernment guidelines and instructions;
(b) the procedural and legal protections
afforded to those officers;
(c) the awareness among agencies and
officers of the extent of the Senate’s
power to require the production of in-
formation and documents; and
(d) the awareness among agencies and
officers of the nature of relevant advice
and protections.

(2) That, in undertaking the inquiry, the
committee may consider the evidence and
records of the Committee of Privileges
appointed in the previous parliament on a
related matter, referred on 23 June 2010.

COMMITTEES
Selection of Bills Committee
Report
Senator McEWEN (South Australia)
(11.53 am)—I present the second report for
2011 of the Selection of Bills Committee.

Ordered that the report be adopted.

Senator McEWEN—I seek leave to have
the report incorporated in Hansard.

Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE
REPORT NO. 2 OF 2011
1. The committee met in private session on
Wednesday, 2 March 2011 at 7.31 pm.

2. The committee resolved to recommend—

That—

(a) the provisions of the Broadcasting Leg-
islation Amendment (Digital Dividend
and Other Measures) Bill 2011 be re-
ferred immediately to the Environment
and Communications Legislation Com-
mittee for inquiry and report by 21
March 2011 (see appendix 1 for a
statement of reasons for referral);

(b) the provisions of the Combating the Fi-
nancing of People Smuggling and Other
Measures Bill 2011 be referred immedi-
ately to the Legal and Constitutional Af-
fairs Legislation Committee for inquiry
and report by 21 March 2011 (see ap-
pendix 2 for a statement of reasons for
referral);

(c) the Customs Amendment (Anti-
Dumping) Bill 2011 be referred imme-
diately to the Economics Legislation
Committee for inquiry and report by 22
June 2011 (see appendix 3 for a state-
ment of reasons for referral);

(d) the Environment Protection and Biodi-
versity Conservation Amendment (Bio-
regional Plans) Bill 2011 be referred
immediately to the Environment and
Communications Legislation Committee
for inquiry and report by 13 May 2011
(see appendix 4 for a statement of rea-
sions for referral); and

(e) the Tax Laws Amendment (Temporary
Flood and Cyclone Reconstruction
Levy) Bill 2011 and Income Tax Rates
Amendment (Temporary Flood and Cy-
clone Reconstruction Levy) Bill 2011 be
referred immediately to the Economics
Legislation Committee for inquiry and
report by 21 March 2011 (see appendix
5 for a statement of reasons for refer-
ral).

3. The committee resolved to recommend—

That the following bills not be referred to
committees:
• Corporations and Other Legislation Amendment (Trustee Companies and Other Measures) Bill 2011
• Customs Amendment (Serious Drugs Detection) Bill 2011
• Electronic Transactions Amendment Bill 2011
• Environment Protection and Biodiversity Conservation (Public Health and Safety) Amendment Bill 2010
• Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Election Commitments and Other Measures) Bill 2011
• Family Assistance and Other Legislation Amendment (Child Care and Other Measures) Bill 2011
• Family Assistance Legislation Amendment (Child Care Rebate) Bill 2011
• Higher Education Support Amendment (No. 1) Bill 2011
• Migration Amendment (Complementary Protection) Bill 2011
• Military Rehabilitation and Compensation Amendment (MRCA Supplement) Bill 2011
• Offshore Petroleum and Greenhouse Gas Storage Regulatory Levies (Consequential Amendments) Bill 2011
• Personal Property Securities (Corporations and Other Amendments) Bill 2011
• Schools Assistance Amendment (Financial Assistance) Bill 2011
• Tax Laws Amendment (2011 Measures No. 1) Bill 2011
• Therapeutic Goods Legislation Amendment (Copyright) Bill 2011.

The committee recommends accordingly.

4. The committee deferred consideration of the following bills to its next meeting:

• Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Bill 2011
• Customs Amendment (Anti-dumping Measures) Bill 2011
• Electoral and Referendum Amendment (Provisional Voting) Bill 2011
• Migration Amendment (Detention of Minors) Bill 2010
• Migration Amendment (Detention Reform and Procedural Fairness) Bill 2010
• Responsible Takeaway Alcohol Hours Bill 2010
• Trans-Tasman Proceedings Amendment and Other Measures Bill 2011.

(Anne McEwen) Chair
3 March 2011

APPENDIX 1

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill: Broadcasting Legislation Amendment (Digital Dividend and Other Measures Bill 2011)

Reasons for referral/principal issues for consideration:

There is nothing in this Schedule of the Bill that requires urgent passage. This is unlike the situation regarding its predecessor, the Broadcasting Legislation Amendment (Digital Television) Bill 2010, which during its final passage in the Senate on 24 June 2010 required to be passed for the Mildura / Sunraysia analog switch-off to go ahead just 6 days later on 30 June 2010.

Schedule 1 of this Bill is likely to represent the only time for Parliamentary scrutiny of the principles guiding the most important spectrum allocation for broadcasting for decades. The guidelines to ACMA governing the process of this reallocation and subsequent sale of freed up spectrum were withdrawn from the previous Bill on Opposition pressure on 24 June. The Government’s reaction to this was to ‘house’ the vital policy objectives for the Digital Dividend in a Directions Instrument to ACMA not subject to any Parlia-
mentary scrutiny. Schedule 1 of this Bill represents the last opportunity for such important guidelines, which will dominate broadcasting for the foreseeable future and quite possibly fixed wireless aspects of the NBN, to be considered and, if necessary, have them altered and enshrined in legislation (rather than housed in a Ministerial ACMA Direction) for the public good.

**Schedule 2** - In essence, the provisions in this section of the bill deserve further scrutiny as they raise significant issues on the future balance of terrestrial versus satellite services for regional viewers. A Senate Committee provides a unique opportunity for the parliament to scrutinise more broadly the progress on digital switchover to date as well as consumer safeguards for digital switchover in regional Queensland and beyond.

**Possible submissions or evidence from:**
Regional Broadcasters Australia
Broadcast Australia
Local Government Association Queensland
Remote Area Planning and Development Board Queensland (RAPAD)
Regional Telecommunications Committee
Free TV
ABC
SBS

**Committee to which bill is to be referred:**
Senate Environment and Communications Legislation Committee

**Possible hearing date(s):**
Early March 2011

**Possible reporting date:**
Late March 2011

(signed)
Senator Fifield

**Whip/ Selection of Bills Committee member**

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**APPENDIX 3**

**SELECTION OF BILLS COMMITTEE**

Proposal to refer a bill to a committee

**Name of bill:**
Customs Amendment (Anti-Dumping) Bill 2011

**Reasons for referral/principal issues for consideration:**
Possible submissions or evidence from:
Australian industry Group
CFMEU
AWU
AMWU
Kimberly-Clark
Australian Customs and Border Protection Service
Importers

**Committee to which bill is to be referred:**
Senate Economics (Legislation) Committee
Possible hearing date(s):
April 2011

Possible reporting date:
27 June 2011

(signed)
Senator McEwen

Whip/Selection of Bills Committee member

———

APPENDIX 4

SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee

Name of bill:
Environment Protection and Biodiversity Conservation Amendment (Bioregional Plans) Bill 2011

Reasons for referral/principal issues for consideration:
This bill would make significant change to the way decisions are made on the declaration of protected areas and therefore on the conservation of biodiversity, the full impact of the proposed changes needs to be examined.

Possible submissions or evidence from:
Organisations to be consulted include environment organisations such as ACF, HIS, WWF, PEW, AMCS, the Environmental Defenders organisations, producer groups, recreational groups and industry groups.

Committee to which bill is to be referred:
Environment and Communications Legislation Committee

Possible hearing date(s):
To be decided by the Environment and Communications Legislation Committee

Possible reporting date:
27 June 2011

(signed)
Senator McEwen

Whip/Selection of Bills Committee member

———

APPENDIX 5

SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee

Name of bill:
Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011
Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011

Reasons for referral/principal issues for consideration:
These Bills requires a quick reporting date as it is crucial that it be passed asap to provide certainty to taxpayers and allow adequate time for software providers, businesses, employers and the ATO to prepare their systems for the new financial year.

While the legislation does not commence until 1 July 2011, the ATO, employers and their software providers need to have certainty ahead of time to get systems in place, such as new withholding schedules and updated software. Delaying passage could mean these systems are not in place for the commencement of the levy. Taxpayers also need to have this certainty.

All of the affected parts of the community will have to come to terms with the workings of the levy, adjust their payroll systems (in the case of employers, many of whom will rely on payroll software providers), and understand whether they may qualify for an exemption (for flood affected taxpayers) before 1 July 2011.

Possible submissions or evidence from:

Committee to which bill is to be referred:
Senate Economics Legislation Committee

Possible hearing date(s):
Possible reporting date:
21 March 2011

(signed)
Senator McEwen

Whip/Selection of Bills Committee member

———

PETITIONS

Senator PARRY (Tasmania) (11.54 am)—Mr Acting Deputy President, I seek leave to table some documents and make some brief remarks.

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—Leave is granted for two minutes.
Senator PARRY—Thank you, Mr Acting Deputy President. I have a petition that was to be tabled by Senator Helen Coonan. There are some technical difficulties with the petition. I circulated this at the whips’ meeting last night. On every second page the petition does not have a heading, yet the first pages are quite correct, and some pages do not have a reference to the Senate. Those are the technical difficulties, and we accept that it does not meet the requirements of what a petition should be for presentation or tabling in the Senate. However, half the pages are correct, which would have enabled 3,000 signatures to be tabled. There are 6,000 signatures. So I seek leave of the Senate to table it as a document, noting that in its original form or intention it was to be a petition; however, it is technically not a petition.

BUSINESS

Rearrangement

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (11.55 am)—I move:

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

(a) general business notice of motion no. 191 standing in the name of Senator Fifield relating to the Government’s delivery of commitments; and

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

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

(a) general business notice of motion no. 191 relating to the ALP Governments’ delivery of commitments; and

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

Question agreed to.

Consideration of Legislation

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (11.55 am)—I move:

That the following list of general business orders of the day be considered under the temporary order relating to the consideration of private senators’ bills on Thursday, 24 March 2011:

No. 55 Wild Rivers (Environmental Management) Bill 2011.

No. 54 Assisting Victims of Overseas Terrorism Bill 2010.

No. 50 National Broadband Network Financial Transparency Bill 2010 (No. 2).

No. 46 Defence Force Retirement and Death Benefits Amendment (Fair Indexation) Bill 2010.

Question agreed to.

NOTICES

Postponement

The following item of business was postponed:

General business notice of motion no. 151 standing in the name of Senator Siewert for today, proposing the introduction of the Native Title Amendment (Reform) Bill 2011, postponed till 21 March 2011.

LEAVE OF ABSENCE

Senator McEWEN (South Australia) (11.56 am)—by leave—I move:

That leave of absence be granted to Senator Polley for today, for personal reasons.

Question agreed to.

COMMITTEES

Scrutiny of Bills Committee

Reference

Senator PARRY (Tasmania) (11.57 am)—At the request of the Chairman of the Standing Committee for the Scrutiny of Bills, Senator Coonan, I move:

That—

(1) The following matter be referred to the Standing Committee for the Scrutiny of Bills for inquiry and report by the last sitting day in June 2011:

The future direction and role of the Standing Committee for the Scrutiny of Bills, with particular reference to whether its
powers, processes and terms of reference remain appropriate.

(2) In undertaking this inquiry, the committee should have regard to the role, powers and practices of similar committees in other jurisdictions.

(3) The committee be authorised to hold public hearings in relation to this inquiry and to move from place to place.

(4) The committee be authorised to access the records and papers of the 2010 inquiry into its future role and direction.

Question agreed to.

NOTICES

Withdrawal

Senator SIEWERT (Western Australia) (11.57 am)—I withdraw business of the Senate notice of motion No. 3 standing in my name for today.

COMMITTEES

Environment and Communications References Committee

Reference

Senator FISHER (South Australia) (11.58 am)—I move:

That the following matter be referred to the Environment and Communications References Committee for inquiry and report by 2 November 2011:

The capacity of communication networks and emergency warning systems to deal with emergencies and natural disasters, with particular reference to:

(a) the effectiveness of communication networks, including radio, telephone, Internet and other alert systems (in particular drawing on the spate of emergencies and natural disasters of the 2010/2011 Australian summer):

(i) in warning of the imminent threat of an impending emergency,

(ii) to function in a coordinated manner during an emergency, and

(iii) to assist in recovery after an emergency;

(b) the impact of extended power blackouts on warning systems for state emergency services, including country fire brigades and landholders or home owners;

(c) the impact of emergencies and natural disasters on, and implications for, future communication technologies such as the National Broadband Network;

(d) the scope for better educating people in high-risk regions about the use of communications equipment to prepare for and respond to a potential emergency or natural disaster;

(e) new and emerging technologies including digital spectrum that could improve preparations for, responses to and recovery from, an emergency or natural disaster; and

(f) any other relevant matters.

Question agreed to.

Rural Affairs and Transport References Committee

Extension of Time

Senator PARRY (Tasmania) (11.58 am)—At the request of the Chair of the Rural Affairs and Transport References Committee, Senator Heffernan, I move:

That the time for the presentation of the report of the Rural Affairs and Transport References Committee on biosecurity and quarantine arrangements be extended to 6 July 2011.

Question agreed to.

Rural Affairs and Transport References Committee

Meeting

Senator PARRY (Tasmania) (11.58 am)—At the request of the Chair of the Rural Affairs and Transport References Committee, Senator Heffernan, I move:

That the Rural Affairs and Transport References Committee be authorised to meet during the sitting of the Senate on Thursday, 3 March 2011, from 12.30 pm to 1.30 pm, for a private briefing.

Question agreed to.
INTERNATIONAL WOMEN’S DAY

Senator CASH (Western Australia) (11.59 am)—I move:

That the Senate—

(a) notes that 8 March 2011 is International Women’s Day;
(b) acknowledges:

(i) the work that UN Women, the United Nations (UN) organisation dedicated to gender equality and the empowerment of women, undertakes to improve the conditions of women both domestically and internationally, and
(ii) that despite the many rights and privileges Australian women enjoy, there remain challenges that we must strive to overcome;
(c) notes, with concern, that:

(i) in Australia, violence against women is still far too common with Australian Bureau of Statistics figures showing that one in three women have experienced physical violence since the age of 15, and
(ii) harmful practices, including female genital mutilation, have been committed against women in certain communities and societies for many years and that such harmful practices are considered by some to be part of accepted cultural practice;
(d) reaffirms its opposition to so-called traditional cultural practices which allow women to be subjected to crude and unrestrained primitive practices that would not be tolerated in Australia; and
(e) recognises that Australians have a fundamental obligation to speak out and protect the human rights of women, both in Australia and overseas.

Question agreed to.

DISABILITIES AMBASSADOR

Order

Senator FIFIELD (Victoria) (11.59 am)—I move:

That there be laid on the table by the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, no later than noon on Monday, 21 March 2011:

(a) all documents relating to the appointment of Ms Catherine Deveny as a disabilities ambassador for the International Day of People with Disability held on 3 December 2010, including, but not limited to, advice provided to the then Parliamentary Secretary for Disabilities and Children’s Services, the Hon Bill Shorten MP, on the proposed appointment of Ms Deveny;
(b) all correspondence between the Government and Ms Deveny in relation to Ms Deveny’s role as a disabilities ambassador, including the details of any expenses, allowances and payments paid by the Government to Ms Deveny connected with the performance of her role; and
(c) details of meetings and functions, including dates, places and other principal guests, and any other related duties performed by Ms Deveny in her role as a disabilities ambassador.

Question agreed to.

COMMITTEES

Economics References Committee

Reference

Senator XENOPHON (South Australia) (11.59 am)—I move:

That—

(1) The following matters be referred to the Economics References Committee for inquiry and report by 2 May 2011:

(a) the provisions of 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;
(b) current insurance and reinsurance arrangements of the states and territories of their assets and infrastructure;
(c) the appropriateness of fiscal arrangements for natural disaster reconstruction efforts; and

(d) any related matters.

(2) Given that the proposed Flood and Cyclone Reconstruction Levy is intended to be allocated to the State of Queensland:

(a) the Senate calls on the Queensland Government to provide to the committee any correspondence, and any related documents, between the Queensland Government and any insurance advisers, insurance brokers, reinsurers of Queensland Government assets, from 1 January 2000; and

(b) in conducting its inquiry, the committee seeks from any relevant individual, corporation or other private entity, any correspondence, and any related documents, between the Queensland Government and any insurance advisers, insurance brokers, reinsurers of Queensland Government assets, from 1 January 2000.

(3) In undertaking the inquiry, the committee hold at least 3 days of public hearings in Queensland.

Question agreed to.

Foreign Affairs, Defence and Trade Legislation Committee

Meeting

Senator McEWEN (South Australia) (12.00 pm)—On behalf of the Chair of the Foreign Affairs, Defence and Trade Legislation Committee, Senator Bishop, I move:

That the Foreign Affairs, Defence and Trade Legislation Committee be authorised to hold a public meeting during the sitting of the Senate on Thursday, 3 March 2011, from 4.30 pm, to take evidence for the committee’s inquiry into the provisions of the Criminal Code Amendment (Cluster Munitions Prohibition) Bill 2010.

Question agreed to.

Publications Committee

Report

Senator McEWEN (South Australia) (12.01 pm)—On behalf of Senator Carol Brown, I present the fourth report of the Standing Committee on Publications.

Ordered that the report be adopted.

BUDGET

Consideration by Estimates Committees

Additional Information

Senator McEWEN (South Australia) (12.01 pm)—On behalf of the respective chairs, I present additional information received by committees relating to the following estimates:

- Economics—2010-11 budget and supplementary budget estimates
- Environment and Communications—2010-11 budget and supplementary budget estimates
- Finance and Public Administration—2010-11 budget and supplementary budget estimates
- Foreign Affairs, Defence and Trade—2010-11 supplementary budget estimates
- Legal and Constitutional Affairs—2010-11 supplementary budget estimates

COMMITTEES

Legal and Constitutional Affairs Legislation Committee

Additional Information

Senator McEWEN (South Australia) (12.01 pm)—On behalf of the Chair of the Senate Legal and Constitutional Affairs Legislation Committee, Senator Crossin, I present additional information received by the committee on its inquiries into the Migration Amendment (Visa Capping) Bill 2010 and the Telecommunications Interception and Intelligence Services Legislation Amendment Bill 2010.
HEALTH INSURANCE AMENDMENT (COMPLIANCE) BILL 2010

First Reading

Bill received from the House of Representatives.

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (12.02 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 McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (12.03 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 Bill will amend the Health Insurance Act 1973 to give effect to two components of the Increased Medicare Compliance Audits initiative which was announced in the 2008-09 Budget.

The Bill is a reintroduction of a largely identical Bill introduced in the 42nd Parliament. This version incorporates Parliamentary amendments which were agreed to, or moved, by the Government during Parliamentary debate on the Bill. Minor changes were made to the text of three of the amendments to ensure that they are effective.

None of those minor changes is intended to change the effect of the amendments as agreed to. Compliance audits are conducted to ensure that taxpayers’ money is spent appropriately. Expenditure on the Medicare Benefits scheme was over $15 billion in 2009-10 and has grown by more than $1 billion per annum over the last three years. On average, 20% of practitioners contacted by Medicare Australia do not respond to, or refuse to cooperate with, a request to substantiate a Medicare benefit paid for a service. When this occurs, Medicare Australia does not have any authority to require a practitioner to comply with the request. This means that there is no way to confirm that the Medicare benefit is correct. This legislation is intended to address that deficiency.

In developing this Bill, it was necessary to balance the public interest in ensuring the integrity of public revenue expended on Medicare services with the privacy concerns. An extensive consultation was undertaken, including release of an Exposure Draft and Privacy Impact Assessment. Issues raised by key stakeholders including the Australian Medical Association, other practitioner organisations and the Consumer’s Health Forum are addressed in the Bill.

The Senate Community Affairs Legislation Committee Inquiry into Medicare Compliance Audits recommended that patient clinical records are only accessed where necessary. The Bill now provides that documents containing clinical details do not have to be produced unless necessary. In addition, practitioners may choose to provide these documents to a medical practitioner employed by Medicare Australia rather than an administrative auditor.

This Bill will enable the Chief Executive Officer (CEO) of Medicare Australia to give a notice requiring the production of documents to a practitioner, or another person who has custody, control or possession of the documents, to substantiate a Medicare benefit paid for a service. Before a notice to produce documents can be issued the CEO must fulfil several conditions:

- Firstly, the CEO must have a reasonable concern that the Medicare benefit paid for a service may exceed the amount that should have been paid. This means that Medicare Australia cannot conduct random compliance audits
under the provisions in this Bill. A reasonable concern may relate to a particular practitioner or group of practitioners, or a particular service or group of services.

The CEO cannot develop a reasonable concern in relation to the clinical relevance of a service. The compliance audits conducted by Medicare Australia under the provisions in this Bill will seek to confirm that the factual elements of a service were performed. For example, if a Medicare benefit is only payable for a service when a specific test is undertaken, Medicare Australia will ask the practitioner to produce documents that demonstrate that the test was performed. The elements of each service are outlined in the Medicare Benefits Schedule.

- Secondly, the CEO must take advice from a medical practitioner employed by Medicare Australia on the kinds of documents a practitioner may need to provide to substantiate the Medicare benefit.

- Thirdly, the CEO must take reasonable steps to consult with a relevant professional body about the types of documents required to substantiate a Medicare benefit before commencing a compliance audit. The Minister will, by legislative instrument, declare bodies to be relevant professional bodies for this purpose.

- Finally, the CEO must give the person a reasonable opportunity to respond to a written request to voluntarily provide documents. This means that a notice can only be issued if a person has refused or ignored a written request to voluntarily provide documents to substantiate a Medicare benefit.

These conditions must be met before the CEO can issue a notice requiring a person to produce documents.

The Bill does not introduce any record keeping requirements. It will be up to the person who receives the notice to decide what documents they have available to substantiate the service. The notice to produce documents must explain the reason for the concern, identify the service that needs to be substantiated, and indicate the kind of information that the person may provide to substantiate the service.

Medicare Australia is also working with the Australian Medical Association and other stakeholders to develop guidelines outlining the kinds of information that practitioners may use to substantiate particular services or groups of services. These guidelines will emphasise that clinical information should only be provided if it is absolutely necessary to substantiate the service.

The Bill provides protection for practitioners by placing limits on how the information and documents that are produced in response to a notice can be used. This information can only be used for the compliance audit and for proceedings relating to false and misleading statements under the Health Insurance Act 1973 and the Criminal Code. It cannot be used as the basis for a referral to Professional Services Review or for any other criminal and civil proceedings.

The Bill requires the CEO to notify practitioners of the outcome of an audit. Practitioners must be given 28 days in which to seek internal review of the decision before a debt notice is issued. At the time the person seeks the review, they may provide the CEO with additional information to substantiate the amount paid for the service.

At present, if an amount paid for the service cannot be substantiated, the practitioner is required to repay the amount. This will continue to occur. However, this Bill introduces a financial penalty for certain practitioners who cannot substantiate the amount paid for a service. This penalty is intended to encourage greater compliance with the requirements of the Medicare Benefits Schedule.

The financial penalty will only apply to debts that exceed $2,500. This threshold reflects the point at which Medicare Australia data indicates that mistaken claims may become routine, or reflective of poor administration or decision making. If this threshold had been applied to audits conducted in 2009-10, 60% of practitioners who made incorrect claims would not have received a financial penalty.

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The Bill provides for a regulation making power to enable the threshold amount to be increased. This will enable adjustments to occur to ensure that practitioners are not disadvantaged by incremental increases in the value of the Medicare...
benefit amount paid for services. The regulations cannot be used to decrease the threshold amount.

A base penalty amount of 20% will be applied to all debts over $2,500. The base penalty amount can be reduced or increased according to circumstances described in the legislation. The reductions are intended to encourage greater voluntary compliance.

If a practitioner tells Medicare Australia that an incorrect amount has been paid for a service:

- prior to being contacted by the CEO, the penalty is reduced by 100%;
- before a notice to produce documents is issued, the penalty is reduced by 50%;
- after a notice to produce documents has been issued but before completion of the audit, the penalty is reduced by 25%.

On the other hand, if a practitioner:

- does not respond to a notice, the full amount of the services identified in the notice become repayable and the penalty is increased by 25%; or
- has been unable to substantiate an amount paid for other services in the previous 24 months, and the total they repaid was more than $30,000, the penalty for the current amount is increased by 50%.

These increases in the base penalty rate are intended to promote greater compliance with the legislation and to discourage recidivism.

The provisions in this Bill do not commence until the day after the Bill receives Royal Assent. The Bill is not retrospective and will only apply to Medicare services provided after the commencement of this Bill.

Debate (on motion by Senator McLucas) adjourned.
appropriation being sought through Additional Estimates Bills 3 and 4 this year is a little over $2.3 billion.

Turning to Appropriation Bill (No. 3), the total appropriation being sought this year is $1.36 billion. This proposed appropriation arises from changes in the estimates of program expenditure, due to variations in the timing of payments and forecast increases in program take-up, reclassifications and from policy decisions taken by the Government since the last Budget.

I now outline the major appropriations proposed in the Bill.

The Department of Immigration and Citizenship will receive supplementary funding of $290 million for operational costs associated with the management of offshore asylum seekers.

The Attorney-General’s Department will be provided with $120.7 million to assist people in Queensland, New South Wales, Victoria, South Australia and Western Australia who have been adversely affected by the floods which began in late November 2010. People who have temporarily lost their income as a direct result of the flooding are eligible to apply for payments, which will be provided through Centrelink, for up to 13 weeks.

In addition, the Attorney-General’s Department will be provided with $17.6 million to reimburse State and Territory Legal Aid Commissioners for providing legal assistance in national security, people smuggling and drug related matters. This funding will be made available through the Expendable Commonwealth Criminal Cases Fund.

The Government will provide the Department of Education, Employment and Workplace Relations with $14.3 million to support the operation of the Education Services for Overseas Students Assurance Fund which provides compensation to international students in the event of an education provider closure. Students will be given a refund of any course fees that cannot be recovered from education providers if they are unable to be placed in a suitable alternative course. This funding will supplement provider contributions and ensure the Fund is able to meet its obligations, and will only be drawn down if required.

In addition, the Department of Education, Employment and Workplace Relations will be provided with $10.1 million to introduce the Fair Entitlements Guarantee to protect employee entitlements when an employer enters liquidation. The Fair Entitlements Guarantee will replace the General Employee Entitlements and Redundancy Scheme and extend current entitlements to include redundancy pay, up to a maximum of four weeks for each year of service. The new Guarantee will apply to all Australian workers other than company directors and their close associates. This funding is in addition to the $458.6 million currently available to the General Employee Entitlements and Redundancy Scheme over four years.

The Government will also provide the Department of Education, Employment and Workplace Relations with an additional $14.6 million to double the capacity of the Connecting People with Jobs Relocation Assistance Pilot program up to 4,000 places. A primary focus of the program will be to assist eligible unemployed Australians to relocate to Queensland to take up employment opportunities in flood affected areas. This funding will provide incentives for the unemployed to move to areas which offer greater employment opportunities and to stick with their new job.

The Government is providing $22.4 million to assist Tasmanian forestry contractors and employees respond to the challenges facing the Tasmanian native forest industry. The Department of Agriculture, Fisheries and Forestry will receive $14.6 million in appropriation Bill 3 to provide exit assistance in the form of grants to eligible contracting businesses as well as assistance to help ensure that employees receive their full entitlements. The balance of the funding is being met from other sources.

The Department of Finance and Deregulation will be provided with $11 million to support an increase in the number of Ministerial, Opposition, Australian Greens, Independent and Whips staff to allow Members and Senators to better manage their workload and provide them with greater capacity for consultation.

The Government will provide AusAID with the following additional amounts:

- $20 million for the Global Fund to Fight AIDS, Tuberculosis and Malaria. The Global
Fund is a partnership between governments, non-government organisations, the private sector and affected communities to improve health outcomes in developing countries. Australia has been contributing to the Global Fund since 2004 and this increase in appropriation is part of the Government’s commitment to increase Australia’s official development assistance.

- $127.3 million to maintain the grant component of Australia’s share in the International Development Association, the concessional lending arm of the World Bank, which aims to reduce poverty by providing interest-free credits and grants for programs that boost economic growth, reduce inequalities and improve people’s living conditions.

- $71.9 million to finance Australia’s share of contributions to the Heavily Indebted Poor Countries Initiative, the Multilateral Debt Relief Initiative, arrears clearance provided by the World Bank and compensation to the International Development Association for Grants foregone.

  - The Heavily Indebted Poor Countries Initiative is a joint International Monetary Fund - World Bank approach to debt reduction where the international financial community work together to reduce to sustainable levels, the external debt burdens of the most heavily indebted poor countries.

  - The Multilateral Debt Relief Initiative enables the World Bank, the African Development Bank and the International Monetary Fund to provide 100 per cent relief on eligible debt to a group of low-income countries that are pursuing sound adjustment and reform programs, to help them advance toward the United Nations’ Millennium Development Goals.

The Government will reappropriate $25 million for the Department of Innovation, Industry, Science and Research. This re-appropriation relates to unspent amounts from last financial year for the Green Car Innovation Fund Program. This funding will be used to meet priority spending measures for other programs.

The Government will undertake the first stage of an implementation study into a high speed rail network. This first stage will involve a high-level costing and identification of routes and is expected to be completed by July 2011. The Department of Infrastructure and Transport will be provided with $6 million to undertake the study.

The new Department of Regional Australia, Regional Development and Local Government will be provided with $5.9 million to strengthen local engagement and improve whole of government coordination of policy for regional Australia. This funding is in addition to the resources that have already been transferred to the Department of Regional Australia, Regional Development and Local Government from the former Department of Infrastructure, Transport, Regional Development and Local Government and the Attorney-General’s Department.

The Government will provide the Department of Resources, Energy and Tourism with $12.5 million to support joint projects with the United States designed to reduce the cost of solar energy technologies. The funding will support new research on advanced solar technology projects, and exchange programs and research scholarships focussed on affordable solar energy solutions. The initiative will build on existing collaboration between researchers in the two countries. The Australian Solar Institute will manage the Australian Government’s contribution to the initiative.

The Australian Federal Police will be provided with $24.8 million to increase their own technical and operational capabilities as well as those of regional policing partners. The funding will disrupt people smuggling activities by enhancing support to the Indonesian National Police and Indonesia’s High Technology Crime Operations Centre through the acquisition and operation of a patrol boat; the lease and operation of a surveillance aircraft; and strengthening computer forensic and investigative capability.

The Department of Foreign Affairs and Trade will receive an additional $18.2 million to reimburse them for the cost of issuing a higher than expected number of passports in 2009-10. This additional funding is being provided in accordance with the passport funding agreement.
The Government proposes to provide the Department of Broadband, Communications and the Digital Economy with the following additional amounts:

- $17.1 million for additional work to support the finalisation of Definitive Agreements between Telstra and NBN Co, and to develop and implement arrangements for the establishment of a new agency to manage the Universal Service Obligation.

- $11.8 million, which is a re-appropriation of amounts from 2009-10, for the Digital Switchover Viewer Access Satellite Television service and the Digital Switchover communications campaign. Delays with some milestone payments and an advertising campaign resulted in program payments being delayed to 2010-11.

The Australian Sports Commission will be provided with $21.6 million to continue the Active After-School Communities program until December 2011. The Active After-School Communities program provides funding to 3,270 primary schools and out of school hours care services to deliver quality sport and other structured physical activity programs to around 150,000 children.

The Government will provide Centrelink with $10.7 million to provide families with the additional option of receiving Child Care Rebate payments directly to their bank account on a fortnightly basis from 1 July 2011. This will allow families to choose from a greater range of Child Care Rebate payment options and builds on the Child Care Rebate - fortnightly payments measure, originally reported in the Economic Statement 2010.

The Department of the Prime Minister and Cabinet will be provided with an additional $35.9 million to address a shortfall in funding for expenses related to the transfer of the office of the Arts from the Department of Sustainability, Environment, Water, Population and Communities. The shortfall arose from amounts being incorrectly appropriated to the wrong outcome in the Department of Sustainability, Environment, Water, Population and Communities during the 2010-11 Budget.

The Government will provide $15.1 million in additional resources to the Department of Climate Change and Energy Efficiency to support the energy efficiency functions that were transferred from the former Department of the Environment, Water, Heritage and the Arts, including the National Solar Schools Program and the National Strategy on Energy Efficiency, and to continue delivery of COAG and Ministerial Council related energy efficiency commitments.

Funding of $19.5 million will be provided to the Federal Magistrates Court following the Government’s decision not to restructure the federal courts. The Federal Magistrates Court will continue to exercise general federal law matters and provide a pool of judicial officers for dual commissions to the Military Court of Australia. The funding amount reflects the number of Federal Magistrates who have remained with the Federal Magistrates Court. This funding will be fully offset by savings in the Federal Court and Family Court.

An additional $19.1 million will be provided for the Murray-Darling Basin Authority to enable the Authority to fulfil its statutory obligations and meet community expectations regarding the development and ongoing implementation of the Murray-Darling Basin Plan. The increase in funding is matched by a reduction in administered funding for the Sustainable Rural Water Use and Infrastructure program within the Department of Sustainability, Environment, Water, Population and Communities.

The Department of Health and Ageing will receive an additional $24 million for the Pharmaceutical Benefits Scheme premium free dispensing incentive payment. Under this scheme eligible pharmacists receive an indexed incentive payment, currently $1.56, for each substitutable PBS item dispensed where a premium does not apply. Substitutable PBS items are those that are interchangeable at patient level. The adjustment to the estimates for this program takes account of additional categories of eligible prescriptions and allows for higher levels of growth in the use of substitutable prescriptions.

The appropriations that I have outlined so far are proposed to meet additional funding requirements that have arisen since the last Budget. There is a
further category of requirement for additional appropriation, referred to as a ‘reclassification of appropriation’, that are also proposed in Appropriation Bill (No.3).

These amounts need to be re-appropriated to align the purpose of the proposed spending with the correct appropriation type. The additional appropriations are fully offset by savings against the original appropriations and thus do not lead to additional expenditure.

I now outline the material reclassifications proposed in Bill 3:

- The Department of Climate Change and Energy Efficiency will be provided with $45.6 million as departmental funding in 2010-11 to provide sufficient funding to meet expected departmental expenditure arising for the closure of the Home Insulation Program and the delivery of the Home Insulation Safety Plan.

- AusAID will be provided with $85.9 million as departmental funding in 2010-11 and will spend $85.9 million less in administered funding. This reflects the reclassification of expenditure under AusAID’s new expense classification framework.

The remaining amounts that appear in Appropriation Bill (No. 3) relate to estimates variations, minor reclassifications and other minor measures.

Appropriation Bill (No. 4) 2010-2011

Appropriation Bill (No. 4) provides additional funding to agencies for:

- expenses in relation to grants to the States under section 96 of the Constitution, and for payments to the Australian Capital Territory, the Northern Territory and local government authorities; and

- non-operating purposes such as equity injections and the acquisition of administered assets.

The total additional appropriation being sought in Appropriation Bill (No. 4) 2010-2011 is a little over $1 billion, the more significant amounts of which I now outline.

The Government proposes to provide AusAID with the following amounts:

- $202.6 million to maintain the loan component of Australia’s share in the International Development Association, the concessional lending arm of the World Bank, which aims to reduce poverty by providing interest-free credits and grants for programs that boost economic growth, reduce inequalities and improve people’s living conditions.

- $10 million for the Global Agricultural and Food Security Program, created by the World Bank in 2009, which provides grants to developing countries and regional organisations that have demonstrated their commitment to a comprehensive approach for increasing agricultural growth and lasting improvements in food security.

- $10 million for the Palestinian Reform and Development Trust Fund, which was established by the World Bank to provide a secure mechanism for donors to provide financial support to the Palestinian Authority. Australia has been contributing to the trust fund since 2008.

- $12.2 million for the International Rice Research Institute in the Philippines, which replaces ageing, inefficient infrastructure and technology in order to accelerate the development of climate change resilient rice varieties to secure food supplies in Asia and elsewhere.

$69.8 million will be brought forward from 2011-12 for the Department of Education, Employment and Workplace Relations to meet contractual commitments of projects relating to the Non-Government schools component of the Building the Education Revolution program, which have been completed earlier than expected.

In addition, the Department of Education, Employment and Workplace Relations will be provided with $48.3 million, which represents a re-appropriation of amounts from last financial year, for the Non-Government schools component of the Trade Training Centres program. Delays in the pre-construction and construction phases have resulted in delays in program payments to 2010-11. The re-appropriation of these funds will ensure contractual obligations are met and sufficient funding is available to meet commitments.
The Department of Regional Australia, Regional Development and Local Government will receive an additional $100 million as part of the Government’s partnership with local government. The funding will contribute to improving community infrastructure in all of the nation’s councils and shires, including; libraries, community centres, and sports grounds and facilities. This is the third round of the Regional and Local Community Infrastructure Program and brings total funding for the program to more than $1.1 billion since November 2008.

In addition, the Department of Regional Australia, Regional Development and Local Government will be provided with $30 million, which is a re-appropriation from 2009-10, to meet project commitments under the Regional and Local Community Infrastructure Program. This funding is re-appropriated because there was insufficient time after Government endorsement of projects for recipients to progress their projects prior to 30 June 2010 and claim payments.

The Department of Immigration and Citizenship will be provided with $152.8 million for the commissioning of two new immigration detention facilities to accommodate irregular maritime arrivals – at Northam in Western Australia and Inverbrackie in South Australia.

In addition, the Government will provide the Department of Immigration and Citizenship with $31.5 million, which is a re-appropriation of amounts of last financial year, for capital costs associated with upgrades and enhancements to essential amenities and security at immigration detention facilities for offshore asylum seekers. This funding was first published in the 2010-11 Budget in measure Immigration detention facilities – expanded accommodation.

The Government proposes to bring forward $150 million from 2013-14 for the Department of Sustainability, Environment, Water, Population and Communities for the Water for the Future package. The funding will be used to purchase water entitlements from willing sellers in the Murray-Darling Basin.

The Department of Climate Change and Energy Efficiency will receive $52.9 million, which is a re-appropriation of amounts from 2009-10, to meet capital commitments; including accommodation fit-out and capital costs related to a new building lease, ICT projects and to purchase a satellite dish for climate change science activities.

The Department of Defence will be provided with $112.8 million to align its appropriations with its work program, including operations. This additional amount will be partially offset by a reduction in Defence’s departmental appropriation.

The remaining amounts that appear in Bill 4 relate to estimates variations, minor reclassifications and other minor measures.

I would like to turn now to the general drawing right limits for the Nation-building Funds, which specify the maximum limit on payments from the funds in a financial year exclusive of GST. The general drawing rights limits for the Building Australia Fund, the Education Investment Fund and the Health and Hospitals Fund proposed in this bill will replace the limits declared in Appropriation Act (No. 2) 2010-11. The limits for each of the funds have increased to reflect adjustments in the timing of payments to better reflect project milestones and recently announced funding from the Health and Hospitals Fund for Port Macquarie Base and Royal Hobart hospitals.

In addition, the general drawing right limit for general purpose financial assistance specifies the maximum limit for financial assistance payments made to the states in a financial year. The general drawing right limit proposed in this bill replaces the limit declared in Appropriation Act (No. 2) 2010-11. The increase in the general purpose financial assistance general drawing right limit reflects the estimated increase in the amount of royalty payable to the Commonwealth under the Royalty Act in 2010-11. The Commonwealth is required under section 75 of the Offshore Petroleum and Greenhouse Gas Storage Act 2006 to pay amounts of royalty collected to Western Australia based on a legislated formula.

Corporations and Other Legislation Amendment (Trustee Companies and Other Measures) Bill 2011

Today I introduce a bill to amend the Corporations Act 2001 (Corporations Act) and the Payment System (Regulation) Act 1998.
By way of background information, the Corporations Legislation Amendment (Financial Services Modernisation) Act 2009, which commenced on 6 May 2010, inserted a new Chapter into the Corporations Act – Chapter 5D – that created a new national uniform regime for regulating trustee companies.

A trustee company provides a wide range of wealth management services including estate planning, administering deceased estates, managing the financial affairs of persons unable to look after their own interests, and administering charitable trusts and foundations. There are currently 11 licensed private trustee companies in Australia.

Since the commencement of the new national regime, the Government has received representations from the industry, in particular the representative association – the Trustee Corporations Association of Australia - and the State and Territory Governments indicating that a number of amendments are required to increase market efficiency by ensuring restructuring of company groups which operated under the State and Territory based regulatory framework.

This bill demonstrates this Government’s understanding of the ongoing requirement to consult stakeholders on new and old regulatory regimes to ensure that policy objectives and outcomes are being met; to continually review and improve these regulatory regimes where appropriate so that all relevant parties are aware of their public policy obligations and requirements; and to confirm that the Government’s intended social and economic benefits are being delivered to the community. In other words, to check that the well being of the Australian society is being enhanced.

This bill contains a number of measures to improve the operation of Chapter 5D of the Corporations Act. The bill provides for voluntary transfers of trustee business between entities. Prior to the commencement of Chapter 5D, many corporate groups operated multiple subsidiaries in order to comply with the former State and Territory regimes. The industry is now seeking a feasible and cost-effective process for consolidating the business of these subsidiaries into one Commonwealth licensed entity.

The bill provides for “compulsory” transfers of trustee company business from a failing licensed trustee company to a State or Territory public trustee. Currently, Chapter 5D of the Corporations Act precludes the transfer of trustee company business from a licence-cancelled company to a State or Territory public trustee because the public trustees are not licensed trustee companies. It is appropriate and important for the purpose of protecting the assets and stakeholders of failing or demonstrably non compliant licensed trustee companies to rectify this situation.

At present, there is no formal procedure under which a prospective licensee applies to the Government to be listed as a licensed trustee corporation. This contrasts with the former State based system where most jurisdictions published administrative (rather than legislative) criteria for applicants. This bill provides such a process.

To preserve the integrity of the new regime in Chapter 5D and to prevent misrepresentations to the public, the Bill provides that an entity is prohibited from holding itself out as a ‘licensed trustee company’ unless it holds an AFSL with a trustee company authorisation.

Finally, the Bill would also amend the Payment System (Regulation) Act 1998 to protect participants in the automatic teller machine (ATM) system from prosecution under the Competition and Consumer Act 2010.

This amendment is necessary because the Payment Systems (Regulation) Regulations 2006, which protect participants in the ATM system, sunsets in March 2011, as regulations made for the purposes of sub-paragraph 51(1)(a)(ii) of the Competition and Consumer Act 2010 (formerly called the Trade Practices Act 1974) last for two years. To allow ATM participants to continue to comply with the Reserve Bank of Australia’s ATM reforms, a legislative change to the Payment System (Regulation) Act 1998 is required.

The Ministerial Council for Corporations has been consulted in relation to the amendments to the Corporations Act and has approved the trustee company amendments contained in this Bill.

Ordered that further consideration of the second reading of these bills be adjourned to the first sitting day of the next period of sittings, in accordance with standing order 111.
Ordered that the Corporations and Other Legislation Amendment (Trustee Companies and Other Measures) Bill 2011 be listed on the Notice Paper as a separate order of the day.

COMMITTEES
Foreign Affairs, Defence and Trade Legislation Committee

Senator McEwen (South Australia) (12.05 pm)—On behalf of the chair of the Foreign Affairs, Defence and Trade Legislation Committee, Senator Bishop, I present the report of the committee on the provisions of the Autonomous Sanctions Bill 2010, together with submissions received by the committee.

Ordered that the report be printed.

Regulations and Ordinances Committee

Senator McEwen (South Australia) (12.05 pm)—On behalf of the Chair of the Standing Committee on Regulations and Ordinances, Senator Stephens, 1 present a volume of ministerial correspondence relating to the scrutiny of delegated legislation for the period July to December 2010.

National Broadband Network Committee

Establishment

Consideration resumed from 2 March.

Senator McLucas (Queensland—Parliamentary Secretary for Disabilities and Carers) (12.06 pm)—I move:

That the Senate concurs with the resolution of the House of Representatives contained in message No. 93 relating to the appointment of a Joint Committee on the National Broadband Network, with the following amendments.

(1) Omit paragraph (4), substitute:

(4) that participating members may be appointed to the Committee. Participating members may participate in hearings of evidence and deliberations of the Committee, and have all the rights of a member of the Committee, but may not vote on any questions before the Committee;

(2) After paragraph (7), insert:

(7A) that the Committee elect a member as its Deputy Chair who shall act as Chair of the Committee at any time when the Chair is not present at a meeting of the Committee, and at any time when the Chair and Deputy Chair are not present at a meeting of the Committee the members shall elect another member to act as Chair at that meeting;

(3) Omit paragraph (8), substitute:

(8) that, in the event of an equally divided vote, the Chair, or the Deputy Chair when acting as Chair, have a casting vote;

Senator Ludlam (Western Australia) (12.06 pm)—by leave—I move:

At the end of the motion, add: Paragraph (9), omit “three”, substitute “five”.

The amendment provides that five members of the Committee constitute a quorum.

I understand that that amendment has been circulated and agreed to.

Question agreed to.

Original question, as amended, agreed to.

STATUTE LAW REVISION BILL (No. 2) 2010

Second Reading

Debate resumed from 28 February, on motion by Senator Feeney:

That this bill be now read a second time.

Senator Brandis (Queensland) (12.08 pm)—The purpose of the Statute Law Revision Bill (No. 2) 2010 is to correct technical errors caused by drafting and clerical mistakes and to remove references to specific ministers and departments which would require amendments to legislation following changes to the Administrative Arrangements Order. At present when the names of depart-
ments and ministerial titles change or when responsibility for legislation is transferred between ministers and departments, substituted reference orders must be made under sections 19B and 19BA of the Acts Interpretation Act. This then requires relevant legislation to be read in conjunction with the orders. The amendments will replace the specific legislative references with generic ones. This will make Commonwealth legislation easier to use. The bill also makes amendments to ensure consistency of language and to correct technical errors. A number of obsolete acts, contained in schedule 3 of the bill, are repealed. They are principally acts for the payment of state grants for rural adjustment arrangements which are no longer payable, those schemes having expired.

There is also a reference to correct a clerical error in the Water Act. The current word used in the Water Act is ‘meditation’. The amendment substitutes for the word ‘meditation’ the word ‘mediation’, which was the evident intent of the draftsman.

Senator Fifield—Om.

Senator BRANDIS—What did you say, Senator Fifield?

Senator Fifield—Om.

Senator BRANDIS—The interpretation of the Water Act has of course been the subject of some controversy recently. Until now, I was not aware that a dispute arising under that act could become transcendental—or perhaps that is indeed what has been happening! The government may wish to reconsider that correction; I think the original version had a certain charm. On that note, and after considerable meditation on its merits, I commend the bill to the Senate.

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (12.10 pm)—I thank Senator Brandis for his contribution to the debate on the bill and commend the bill to the chamber.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment of debate.

NATIONAL HEALTH AND HOSPITALS NETWORK BILL 2010

In Committee

Consideration resumed from 2 March.

The TEMPORARY CHAIRMAN (Senator Hutchins)—The Senate is considering the National Health and Hospitals Network Bill 2010 and amendment (1) on sheet 7014 moved by Senator Siewert. The question is that that amendment be agreed to.

Senator PARRY (Tasmania) (12.12 pm)—Could I ask for clarification from the minister in relation to the differences in the bill that was discharged from the list and this bill. Is there anything that the Senate needs to be made aware of?

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (12.13 pm)—I thank Senator Parry for the question. I am advised that the bill that was discharged was to do with federal financial relations. This bill is to do with safety and quality. I hope that answers your question. I would be happy to answer any further questions.

Senator SIEWERT (Western Australia) (12.13 pm)—We have had debate on Greens amendment (1), so if everyone has had their say, I am happy to go to a vote on it.

(Quorum formed)

Senator FERRAVANTI-WELLS (New South Wales) (12.16 pm)—We canvassed these issues, and I indicated to Senator Siewert and to the government that we would not be supporting the Greens amendments. That was canvassed yesterday.

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

The committee divided. [12.21 pm]
(The Temporary Chairman—Senator SP Hutchins)

Ayes………….. 31
Noes…………. 27
Majority……… 4

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

NOES
Abetz, E. Adams, J.
Back, C.J. Birmingham, S.
Boswell, R.L.D. Boyce, S.
Brandis, G.H. Bushby, D.C.
Cash, M.C. Colbeck, R.
Cormann, M.H.P. Fierravanti-Wells, C.
Fifield, M.P. Fisher, M.J.
Humphries, G. Johnston, D.
Kroger, H. Mason, B.J.
McGauran, J.J. Parry, S. *
Payne, M.A. Ronaldson, M.
Ryan, S.M. Scullion, N.G.
Troeth, J.M. Trood, R.B.

* denotes teller

Question agreed to.

Senator SIEWERT (Western Australia) (12.24 pm)—by leave—I move Greens amendments (2), (3), (4) and (5) on sheet 7014 together:

(2) Clause 9, page 7 (line 6), after “Note”, insert “1”.
(3) Clause 9, page 7 (after line 7), at the end of subclause (1), add:

Note 2: Sections 10 and 11 impose consultation requirements on the Commission.
(4) Clause 10, page 8 (after line 16), after paragraph (2)(d), insert:

(da) carers; and
(db) consumers; and
(5) Clause 11, page 9 (after line 29), after paragraph (2)(b), insert:

(ba) carers; and
(bb) consumers; and

I will not rehash what I said in my speech in the second reading debate; I will just remind senators that these amendments will ensure better consultation with consumers and carers. This was an issue that was brought up very strongly during an inquiry by the Senate Standing Committee on Community Affairs. If this is going to work it is essential that consumers and carers are included.

Senator FIERRAVANTI-WELLS (New South Wales) (12.25 pm)—For the same reasons I canvassed yesterday in relation to Senator Siewert’s first amendment, the opposition will not be supporting these amendments.

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (12.25 pm)—On behalf of the government I indicate to the chamber that we support the amendments, which help identify the place of carers and consumers in the commission’s functions, including consultation.

Question put:
That the amendments (Senator Siewert’s) be agreed to.

The committee divided. [12.30 pm]
(The Temporary Chairman—Senator SP Hutchins)

Ayes……………. 31
Noes……………. 29
Majority………. 2

AYES

Bilyk, C.L. Bishop, T.M.
Brown, B.J. Brown, C.L.
Cameron, D.N. Collins, J.
Crossin, P.M. Farrell, D.E.
Feeney, D. Fielding, S.
Forshaw, M.G. Forshaw, M.G.
Hanson-Young, S.C. Hurley, A.
Hutchins, S.P. Ludlam, S.
Ludwig, J.W. Lundy, K.A.
Marshall, G. McEwen, A. *
McLucas, J.E. Milne, C.
Moore, C. O’Brien, K.W.K.
Pratt, L.C. Sherry, N.J.
Siewert, R. Stephens, U.
Sterle, G. Wortley, D.
Xenophon, N.

NOES

Abetz, E. Adams, J.
Back, C.J. Birmingham, S.
Boswell, R.L.D. Boyce, S.
Brandis, G.H. Bushby, D.C.
Cash, M.C. Colbeck, R.
Cormann, M.H.P. Fierravanti-Wells, C.
Fitfield, M.P. Fisher, M.J.
Humphries, G. Johnston, D.
Joyce, B. Kroger, H.
Macdonald, I. Mason, B.J.
McGauran, J.J. Parry, S. *
Payne, M.A. Ronaldson, M.
Ryan, S.M. Scullion, N.G.
Troeth, J.M. Trood, R.B.
Williams, J.R.

* denotes teller

Question agreed to.

Senator SIEWERT (Western Australia) (12.32 pm)—by leave—I move Greens amendments (6), (7), and (8) on sheet 7014 together:

(6) Clause 20, page 14 (after line 22), after paragraph (3)(g), insert:

(ga) primary health care services;

(7) Clause 20, page 14 (after line 22), after paragraph (3)(g), insert:

(gb) management of general practice;

(8) Clause 58, page 33 (line 29), before “consent”, insert “informed”.

These amendments relate to the appointment of board members, as I articulated yesterday, to ensure that there is expertise in primary health care services and management of general practice. That is clause 6 and 7. Clause 8 relates to ensuring that when a consumer gives consent it is informed consent.

Senator FIERRAVANTI-WELLS (New South Wales) (12.33 pm)—Can I indicate for the record that the opposition opposes these amendments, for the same reasons that we opposed the other amendments of the Greens which I outlined yesterday. Our opposition still stands, for the previous amendments and these amendments as well. I would like to put it on the record that we are opposing but we will not divide on this.

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (12.34 pm)—On behalf of the government, I can indicate that the government recognises that these amendments allow for additional representation of primary health care providers and managers of general practice on the commission’s board. With respect to the last amendment, we accept that this clarifies, particularly for consumers, the obligations of health providers around informed consent. I also want to indicate that these amendments address issues that were raised by the Senate Community Affairs Legislation Committee. I commend the amendments to the chamber.

Senator IAN MACDONALD (Queensland) (12.34 pm)—I do not want to say too much on the amendments. I simply want to pass comment and apologise to the Senate for not being here on a vote that was very
close. I want to indicate on my own behalf and behalf of some others that we were attending the Prime Minister’s dinner for the Malaysian Prime Minister. The bells started ringing in the course of a welcome to country in which there were loud didgeridoo noises and most people were unable to hear the bells. When some of my colleagues with better eyesight than mine noticed the red light, a number of us turned and ran out during the course of the welcome to country by Australia’s Indigenous people—not a good look for those who were in there. I know nothing can interrupt the workings of the Senate and this is what we are here for, but when there are official dinners on could I suggest to those in charge of voting that perhaps voting should be done at time when—

An honourable senator interjecting—

Senator IAN MACDONALD—The point I am making is that there was a welcome to country by Australia’s Indigenous people with loud didgeridoo music which, quite frankly, cut out all other noise, including the bells ringing and including the beepers ringing. It is not a good look when two or three people turn and run out of the hall during a welcome to country ceremony. I know the business of the Senate cannot be interrupted for dinners and social occasions, even though it was an official dinner called by the Prime Minister of this country, but I just suggest that when these things happen perhaps closer consideration might be given to when the divisions are called. Perhaps they could be delayed until some later time.

Question agreed to.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (12.38 pm)—I move:

That this bill be now read a third time.

Question put.

The Senate divided. [12.42 pm]

(The Acting Deputy President—Senator TM Bishop)

Ayes.......... 31
Noes.......... 29
Majority....... 2

AYES


NOES


* denotes teller
Question agreed to.
Bill read a third time.

EVIDENCE AMENDMENT (JOURNALISTS’ PRIVILEGE) BILL 2010

Consideration resumed from 15 November 2010.

In Committee
Senator PARRY (Tasmania) (12.45 pm)—Mr Temporary Chairman, can I seek clarification for the chamber: are we resuming the second reading debate on this bill? I gather we are in committee.

The TEMPORARY CHAIRMAN (Senator Mark Bishop)—We are going into committee on the Evidence Amendment (Journalists’ Privilege) Bill 2010.

Senator PARRY—Had the second reading debate concluded?

The TEMPORARY CHAIRMAN—I am advised that the second reading debate was held prior to the committee inquiry.

Senator PARRY—And there was no resumption of the second reading debate to follow?

The TEMPORARY CHAIRMAN—I am advised that the second reading motion was put and carried.

Senator PARRY—Thank you. When these things come back it is sometimes hard to recall all those issues.

The TEMPORARY CHAIRMAN—We are dealing with the Evidence Amendment (Journalists’ Privilege) Bill 2010. Is it the wish of the committee that the bill be taken as a whole? There being no objection, it is so ordered. There have been two sets of amendments circulated: one by Senator Ludlam and the other by Senator Brandis. Are you ready to proceed, Senator Brandis, or shall we proceed with Senator Ludlam?

Senator Brandis—Proceed with Senator Ludlam.

The TEMPORARY CHAIRMAN—I call Senator Ludlam.

Senator LUDLAM (Western Australia) (12.47 pm)—The amendments that we have circulated have the effect of providing a slight broadening of the definition of ‘journalist’ and what it actually means. I will take the chamber through this in a little bit of detail, because I think it is quite important. At the moment we have some definitions in schedule 1 of the bill which provide that ‘journalist’ means a person ‘who is engaged and active in the publication of news in the normal course of that person’s work’. The reason I am raising this issue is that we have some concerns at the moment that the bill is effectively drafted for a 20th century interpretation of who qualifies as a journalist, that it is intended to apply—probably quite correctly, in the original sense—to people working for regular media organisations in the distribution of news, whether it be a newspaper or electronic media. I think this goes back to the original definition of ‘journalist’ as someone who might be a member of the MEAA, or who has signed up to the Journalists Code of Conduct—or whatever definition of journalism you might wish to adopt.

One of our amendments proposes to delete the words ‘in the normal course of that person’s work’. That just means that, if you are engaged and active in the publication of news then you might have put yourself in a position where an informant would have contacted you and expected the kind of protection that this bill seeks to provide, and as far as I am concerned it should not matter whether you work for the Age or for the ABC, whether it is a piece that you put on Crikey, or whether it is a piece that you have even put up on your own blog, for that matter. What we are trying to do here is make
sure that it does not matter who you work for, or whether you were paid; if it is an act of journalism you should be offered the protection of the court and it should be up to the court to decide, not necessarily whether the protection applies but whether it is in the public interest that the disclosure should occur or not. We are not seeking to simply apply blanket protection to anybody who adds a comment to Facebook.

I understand I have government support for these amendments, negotiated towards the end of last year after a little bit of back and forth. I would very clearly like to put on the record that we are not seeking to have any comment or any piece of work that might be put out in the name of journalism protected by this power. What we are very strongly seeking to do, though, is make sure that the door to the court is not closed in the first instance—based on, for example, an interpretation such that, if you were not paid for that work, should you and your source be offered the protection that this bill seeks to provide. That is effectively the important distinction that we are seeking to draw here. If the court decides that it is in the public interest that your source be protected then it should not depend on whether you were paid or not.

At the very last minute the government has introduced a certain amount of ambiguity into the precise nature of their support for the amendments that we have circulated, so what I might do at this stage is give the minister an opportunity to clarify that ambiguity. I was told, just for the record, that the government was satisfied with the form of words that we had ended up with late last year. I confirmed that with the Attorney’s office earlier this week. If there has been some confusion, or if the amendments did not turn out quite the way the government was anticipating, then obviously we will negotiate right here on the floor of the chamber, which would be very interesting. But I first seek some clarification from the minister as to exactly what the government proposes to do with the Greens amendments when I move them.

**The TEMPORARY CHAIRMAN**—Before we go to the minister, Senator Ludlam: do you seek leave to have all three amendments put at once?

**Senator LUDLAM**—I do not think I should do that until I have heard from the minister.

**The TEMPORARY CHAIRMAN**—Okay. Senator Ludwig?

**Senator LUDWIG** (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting the Attorney-General on Queensland Floods Recovery) (12.51 pm)—To make it easier, you could put amendment (1) separately and amendments (2) and (3) could be dealt with together. The government does not accept (1). It recognises that (2) and (3) are worthwhile amendments and can be accepted. I will go through the detailed reasons for that—it will not take long.

The bill was always intended to ensure adequate protection for journalists and their sources. The amendments clarify these protections and therefore the government supports them. They fit within the objectives of the bill and are consistent with the Commonwealth Evidence Act 1995. The definitions in the bill are modelled on the New Zealand journalist shield provisions. The definitions of ‘journalist’, ‘informer’ and ‘news media’ rely on their ordinary meaning to allow the court to take a case by case approach. These amendments address concerns expressed as to whether the New Zealand definitions are technology neutral and cover all of those engaged and active in the publication of news. I hope that that assists.
Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (12.52 pm)—The opposition does not support any of the three proposed amendments. I note what Senator Ludwig has said in relation to amendment (1). I will deal with amendments (2) and (3). In particular, I express the concern that by broadening the definition of ‘journalist’ and the activities that are captured by the bill by removing ‘in the course of that person’s work’ and substituting ‘is engaged and active in the publication of news’ the bill expands it reach beyond that which a journalist does. In the opposition’s view it is appropriate and desirable to protect journalists, as the title of the bill indicates. ‘Anyone engaged or active in the publication of news’ could mean any person who, for example, publishes material on the internet or contributes to a blog—any citizen who by any medium publishes something that might be considered to be newsworthy.

Our concern is reinforced by amendment (3), which substitutes for the words ‘a medium’—‘news medium’ being a defined term in the bill—the words ‘any medium’. If these amendments from the Australian Greens were to be adopted, the whole purpose of this bill would be expanded massively beyond its original conception, which is to protect journalists’ sources in defined circumstances. It would not merely protect journalists and it would not merely protect news media; it would be carte blanche to anyone who wanted to publish anything anywhere that might be considered to be news.

I ask honourable senators to pause to reflect on what that would mean, for example, for the operation of the law of defamation. There is a case, and it is a case that I on behalf of the opposition made for several years before either the government or indeed the Greens interested themselves in this matter, for protecting journalists’ sources in the derivation and subsequent publication of news. If you break the nexus between the privilege and the work of a journalist, what you have is a blanket protection, albeit subject to rebuttable presumptions, of anyone publishing anything anywhere that might be considered to be news. That is not the purpose which this legislation ought to be serving. It is certainly not the purpose in the opposition’s alternative legislation, which we seek to serve. We seek to protect the work of journalists as a profession in the course of their ordinary work, which is the language of the bill in its existing form. We acknowledge that the protection of sources is in appropriate circumstances an appropriate aspect of that protection of the work of journalists. But adopt these amendments, and particularly amendment (2), and it ceases to be legislation that protects journalists at all. It creates a free-for-all in the publication of anything, with no limitations at all. It would extend a protection meant to facilitate the work of journalists to anyone engaged in whatever form of opportunistic activities. So we counsel very strongly against the adoption of these amendments from the Greens. At their most extreme level, they would entirely defeat the purpose, which is a narrow and specific but important public policy purpose, of the bill.

Senator XENOPHON (South Australia) (12.57 pm)—My position is similar to the government’s in relation to these amendments. I will support amendments (2) and (3). Senator Brandis is going to put forward a bill. This is the government’s bill, the bill that I have worked on with the member for Denison. As I understand it, the amendments from Senator Brandis will in effect turn this bill into his bill—I think that is fair summary. But for the purposes of these particular amendments, I support amendments (2) and (3). Amendment (1) is somewhat too broad. Amendments (2) and (3) would clarify the definitions. I understand the concerns of
Senator Brandis, but, given time constraints, I am prepared to live with those amendments. But I am also comfortable with the bill in its current form. But I do not have an issue with amendments (2) and (3).

Senator LUDLAM (Western Australia) (12.59 pm)—I know it is a little unorthodox to put a question to a shadow spokesperson, and I should apologise to Senator Brandis in this instance because this bill has come on fairly suddenly and I have not had the opportunity to speak about the intention of these amendments with Senator Brandis. Irrespective of the views he might hold I apologise that I was not able to speak to him about them before we found ourselves in committee.

I wonder whether Senator Brandis would care to address the issue of the government’s drafting of the bill. The bill has been through quite an exhaustive committee process over the last couple of years, but it would appear on my reading to exclude the protection of the courts from people who were not being paid. That is quite an important distinction that I do not necessarily know that we want to draw. This does not go to the definition of whether or not you are a journalist; it hinges on the language around ‘in the normal course of that person’s work’—and I think a commonsense reading of that text would indicate that you would need to be drawing some kind of payment for the publication of the work.

The case that I put and the reason that I strongly support this amendment being passed is that I do not think that is a distinction we should draw. I think there is genuine public interest journalism in Australia, on the most sensible definition of how people would understand the term, that is not necessarily paid and does not necessarily appear in the early pages of the Sydney Morning Herald but is nonetheless journalism and should be afforded the protection of the courts that I think we are all in agreement should be applied and updated. I wonder whether Senator Brandis would care to address this issue in the context of the remarks he has just made.

Senator BRANDIS (Queensland) (1.00 pm)—My concern is that Greens amendment (2) goes beyond that; that Greens amendment (2) would attract the protection, which it is the purpose of the bill to afford to journalists, to anyone engaged and active in the publication of news—not just someone who, doing the work of a journalist, may be acting without remuneration but anyone purporting to do the work which journalists commonly do; in other words, publish news.

The opposition’s attitude, and this is reflected in the way in which the opposition bill is structured, has always been that the professional confidences which apply to a range of professions—for example, the legal profession and the medical profession—ought to be applied to the protection of journalist sources as well. With respect, we approach this from an entirely different frame of reference than Senator Ludlam does. We see this reform as an extension of the law that protects professional confidences and we accept that, because reliance on sources in the bona fide investigation and subsequent publication of news is integral to a journalist’s work, the relationship between a journalist and a source ought, at least presumptively, be a privileged relationship.

The amendment that Senator Ludlam proposes is not so limited and does not really approach the question from that perspective. As I interpret his amendment it says that, as long as something is news, it does not matter who publishes it or publicises it. That is why I said in my earlier contribution that, if we expand the definition of ‘journalist’ as widely as he would have us do, this ceases to be legislation which provides this protection,
which privileges a particular kind of communication in which journalists are engaged in the course of their professional activities. It says to every person in society that, whether they are journalists or not, if they are seeking to publish or bring to public awareness a fact which they assert to be a newsworthy fact, they should have a presumptive privilege. That is not the protection of journalist sources; it is a much more extensive thing which we do not think is good policy—it is the protection of a communication between any person and a source which might result in the person deriving the information choosing then to publish it in any form on the basis that it is news. That is the reason for our caution here and our opposition to the Greens amendments.

Senator LUDLAM (Western Australia) (1.05 pm)—I thank Senator Brandis for that clarification. I cannot do too much more than commend these amendments before I move them. Effectively I suppose I will just have to respectfully disagree and say that we are not seeking to do exactly as Senator Brandis has stated. It is important here to remember exactly what this bill intends to do. It intends to allow the courts, when these kinds of cases come before them—as they do quite regularly in my home state of Western Australia—to consider the public interest in deciding on disclosure of a source or not. The balance I think we have been able to strike here is to say that the plain English definition of ‘journalist’ is still here in the bill—and if somebody is going to be receiving confidence from a source, and that source would expect that kind of protection, I do not think we want the doors of the court to be closed based on those kinds of criteria. We are trying to leave those judgments to the court—is it in the public interest that this particular source, this particular confidence, be disclosed or not?

The bill as drafted at the moment would have the effect of potentially either closing the doors of the court or tying courts up in sequences of arguments about to whom the protection should apply. In my view, and in the view of the folk we have taken advice from in the course of drafting these amendments, that is the wrong kind of argument. We do not want to be tying the courts up in long debates about whether the door should be open or not; whether you are a journalist or not. The argument that we want heard in the courts is: should this protected confidence be protected or not? Is it in the public interest that this be disclosed or not?

That is why I am pressing the point, Senator Brandis. I am not sure that we are quite as much at cross-purposes as you have indicated in the remarks you have put this morning. We are not seeking to have vexatious confidences or other material protected that it is not in the public interest to protect; we are simply seeking to have the court’s doors open so that those kinds of arguments can be heard in the small number of cases where a source has given some kind of confidence to somebody for publication in a news medium and expected that their identity would be protected. We potentially would have people who have the expectation of protection—and people who may feel as though they have the ability to offer that protection—and then, when push comes to shove and it comes before the courts, find those doors are closed. And then we never get to hear the argument as to whether or not it is in the public interest that the source be protected.

If Senator Brandis wishes to speak again, I will yield and then move the amendment in a moment.

Senator BRANDIS (Queensland) (1.08 pm)—Thank you, Senator Ludlam. I would like to respond to that. The point I make to you and other senators, through the chair, is

CHAMBER
this: do you want this legislation to be about the protection of journalists’ sources or do you want this legislation to be about the protection of any confidence which might subsequently be published in some medium by a person, whether a journalist or not, on the basis that it is claimed to be news? A law which presumptively protects anything said to anyone in confidence which might subsequently be published by the recipient of the information on the basis that it is news throws a cloak of privilege over a vastly wider range of information and a vastly greater number of persons than a law which merely protects journalists’ privilege.

Let me make two points about the courts, if I may, Senator Ludlam. First of all, remember that this is about withdrawing information from a court. The basic proposition on which courts of justice work is that all of the relevant evidence should be placed before them so that they can arrive at an adjudication of a dispute, whether a criminal prosecution or a civil dispute, fully informed of every relevant fact. That is integral to our notions of justice. Nevertheless, in certain circumstances we withdraw information from courts because there are other values served which are regarded as being more important in the scheme of things than the principle that courts should have access to all relevant information. For example, we respect the privilege against self-incrimination. For example, we respect lawyer-client privilege, so that what a person says to his lawyer cannot be used against him in court, even though it might be that if the court knew what the person had said to his lawyer that would relevantly influence the court’s deliberations on the particular case. There are other values that qualify the general principle that the court should have before it all relevant information so as to resolve a dispute justly.

What this bill does is create a new category, only by a rebuttable presumption of course, of information which may be withdrawn from the court—that is, the identity of a journalist’s source—so that if the bill in its original form were to be passed, and the presumption were not to be rebutted, there would be something which under the law today the court can insist on knowing about (namely, the identity of the source) which it would not know about. And certain consequences follow from that—for example, the capacity fully to test evidence in cross-examination knowing who the source is.

We the opposition agree—and here we agree with you and with the government, although the government are the latest to the party here—that in certain limited circumstances there is a case to be made for the protection of a journalist’s source which acts as a qualification on the general principle I have recited that courts should have access to all relevant information. You expand that as widely as this amendment would and what you are saying—subject of course to there being a rebuttable presumption rather than an ironclad rule—is that the range of information which may be withheld from the court is vastly greater. The range of information that can be withheld from a court is anything which is given to someone in confidence which might by the recipient of that piece of information subsequently be published, on the footing that it is said to be news. So you are, to that extent, inhibiting far beyond the extent to which it is necessary to do so the capacity of a court to be fully informed of every relevant material or material fact.

Senator Ludlam, I say to you with great respect, when you are proposing to amend the law to create circumstances in which otherwise relevant or material information may be withdrawn from the eyes of the court, the way to approach it is to do so as conservatively and narrowly as possible so as to serve
the countervailing public policy objective, not to do so in an expansive way which impinges too much on the general rule that courts should be able to resolve disputes fully informed of every relevant fact. That is the first point.

The second point is this. You say do not close the door of the court to this. For the reasons as I have just explained, it is your amendment that would close the door of the court, but it does not completely close the door of the court because this legislation acts on the basis of rebuttal presumptions. What you would then be doing, though, by expanding very significantly the category of information caught by the legislation, is to engage the court in a much more prolix and complicated inquiry, an inquiry which would give rise to a multiplicity of additional issues of fact as to whether or not this particular sort of information should be protected, and therefore you will prolong proceedings vastly. So for that reason as well, it seems to me, if I may say so with respect—I understand your intention and there is no doubt about the good faith with which the intention is expressed—you pass this amendment and it will, in fact, defeat the objective you have recited. In particular, consider this Senator Ludlam. Consider the injustice of a person being convicted by a court not fully possessed of every relevant or material fact. Consider the injustice of a person having a civil dispute resolved against their interests by a court not possessed of every relevant or material fact. If you approach it that way, which is the way I approach it, then you would say, where there is a powerful reason to qualify that rule, qualify it as little as possible, which is what the opposition’s proposal would do, but that is an objective which your amendment, perhaps unintentionally, would thwart.

Senator LUDLAM (Western Australia) (1.17 pm)—I do not propose to prolong this issue too much further, except to indicate that I respectfully disagree with Senator Brandis. Having listened very carefully, you contemplate an amendment which reduces the amount of information available to courts. With the greatest circumspection and respect—and we do certainly agree on that principle—before the circumstance arises which Senator Brandis just sketched for the chamber, the court would have heard a public interest argument as to whether or not that information should have been withheld from the court. That is the essence of our disagreement, while agreeing in principle that you treat with great caution any proposition to curtail the rights of a court to hear whatever evidence it pleases. So I do understand the objection Senator Brandis is raising. I simply believe that before the circumstance he describes for us arises, the court has satisfied itself that there is a strong public interest argument, as the rest of this bill is intended to create, for that information not being produced in court. I thought, in essence, that is the purpose of the bill—that the public interest test is what is important here. I realise that muddies the debate around whether it should be applied to a Facebook comment or to some sketchy blog somewhere out on the internet—and bring us back to the foundation of this bill which is about source protection and the expectation of protected confidence. I have to respectfully disagree with Senator Brandis.

As indicated by the government, I move Greens amendment (1) on sheet 7018: (1) Schedule 1, item 1, page 3 (line 11), omit “work”, substitute “activities”.

Question negatived.

Senator LUDLAM (Western Australia) (1.19 pm)—by leave—I move Greens amendments (2) and (3) on sheet 7018 together:
(2) Schedule 1, item 1, page 3 (lines 13 and 14), omit “in the normal course of that person’s work”, substitute “is engaged and active in the publication of news”.

(3) Schedule 1, item 1, page 3 (line 17), omit “a medium”, substitute “any medium”.

Question agreed to.

Senator BRANDIS (Queensland) (1.20 am)—by leave—I move opposition amendments (1) and (2) on sheet 6190 together:

(1) Schedule 1, page 3 (after line 4), before item 1, insert:

1A Subsection 126A(1) (definition of protected confidence)

Omit “a journalist”, substitute “another person”.

1B Subsection 126A(1) (note to the definition of protected confidence)

Repeal the note, substitute:

Note: Communications with journalists are covered by Division 1B.

(2) Schedule 1, item 1, page 3 (lines 5 to 7), omit:

Division 1A of Part 3.10

Repeal the Division, substitute:

Division 1A—Journalists’ privilege

substitute:

After Division 1A of Part 3.10

Insert:

Division 1B—Journalists’ privilege

The Commonwealth and New South Wales evidence acts have departed from uniformity in their treatment of professional confidential relationships. The Commonwealth act confines the definition of ‘protected confidence’ to ‘a communication made in confidence to a journalist’. The New South Wales act defines the same term as arising in the course of a relationship in which the confidant was acting in a professional capacity under an obligation not to disclose the confidence. The continued restriction of the privilege claim is anomalous. The coalition’s bill therefore adopts the formula of the New South Wales act. Not only would it restore uniformity but it would avoid arbitrarily confining the circumstances in which claims of privilege may be justifiably asserted and as well it brings this area of the law more closely in conformity with equity courts’ protection of confidential relationships. The amendments retain the existing subsection 126A and make the appropriate extensions.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting the Attorney-General on Queensland Floods Recovery) (1.21 pm)—I am trying to determine whether the first part of the submission on (1) was narrowing it, while now we are widening it—I am trying to reconcile that difference. But I do not particularly want to go there. I do understand the point Senator Brandis makes.

The government do not support the amendments proposed by Senator Brandis. While the government support the objective of the model professional confidential relationship privilege agreed to by the Standing Committee of Attorneys General, we do not believe it should be included in this bill. Any further consideration of the general professional confidential relationship privilege should not delay the introduction of the important journalist provision contained in this bill. The government, I foreshadow, will be introducing provisions in a separate package of evidence reforms which will ensure consistency with model provisions agreed by the Standing Committee of Attorneys-General. That will be put before this parliament and there will obviously then be the opportunity of debating it.

Senator LUDLAM (Western Australia) (1.23 pm)—The Australian Greens will also not be supporting these amendments, although perhaps I will make that conditional
on further remarks from Senator Brandis, if he cares to make them. I just apologised to him for circulating amendments which we had not had time to discuss, but now he has done exactly the same to the crossbenches. I am therefore not entirely clear about the effect of these amendments and I would greatly appreciate Senator Brandis going into a little bit more detail. My reading of these amendments—and they were not necessarily reflected in the comments Senator Brandis just made—is that they would have quite far-reaching impacts. This is not merely a technical amendment. I believe that it goes to, in some measure at least, the objectives that Senator Brandis was pursuing with an entirely separate bill—to expand the matters that we are referring to. I reserve my judgment on the opposition amendments pending any further explanation Senator Brandis might give us about what these amendments will actually do.

Senator BRANDIS (Queensland) (1.24 pm)—I advise the Senate that the amendments were in fact circulated last November. As I said in my earlier remarks, the approach of the opposition has been to attempt to incorporate appropriate journalists’ privilege within a broader and more consistent framework for the protection of professional confidences. The difference between our approach and the approach reflected in the comments Senator Brandis just made—is that they would have quite far-reaching impacts. This is not merely a technical amendment. I believe that it goes to, in some measure at least, the objectives that Senator Brandis was pursuing with an entirely separate bill—to expand the matters that we are referring to. I reserve my judgment on the opposition amendments pending any further explanation Senator Brandis might give us about what these amendments will actually do.

We say the profession of journalism and the confidences of which journalists are, in the course of their work, the recipients, ought appropriately to be brought within that class of relationships, but brought within that class of relationships in a way that seeks to achieve consistency with the law’s protection of other acknowledged confidential relationships. That is the approach of the New South Wales Evidence Act, which guides our approach here.

Without revisiting the debate we just had a few moments ago, our concern, as I said, was that the Greens amendment, which has now been adopted by the committee, would expand very significantly the scope of the protection and hence the scope of the material which might be withdrawn from the court, not by reference to a new category of professional confidence but by reference merely to the activity in which the person seeking to invoke the privilege was engaged—that is, the act of being ‘engaged and active in the publication of news’.

In answer to the charge that we were seeking to narrow but are now seeking to expand, what we were in fact seeking to do was to develop a rational scheme for the protection of confidences which does not regard the nature of the activity as the key criterion or point of discrimination, but which rather identifies one discrete and specific form of professional confidence—that is, a confidence given by sources to journalists—and seeks to accommodate that within a rational scheme which reflects, by and large, the current law but which protects confidential relationships.

Courts acknowledge the availability of confidentiality in these circumstances not by reference to the activity but by reference to the nature of the relationship. That is the point of distinction. What you seek to do, Senator Ludlam—and the government has gone along with you—is to define whether a confidence should be protected by reference to the nature of the activity. What the opposition say is that that goes far too far. What we should do, in an orthodox way, is continue to extend the privilege by reference to the char-
acter of the relationship and, by taking one
further step, bring the relationship between a
journalist and a source into the existing cate-
gories of professional relationships which the
law protects.

The TEMPORARY CHAIRMAN—We
are dealing with opposition amendments (1)
and (2) on sheet 6190. Senator Ludlam,
would you care to give an indication of
whether the Greens are supporting or oppos-
ing these amendments?

Senator LUDLAM (Western Australia)
(1.29 pm)—The Greens will not be support-
ing these amendments.

Question negatived.

Bill reported with amendments; report
adopted.

Third Reading

Senator LUDWIG (Queensland—
Minister for Agriculture, Fisheries and For-
estry and Minister Assisting the Attorney-
General on Queensland Floods Recovery)
(1.30 pm)—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

NATIONAL RADIOACTIVE WASTE
MANAGEMENT BILL 2010

Second Reading

Debate resumed from 28 February, on mo-
tion by Senator Feeney:

That this bill be now read a second time.

Senator SCULLION (Northern Territory)
(1.31 pm)—I rise to speak to issues sur-
rounding the National Radioactive Waste
Management Bill 2010 and some amend-
ments associated with the bill. I can remem-
ber the very first year I got here, in 2001, and
there was still an amount of controversy over
the placement of a national radioactive waste
repository. As a Territorian, I recall this issue
being particularly difficult to deal with in
this place as it appeared that there were no
good reasons for this repository being placed
in the Northern Territory rather than in
places that were more scientifically suitable.

I can remember, along with Dave Tollner,
putting in a series of amendments that dealt
effectively with the issues of concern for
Territorians. Those amendments dealt with
issues such as the storage of overseas waste,
the waste from states and territories, ensuring
the regulation and appropriate transport of
liquid or particulate matter, and that private
land could be volunteered. There was a suite
of amendments at the time. I firmly believed
that the nation needed a storage facility to
appropriately store waste, including the
waste from Lucas Heights.

I will speak briefly about the importance
of the waste from Lucas Heights. I had the
opportunity to visit not only Lucas Heights
but also the Royal Prince Alfred Hospital
where products like technetium-99m are
produced. I think technetium-99m is used in
around 80 per cent of the radio-
pharmaceuticals used in nuclear medicine. I
will use it as a stark example of what the
nature of the health services available in
Australia would be like if technetium-99m
was not available.

We are still dealing with issues like breast
cancer and I will use it as an example be-
because it is so well known to most Austra-
lians. If you have a breast tumour it will
drain to some 19 lymph nodes on the inside
and the outside of your chest, particularly
under your armpits. It is very difficult to
know the state of the tumour and whether or
not it is draining to one or all of those lymph
nodes. An injection of technetium-99m, fol-
lowed by a scan, will tell you exactly
whether that tumour is draining and exactly
which lymph node it is draining to. This en-
ables us to forensically and cosmetically re-
move a tumour. I do not think anybody dis-
agrees that this is very important, but I think it is important to know what this was like in the bad old days.

The bad old days provided women with a full mastectomy that affected them not only physically but also emotionally because it is an extremely traumatic intervention. Of course, it is something that should be avoided at all costs. The capacity for Australia now to produce its own technetium is a fundamental part of our health system. The need for a national repository is not in question because our capacity in this country to produce technetium is reliant on having a facility like Lucas Heights, which in turn makes us signatories to the arrangements under the International Atomic Energy Agency which are run by ARPANSA in Australia. Under those arrangements, if we have such a facility then the fuel that we use to make medicine has to be reprocessed to take out the plutonium as part of our obligations under the Treaty on the Non-Proliferation of Nuclear Weapons—and, as Australians, we have agreed that that is an important treaty—and that is coming back because that is an obligation. I think Australia was coming to grips with this during that difficult time, but basically Western Australia was not included in those negotiations for a long time.

It is very important to look at the history of this. All Australians agreed for all the reasons I have put forward, except for the Western Australian government, which said, ‘If you don’t mind, we are going on our own; we are going to build our own repository.’ At the time there was a bit of argy-bargy, but basically Western Australia was not included in the agreement to go out and do a survey right across Australia. All states and territory governments, apart from Western Australia, had agreed fundamentally that that would be the case, such that in September 1991 under the Minister for Science and Technology, Simon Crean, that became so.

We went out with good science and we found what we considered was the perfect site, notwithstanding the safety of the material that was to be stored. I emphasise that we keep talking about safety and it gives this impression of needing to be concerned about something. That is not the case. I have had a very close look at and examined the details and descriptors of all of the material that could be stored on this site and I am convinced that it is eminently safe. I commend those who do not read the same sort of material to apprise themselves of the facts.

We found section 56 in the Officer Basin, or around about there, was the ideal location. That was to be the address—we would all agree to it. Right at the last moment, after the South Australian government had agreed that we should do this, when it came to deciding that the preferred site was indeed in South Australia, and notwithstanding that its government had agreed that the site would be selected on the science, the Premier, Mike Rann, in what is probably an all-time low of political expediency, put the health system of Australia behind his own political aspirations. He used this as a political ploy in the election campaign. He said, ‘Not in my backyard,’ and ‘Don’t worry about this nasty nuclear waste; it won’t be in your backyard in South Australia. I will fight for you and you should all vote for me. We won’t talk about the impact on our international obligations.’ I do not think that anybody who was involved in this debate would have had a problem had we had a good scientific process to establish it in the best place available. There is no doubt that we have to have the materials that we have. We were all very disappointed when it was challenged in the
High Court in January 2004 and, sadly but probably appropriately, the South Australians won.

As I understand it, with the reprocessed fuel rods that I mentioned before, the year 2015 has been bandied around, but we have an obligation soon to take those fuel rods back. To be in breach of that obligation puts us at risk of not being able to produce more fuel rods to ensure the further production of these essential radiopharmaceuticals that give us the health system and the standard of living that we assume in Australia. I was particularly unhappy about the Howard government’s decision at the time, as those people who were around at the time could understand. We in the Northern Territory do not have the same powers of the states to resist Commonwealth decisions. We do not have the same powers as other states to say, ‘You can’t do it here.’ We did not have the same power, for example, as South Australia, which decided to resist the Commonwealth in this enterprise and make it go somewhere else.

I was convinced, after seeing all the material, that there was a higher goal—that is, to ensure the provision of a health system in Australia. Unlike Mr Rann, I lost a lot of bark. Making a decision in the Northern Territory that I was going to support the radioactive repository—notwithstanding a suite of amendments that met most of the concerns of Territorians—was a little bit like getting into a shower with an angle grinder. It was not a lot of fun and it was probably pretty unsafe politically. For quite a long time, there was a major campaign led by the Labor Party to ensure that I would meet the full force of odium from the Northern Territory.

The not-in-my-backyard protests continued—they continue to this day. We had some hope that, when the Howard government left office, all the Labor states and territories—and, of course, with a federal Labor government in power—would have said, ‘Let’s go and have something done on science.’ It was in fact the federal government here today that made the promise when they came to office after the election that stated categorically: ‘If we are elected we will throw this legislation out,’ which they have done, technically—I acknowledge that—‘but we will replace it with something that is based on sound science.’ We already know what the sounder science says. It says that the new address is ‘Section 56, Officer Basin’. That is the new address, and we knew that was the case. Therefore, one would assume that, when the government made that promise, that was where it was going to put it or at least readdress it—that is, go back and have another crack at it. Of course, this government has got form in what it promises before an election and what it is prepared to deliver afterwards.

I can only assume that none of the other state governments really wants to cooperate, none really wants to play the game, and that we are back now to where we started. But this is a very important point. It is terrific that my colleague and good friend Senator Crossin on the other side is in the chamber, and I assume she is going to speak, because I can recall for years and years Senator Crossin and Mr Snowdon in the other place standing and saying, ‘Scullion, how dare you let this go in the Territory.’ I think there were 18 media releases—I do not want to misquote Mr Snowdon but it was about that—and I am not sure how many of those Senator Crossin put out, but she was pretty scathing of me. For the entire time she said, ‘How dare you actually allow it to go into the Territory.’ It is going to be very interesting to see how Senator Crossin votes on this. People no doubt will be looking very closely at that vote. I, however, Senator Crossin, whilst bearing the political scars to this day, will be
consistent in ensuring that we maintain the boast that we have one of the best national health systems in the world.

There is still a great deal of injustice, and the injustice for Territorians is quite clearly that we are still decision takers. The most significant amendment that I put to the previous bill—or current; I am not really sure—was that the site would be on a voluntary basis. Somebody who owned land could put their hand up, and it was the Northern Land Council who did that. They had a full council meeting about it. The Northern Land Council and I have not seen eye to eye over everything but I have to commend them for the incredible task they undertook. They held a meeting of the entire land council and made a decision on whether or not to support an application for the site. That decision was then considered through a full process, and it was decided that that would be the case. That gave me great relief because at least someone had put their hand up. There was capacity for someone to put their hand up. Don’t worry, there were probably better sites outside of the Northern Land Council’s lands. The site could have been on the Northern Territory government’s land. There is plenty of that around. But that day—

Senator Crossin—I bet you were relieved.

Senator SCULLION—Thank you, Senator Crossin, for your interjection. Again, based on the science, the Chief Minister was able to assert that same day that there were no suitable sites on government land anywhere in the Northern Territory. The government took a position that was all about politics. They were not worried about the health benefits that the responsible people who supported this measure would provide. So, Senator Crossin, I hope you do not injure your back today. I am looking forward to seeing whether or not you fundamentally support the exact same legislation that you deplored for so many years.

I would like to take a very short amount of the time that I have left to foreshadow an amendment that was circulated today. I will discuss it in committee, but before I do I would like to frame some of the history around it. Another of the very important amendments that I put to this legislation and fought for, as one normally does within government, was that the choice of site be down to individuals. It was terrific that the Northern Territory government put their hand up. However, we needed to ensure that overseas waste was not stored there because the Northern Territory people were saying, ‘What’s going to be stored there?’ We said, ‘It’s okay.’ They said, ‘What about someone else’s waste? We don’t want to be a dumping post.’ That was absolutely reasonable. The amendment reflected that the site could not store overseas waste. One thing that I remember saying to our leader at the time was: ‘For all these states and territories, it has been pretty bloody convenient to tell us in the Territory “not in my backyard, but we’re going to put our waste, however safe, in your backyard.”’ So we provided an amendment that in effect said that the only people who could keep their material there was the Commonwealth and the Northern Territory. But, of course, that has now changed because of a little deal that was done.

I am not sure whether you had anything to do with this little deal, Senator Crossin, but it involves your mate Mike Rann in South Australia. He put us in this position because his political aspirations come far ahead of his electorate. He said: ‘What about we call it “Commonwealth” and give it to you? What about that, Julia? If I give you my waste—be a bit tricky—and you can call it “Commonwealth waste” and then you can keep it in the Northern Territory.’ It was a terrific move!
Senator Crossin—Chair, I need to take a point of order. I am assuming that the person Senator Scullion was referring to is in fact our Prime Minister. I think rather than call her by only her Christian name, she should be referred to correctly and reverently. Thank you.

The ACTING DEPUTY PRESIDENT (Senator McGauran)—Yes, ‘correctly’ but I am not sure about ‘reverently’.

Senator SCULLION—I withdraw. That is quite fair. Mike Rann said to the Prime Minister: ‘Prime Minister, we’ve got this bit of legislation at the moment that won’t let me store my gear in the Northern Territory. If you can just give me the material I will call it “Commonwealth” and then it sort of fits in.’ Senator Crossin, I do hope you will support my amendment. My amendment ensures that all of the states and territories are charged because, except for the Northern Territory, all of them have decided ‘not in my backyard’. Every Territorian should agree that if the other states and territory are not storing waste in their backyards and want it to come to the Territory—they have all had an opportunity to provide a site, particularly South Australia because it does the best science—then they should be charged. It is not a penalty; it is simply a charge. If this service is to be foisted onto the Territory—except in terms of the land being provided voluntarily—then it is very, very important that that be the case. This is why I flagged the amendment that is being circulated.

We may not get to the committee stage of the bill; however, the amendment is about the creation of the Northern Territory Oncological Services Fund; it will establish that. So we will be able to say to those people who seek to get around the very good amendment that was placed before them: ‘You can’t just give waste to the Commonwealth and then it become Commonwealth waste. What you have to accept is that that is the mischief that the Scullion amendment intended to prevent.’ Hopefully, this amendment will provide the Northern Territory with funds that will go specifically to oncology. We do not have a very big invoicing base. Whilst we now have a very good oncology unit in Darwin, it is difficult to ensure sufficient staff or the provision of scholarships. We have a whole range of important cancer services there.

In closing, I make the following points. It was Labor who decided that we needed a process based on science. It was Labor who pulled out of the process based on science. It was Labor who said: ‘We’ll destroy the process when we are elected. We’re going to throw it away and we’re going to start again on science.’ Today, we are looking at a piece of legislation which Labor have introduced and which is still not based on science. I do not know how you rationalise this position. I cannot for the life of me understand where Labor are on this, apart from where they started. They are all about political expediency. The government do not care a fig for the health system of Australia. This is a very serious matter and they stand indicted for forcing this site onto the Territory. I am one of the ones responsible enough to take it on the chin, because we do need those very important health services. But the government stand indicted for promising that they would go away and withdraw the legislation and restart the process based on science. They have simply taken out one piece of legislation, slipped in another and said, ‘What about voting for this?’ The legislation is almost identical. Once again, the only thing they do better than waste and mismanagement is promise something and never deliver on it.

Senator CROSSIN (Northern Territory) (1.52 pm)—I rise in my contribution to this debate on the National Radioactive Waste
Management Bill 2010. I will not be able to finish my contribution before we get to question time. Let me start with a few preliminary comments. Some of Senator Scullion’s contribution is accurate, the last few minutes of diatribe are totally inaccurate. If I get a chance, I will try and place some facts and figures on the record.

There is no doubt that this piece of legislation is immensely difficult and has been so for decades for this country and this parliament successively—for previous Labor governments and then a federal coalition Liberal government and now back again to a Labor government. It has been a very difficult and very hard process to manage. Some of the history that Senator Scullion outlined is accurate. Some of that history has been recorded time and time again in not only House of Representatives reports but also Senate committee reports. But what we have before us today is fundamentally a different bill to the one which the Howard government sought and succeeded in getting through this parliament. Thank goodness that following the 2007 election, when we were elected into government, this bill delivers 100 per cent of the promise leading into that election. This bill delivers on our 2007 election promise and if it did not—

Senator Scullion—Where is the science?

Senator CROSSIN—I will go to what our election promise was and that is part of it. That is why I thought I would take the opportunity to provide you with some facts about this debate. If this bill did not deliver on our election commitments, I would be reluctant to get out there publicly and talk about this in the Northern Territory or federally or with my colleagues.

Let me tell you that what we did in the lead-up to the election. I welcome the arrival of Senator Kim Carr because he was the shadow minister at the time. Senator Carr and Minister Snowdon now and myself went to the election saying that we would repeal the Commonwealth Radioactive Waste Management Act 2005 and replace it with something else. This legislation does that. We said that we would restore transparency, accountability and procedural fairness. This bill does that because it ensures that the decision to select a site for a national facility will be guided by procedural fairness. The Howard government bill—your bill, Senator Scullion—never did that, never went anywhere near that. The Administrative Decisions (Judicial Review) Act—the AD(JR) Act of 1977—will ensure a higher level of accountability for decisions than is currently available. Transparency in this process will be important. So we have delivered on that.

We said that we would ensure that any proposal for the siting of a nuclear waste facility on Aboriginal land in the Northern Territory would adhere to the requirements that exist under the Aboriginal Land Rights (Northern Territory) Act—the LRA act. This bill reinstates that act. This bill reinstates those rights. The other thing we said was that we would restore the balance and, pending contractual obligations, we would not proceed with the establishment of a nuclear waste facility on or off Aboriginal land until the rights removed by the Howard government were restored and a proper and agreed site selection process was followed out.

What does that mean? There was a pending contractual obligation. As you well know, that obligation is between the Lauder family and the Northern Land Council and your then current Minister for Science which was Minister Julie Bishop. We have said that we would honour that contract. We know that the contract is the subject now of a federal court case and I am not going anywhere near the claims of that case—as a politician, as a member of the Senate, as a member of the federal parliament, as a chair of a consti-
tutional committee, even as a member of the executive government. It is not up to us to decide whether or not the right people have signed that contract. That is a matter for the courts and that is where it now lies.

We also said that we would ensure that the site is based on science. You cannot have science unless you choose the site. You have to choose the site first. And, as you well know Senator Scullion, your government contracted Parsons Brinckerhoff to undertake an extensive assessment of the four sites that you had nominated. In my further contributions to the debate, I will talk about those other three sites. But you well know that the initial science assessment has been undertaken. The Parsons Brinckerhoff report is available publicly. It was released publicly by the Minister for Resources and Energy Martin Ferguson. That is a transparent process. That is an accountability process. That document did not have to be released. That could have sat on Minister Ferguson’s desk ad infinitum.

This government is responsible and accountable, and has released those documents. I imagine, Senator Scullion, you have not had time to read them all. There are many and varied appendices of the Parsons Brinckerhoff report. I think the largest one of the eight or nine volumes is about 1,200 pages. That initial site assessment, in terms of the suitability for selection, has been done. Is that the only science process that will be undertaken in the course of building this facility? The answer is no. Of course it will not be. This site selection will be subject to the EPBC Act and a whole other lot of contingencies that are now in this new piece of legislation that ticks the boxes for our election in 2007, provides judicial review, provides fairness, reinstates the Land Rights Act and ensures that other contingencies such as a regional consultative committee will be established to guide us and the communities concerned and the government during this process. I shall continue my remarks when we resume the second reading debate on this bill.

Debate interrupted.

LIBERAL AND NATIONAL PARTIES
Leadership and Office Holders

Senator ABETZ (Tasmania) (2.00 pm)—by leave—I table a revised shadow ministry list indicating that Senator Ronaldson has been given the additional responsibility of shadow minister assisting the Leader of the Opposition on the centenary of ANZAC. That is a very deserved appointment given his great success in obtaining funding for the Australian War Memorial.

QUESTIONS WITHOUT NOTICE
Carbon Pricing

Senator CORMANN (2.00 pm)—My question is to the Minister representing the Treasurer and representing the Minister for Climate Change and Energy Efficiency. What will be the net impact of the Gillard government’s carbon tax on global emissions?

Senator WONG—The senator should probably recall that his party has signed up to the same target range of reductions that the government has.

Senator Cormann—Differently, though.

Senator WONG—I take his interjection. The only difference, of course, is that the way they want to get there is more expensive for Australian taxpayers and more expensive for the Australian economy. It is a more expensive way to deal with the adjustment. The question assumes a range of facts that are not
true and fails to recognise that Senator Cormann’s own party has signed up to the target of five per cent lower than 2000 levels. The only difference is—

Senator Cormann—There are different ways of reducing emissions. You are shifting them overseas.

Senator Wong—I am not surprised that you are shouting, Senator, because it is pretty embarrassing. The only difference is that your policy costs more. If you do not think Australia should reduce its emissions—which is implicit in your question—then you should go into your party room and argue against Mr Hunt and the party policy, because you have signed up to the same targets.

Senator Cormann—at least we discuss our policies in the party room.

Senator Wong—Keep shouting, Senator Cormann, because really you have nothing to say. As you go around Australia continuing to peddle this scare campaign, I challenge you to be honest with the Australian people and say: ‘We try to walk on both sides of the street. We actually do want to reduce emissions, but we’re going to pretend we don’t for the purposes of running this scare campaign.’ I challenge you to be upfront with Australians that your policy is going to cost some $30 billion—nearly three times more than you told them at the last election—some $720 per Australian family. Those are the facts when it comes to your policy, Senator.

Senator Cormann—Mr President, I ask a supplementary question. Is it not true that, while maximising our production of LNG would increase emissions in Australia, it would help reduce global emissions by more by displacing less environmentally friendly energy sources?

Senator Conroy—That is just so simplistic.

Senator Cormann—You obviously do not understand the connection.

The President—Senator Conroy, I am trying to listen to Senator Wong.

Senator Wong—Mr President, I am happy to answer the supplementary question, but I would invite you to consider whether it has anything to do with the primary question. How it is a supplementary to the first question really takes some imagination. If the question is whether the government regards LNG as an important industry, then yes we do. I think that is reflected in how we have approached that industry, both in the context of the climate change portfolio and in the context of Minister Ferguson’s portfolio. If Senator Cormann is somehow trying to suggest that the government does not recognise the importance of that industry then, again, the facts do not stack up in his favour. I think anybody looking at the way in which this government has approached this issue would know that we do recognise the importance of that industry.

Senator Cormann—Mr President, I ask a further supplementary question. Given that the minister has not been able to advise the Senate on what the net impact of the Gillard government’s carbon tax would be on global emissions, I ask: why do you want Australians to pay more for their electricity, petrol and groceries—and lose their jobs—for no reduction in global emissions?

Senator Wong—It is a difficulty when you write the third question long before you have heard the answer to the other questions and do not have the ability to change it on your feet. Senator, if that is your proposition, you would not sign up to the target. The real question is, why do you want people to pay more? Why do you want people in this country to pay more to make the same target that you have signed up to, just as we have? Why
do you want Australian families to pay more?

Senator Cormann—We are doing it a different way and you know it.

Senator WONG—Yes, you are doing it a different way. I take that interjection.

Senator Cormann—We are doing it a better way.

Senator WONG—No, it is not a better way. It is a more expensive way.

The President—I spoke yesterday about people debating these questions when it is time to listen to the answer.

Senator WONG—The real question is, why is a party that used to believe in market mechanisms and in sensible economic policy signed up to a policy that is all about picking winners and that is inefficient and more expensive. That is the question. If Senator Cormann wants to continue to ask me questions on this, perhaps he should front up and explain why. (Time expired)

Australian Natural Disasters

Senator MOORE (2.06 pm)—My question is to Senator Ludwig in his capacity as Minister Assisting the Attorney-General for Queensland Flood Recovery. Can the minister please advise the Senate on the progress of Commonwealth support for the Queensland recovery and reconstruction effort following the series of natural disasters over this summer?

Senator LUDWIG—I thank Senator Moore for her question. As a Queenslander I note that she has been truly in the thick of it in Queensland during the January flood events. I note the commitment to supporting the rebuilding and reconstruction in Queensland following such a devastating summer of natural disasters. Since the series of natural disasters that have occurred, the Gillard government has taken decisive action to support Queenslanders through the crisis recovery and the rebuilding phase of these events. To date the government has made over 380,000 payments of the Australian government disaster relief and recovery payment totalling approximately $447 million to support individuals. Further wage assistance in the form of the Disaster Income Recovery Subsidy has been paid to over 51,000 people, with a total payment of approximately $22.7 million to people affected by the floods.

The Commonwealth and state governments have also moved to activate the natural disaster relief and recovery arrangements to provide targeted support for those in need. Yesterday I announced with Premier Bligh an extension of category D concessional loans to cover a defined portion of 39 local government areas. Eligible businesses, primary producers and voluntary not-for-profit organisations that have incurred extreme damage will be able to access up to $650,000 as a concessional loan with up to $50,000 provided as a grant component. When I went to Dalby and Emerald and Tully the community told me that the $250,000 concessional loans did not provide enough support for people who had suffered extreme damage. These new concessional loans reflect the feedback and the community views that I heard during these visits. (Time expired)

Senator MOORE—Thank you, Minister. Mr President, I ask a supplementary question. What further assistance has been made available to local councils in areas of Queensland impacted by floods and Cyclone Yasi? Can the minister update the Senate and give us further information as to the government’s action to support local councils?

Senator LUDWIG—I thank the senator for her question. On Saturday the Deputy Prime Minister, the Queensland Treasurer and I announced the Queensland local government package. This $315 million package is directly targeted to support the repair of
critical infrastructure and utilities and to support employment not covered by the natural disaster relief and recovery arrangements. Through this package the Gillard and Bligh governments are continuing to support the essential local government work that is so needed to get the communities back on their feet. The package includes up to $265 million to the Queensland Reconstruction Authority to fast-track these repairs of damaged infrastructure across Queensland. This will go towards the priority repairs of severely damaged water and sewerage infrastructure owned by local councils. It will also provide up to $145 million to support the reconstruction of the Brisbane ferry terminals and the Brisbane River Walk. In addition there is an upfront payment (Time expired)

Senator MOORE—Minister, my final supplementary question goes to the responsible financial management required to provide this most needed assistance to Queenslanders. Can the minister inform the Senate of any action that would impact upon Commonwealth support for our state?

Senator LUDWIG—I thank Senator Moore for her second supplementary question. In the debate on the government’s flood levy senators were able to put nuances and thoughtful contributions on the public record as the Senate considers this matter, so I will not go to the substance of that bill. The announced flood levy and associated saving measures are the sensible course of action to manage the Commonwealth’s financial obligations.

While the government has been consistently working and delivering for the reconstruction of Queensland, what we have heard from the Liberals opposite is nothing but pure politics on this issue. The Liberal senators have spent much of their contributions to this debate attacking the member for O’Connor, Mr Crook, settling petty party squabbles, rather than addressing the national interest of supporting the rebuilding of Queensland, New South Wales—

Honourable senators interjecting—

The PRESIDENT—Senator Ludwig, cease for a moment. Both sides of the chamber should come to order.

Senator LUDWIG—They have been setting petty party squabbles rather than looking at how you rebuild Queensland, New South Wales and Victoria, right across to South Australia and Western Australia. It is quite astonishing that they do not want to put their shoulder to the wheel to assist these people. (Time expired)

Carbon Pricing

Senator BUSHBY (2.11 pm)—My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Wong. Minister, what impact has the announcement of the carbon tax to take effect from 1 July next year had on investor confidence in Australian companies?

Senator WONG—As the senator should know—

Government senators interjecting—

The PRESIDENT—Senator Wong, your own side is drowning out your answer. We are entitled to hear it.

Senator WONG—As the good senator perhaps should know, the thing that investors do need is certainty. If he engaged in this debate with a modicum of a sense of the public policy requirements, he would know that what business is seeking is certainty.

Honourable senators interjecting—

The PRESIDENT—Senator Wong, resume your seat. I know people want to talk amongst themselves sometimes, but I need reasonable silence so I can hear the answer. Senator Wong.
Senator WONG—As I was saying, what the senator should be aware of is that the business community, the investment community, do seek certainty across the board in policy areas but certainly, critically, in the context of carbon pricing. If he had taken the time along with the government of engaging with business, he would know that there are a range of different views about how this should be constructed, what the architecture should be, but there is a deep concern about the ongoing uncertainty associated with carbon pricing. The government is very aware of that and does believe that providing certainty in this area is important to making sure investment decisions that have long-term outcomes can be made. We are very concerned to ensure that investors, particularly, for example, in the electricity generation sector, have the capacity to make those investment decisions with policy certainty. So that is why we are working through with the multiparty committee a mechanism to price carbon. There are a range of issues about the design of that mechanism. The Minister for Climate Change and Water has been clear about the processes associated with discussing those. The government is engaging with business to do that. We will continue to do that. Unlike the opposition, we will not try and foster uncertainty by saying before they see anything that they are going to overturn it in future and by fostering the sort of fear-mongering and scare-mongering that they do. (Time expired)

Senator BUSHBY—Mr President, I ask a supplementary question. Is the minister aware that investment analysts in Asia, such as JP Morgan, Credit Suisse and so on, are advising a four to five per cent fall in net profit, after tax, as a direct impact of your carbon tax on Australian diversified miners and that, without assistance, two aluminium smelters in Victoria will close, even at a carbon tax price of $10 a tonne?

Senator WONG—There are a great many things said by different analysts, and I invite the senator to consider some of the comments made by a range of business leaders encouraging the opposition to take a more sensible approach to this.

Senator Ian Macdonald—Heather Ridout!

Senator WONG—For example, Brad Page, CEO of the Energy Supply Association, stated that investors need ‘an equitable and enduring greenhouse gas emissions price signal’—

Senator Ian Macdonald interjecting—

Senator WONG—Perhaps I need to say that again, because Senator Macdonald clearly is not interested in what the electricity sector has to say: investors need ‘an equitable and enduring greenhouse gas emissions price signal’ and ‘this can only be achieved through bipartisan policy agreement.’ We would welcome the opposition actually approaching this issue with a focus on what is right for the nation, a focus on sensible public policy, but regrettably they have been lacking. Regrettably all they wish to do is to run a no campaign, a fear campaign and a scare campaign on this important policy issue.

Senator BUSHBY—Mr President, I ask a further supplementary question. Given that investment analysts are already advising that the carbon tax represents a significant disincentive to invest in Australian companies, is your claim that a carbon tax will be good for the economy simply bluff and spin?

Senator Cameron—What about your $30 billion black hole, you economic incompetents?

Senator Abetz—Better than being a zombie.

Honourable senators interjecting—
The PRESIDENT—When there is silence on both sides, we will proceed.

Senator Ian Macdonald—Dougie, zombies are meant to be seen and not heard.

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

Senator WONG—This is an economic reform that is about transforming Australia’s economy in the most efficient way. If you look back through our history at a range of economic reforms which were about transforming our economy, you will see there were times when people said that this would be the end of industry—when we went through the arguments about trade liberalisation, about floating the dollar, those important economic reforms.

Senator Sherry—Superannuation.

Senator WONG—Thank you, Senator Sherry—of course, superannuation. We heard those voices—some on the other side—saying this was the end of the world. Perhaps in five or 10 years time, when we have had a carbon price, when investors are pricing that into their long-term decisions, as this country moves to a cleaner energy, low-pollution economy, people might look back on Senator Bushby’s question and think really how backward looking it was.

Tasmanian Pulp Mill

Senator MILNE (2.17 pm)—My question is to the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, Senator Conroy. Given that Gunns has had two years, from 5 January 2009 to 3 March 2011, to complete all of its documentation for its Tamar Valley pulp mill project, knowing that a final decision was to be made on 3 March, why did Minister Burke concede to the company’s request, made one day before the deadline, for a delay, on the company’s say-so that it wanted tougher conditions? Why shouldn’t the community conclude that the minister has had the wool pulled over his eyes by a company addicted to delay, failure to meet deadlines and refusal to adhere to the original assessment process because it was too rigorous?

Senator CONROY—I thank Senator Milne for that question. The Australian government is committed to a comprehensive environmental approval and monitoring process under the Environment Protection and Biodiversity Conservation Act 1999 to ensure matters of national environmental significance are protected. Former environment minister Malcolm Turnbull made it a condition of the EPBC Act approval that Gunns must submit an environmental impact management plan for approval. To date, 13 of 16 modules of the plan have been approved. On 5 January 2009 the then minister for the environment, Peter Garrett, set the final date for a decision on the remaining three modules at 3 March 2011. I can advise the chamber that yesterday representatives from Gunns contacted the department and indicated that the company was seeking tougher environmental controls than were contained in the original application. This included tougher controls in relation to the use of plantation timber by the mill and the use of an elemental-chlorine-free light bleaching process. The company further sought that, if approvals were to be given, they reflect these more stringent environmental controls. The department needs to assess these proposed variations for the original pulp mill proposal and allow the independent expert group to examine them. The minister expects this process to be complete and that he will be in a position to consider updated advice from his department next week. Gunns can begin construction under the approval conditions but it cannot operate the mill unless all 16 modules are approved. (Time expired)
Senator MILNE—Mr President, I ask a supplementary question. I did ask why the minister would believe a company which is committed to delays and not meeting deadlines and standards, but now that the minister has delayed his decision for a week will he immediately make public Gunns’s hydrodynamic modelling and final modules for community scrutiny before he makes his decision and will he now go back and toughen all of the guidelines that Gunns has said previously it could not meet? If he is going to go and do what Gunns want, will he now at least let the community see what is going on? (Time expired)

Senator CONROY—The minister understands that Gunns intends to make the remaining modules and related studies, including the hydrodynamic modelling of the pulp mill effluent, available on its website. As to the other parts of your question, if there is any further information that I can get from the minister for you, I will provide it at the earliest opportunity.

Senator MILNE—Mr President, I ask a further supplementary question. It is not about whether the company will make the material available, because it has not done so to date and clearly will not do it until after the decision. Will the minister release that information now so that the community can look at it before a decision is made? That is the critical question.

Senator CONROY—As I said, our understanding is that Gunns do intend to make the modules and studies available. As to whether or not the minister intends to release that information, I indicated that we will take that on notice and come back to you with any further information the minister is able to provide.

Murray-Darling Basin

Senator JOYCE (2.22 pm)—My question is to the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, Senator Conroy. Can the minister please confirm that ABARES now estimates that there will be 5,000 direct job losses as a result of the Guide to the proposed Basin Plan, not the 800 job losses reported at the time the guide was released? As per the concerns of so many working families in the Murray-Darling Basin, can the minister please tell the Senate where these 5,000 jobs that are going to be lost will be?

Senator CONROY—I thank Senator Joyce for his ongoing interest in this area. The Australian government believes in a sustainable Australia and is trying to achieve three outcomes: to deliver a healthy river system, to deliver it acknowledging the importance of food production and to deliver strong regional communities. The Australian Bureau of Agricultural and Resource Economics and Sciences is an independent agency. This modelling has been undertaken to assist the Murray-Darling Basin Authority in its analysis of the social and economic impacts of the Basin Plan.

ABARES presented a paper at their Outlook conference that outlined modelling: the short-term effects of the proposed sustainable division limits of 3,500 gigalitres under the guide to the proposed Murray-Darling plan. This modelling does not include the nearly $9 billion that the government will spend under the Water for the Future initiative in the Murray-Darling Basin. This includes over three billion—

Senator Joyce—Mr President, I raise a point of order under standing order 194, on relevance—and there are not ‘division limits’; I think that is what happens if the Greens come into the chamber. We asked where the jobs would be. We do not want to know all the other palaver—where will the jobs be, Minister?
**Senator Ludwig**—On the point of order, Mr President: the minister has been directly relevant to what the question asked. The minister has been directly addressing the paper which the quote was taken from, and the minister has been dealing with the subject matter in relation to the question. I submit that the minister remains directly relevant to the question asked.

**The President**—Minister, you have 49 seconds remaining to address the question.

**Senator Conroy**—As I was saying, the modelling does not include the nearly $9 billion that the government will spend under the Water for the Future initiative. This includes over $3 billion to purchase water from those irrigators who wish to participate in the government’s buyback program and nearly $5 billion committed to water infrastructure and efficiency measures in the basin. It is likely that the effects on employment will be much smaller when government investment is included. These investments will enable a transition of employment from those parts of the irrigation sector where water is recovered for environmental purposes to take advantage of new opportunities that arise from the largest—(Time expired)

**Senator Joyce**—Mr President, I ask a supplementary question. That was a total nonanswer—palaver. Do the government believe that the loss of 5,000 direct jobs will deliver to working families of the basin the promise that they gave of economic and social results of equivalence to that of the environment?

**Senator Conroy**—As I have just explained, the premise on which Senator Joyce is asking his question is flawed. I have just detailed exactly why it is flawed: $9 billion of investment into the region, so that the actual outcome will be significantly less because of that investment. This modelling has not included it, so the premise of Senator Joyce’s question is completely flawed. It does not take into account the critical information that I have provided here about $9 billion worth of investment.

Senator Joyce can continue to cry crocodile tears and he can continue to pretend he is in the same team as Senator Birmingham when it comes to these issues, but let us be clear: only one party has a solution to try and meet all of these balances, and that is those on this side of the chamber. For those on the opposite side to try and paper over their differences and pretend they are on the same team is quite comical. *(Time expired)*

**Senator Joyce**—Mr President, I ask a further supplementary question. That was yet another nonanswer. They do take that into account, actually, Minister. Given that the government has taken so long to come clean on the effects of its Basin Plan, how can it be trusted to be upfront about the job losses that will ensue from its carbon tax broken promise? Can we expect another sixfold error in your carbon dioxide tax calculations as well?

**The President**—The minister has to answer those parts of the question that relate to the portfolio that he is representing.

**Senator Conroy**—Thank you, Mr President. As I think you have already pointed out, that question strayed so far from either of the first two that it strayed outside my portfolio responsibility representing Minister Burke. Senator Joyce continues to be involved in spreading misleading information not only to the Australian public about this issue but particularly to people in the Murray-Darling Basin. Senator Joyce is engaged in yet another opposition campaign of sheer negativity. He walks away from their own policy, walks away from Mr Turnbull, whose policy this is, walks away from any rational contribution to this debate and is simply engaged in a fear-and-loathing cam-
campaign. He has nothing whatsoever to contribute to this, like the majority of those on the other side. But the Gillard government—(Time expired)

Australian Natural Disasters

Senator FURNER (2.30 pm)—Mr President, my question is to the Minister for Small Business, Senator Sherry. Can the minister outline to the Senate how the government is assisting the recovery of small businesses from the natural disasters that struck wide areas of Australia earlier this summer? How is the government showing its commitment to providing ongoing support for small businesses during the recovery process?

Senator SHERRY—I want to update some aspects of the assistance being provided due to the devastation as a consequence of recent floods and Cyclone Yasi. This remains an important ongoing priority for the government and we have made our commitment clear to rebuild these disaster affected communities. In this regard I want to commend the role of the business enterprise centres in providing assistance to small business and the farming community. The government provides some $42 million for the business enterprise centres to help support small business growth and sustainability, and they have excelled during the flood crisis, not only those centres located in affected areas but other centres throughout Australia, by providing support and lending staff. They have done a fantastic job.

The 36 small business advisory centres are located throughout Australia in rural, regional and suburban areas. We are to open our 37th shortly in Cairns and I want to acknowledge the work of my colleague Senator McLucas, who has argued very long and hard for an additional new centre in Cairns. Just this morning the Australian and Queensland governments announced that the state’s tourism industry will receive an additional $2 million in flood and cyclone recovery assistance. This adds to the $10 million marketing fund announced on 28 January. Unfortunately there is a perception, not just in some areas of Australia but overseas, that the tourism industry has been shut down in parts of Queensland. This is just not the case. I want to reiterate that the tourism industry in Queensland is open for business. We are determined to correct the perception that has unfortunately arisen. The federal government today also announced details of a $1.4 billion boost—(Time expired)

Senator FURNER—Mr President, I ask a supplementary question. Can the minister outline to the Senate what easy-to-find support services the government has put in place for small businesses to turn to for advice on flood recovery assistance?

Senator SHERRY—I have mentioned the role of the BECs but there are a wide range of Australian government support services on hand and I would urge small businesses and those in the farming sectors affected by the flood crisis to contact these services. They are free of charge and they are easy to access. A good start would be the Small Business Support Line. Its agents are highly trained. They come from small business backgrounds and they will be able to point small businesses to the form of financial assistance they can access as well as a range of other support services. For example, the disaster income recovery subsidy is available to those who have experienced a loss of income as a direct result of the flooding. In addition, the Australian government and state governments have partnered to provide emergency clean-up and recovery grants and my colleague Senator Ludwig has provided an update of the increased grants in respect of Queensland. (Time expired)

Senator FURNER—Mr President, I ask a further supplementary question. In addition
to the immediate assistance being provided, how is the Gillard government taking a long-term approach to helping Australia recover from the recent natural disasters?

**Senator Ian Macdonald**—Ask him about the Asian honey bee. We only need $2 million for that, Nick.

**Senator SHERRY**—As serious as the Asian honey bee issue is, I am not sure it is a direct consequence of floods, Senator Macdonald. It is a serious issue but I think you are interjecting in the wrong debate. There is a massive task ahead to rebuild large parts of Australia. This will be ongoing and a long-term process. This was one of the largest, if not the largest, natural disaster in Australian history. We have estimated the costs involved for government at all levels—local, state and Commonwealth—will require some $5.6 billion in rebuilding flood affected regions, with more than $5 billion being required for rebuilding essential infrastructure. We are determined to follow through for those Australians directly affected by recent disasters and we are determined to revive economic community for the regions and for the benefit of our economy as a whole. *(Time expired)*

**DISTINGUISHED VISITORS**

**The President**—Order! I draw the attention of honourable senators to the presence in the gallery of a parliamentary delegation from the Legislative Council of the House of Representatives from the Republic of Indonesia. On behalf of all senators, I wish you a warm welcome to Australia and, in particular, to the Senate.

**Honourable senators**—Hear, hear!

**QUESTIONS WITHOUT NOTICE**

**Indigenous Affairs**

**Senator PAYNE** (2.35 pm)—Mr President, my question is to the Minister representing the Minister for Indigenous Employment and Economic Development, which I believe this week is Senator Evans. How can Indigenous Australians trust that COAG under this government will take meaningful action on one of its five new themes, closing the gap on Indigenous disadvantage, when COAG’s new structure has no Indigenous-specific standing council, no select council and not even a legislative and governance forum to coordinate these reforms?

**Senator CHRIS EVANS**—I thank the senator for her question. I am not a great believer that the form of bureaucratic arrangement is the actual key response in dealing with an issue like Indigenous disadvantage in this country. I think the previous government found that when you had your COAG coordinated trials, which were an unmitigated—

**Senator Scullion interjecting**—

**Senator CHRIS EVANS**—Mr Howard, as Prime Minister, made I think a genuine attempt with the then secretary of PM&C to drive COAG coordinated trials in five locations, Senator Scullion, and they were an unmitigated disaster. It was not due to a lack of will or a lack of effort, but they were an unmitigated disaster.

What we have continued to try to do is work with the states to find real solutions to assist Indigenous communities to drive change in their communities and to address the appalling gap between their life expectancy and their life reality and those of other Australians. I can assure the senator that this government and the state governments remain absolutely committed under the new COAG arrangements to continuing the drive to close the gap in Indigenous disadvantage. The senator can see that through the range of initiatives that both Ms Macklin and Senator Arbib are driving on a whole range of fronts—housing, employment, health—to try to ensure that we make serious progress on
these matters. I think all Australians and all members of this parliament want to do that. We have just got to continue that commitment and work on solutions that actually get good results. (Time expired)

Senator PAYNE—Mr President, I ask a supplementary question. I note the minister’s views about form of bureaucratic arrangement but, given that the lack of effective co-ordination previously in Indigenous affairs was one of the most significant problems afflicting the area, can the minister explain how, in the reduction of ministerial councils to some 23, Indigenous affairs did not make the cut and was relegated to the status of a working group? His answer still does not address that concern.

Senator CHRISS EVANS—Senator, I can assure you that it remains a priority for the ministers responsible and at the forefront of our agenda, and you saw the Prime Minister respond to the parliament the other day. My point to you is that the reorganisation of COAG’s arrangements has been taken by the Commonwealth and the states together as being a better reflection of their priorities and the organisational structures to support those. But, at the end of the day, successive governments, on our side and on yours, have mouthed platitudes about achieving results in Indigenous affairs in this country and we have failed Indigenous people. I am much, much more interested in whether or not we are getting results and, if we are not, how we address those issues. I am constantly making the plea that we leave the politics out of this stuff and see if we cannot all work together to get a much better outcome for Indigenous people than successive governments have been able to deliver.

Senator PAYNE—Mr President, I ask a further supplementary question. I thank the minister for his response. Given that we are not actually meeting the targets in closing the gap in about 50 per cent of areas, will the government consider reinstating a ministerial council dedicated to achieving reforms that will improve the lives of Indigenous Australians?

Senator CHRISS EVANS—As I indicated to the senator, she might think changing the administrative arrangements will make a huge difference and that the Commonwealth government, the Western Australian state Liberal government and all the other state governments have made a mistake in terms of how they have agreed now to organise affairs. I am not sure that her view is necessarily the right one and that they are all wrong. But the point I was making to her is that she ought to concentrate on the section of her question that is relevant. Are we achieving our objectives? Are we having success in closing the gaps? I think we are all aware that progress on some is good; progress on others is not. But that is the focus. Quite frankly, Senator, if you are focusing on committees rather than outcomes, I think you are not focusing on the right thing.

Banking

Senator XENOPHON (2.41 pm)—My question is to Senator Wong, the Minister representing the Treasurer. The Australian Office of Financial Management administers a scheme for residential mortgage backed securities which provides access to funds at a lower interest rate than financial institutions would otherwise be able to access for home lending. The scheme is intended to assist financial institutions other than the four major banks to offer competitive home loans. Last year Aussie Home Loans entered into discussions with the AOFM to secure these funds; however, at the eleventh hour, Aussie Home Loans was rejected, purportedly on the basis that it is a subsidiary of the Commonwealth Bank. However, the Commonwealth Bank only has a 33 per cent share-
holding in Aussie Home Loans and Aussie is a private company; the Aussie shareholding will always outvote the CBA’s. On what basis does the AOFM evaluate ‘subsidiary’ given that in legal and business terms a subsidiary involves at least a 51 per cent shareholding?

Senator WONG—I thank the senator for his question. He accurately identifies that the government has put in place I think three tranches of residential mortgage backed securities which are administered by the Australian Office of Financial Management. This was part of our approach during the GFC and beyond and part of our approach to ensuring that we seek to maximise competition within the banking sector to the benefit of Australian consumers.

It was not the intention of the residential mortgage backed security investment program to support major banks or their subsidiaries, whether partially or fully owned. Obviously, this assessment is different for each lender. It is clear that Aussie Home Loans is not independent of the Commonwealth Bank given the CBA’s strong involvement in board decisions and strategic settings and the CBA’s financial interest in Aussie Home Loans’ profitability. I am advised the government has been clear since the outset of this program that funds would not be available to subsidiaries of major banks, whether partially or fully owned. That has been the position that the government has taken on this issue. That has been consistently applied in relation to Aussie Home Loans and across this program.

The government did make clear that this was a program intended to support institutions other than the major banks or their subsidiaries. It was expressed quite clearly to be a program that was about supporting competition in the banking sector, recognising that, as a consequence of the GFC, the non-major sector—the smaller lending sector—was having some challenges in securing this particular type of finance.

Senator XENOPHON—Mr President, I ask a supplementary question. Does the government acknowledge the role that Aussie Home Loans had in the 1990s and has had since then in terms of providing competition in the banking sector? Can the government confirm that the whole issue is that Aussie Home Loans was told it was a subsidiary of the Commonwealth Bank and that the government has shifted the goalposts in terms of their criterion? The criterion was always one of subsidiary, not one of having any partial ownership.

Senator WONG—The advice I have, Senator Xenophon, is that it was not the intention of the government’s program of investing in residential mortgage backed securities to support major banks or their subsidiaries, whether partially or fully owned. My point is that I do not accept the premise of your question that the goalposts were shifted. The advice I have is that it was quite clear that it was ‘whether partially or fully owned’ and that has been the government’s consistent position. This is a matter in relation to the administration of the program, not in relation particularly to Aussie Home Loans, although I acknowledge that the effect of this on Aussie Home Loans has obviously been of some significance for them. It is a very important program. It injects funds into this sector, which is needed. (Time expired)

Senator XENOPHON—Mr President, I ask a further supplementary question. Two of the major banks, through their subsidiaries, have an over 11 per cent share in the Bank of Queensland and the same two major banks have a 17.5 per cent share in Suncorp. Yet both the Bank of Queensland and Suncorp have received this RMBS funding. On this basis, why have they and not Aussie Home

CHAMBER
Loans received RMBS funding, particularly when you consider that their contribution to the major banks that have shareholdings, in relative terms, would be much greater to their bottom line?

Senator WONG—The advice I have is that the Australian Office of—

Senator Abetz—Certainly not from your side!

Honourable senators interjecting—

The PRESIDENT—Ignore the interjections, Senator Wong. They are disorderly.

Senator Forshaw—You ought to get Godwin Grech to write yours!

The PRESIDENT—Order on both sides! We have been going reasonably well.

Senator WONG—The advice I have to Senator Xenophon is that the Australian Office of Financial Management advises that the two examples to which he refers are not directly held stakes but are held by those major banks, possibly through their wealth management business—I do not have the detail of that—as nominee for third party investors. The advice I have—and I am happy to see whether there is anything further I can add to this—is that the ownership structure of the two examples you have raised differ from the Aussie Home Loans example which you have identified. If I have further information on that, I will provide it.

Disabilities Ambassador

Senator FIFIELD (2.47 pm)—My question is to the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, Senator Evans. Is the minister aware of comments by the government’s disability ambassador, Ms Catherine Deveny, that people who reside in the outer suburbs are, and I quote, ‘brainless retards’ and who likened a mother losing her temper to, and I quote, ‘chucking her annual Christmas spastic’.

Senator CHRIS EVANS—I am not aware of the remarks that Senator Fifield says have been made. I do not know the individual whom he names, so I am not able to help him in that regard. But clearly if those remarks are accurate then clearly it would not be appropriate for anyone to refer to anyone in that way. If there is some suggestion that people caring for people with disabilities had lost their temper, I think we would all acknowledge that the strain that carers have to carry is enormous. Senator, I am sure that you find in your new portfolio responsibility that people caring for people with disabilities have enormous strains placed upon them—financial, emotional and physical. I think all members of parliament recognise that we need to be better at supporting those people who carry such a terrible load. I do not know about the remarks you referred to. They certainly do not sound appropriate but, without the context, without having heard them and without knowing the individual, I do not want to go further. But I think we would all take the view that some of that language is not appropriate and that the term ‘spastic,’ which you used, has been accepted more broadly as being totally inappropriate terminology of an earlier era and one that is not used anymore. I agree that it is not appropriate. As I say, I cannot respond directly to it. I am happy to refer the matter to the minister. But, clearly, we would all want to make sure that people caring for people with disabilities are supported and understood.

Senator FIFIELD—Mr President, I ask a supplementary question. The department of FaHCSIA confirmed at Senate estimates last week that they were aware of Ms Deveny’s comments prior to her appointment by former disabilities minister, Bill Shorten. Why, when the government was aware of Ms Deveny’s unfortunate comments, prior to her...
appointment, would she have been appointed?

Senator CHRIS EVANS—If this is an issue that Senator Fifield explored at Senate estimates then I am a bit surprised as to why he raises it with me now. Clearly, the people at Senate estimates would be in a better position to answer his questions.

Opposition senator interjecting—

Senator CHRIS EVANS—I am the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs in question time today. It is the case I was not present at FaHCSIA estimates, so I have no knowledge of that discussion. But I am happy to take on notice the matters you refer to. As you know, I do not know about the remarks, I do not know the individual, I do not know the context and so I will not comment on any of that other than make the remarks I have made. But I will take the question on notice and ask the minister to respond to the issues you have raised.

Senator FIFIELD—Mr President, I ask a further supplementary question. Does the minister agree with the comments of Senator McLucas at estimates that, as a person with a disability, Ms Deveny has a space that ‘she can say something that you and I can’t’? Will the minister take this opportunity to do what the appointing minister, Mr Shorten, has failed to do, what Minister Macklin has failed to do and what Senator McLucas to do and unequivocally condemn this appointment and apologise to Australians with a disability?

Senator CHRIS EVANS—As I said, I have not seen the reports and have no understanding of the context, other than that I know that Senator McLucas is a very strong advocate for people with a disability and their carers and has been for many years. I have complete faith in her. But I will refer the matters you raise to the minister. I do not have knowledge of them personally; I do not have knowledge of the context. I will ask the minister to provide you with a response. It is not appropriate for me to try and answer questions if I am not aware of the context or the whole history of what you refer to. I will take it on notice and get you a response.

Climate Change

Senator CAROL BROWN (2.53 pm)—My question is to the Minister for Innovation, Industry, Science and Research, Senator Carr. Can the minister inform the Senate what steps the government is taking to ensure businesses are ready to meet the challenges of climate change?

Senator CARR—I thank Senator Carol Brown for her question. I think it is well known that business leaders and union leaders have repeatedly made clear their view that enterprises have to adapt to the challenges of climate change. This is the reality of the 21st century.

Senator Conroy interjecting—

Senator CARR—John Howard knew this, Senator Conroy, Malcolm Turnbull knew this and, up until December 2009, so did the Liberal Party itself.

Honourable senators interjecting—

The PRESIDENT—I have on both sides people drowning out Senator Carr, which I never thought I would say in this chamber. I need to hear Senator Carr’s answer.

Senator CARR—Mr President, I will do my best to make myself heard via you.

The PRESIDENT—Thank you, Senator Carr.

Senator CARR—What we do know is that John Howard did know that we needed to do something about climate change and Malcolm Turnbull—
The President—You should refer to people by their correct titles.

Senator Carr—That is right—Mr Turnbull. Of course, up until December 2009 so did the Liberal Party itself know that. Since that time, we have seen a backward march to the Dark Ages by the overwhelming numbers in the Liberal Party. What we have seen, Senator Conroy, is the knuckle draggers have seized control of the Liberal Party. They have taken it upon themselves to malign scientists, we have seen them peddling—

Honourable senators interjecting—

The President—Senator Conroy! There were others interjecting. I am trying to listen to Senator Carr.

Senator Carr—We have seen the maligning of scientists and the peddling of humbug and hysteria. We know that major corporations in this country do not share that approach. I notice in the Fairfax press this morning that Mr Murdoch is even taking the view that he is proud to announce to all staff that News Corp is now carbon neutral and will be ‘the first company of our kind to do so’. According to the Financial Review this morning, ‘Any News hacks railing against environmental causes’—(Time expired)

Senator Carol Brown—Mr President, I thank the minister for his answer. I ask a further supplementary question. Can the minister inform the Senate what the government is doing to defend the integrity of the science supporting climate change models?

Senator Carr—We are finding at the moment that the Leader of the Opposition has been travelling the country peddling humbug and hysteria. It has been clear that the climate change deniers, who have now seized control of the Liberal Party, are seeking to peddle doubt and uncertainty in people’s minds. We have seen that many people, including the member for Wentworth, have said the Liberal Party is currently led by people whose conviction on climate change is that it is nothing other than crap and that we do not need to do anything about it. What Mr Turnbull has been saying is that any policy that is announced will simply be a con—an environmental fig leaf to cover the determination to do nothing. So there is a very sharp contrast between the position that is taken by those on this side of the chamber, which is to defend the scientists and the rigour of the scientific method—(Time expired)
Murray-Darling Basin

Senator BIRMINGHAM (2.59 pm)—
My question is to the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, Senator Conroy. Can the minister guarantee that neither Minister Burke nor the new chair of the Murray-Darling Basin Authority, former New South Wales Labor minister Craig Knowles, encouraged the latest resignation of a Murray-Darling Basin Authority board member, Dr Diana Day?

Senator CONROY—The Australian government has not sought to inappropriately direct the authority or interfere in the authority’s matters. The government is getting on with the business of reform while the opposition simply opposes and stalls. The role and independence of the authority in developing the Basin Plan is clearly set out in the Water Act, championed by those opposite and Mr Turnbull in 2007—legislation that was passed twice with bipartisan support. The government strongly supports the independence of the authority. Accusations that the minister directed the Murray-Darling Basin Authority or interfered in any way are completely without foundation. Senator Birmingham well knows this, because Senator Birmingham has indicated that he intends to raise questions about whether the minister is compromising the independence of the authority, but the minister has indicated and made it very clear in all conversations that he is not giving directions and that he respects the authority’s independence. So Senator Birmingham’s attempt to trail his coat through this slime and mud that he is involved in throwing is utterly without foundation.

Senator BIRMINGHAM—Mr President, I ask a supplementary question. Given the minister failed to mention the departure of Dr Diana Day or the departure of the previous chair of the Murray-Darling Basin Authority, Mr Taylor, will he rule out any encouragement by Mr Knowles or Mr Burke in either of those departures? Can he further rule out reports that Mr Knowles has been planning to sideline the board and that Mr Burke is planning to cleanse the board?

Senator CONROY—As Senator Birmingham well knows from Senate estimates, Mr Rob Freeman, the CEO of the authority, confirmed at Senate estimates that Mr Burke respected their independence. Senator Birmingham has continued with this campaign. He has continued to try and throw mud and engage in this behaviour, and at every turn the Liberal Party will stop at nothing to avoid a conversation about water reform. Those opposite—

Senator Brandis—A point of order on relevance, Mr President. Uncharacteristically, in the first part of his answer Senator Conroy addressed Senator Birmingham’s supplementary question. Now, with about a quarter of the time left to go, he is engaging in some ritualistic abuse of the Liberal Party. That is not prologue; it is not preamble. It is not relevant either directly or indirectly.

The PRESIDENT—Senator Brandis, there is no point of order. Senator Conroy, you have 15 seconds remaining to answer the question if there is anything further you wish to add.

Senator CONROY—I have completed my answer.

Senator BIRMINGHAM—Mr President, I ask a further supplementary question. With the resignation of the chair of the authority, resignations of board members of the authority and the revelations the minister just mentioned from estimates last week that Minister Burke sought to influence in some way the recommendations of the authority, how can anyone accept the Prime Minister’s promise from the election campaign that the authority
is independent from government and that it is appropriate being independent from government? Isn’t this just another clear-cut broken election promise from the Gillard government?

Senator CONROY—Let me reject utterly the premise of that question. I repeat what I said in my earlier answers: the government strongly supports the independence of the authority. Accusations that the minister directed the Murray-Darling Basin Authority to change numbers in the guide—and all of the other filth that those opposite are now engaged in trying to assert—are completely without foundation. Senator Birmingham continues to trail his coat when he used to be a serious conversationalist and a serious player in this debate. Now he is reduced to making unfounded, inaccurate and untrue allegations about Minister Burke. I reject them utterly. No attempt to verbal me will get you anywhere at all.

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Radioactive Waste

Senator SHERRY (Tasmania—Minister for Small Business, Minister Assisting on Deregulation and Public Sector Superannuation and Minister Assisting the Minister for Tourism) (3.05 pm)—I have two answers to questions I took on notice during question time. The first relates to a question asked by Senator Ludlam on Tuesday, 1 March. I seek leave to incorporate the answer in Hansard.

Leave granted.

The answer read as follows—

In March 2010, the Minister met a large delegation of Ngapa Clan members and executive members of the Northern Land Council in Darwin where unanimous support was expressed for the nomination of a potential radioactive waste management facility site on Ngapa land at Muckaty Station.

In October 2010, the Minister wrote to the Traditional Owners opposed to the construction of a radioactive waste management facility. Recommendation I provided that the Minister should consult with all parties with an interest in selecting the site at Muckaty Station as soon as possible.

As indicated by the Minister for Resources and Energy on 21 February 2011 during the House of Representatives debate on the Bill:

“if I were to undertake consultations as the Minister at the present time, it would have to be pursuant to the terms of the existing Act, which we seek to repeal … I am not prepared to enter into negotiations with third parties on the basis of an Act that does not allow procedural fairness and other protections”.

Far from being an “unorthodox arrangement” as suggested by Senator Ludlam, locating the radioactive waste management policy function with the resources policy function has been the prevalent arrangement over the last thirty years.

Radioactive waste policy has been the policy responsibility, successively, of the Department of National Development and Energy, the Department of Resources and Energy, the Department of Primary Industries and Energy, the Department of Industry, Science and Resources and now the Resources Division of the Department of Resources, Energy and Tourism.

Only in the period 2001 to 2007, when this function was located in the Department of Education, Science and Training, has it been separated from the resources policy function. Regardless of the location of the radioactive waste function, it continues to have access to the advice of relevant expert Commonwealth agencies including the Australian Nuclear Science and Technology Organisation in the Innovation, Industry, Science and Research Portfolio and Geoscience Australia in the Resources, Energy and Tourism portfolio.

Economy

Senator SHERRY (Tasmania—Minister for Small Business, Minister Assisting on Deregulation and Public Sector Superannua-
tion and Minister Assisting the Minister for Tourism) (3.05 pm)—I have a second answer relating to a question from Senator Joyce, asked of me in my capacity as the Assistant Treasurer on 15 November 2010. I seek leave to incorporate the answer in Hansard.

Leave granted.

The answer read as follows—

I would like to update the Senate on a question I took on notice on 15 November 2010. During Question Time, Senator Joyce asked whether the Government has rejected any of the $5.3 billion of foreign investment in Australia’s agricultural sector.

I can now confirm that in the first term of the Labor Government (December 2007 and June 2009), FIRB approved 21 agriculture, forestry and fishing sector business proposals and I can also confirm that FIRB did not reject any agriculture, forestry and fishing sector business proposals during this period.

However, I can also confirm to the Senate that this is not unusual. When the Coalition were in Government between March 1996 and November 2007 FIRB approved 151 agriculture, forestry and fishing sector business proposals and I also confirm that FIRB did not reject any agriculture, forestry and fishing sector business proposals. The Assistant Treasurer has provided the following answer to the honourable Senator’s question:

The number of agriculture, forestry and fishing sector business proposals rejected by FIRB were:
- 0 between March 1996 and November 2007; and
- 0 between December 2007 and June 2009.

The number of agriculture, forestry and fishing sector business proposals approved by FIRB were:
- 151 between March 1996 and November 2007; and
- 21 between December 2007 and June 2009.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS
Carbon Pricing

Senator FIFIELD (Victoria)—Manager of Opposition Business in the Senate (3.06 pm)—I move:

That the Senate take note of the answers given by the Minister for Finance and Deregulation (Senator Wong) to questions without notice asked by Senators Cormann and Bushby today relating to a proposed carbon tax.

Senator Wong’s contribution today was a terrific demonstration as to why the Australian public have stopped listening to this government. Legitimate debate on the subject of a carbon tax is characterised by this government as an activity of denying. Whenever the coalition poses legitimate questions, the word ‘denier’ is hurled. It is hurled across the chamber like a clove of garlic to ward off the evil ones who dare question any element of this government’s policy, who dare question a carbon tax.

Labor have a positively medieval approach to debates and inquiry. They use the words of belief when it comes to public policy. Labor members and senators often say, ‘I believe in an ETS,’ or ‘I believe in a carbon tax,’ not, ‘I think the best policy response to the challenge of climate change is an ETS or a carbon tax.’ They say, ‘I believe.’ It is a perverse and bizarre way to express concepts and policy positions in public debate.

But when Senator Wong and her colleagues hurl the word ‘denier’ at the opposition when we question the value, efficacy and cost-of-living impacts of a carbon tax they also smear millions of Australians who think that action is required but who doubt the government’s plan. They smear millions of Australians who are worried about cost-of-living pressures. They smear millions of Australians who think the government already tax the community and business.
enough, and they smear millions of Australians who are only too aware of the government’s chronic maladministration.

When the government are not talking about deniers and accusing people of being deniers, they talk about scaremongers. It is really not the fault of the opposition that Prime Minister Gillard took the public and the opposition by surprise by coming out and saying she was going to introduce a carbon tax, exactly what she said before the election she would not do. That is not our fault. And it is not the fault of the opposition that the government released a completely half-baked climate action plan. We know that it would have been the case that that day in the courtyard there was a gap for a media opportunity and so the government thought, ‘Let’s come out with a half-baked climate action plan.’ That is not our fault; that is theirs. They have left a vacuum and the opposition is duty-bound to fill that vacuum by asking legitimate questions and by talking about the parameters of the price effects on Australian households.

The government can pretend all they like that their carbon tax plan is in some way analogous to the GST and the new tax system, that it is some great economic reform. Just calling something an economic reform does not make it so. The contrast between the way the coalition government went about the new tax system and the GST and the way that this government is going about this carbon tax plan could not be more different. When the coalition decided to introduce a GST and a new tax system, we took it to the Australian people. We took it to an election and got a mandate. But, before doing that, we produced a complete plan. We produced 500 fact sheets going into every possible effect on every sort of business and every sort of household. We released cameos about the net impact on families. But this government have not done that work. We saw the evidence of that on Q&A when Bill Shorten was asked what the effect would be on a birthday cake if the carbon tax were introduced. Bill Shorten blathered and blathered until Gretel Killeen could take no more and, for many of us, said, ‘This is just blah, blah, blah.’

This government do not have a plan for climate change, unlike the coalition. The government have no-one to blame but themselves. They should stop blaming the opposition and start explaining their plan to the Australian people.

Senator CROSSIN (Northern Territory) (3.11 pm)—I rise to rebut and provide a contribution to this motion to take note of answers in question time. We have announced a broad framework to deal with climate change, and that is what sets us apart so dramatically from my colleagues opposite. We have tried three times in this parliament to get some legislation passed to deal with carbon pollution reduction in this country, and three times we have not been successful because of the climate change deniers sitting opposite me.

We have outlined our plan to cut pollution, to tackle climate change and to deliver the economic reform that we as a country are going to need to move to a clean energy future. But what do we hear from the other side? On the other side, we hear from deniers, people who still do not believe climate change exists. These are people who up until late 2009 stood behind leaders such as Mr Howard and Mr Turnbull because they did believe in climate change and wanted to do something about it. But suddenly there was this case of the jitters—so much so that the opposition moved to actually replace a good leader in order to prove that this country does not need to do anything about climate change.
They are still in denial about it. They think we do not need to move at all. The global economy is already shifting to a clean energy economy and, if the people opposite me had their way, they would sit back and let that all happen. They say, ‘Let’s see what the rest of the world does first and we will lag behind.’ Thirty-two countries and 10 US states are already moving to emissions trading schemes. We in this country have the highest emissions per capita in the world, higher than the United States. Australia’s households and businesses are at risk of being left behind in this global economy that is already moving to cut pollution.

We have introduced a plan with a number of stages, and we will move through that plan in discussion with businesses, industry and a number of stakeholders in the coming months. The plan is clearly outlined. I want to highlight that yesterday colleagues opposite me on national television—in fact, the world wide web—showed off their dancing attributes to try to prove their point about how desperate they are to block, skewer, deride and criticise any move this country might want to take to tackle climate change.

Can I just say—and I hope the national press gallery is listening—that it is not dancing that comes to mind as I provide my contribution today; it is a song, a famous song by Renee Geyer: ‘Stares and Whispers’. What we have opposite us now is a party of stares. We all remember Tony Abbott’s contribution on national television, and of course Ms Bishop’s contribution day after day in the House of Representatives, trying to stare down our leader, our reformist, our Prime Minister, who is pushing this country forward to be part of the debate and part of the action internationally to tackle climate change—and, of course, don’t mention the words, ‘Mr Turnbull’. He could not even admit to this country on Q&A on Monday night that he could not find one economist who could back their plan, their ‘direct action’ plan. So, in the Liberal Party, it is stares and whispers. How does it go? It goes:

They just stare and whisper wherever I go
They just stare and whisper, now everyone knows
That the dream I thought I had found
Has come tumbl’in’ down

Well, Mr Turnbull, it did—and it is unfortunate, because under your leadership we would have bipartisan discussions. Under your leadership, Mr Turnbull, we would be moving this debate forward in this parliament. But, under Mr Abbott’s leadership, we still have deniers, we have people who are embarrassed to tackle this hard policy issue. And when they do, they produce a policy, a ‘direct action’ policy, that is going to cause a $30 billion hole—not million; I know the difference between billions and millions, Senator Joyce—and that will cost working families $720 a year. They are a party of stares, whispers, deniers, defeatists; a party that is not going to be bipartisan in pushing the climate change agenda forward. (Time expired)

Senator BIRMINGHAM (South Australia) (3.15 pm)—That was quite a contribution from Senator Crossin, and quite a rewrite of history along the way—and a particular ignorance of history along the way. There is a particular ignorance of history on her side of the chamber and in the politics of her side of the chamber. She seems to have forgotten that there has been a Prime Minister go by the wayside, that they lost somewhere along the way of this journey of the climate change debate. Somehow your government executed a Prime Minister in the midst of all of this, in the most extraordinary of circumstances—but it is okay, because, although Senator Crossin has forgotten that, not all of her colleagues have forgotten. They are quite happy, it seems—
Senator Fifield—Kevin Rudd hasn’t forgotten it!

Senator BIRMINGHAM—Kevin Rudd certainly has not forgotten it. Indeed, nor have some of those who appear to still be loyal to the former Prime Minister, because they are happy to still talk about it. In fact, they are happy to consider what the Prime Minister is doing now, against what she told the former Prime Minister he should do. They are very happy to consider that. One of them is quoted in today’s newspapers as saying:

If Julia says she believes that the scheme she is proposing is the right policy, why didn’t she believe that last year when she told Kevin to dump his scheme?

Well, that is a fine question, isn’t it!

Senator Fifield—Oops!

Senator BIRMINGHAM—Oops indeed, Senator Fifield! That is a fine question posed by a Labor MP. Another went on to say:

When Kevin took her advice, that was the beginning of the end for him. Now it’s her problem and she’s proposing the same thing.

There is trouble in the ranks over there, quite clearly, as they warm their way through this issue yet again. It is so difficult for them because, not just is their policy flawed, not just can they not get the politics of it right, but their greatest problem is that they are carrying this laggard of a Prime Minister along with them, who has deceived the Australian people. She has flip-flopped on this issue so decisively. If you can flip-flop decisively, that is what she has done. She stared down the barrel of every possible television camera she could find in last year’s election campaign and told the Australian people, ‘There will be no carbon tax under a government I lead’—words that will haunt her day after day after day throughout the life of this parliament, because she said it so emphatically, because it was the most solemn promise that she made. As Senator Fifield rightly pointed out, if she wants to break that promise, if she wants to institute her carbon tax, then she should have the courage to go back to the Australian people and ask them for endorsement to do it. She should seek a mandate to actually introduce it, because she can claim absolutely no mandate from the last election for the things that she has done.

Contrast this with the reality that, on this side of politics, since the direct action plan was released in January last year, we have had a clear, consistent policy, a policy we stand by today as much as we stood by it then. During that entire time, the government has had Prime Minister Rudd back down from having a carbon tax or an emissions trading scheme; Prime Minister Gillard assume the throne; Prime Minister Gillard rule out a carbon tax or an emissions trading scheme; Prime Minister Gillard cobble together a government; and Prime Minister Gillard come out and say, ‘We will now have a carbon tax’. All of that has happened in the time that our policy has been locked in, so the hypocrisy of those opposite to want to talk about our policy knows no bounds, when we have had a very clear and consistent approach.

The important difference is that our policy, our approach, works on exactly where and how you can most efficiently and effectively reduce emissions. We will subsidise actions to do so and we will focus on that five per cent target in doing so. That is how our policy will work: focusing on the five per cent of emissions and subsidising them to get them abated and reduced. The government’s policy, the government’s carbon tax, is a tax applied to 100 per cent of emissions. That is why it costs so much more than the coalition’s policy. That is why it is so much more expensive: because it applies to 100 per cent of emissions as against incentives targeted to five per cent. That is why, of course,
it has such spin-off effects on the rest of the economy. As it applies to every tonne of carbon emitted in electricity, to every tonne emitted in the transport sector, it all flows through to everything else in the economy and pushes the price of everything else up. And do you know what? Ours is guaranteed to reduce emissions, because we are targeting reductions; theirs is just a tax applied to everything, with absolutely no guarantee whatsoever it will reduce even one tonne of emissions. (Time expired)

Senator CAROL BROWN (Tasmania)
(3.21 pm)—I am somewhat disappointed that Senator Birmingham did not give us a bit of a Macarena, but he did use a party trick, and that party trick was done through smoke and mirrors. He indicated to the Senate that somehow the Labor government previously had a different policy. The Labor government has always been committed to taking action on climate change. That has not changed. Mr Abbott, the Leader of the Opposition, has had at least eight different positions. Senator Birmingham actually knows perfectly well the history of Mr Abbott’s policy changes, with him at one time supporting an ETS, then coming out against it and then saying that climate change is ‘total crap’. But I want to go through the whole history of Mr Abbott’s positions on climate change. The fact is that this opposition has no coherent policy.

Mr Abbott supported former Prime Minister Howard’s decision to take an ETS to the 2007 election. On 24 July 2009 he supported passing Mr Rudd’s ETS. Then on 27 July he opposed an ETS. Then he supported a carbon tax. And then we have his famous comments from October 2009, in which he called all politics on this ‘absolute crap’. Then he said that an ETS is a sensible policy; then he challenged Mr Turnbull on the ETS. And we all know what happened there. It was a close-run thing. Since then, he has been against a carbon price. There is no coherent policy from the opposition. The Labor government has given a commitment to taking action on climate change. The Prime Minister outlined the government’s plan to cut pollution, to tackle climate change and to deliver the economic reform Australia needs to move to a clean energy future.

This is in stark contrast to those opposite. The Labor government has a plan for the future. We recognise that the cost of climate change will be far greater in the future if we choose to not act now. After the election, the government set up the Multi-Party Climate Change Committee, which included members of the government, the Greens and Independent members of parliament, who examined the options for a carbon price. Members of the opposition were invited to participate but have not yet taken up that invitation. The committee was advised by leading experts in the fields of economics, climate science and the social sciences. This is not a policy on the run or inaction. This is a strategic, well-informed plan for tackling climate change.

The Prime Minister, along with members of the Multi-Party Climate Change Committee, released a paper for public comment on a two-stage plan for pricing carbon. If the legislation is agreed upon by parliament, a carbon price will begin on 1 July 2012. The carbon price will be a market mechanism, commencing with a fixed price for a specified period of between three and five years. Following the fixed price period, there is the intent to transition to an emissions trading scheme. The fact is that pricing carbon is the most efficient and cost-effective way of reducing carbon pollution and supporting Australia in the transition towards a low pollution future. It is an important economic reform that is in our national interest. A carbon price is crucial to maintaining our prosperity and competitiveness in a carbon constrained world. Without certainty over a carbon price
in the economy, investment in our energy market and low pollution technologies has stalled, costing us more in the long term. We have been talking about action on climate change for decades. It is time to stop the talking and the inaction. *(Time expired)*

**Senator CASH** (Western Australia) (3.27 pm)—All I can say is that the answers given in question time today to the questions that were asked by the opposition and the comments that have just been made by those on the other side confirm without a doubt that this is a government that, when it comes to the issue of the carbon tax, is devoid of any moral compass. This is a government that, by its announcement after the election that it will be imposing a carbon tax on the Australian public, has completely, totally and utterly betrayed the Australian people. But the thing is that you would expect nothing less from those on the other side, because the Gillard government will always take the cheap political option when it comes to making policy in this country rather than taking decisions that are in the national interest.

When Senator Carol Brown refers to comments that have been made by those of us on this side of the chamber in relation to the carbon tax, she needs to be very careful. Let us have a look at the comments that the Prime Minister of Australia made in relation to the carbon tax. Julia Gillard claimed, ‘There will be no carbon tax under the government I lead.’ That was on Channel Ten on 16 August 2010. The now Prime Minister could not help herself. The day before the election, the *Australian* newspaper quoted the Prime Minister as saying, ‘I rule out a carbon tax.’ Does it get any more blatant than what the now Prime Minister said?

Having categorically ruled out a carbon tax before the election on 21 August 2010, lo and behold, she has now done a deal with the Independents and the Greens—and guess what? The promises she made prior to the election are all off the table. The promises she made to the people of Australia, the promises they went to the ballot box and voted on, are all off the table. She is now introducing a carbon tax. That is without a doubt one of the greatest betrayals that the people of Australia have ever been, and will ever be, subjected to. But you would expect nothing less from those on the other side.

The reality is that the imposition of this tax is one of political choice and certainly not of environmental necessity. Australians understand that Prime Minister Gillard, consistent with left-wing ideology, has never seen a tax she does not like or one that, if in existence, she cannot hike. The reality for Australians is that during the Labor Party’s time in office it has whacked onto Australians 13 new and increased taxes, and the Labor government has been in office for only about three years. That is a new tax every quarter. That is the way policy is made on that side of the chamber. The option of first choice always has to be to tax the Australian people. The Labor government forgets that it is not actually spending its own money; it is spending taxpayers’ money. Taxpayers have a right to be informed before they go to the ballot box if a government, when it is elected, is going to impose another tax on them.

Australians are now faced with the reality that the price of the Prime Minister’s betrayal will be paid by them every single day once this is implemented—every time they turn their lights on, every time they go to the petrol bowser, every time they use their gas, every time they go to the shop to buy groceries, every time they touch anything. Everything in this country that the mums and dads of Australia touch will be tainted by this tax.

Question agreed to.
Tasmanian Pulp Mill

Senator MILNE (Tasmania) (3.32 pm)—

I move:

That the Senate take note of the answer given by the Minister for Broadband, Communications and the Digital Economy (Senator Conroy) to a question without notice asked by Senator Milne today relating to the Gunns pulp mill in Tasmania.

My question to the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, Senator Conroy, related to the Gunns pulp mill in the Tamar Valley in Tasmania. On 5 January 2009 the then Minister for Environment Protection, Heritage and the Arts, Peter Garrett, set 3 March 2011 as the final date for a decision on the three remaining modules of the environmental impact management plans submitted by Gunns for the proposed pulp mill at Bell Bay in Tasmania. And can you believe it? After two years—one day before the minister is due to make his decision—Gunns intervenes and says, ‘Actually, we need more time because we think the conditions should be tougher.’ So the minister takes the company at its word and gives it additional time.

It is unbelievable that the minister would take this company at its word. This company has done nothing but delay, delay, delay every single step of the way, whether it is on assessment or on investment decisions. I do not know how many times they told the stock market they were going to have their joint venture capitalist named and so on and so forth, and it never happened. Now we are at the point where a company which pulled out of the original assessment process, under then Premier Lennon, because it was too rigorous and they could not meet the requirements and which corrupted the whole process has told the minister it wants tougher conditions. Why would anybody believe them?

Furthermore, this company has put forward a proposal for a pulp mill that has had so many variations. One minute it was going to be a plantation based mill using chlorine-free technology. The next minute it was going to have native forests and not be chlorine free. Now it is going to be plantation based and, we are told, elemental chlorine free, which means chlorine dioxide and which means there will be organochlorins in the effluent going into Bass Strait.

What is so disgraceful about what is going on at the moment is that the community has not been allowed to see or comment on Gunns’s modules for hydrodynamic modelling and other data they had to put in for the management plan. The last time the community got an opportunity to comment the result was that Minister Garrett said that Gunns’s information was not sufficient for him to be able to understand the full impacts to Commonwealth waters and that he could not have absolute confidence in the proposed management and response strategies to protect the marine environment. He came to that conclusion because at that point the community had been able to look at Gunns’s information.

The minister still has not made that available to the community. Now that the minister has decided to give Gunns leeway so that it can submit whatever it wants beyond the deadline, the minister must put this information up on the internet for the community to look at. It is simply not good enough to say, ‘We’ve asked the company and they’ll put it up some time.’ Yes, they will—after the decision is taken, after the deadline for the community to be able to look at it and ask, ‘Is this adequate or is it not adequate?’ It is a complete breach of process that we have a proposed facility of this size and magnitude and the potential pollution of Bass Strait and the airshed of the Tamar Valley. We are now seeing so many variations. The company has
not been required to go back to day one and put up the final proposal that they want assessed.

This is a corrupted process. It is a corrupted mill. It does not have a social licence to operate and never will have, because the community does not want it there and does not trust this company, having been told so many lies over a long period of time about what this company will do. Initially, the pulp mill taskforce, on which Forestry Tasmania’s Bob Gordon was one of the leading luminaries, said Gunns would have a stack so high it would go above the inversion layer. How ridiculous! That is the kind of misleading information the community has been given.

Minister, if you are going to give Gunns the chance of more time, you should tighten the guidelines to that which they should have been originally and make that information available to the community now so that it can assess it and give you feedback before you make your final decision. It is critical that that happen. Instead, the community is being shut out and Gunns is being given the benefit of the doubt again, consistent with its delay, delay, delay—undermining the conditions and pulling out of the environment assessment processes. This mill will not proceed, regardless of what the minister is saying about this. In particular, right now he needs to go out there and give the community information it needs.

Question agreed to.

MINISTERIAL STATEMENTS

Universal Periodic Review

Senator LUNDY (Australian Capital Territory—Parliamentary Secretary for Immigration and Multicultural Affairs and Parliamentary Secretary to the Prime Minister) (3.37 pm)—On behalf of the Attorney-General, Mr McClelland, I table a ministerial statement on the Universal Periodic Review, together with a draft report of the working group on Australia’s Universal Periodic Review.

Senator SIEWERT (Western Australia) (3.38 pm)—by leave—I move:

That the Senate take note of the statement.

I must admit I was disappointed to see the government’s response to the UN Universal Periodic Review where they did not respond in a comprehensive manner at the time of the review at the committee. A lot of what was contained in that Universal Periodic Review report, 145 recommendations, was in fact hardly a surprise to the government that these recommendations were made. I am focusing in particular on the Aboriginal and Torres Strait Islander issues and note some of the main recommendations were about, firstly, fully restoring the operation of the Racial Discrimination Act in Australia. Again, that is hardly a surprise. It is an issue that the NGO report certainly raised. Other issues included withdrawal of its reservations to the CERD, which is the Convention on the Elimination of Racial Discrimination and implementation of the UN Special Rapporteur reports on the rights of Indigenous peoples from 2009. Those issues have been on the table for a long time. Then there were issues around strengthening the efforts to combat family violence, especially against Aboriginal and Torres Strait Islander women and children; review of all deaths in custody; increased Aboriginal and Torres Strait Islander access to legal aid, especially for women; issues around compensation for the stolen generation; and reforms to the Native Title Act. The issue around the stolen generations and reparations was raised a long time ago in the Bringing them home report. I myself have a bill in this very place to address many of those issues, but those issues have been raised for a very long time. And in particular there were the Social Justice Commissioner’s report on native title in 2009 and
the issues around implementing the DRIP, which is the Declaration of the Rights of Indigenous Peoples, and including those into law. In other words, there were a lot of recommendations that were made. These issues are hardly new.

The government did acknowledge the issues around the significant disadvantage that Aboriginal people and Torres Strait Islanders face in this country. What I find distressing is that that seems to equate with the government in some way justifying reducing the rights of Aboriginal and Torres Strait Islander people, for example as happened in the Northern Territory emergency response, the NTER, where Aboriginal people’s rights were removed or downgraded through discriminatory practices and the exemption of the measures from the Racial Discrimination Act, and they have not been fully restored despite claims by the government.

I think Australia should have taken a much stronger stance at that time and made some stronger commitments. I look forward very passionately to seeing the government’s response when they do respond in a couple of months time and hope that they do respond in a full and comprehensive manner to those 145 recommendations. I will be looking in particular at the comments on the recommendations, especially those that impact on Aboriginal and Torres Strait Islander people’s rights. I think it is quite obvious, and it is in fact internationally recognised, that to start addressing disadvantage you have to make sure that Aboriginal and Torres Strait Islanders and indigenous people are able to fully exercise their human rights. That is one of the issues that leads to their disempowerment and their alienation and can add to their disadvantage.

Australia will be watched very strongly by the international community on the way it responds to these 145 recommendations. I know there are groups around the country that are carefully looking at the recommendations from the Universal Periodic Review and will be, I hope, talking to government about them.

Senator LUNDY (Australian Capital Territory—Parliamentary Secretary for Immigration and Multicultural Affairs and Parliamentary Secretary to the Prime Minister) (3.43 pm)—It is certainly the government’s intention to provide a full and comprehensive response to the recommendations. I think it is a little gratuitous for a Greens senator to stand up and make a complaint about not responding in the three-day time period for the initial report. I am extremely proud and in fact I had the honour of leading the Australian delegation at Australia’s UPR on behalf of the Attorney-General, Mr McClelland, who was needed here in Australia in his role with regard to the flood response.

The recommendations made to Australia through the course of our UPR process are under full consideration. I know that the various NGOs and those who are interested in the issues relating to Australia’s human rights record would appreciate that a comprehensive and thoughtful response at the appropriate time is in fact the best possible position for the Australian government to take. There were many recommendations made. It should be said that the serious progress that has been made under the federal Labor government was widely acknowledged by members of the UN Human Rights Council. I was extremely proud to be able to relay to the Human Rights Council our substantive progress in human rights issues across a number of fronts.

Question agreed to.
Committees
Education, Employment and Workplace Relations References Committee
Report: Government Response

Senator Lundy (Australian Capital Territory—Parliamentary Secretary for Immigration and Multicultural Affairs and Parliamentary Secretary to the Prime Minister) (3.45 pm)—I present the government response to the interim report of the Senate Education, Employment and Workplace Relations References Committee on the Primary Schools for the 21st Century program.

In accordance with the usual practice, I seek leave to have the document incorporated in Hansard.

Leave granted.

The document read as follows—
Primary Schools for the Twenty First Century: Government Response to the Interim Report
Senate Education, Employment and Workplace Relations Committee

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<th>Recommendation</th>
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<td>Recommendation 1</td>
<td>Disagree</td>
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<td>The committee majority recommends that all quarterly reports on maintaining state spending on primary school infrastructure be made available immediately.</td>
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<td>Information in the quarterly reports is provided by the States in confidence and on the understanding that it would only be made public, in respect of a particular state, if the Commonwealth decided to impose a sanction on that state for failure to meet its benchmark.</td>
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| Recommendation 2 | Disagree |
| The committee majority recommends that when the next round of P21 funding is made available the remaining P21 program funds be provided directly to those government schools choosing to manage their own projects to completion. |
| With over 99 per cent of all P21 projects having commenced as at 31 December 2010, providing schools with funds directly, particularly where contractual commitments are already in place, would serve little benefit. |
| In its August 2010 interim report, the BER Implementation Taskforce recommended that projects not yet committed should be delivered in accordance with a pre-BER ‘business as usual’ approach to capital works and that school stakeholders should be more involved in decision making. |
| The Government has agreed to implement this recommendation made by the Taskforce in its August 2010 interim report. |

| Recommendation 3 | Noted |
| The committee majority recommends that the government immediately require all state and territory education authorities and Block Grant Authorities to publish breakdowns of all individual P21 project costs. |
| In its August 2010 interim report, the BER Implementation Taskforce recommended that in the interest of transparency and public accountability, each education authority publish school specific project cost data related to BER P21 in a nationally common structure with consistent definitions. |
| The Government has agreed to put in place a nationally common structure with consistent definitions. This structure was published in January 2011 with the agreement of education authorities. |
Recommendation 4
The committee majority recommends that DEEWR release original applications and project costs as P21 projects are completed, together with an explanation regarding any contract cost variations.

Agree in part
Consistent with the response to recommendation 3, the Government has agreed to put in place a nationally common structure with consistent definitions for reporting on project costs. This structure was published in January 2011 with the agreement of education authorities. The Government does not agree to release original applications as they pre-date detailed tendering and procurement processes and buildings were not designed or costed in detail at that point. In addition, the original applications and project costs may have been subjected to variations for a number of valid reasons and this will not be evident in this information.

Recommendation 5
The committee majority recommends strengthening accountability mechanisms for oversight of state expenditure of Commonwealth money. This should include enhancing the powers of the Auditor-General to ‘follow the money trail’ to ensure value for money is achieved by the Commonwealth for state expenditure of Commonwealth monies.

Noted
This issue was covered in the terms of reference of the Joint Committee of Public Accounts and Audit (JCPAA) Inquiry into the Auditor-General Act 1997. While that inquiry lapsed with the prorogation of the Parliament on 19 July 2010, it would be appropriate for government to respond to this issue through any recommendations arising from that Inquiry. The Government further notes that the BER Implementation Taskforce was established by the Australian Government in April 2010 with the express purpose of assessing value for money aspects of individual projects, as well as systemic issues, and ensuring allegations of waste are fully investigated. With the ongoing work of the Taskforce, a Senate inquiry, two state parliamentary inquiries, an Australian National Audit Office audit and the various audits being undertaken within jurisdictions the BER is a heavily scrutinised program.

Agree
The Government established the BER Implementation Taskforce to provide an additional level of scrutiny over the implementation of the BER program, assessment of value for money and the use of Australian Government money. In its August 2010 interim report, the Taskforce noted that it is receiving cooperation from Education Authorities to access costings and relevant contracts.

Disagree
The BER Implementation Taskforce released its interim report on 6 August 2010. The Government has accepted and will implement in full all 14 recommendations. The report stated that the BER program “is delivering much needed infrastructure to school communities while achieving the primary goal of economic activity across the nation.” The Government will continue to consider recommendations from the Taskforce regarding any future payments.
Recommendation 8
The committee majority recommends that the BER Implementation Taskforce report be made publicly available when it is presented to the Minister for Education.

Recommendation 9
In order to fully examine the systemic failure of Commonwealth oversight mechanisms, the committee majority recommends that a judicial inquiry be established to inquire into whether the BER program has achieved value for money.

Agree
The BER Implementation Taskforce interim report was made publicly available when it was released on 6 August 2010. The Taskforce’s first full report was also made publicly available when it was released on 15 December 2010.

Disagree
The Government believes a judicial inquiry is a long and expensive exercise that is unnecessary for a program that has already been subject to an Australian National Audit Office investigation and federal and state parliamentary inquiries. The Government established the BER Implementation Taskforce to provide an additional level of scrutiny over the implementation of the BER program, assessment of value for money and the use of Australian Government money. The independent chair of this taskforce has testified that all 22 Education Authorities are fully cooperating with his inquiries and making all requested documentation available. The Taskforce comprises specialist expertise from the building and construction industry, economists, Quantity Surveyors and contract law experts.
Response to Recommendations

Recommendation 1
The committee recommends that a more rigorous and comprehensive approach is taken to the identification of national priorities for inclusion in the Caring for our Country Business Plan. This process must include engaging regional and local expertise to ensure that targets established in the Business Plan are relevant at the regional and local level.

Response
The Government agrees with the need for a rigorous approach to the establishment of national priorities. The six Caring for our Country national priority areas identify the Australian Government’s commitment to improve the most urgent environmental and sustainable resource management challenges Australia faces.

The Government recognises the benefits of engaging regional and local expertise to determine the more specific priorities of investment through the Caring for our Country business plans. Accordingly, the Government engaged widely with key stakeholders, including landholders and community groups, regional natural resource management organisations and non-government organisations and state/territory governments in development of investment targets and investment approaches for the 2010-11 business plan.

Key stakeholders will continue to be consulted and feedback on Caring for our Country will continue to contribute to the development of investment targets and investment approaches in framing future Caring for our Country business plans.

A review of Caring for our Country initiative is due to be completed by mid 2011. The review will involve an evaluation of the achievement of Caring for our Country targets and five-year outcomes to date. It will also examine the delivery of Caring for our Country to ensure it is capable of meeting emerging national resource management priorities. Engagement with regional bodies and the community will be an important part of this process.

Recommendation 2
The committee recommends that the Commonwealth Government continue to pursue bilateral agreements with state and territory governments to ensure greater investment in natural resource management and the continuation of natural resource management reform.

Response
The Australian Government agrees in principle with this recommendation. Caring for our Country is based on a commitment by the Australian Government to focus its expenditure and effort on national priorities in natural resource management. States also have responsibilities to ensure appropriate levels of resource management and environmental stewardship. Many Caring for our Country initiatives are delivered in partnership with State governments and agencies. To this end, bilateral agreements will continue to be pursued where relevant. The planned review of Caring for our Country will enable further exploration of the need for further reform of the national approach to natural resource management.

Recommendation 3
The committee recommends that the role of regional NRM organisations under Caring for our Country be more clearly defined and that a review be undertaken to assess the adequacy of support provided to regional NRM organisations in this regard. This review must consider the appropriate level of institutional support and baseline funding necessary for regional NRM organisations to successfully undertake this role.

Response
The Australian Government agrees, noting that administrative arrangements for the establishment of regional NRM organisations vary between jurisdictions from institutional models with high levels of community empowerment to models where State government agencies retain full responsibility for all statutory functions.

The Government acknowledges these differences between jurisdictions and operates with each regional NRM organisation to accommodate specific needs. The Government continues to liaise with regional bodies through the National NRM Regions Working Group (the working group) and Regional Chairs Forum. The working group organises an annual forum and a bi-annual conference which the Australian Government fully supports to enable regional organisations to discuss
emerging issues. The Australian Government actively participates in these events. The regions continue to play an important role in facilitating partnerships and developing collaborative projects which deliver Caring for our Country outcomes.

In terms of financial support, the Australian Government has committed a total of $711 million in regional base-level funding to the 56 regional NRM organisations for the first five years of Caring for our Country.

Base-level allocations are determined to ensure that regional NRM organisations are resourced adequately to assist in delivering of Australian Government Caring for our Country outcomes.

State and territory governments also have a central role in supporting regional NRM organisations. They provide financial contributions to NRM regions to varying degrees, the levels of which are determined by State/Territory governments’ individual circumstances.

‘NRM Governance System Foundations and Principles’ was a topic discussed at the 2010 National NRM Chairs forum and will contribute to ongoing evaluation of the role of NRM regional organisations.

This issue will be explored in the Review of Caring for our Country due to be completed by mid 2011.

Recommendation 4

The committee recommends that the Commonwealth Government consider avenues for providing clearer requirements and incentives to stakeholders to collaborate with a range of project partners on long-term landscape scale strategic planning and action.

Response

The Australian Government agrees with and is implementing this recommendation. Opportunities exist for proponents to work with and secure corporate sponsorship to enhance their funding bids and increase the outcomes under Caring for our Country. The Government is keen to support projects that are delivered by parties working together in partnerships where this adds value and more effectively delivers on our targets.

The Caring for our Country Business Plan 2010-11 provides specific guidance on partnerships between stakeholders in sections 1.4 - Co-investment opportunities and 1.5 - Building Partnerships.

Proposals underpinned by a strong partnership can capture a wide pool of knowledge and skills and bring together those particular networks of people and resources essential to the project’s success.

Caring for our Country has three national coordinators who work at the national level with key Indigenous stakeholders and non-government organisations to improve engagement and broker partnerships that deliver Caring for our Country outcomes. Each coordinator has a specific target engagement area - Business and Industry, Local Government and Indigenous.

Recommendation 5

The committee recommends that the evaluation method for competitive bid applications be modified to give greater consideration to the likelihood of projects achieving defined and measurable environmental outcomes.

Response

The Australian Government agrees with and is implementing this recommendation. The Caring for our Country business plan 2010-11 and competitive bid assessment process was extensively reviewed as a result of significant stakeholder feedback, including recommendations from the Committee.

The contribution that proposals make to the Caring for our Country business plan targets form a very important part of the assessment process. Proposals must demonstrate the ability to make clear and measurable achievements against targets. In addition the assessment process will take into account the following:

- proponents’ demonstrated capacity to deliver results
- proponents’ demonstrated technical feasibility
- relevance of proposed activities to chosen targets
- proponents’ level of engagement with relevant stakeholders
• the scale and degree of proposed intervention
• potential to raise community awareness and enhance skills
• that the proposal is based on the best available science at the time and builds on the collective knowledge of what works best
• the public or broader community benefit derived from the project
• risk level of activities not being able to proceed and risk mitigation plan, and
• overall value for money.

Recommendation 6
The committee recommends that the funding model for Caring for our Country be reviewed and consideration be given to increasing the level of overall funding.

Response
Decisions relating to changes to the Caring for our Country funding model and the overall level of funding are made by Government in the context of its overall Budget priorities. The Government has, through the 2010-11 Budget, maintained its commitment to investing more than $2 billion over the first five years of Caring for our Country.

To help deliver its strategic goal, Caring for our Country investments in each financial year are focused through annual business plans, which define the investment targets for priority areas, and particular investment approaches to achieve these targets. These investment approaches are subject to a process of ongoing improvement to reduce administrative overheads.

Targets for the 2010-11 business plan were developed following a review of targets, which incorporated direct feedback from stakeholders on the previous business plan. This review was undertaken to ensure the continuing relevance of targets to the five year outcomes and the overall strategic goal for Caring for our Country.

For example, the 2010-11 business plan incorporates new investment approaches including Open Call (co-investment) and expression of interest (EOI), and continues the existing regional base-level investment and Community Action Grant investment streams. The co-investment and EOI approaches are designed to focus on specified and significant environmental, agriculture and fisheries issues.

Further opportunities to refine the funding approach will be examined as part of the scheduled review.

Recommendation 7
The committee recommends that the application process be reviewed and that avenues for reducing the costs involved in submitting applications be considered, including the lodging of expressions of interest.

Response
The Australian Government agrees with and is implementing this recommendation. The application process for the Caring for our Country business plan 2010-11 has been redesigned, taking into account public comments. A streamlined, fully automated online application process is now available for the majority of Caring for our Country components (including open call, regional base-level expressions of interest, and sustainable practices expressions of interest). The new online application forms are easy to navigate and include a large number of drop-down menus. Improved support arrangements have also been included, such as embedded help functions and links to additional information.

These new arrangements simplify and reduce transaction costs associated with the preparation of applications. Section 2 of the business plan clearly identifies for each target what the Government is looking to invest in and provides guidance when developing proposals. Applicant feedback in response to these new arrangements has been positive.

An Expression of Interest (EOI) approach has also been applied to allow for greater negotiation for proposals - for example for the Sustainable Practices larger scale proposals with a value of between $300 000 and $1.5 million.

The Community Action Grants program aims to reduce administrative burden to applicants by streamlining the funding process from application to project acquittal. Examples of this streamlined process include an entirely online application requiring no attachments: a short and simple funding deed by which proponents are
contracted; and, a straightforward acquittals process.

### Recommendation 8

The committee recommends that a framework be established to provide consistent support and feedback to all applicants for funding under Caring for our Country.

### Response

The Australian Government agrees to this recommendation. The Government has established avenues for providing feedback and support services at all stages of the roll out of the 2010-11 business plan, including through:

- Public information sessions on the 2010-11 business plan held in all capital cities and a number of major regional centres in January-February 2010
- Improved web-based support documentation (available also in hard copy for those who require it)
- A 1800 number and email help and support facilities
- Australian Government facilitators in all states and territories.

### Recommendation 9

The committee recommends that the NRM Ministerial Council convene a working group to develop a framework and generic criteria which would form the basis for an ongoing process of audit of the condition of Australia’s natural resources. The development of the framework and criteria must involve close liaison with departments and agencies involved in natural resource management at the Commonwealth, state and territory and local level and Commonwealth, state and territory audit offices.

### Response

The Australian Government agrees in principle with this recommendation and acknowledges the need to establish a better system of environmental monitoring. In response to the ideas raised at the Australia 2020 Summit, and supported by the recent Independent review of the Environment Protection and Biodiversity Conservation Act 1999, the Australian Government announced in the 2010-11 Budget the establishment of a National Plan for Environmental Information. The plan establishes the path for the delivery of a set of credible national environmental accounts. This initiative will coordinate and prioritise the way the Australian Government collects, manages and uses environmental information. It will improve the coordination and consistency of environmental information across jurisdictions.

Examination of the ongoing evaluation and monitoring of Caring for our Country and achievements against its five-year outcomes will be included in the review of the initiative scheduled for completion by July 2011.

Senator SIEWERT (Western Australia) (3.45 pm)—by leave—I move:

That the Senate take note of the document.

I am particularly keen to talk about this government response. It was in fact me who referred this matter to the Rural and Regional Affairs and Transport References Committee, which is now called the Rural Affairs and Transport References Committee. I got the support of the chamber for this reference because there are a number of members, I will acknowledge, from the coalition who were also very concerned about the progress of natural resource management in Australia with the introduction of Caring for our Country. We were concerned that the considerable progress that was being made under the NHT and Landcare was being undermined by changes to the process in Caring for our Country. I will say from the outset that it was acknowledged that NHT was not perfect, but it had developed through evolution and an iterative process to something that a number of us thought was at least heading in the right direction—in particular with regard to the role of regional natural resource management groups, of which there are 56 around this country. While they are not perfect—and I have never argued that they are—they were evolving to take responsibility for natural resource management and Landcare, particularly at the landscape scale, which is especially important.
I am pleased to see that the government has finally responded to our recommendations, of which we made a number. We are pleased that it appears to substantially agree with a number of the recommendations. However, when you read the detail—as the common saying goes, the devil is in the detail—I do not think it agrees with them as much as it first appears to. Recommendation 1 was:

The committee recommends that a more rigorous and comprehensive approach is taken to the identification of national priorities for inclusion in the Caring for our Country Business Plan. This process must include engaging regional and local expertise to ensure that targets established in the Business Plan are relevant at the regional and local level.

Anyone can read through the 2010-11 business plan and talk to some of the stakeholders. I do not think it is fair to say that there was extensive consultation over the development of that business plan.

We are concerned that the inquiry very clearly demonstrated that there are serious and fundamental issues with the current approach to natural resource management. I am pleased that the government has finally acknowledged that, by undertaking a review of Caring for our Country. I have to put on the record that I am disappointed that it is an internal departmental review. It is the department and the government processes that in fact have taken us to where we are with Caring for our Country. I think it is very fair to say that there has been a significant lack of community consultation and meaningful—and the key word here is ‘meaningful’—consultation with natural resource management groups and Landcare.

The national priorities, which look good on a big scale, are not translating very well into many regional areas, and many regional groups have had their funding cut by a very substantial amount, to the point where you are seeing people leave Landcare and natural resource management. Not only are we losing paid staff from a number of these areas—very good people who we may not get back into natural resource management; we are losing volunteers. I personally know volunteers who have been involved for three decades in natural resource management who have either walked away or are walking away.

So it is imperative that we get Caring for our Country fixed so that we can start delivering against these national priorities and translate them into regional outcomes. What we are seeing in my home state of Western Australia, for example, is that the issue of salinity has been dropped as a national priority. We are going back to the bad old days of trying to treat some problems such as wind erosion in isolation rather than at the landscape scale. One of the issues that came out in the report was the competitive grants process. In theory it sounds really good to have a competitive grants process, but what we found happened was that competition within the regional organisations means that people are not taking a collaborative approach anymore to the way they develop projects, which is what they used to do. They used to collaborate, and now you are finding that small groups within regional groups have to keep their ideas to themselves, without sharing them and thus getting a much better project.

So the review needs to be very comprehensive and needs to do a lot of consultation. I asked about this in estimates. I note that news of the review was released an hour before we were due to ask questions about it in estimates, at 4.30 pm on the first Monday of estimates. While I was very pleased that it had been released, I found the timing quite interesting. It meant the department could say it had been released but none of us could have a look at it and question them about it.
So we will be watching this process very carefully. At the time, the department could not tell us their plan for consultation, which I find disturbing given that one of the major complaints at the moment is the lack of consultation and cooperation within NRM groups. But there is an urgent need to get the Caring for our Country program back on track so that we can start getting our natural resource management issues sorted. There are still major natural resource management issues facing this country. We need to make sure that Caring for our Country is refocused, that it is delivering real outcomes and that it is fostering a cooperative, landscape-scale approach that genuinely deals with the issues.

One of the many other issues we addressed was the issue around bilateral agreements with the states and territories, which we used to have under NHT and which required the state and territory governments to come to the party to cooperate with landholders, natural resource management regions and Landcare groups. We no longer have those bilateral agreements, and some of the state governments, in my opinion, are walking away from some of their responsibilities under NRM. While the government in their response say that they are going to be looking at them, I think we need a stronger response by government.

It is clear from this that the government are acknowledging that there are issues, and I am pleased and congratulate them on that. They will be judged now, though, on how they handle the review. It is a shame that it is a purely internal review. I urge them to bring some more independent people in to help with that review, to provide advice on that review, and ensure that they have a thorough, meaningful consultation process so that we get some good outcomes from the review. I then urge them to implement those outcomes as a matter of urgency.

Senator IAN MACDONALD (Queensland) (3.53 pm)—It is not often that I congratulate the Greens political party on anything—in fact, I will not break my long-held ‘paranoia’—but I will congratulate Senator Siewert, who, without embarrassing her and putting the kiss of death on her future, is the one member of the Greens political party who is a genuine environmentalist and who actually knows something about environmental management. In fact, I humbly suggest that she knows more than practically anyone in this chamber about the issues she was just talking about. I am very pleased to support Senator Siewert in what she has said on the report Natural resource management and conservation challenges, which, as she said, she initiated and which the coalition wholeheartedly supported.

I agree with Senator Siewert that the Caring for our Country program certainly did need review. It somewhat annoys me. The previous government was advised by the same bureaucrats who advise this government. As Senator Siewert mentioned and as I often conceded, when we started on the Natural Heritage Trust there were a lot of different approaches and some things did not work. But, working with the bureaucrats when we were in government and, more importantly, listening to people like Senator Siewert and, perhaps even more importantly than that, listening to the groups on the ground who were at the coalface, we implemented changes over time. Whilst no-one can ever say we had it perfect, I think we had it pretty close to what it should have been.

A new government came into power and—I think for no other reason than that a new government must wipe away anything good that the previous government did, said or initiated and have a new name for a program and new rules—we seemed to go almost right back to where we had started with the Natural Heritage Trust five, six or seven
years before. Because of political influence, if I can say that, because of the need for a new government and a new minister to be different and not take on a program which I think had stood the test of time, we had the new Caring for our Country program. Change the name if you must, but do not change the basis of the delivery of the program. But that is what happened, so we have had a hiatus now of almost three years while we have struggled with the new rules and people have demonstrated clearly that it does not work.

I think this is the second inquiry we have had into this sort of thing. We have flown people all around the countryside to give the committee and, through the committee, the government the benefit of real advice. I am told by those close to the ground that the government, through the bureaucracy, now understands that changes have to be made. The bureaucracy—good luck to them—I think have convinced the minister that changes need to be made.

All of the problems that Senator Siewert identified in her contribution are there. The worst one that I became aware of was that, instead of various land management and natural resource management groups working together collaboratively to get a regional approach to natural resource management, they were put into a position where they were competing against one another. Whereas in the past one would have supported the other, they suddenly came to the position that they could not really support that other group because if that group won it would mean money coming off theirs. It was just a complete shemozzle.

Clearly, as Senator Siewert and other senators demonstrated during the course of the inquiry, there has been a reduction of money going to natural resource management. It is all smoke and mirrors. When you try to find it in any budget, the smoke will confuse the mirror and they will lead you round a garden path, but I think it is quite clear that there is less money being spent on natural resource management now under the Caring for our Country program than there was previously.

I regret to say that I have a feeling that the government feels that NRM, natural resource management, is not quite as sexy as it used to be. It is not the flavour of the month. You do not get much media bang for your buck anymore. It gets pushed aside a bit. It is not quite as popular a community activity as it used to be. That is a shame because the best way we can deal with our biodiversity, with our environment in the broad, and, at the same time, the best way we can help our farmers and our producers on the land to grow crops sustainably and well is to get people on the ground in the local catchment areas working together to help, to do what they all know needs to be done.

This is a collaborative effort. It needs farmers who have lived all of their lives on the land and understand that it needs to be protected. It also needs the scientists, it needs those activists and it needs those people who are committed to the environment and are very, if I might say, upwardly mobile when it comes to natural resource management. It is the best environment policy that you can settle upon without all of the hoo-ha, political correctness and political point scoring that usually happens when the environment is mentioned.

I congratulate the committee. I congratulate Senator Siewert on her initiation and on the lead role she played in it. I am perhaps over the time that I allotted myself with my whip, but in concluding I will again put on record the great work the NRM groups, particularly in my own home state of Queensland, do in managing natural resources. I am
a Queensland senator and you would expect me to know more about Queensland than elsewhere, but in Queensland we have the situation, which I think is replicated in Western Australia, where community groups actually spend the money, do the work and direct the appropriate management of our natural resources. In some other states they are state government instrumentalities, many of whom do not do a bad job I have to concede, but they are state government instrumentalities and therefore they can be subjected to other influences in how they spend the money and what they do. Certainly in Queensland these community groups do an absolutely fabulous job. They are very professional. They do tremendous work for our natural resources and I never miss the opportunity to congratulate them for the work they do in my state of Queensland.

Question agreed to.

DELEGATION REPORTS

Parliamentary Delegation to the Republic of Tunisia

The ACTING DEPUTY PRESIDENT (Senator McGauran) (4.01 pm)—I present the report of the official visit of the President of the Senate to the Republic of Tunisia, which took place from 19 to 21 September 2010.

DOCUMENTS

Innovation Australia Annual Report

Senator LUNDY (Australian Capital Territory—Parliamentary Secretary for Immigration and Multicultural Affairs and Parliamentary Secretary to the Prime Minister) (4.02 pm)—I present the 2009-10 annual report for Innovation Australia.

COMMITTEES

Public Accounts and Audit Committee

Report

Senator McEWEN (South Australia) (4.02 pm)—On behalf of Senator Bishop I present the 421st report of the Joint Committee of Public Accounts and Audit, The role of the Auditor-General in scrutinising government advertising.

Senator McEWEN—by leave—I move:

That the Senate take note of the report.

I seek leave to have the tabling statement incorporated in Hansard.

Leave granted.

The statement read as follows—

Mr President, on behalf of the Joint Committee of Public Accounts and Audit, I present the Committee’s Report 421: The role of the Auditor-General in scrutinising government advertising.

This report is tabled on behalf of the Committee of the previous Parliament, which undertook all of the work for the inquiry, including the conduct of the public hearings and the preparation of the report. After consideration of the report and its findings the current Joint Committee of Public Accounts and Audit has decided to adopt this report.

The inquiry was instigated by the previous Committee in October 2008 to examine the Auditor-General’s new role in scrutinising compliance of public advertising campaigns under the Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies. Under the Guidelines implemented in 2008, the Auditor-General was not required to decide whether a campaign would run or not, but only to provide a review opinion as to whether they considered the Guidelines had been satisfied.

The Committee commended the ANAO for the diligence with which it undertook its role and believes that the ANAO’s involvement increased transparency. However, it is important to note that by the end of the inquiry, all Committee members agreed that it was not an appropriate role for the Auditor-General to be involved in the scrutiny of proposed advertising campaigns. They considered that it blurred the boundary between executive decision-making and audit review.

Some Committee members were also concerned that a positive review report by the Audit-
tor-General could be seen to be publically endors-

The inquiry was still in progress when, on 31
March 2010, the Special Minister of State an-
nounced, in response to the Independent Review
of Government Advertising Arrangements, a re-
efined framework for government campaign adver-
tising. In consequence, the Auditor-General’s role
in reviewing proposed advertising campaigns
before their launch was abolished. Instead, the
Auditor-General would be asked to conduct a
performance audit on at least one campaign per
year or the administration of the campaign adver-
tising framework.

The Committee seriously considered the op-
tion of continuing to scrutinise government adver-
tising, due to it being such a subjective area of
government spending. The Committee concluded
however that the Auditor-General’s forward
works program is likely to achieve this same pur-
pose. That being said, the Committee will take
particular note of the Auditor-General’s forthcom-
ing report regarding the implementation of the
new system.

As a result of the inquiry, the Committee con-
siders that in future, any substantial proposed
changes to the role of the Auditor-General should
be first reviewed by this Committee on behalf of
the Parliament and not effectively implied by
executive announcement. This would more pro-
perly reflect the Auditor-General’s standing as an
Independent Officer of the Parliament. The
Committee believes that many of the difficulties
with the advertising function, discussed in this
report, would have been picked up earlier if such
a process had been followed.

The Committee has therefore made one rec-
ommendation to this effect.

In closing, I would like to commend the Chair
of the previous committee, Ms Sharon Grierson,
and all Committee members on the work of this
inquiry and this report. The report is a compre-
hensive consideration of the issues surrounding
the Auditor-General’s role in scrutinising gov-
ernment advertising.

Mr President, I commend the Report.

Question agreed to.
Environment and Communications Legislation Committee—
Appointed—
Substitute member: Senator Siewert to replace Senator Ludlam for the committee’s inquiry into the Environment Protection and Biodiversity Conservation Amendment (Bioregional Plans) Bill 2011
Participating member: Senator Ludlam

National Broadband Network—Joint Standing Committee—
Appointed—
Senators Birmingham, Fisher and Macdonald

Question agreed to.

ELECTORAL AND REFERENDUM AMENDMENT (ENROLMENT AND PRISONER VOTING) BILL 2010
First Reading
Bill received from the House of Representatives.

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (4.04 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 McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers) (4.04 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—
I am pleased to present the Electoral and Referendum Amendment (Enrolment and Prisoner Voting) Bill 2010, to amend the Commonwealth Electoral Act 1918 (the Electoral Act) and the Referendum (Machinery Provisions) Act 1984 (the Referendum Act) to implement two decisions of the High Court of Australia and to give effect to two other matters.

The first of the High Court decisions is Rowe v Electoral Commissioner, as decided on 6 August 2010.
This case relates to the period of time before the close of rolls, allowed for voters to either ensure that they are on the electoral roll, or to update their details following the formal issue of a writ for an election.

While the High Court has not yet handed down the reasons for its decision, there is sufficient information to amend the legislation to reflect the High Court’s decision.

The second High Court decision is Roach v Electoral Commissioner, as decided on 30 August 2007, with reasons published on 26 September 2007.
This decision relates to the franchise for people who may be serving a sentence of imprisonment.

Schedule 1 to the Bill addresses the Rowe decision and contains amendments relating to the close of rolls.
Schedule 2 to the Bill addresses the Roach decision and contains amendments relating to prisoner voting.

In short, the Bill will amend the Electoral Act to restore the close of rolls period to 7 days after the date of the writ for a federal election; and reinstate the previous disqualification for prisoners serving a sentence of imprisonment of 3 years or longer, from voting at a federal election.

In effect, the two decisions of the High Court reversed amendments made to the Electoral Act...
in 2006, to alter the arrangements in relation to the close of rolls and prisoner voting, and restored the arrangements that applied before these amendments.

Consequential amendments to the Referendum Act will also need to be made to ensure consistency between the two Acts.

In this context, a referendum is the formal constitutional amendment process, set out in section 128 of the Australian Constitution.

Two other matters are also addressed by the Bill.

First, on 22 June 2009, the Joint Standing Committee on Electoral Matters tabled its report, entitled Report on the conduct of the 2007 federal election and matters related thereto.

The Bill seeks to implement the Government’s Response, of 18 March 2010, to Recommendation 47 of the Committee’s Report.

The amendments would ensure that while prisoners serving a sentence of imprisonment of 3 years or longer will be disqualified from voting, they may, during this period of disqualification, remain on, or be added to, the electoral roll.

Remaining on the electoral roll will ensure that a prisoner who has served his or her sentence does not have to enrol for a second time, and will, in part, assist the prisoner’s transition back into Australian society.

Second, the Bill includes an interpretative provision to ensure that certain references in the Electoral Act to “an election for a Division”, or similar expressions, can operate in the event of a half Senate election held independently from an election for the House of Representatives.

This addresses an anomaly in the Electoral Act.

This Bill, though narrow in its scope, is important.

In my view, it is appropriate for the Parliament to respond to these two decisions of the High Court of Australia to ensure that the Electoral Act reflects the current state of the law.

Debate (on motion by Senator McLucas) adjourned.

ADMINISTRATION-GOVERNMENT COMMITMENTS

Senator CORMANN (Western Australia) (4.05 pm)—by leave—on behalf of Senator Fifield I move:

That the Senate notes that after more than 3 years in office and a change in Prime Minister, the Government still has not found its way and continues to fail to deliver on its commitments to the Australian people.

Just over three years ago Australians were promised the world by Labor. What has Labor delivered? They have delivered waste, mismanagement, record deficits, more than $40 billion in new or increased taxes and $94 billion worth of net government debt. Having inherited a very strong financial position when they came into government, they have turned that around in record time. That is from a Prime Minister who promised he would be an economic conservative, a Prime Minister who promised us root-and-branch reform of our tax system and instead delivered multibillion-dollar tax grabs one after the other in an ad hoc fashion, a Prime Minister who promised us fairer and simpler taxes and came up with taxes that are now more complex and manifestly less fair.

Of course, all of this was going to change with the overnight change in Prime Minister towards the end of June. Everything was going to be better. The government under Kevin Rudd, the then Prime Minister, had lost its way and Prime Minister Julia Gillard was going to find the way back for them. So what has happened? The first act of Prime Minister Gillard was to sit down in secret, in private, and negotiate with three taxpayers the design of a multibillion dollar new tax—excluding all of their competitors from the process, which has got significant competitive implications for those competitors—and things have got worse from there.
Julia Gillard as Prime Minister, in order to retain minority government, negotiated a deal with the Independents. In a very well-publicised press conference, Mr Windsor and Mr Oakeshott signed on to support a minority Labor government. One of the big promises made at that time was that there would be a tax summit by 30 June 2011. There seems to be some confusion as to whether that commitment was indeed made. I quote from a letter from the Prime Minister to Mr Windsor in the context of the agreement that was reached:

Thank you for signing an agreement on 7 September for a Government to be formed based on support for confidence and supply.

The letter talks about a whole range of things she promises, including, in point 3:

A minority Labor Government will facilitate discussion of future tax reform as follows:

a) Convene a public forum of experts on taxation and its economic and social effects to discuss the Henry Review, with that meeting to be held before 30 June 2011.

Mr Oakeshott, in his 17-minute speech announcing to the world that he had decided to support a minority Labor government, said:

We’ve grabbed this opportunity … to achieve a couple of cracking outcomes. We have now got a tax summit that this country needs. By June 2011, we’ve got a commitment to have the Henry Tax review thrown into the public domain with full recommendations from government and a fair-dinkum open debate in this country.

That is a good and big outcome from this process, and one that hopefully demonstrates this is not going to be a weak parliament, this is going to be a strong parliament.

We were promised a more strategic approach to taxation reform. Where the Rudd government failed, the Gillard government, with the support of Mr Oakeshott and Mr Windsor, was going to be better. We now know there will not be a tax summit by 30 June 2011.

As I understand it, Dr Ken Henry, Secretary to the Treasury, will have his last day in the office tomorrow; he made his last appearance at Senate estimates last week. Dr Henry let the cat out of the bag at Senate estimates last week. He confirmed that there will not be a tax summit by 30 June 2011. In fact, the Treasurer, Wayne Swan, has told a business lunch in Melbourne: ‘It is unlikely that there will be a tax summit at all this year. If we are lucky we are going to get a tax summit in 2012.’ I well understand why this government does not want to hold a national tax summit; this government does not want to have a strategic discussion about what the appropriate taxation framework is for Australia for the future. This government wants to continue with ad hoc tax grab after ad hoc tax grab after ad hoc tax grab. This government does not want to have to justify why a particular tax is in the national interest. It just wants to go ahead with finding targets and finding political strategies on how it likes to think it can get away with yet another multibillion dollar tax.

We were promised that, under Prime Minister Gillard, things were going to change. We were told that she was going to keep her promises, for starters. One of the very high-profile broken promises in recent days was the promise not to have a carbon tax. ‘There will be no carbon tax under the government I lead,’ is what Prime Minister Gillard said on 16 August. She cannot get away from that. It was a deliberate deception of the Australian people because she knew that she had to adopt coalition policy before the election if she wanted to have a chance of getting re-elected. But she should have told the Australian people that her intention all along was to adopt Greens policy after the election. That is what she should have done.

Let me reflect on this whole carbon tax debate for a moment. This debate was settled in the last parliament. Both major parties
committed to no carbon tax, no price on carbon, in this current term of parliament. Why is that? Because the conclusion after three years of debate in the last parliament was that to impose a price on carbon in Australia in the absence of an appropriately comprehensive global framework would not be in our national interest. It would push up the price of everything, it would cost jobs and it would not help reduce global greenhouse gas emissions.

Today I asked Senator Wong what the net impact on global emissions would be from the Gillard government’s proposed carbon tax. She was not able to answer. Instead what did she do? She fudged. I asked her, ‘What is the net impact of your carbon tax on global emissions?’ She did not want to answer. Instead she started to talk about how the coalition has agreed to the same emissions reduction target of five per cent. Of course we did. But there are different ways to reduce emissions. You can reduce emissions in Australia in a way that does not have flow-on consequences in other parts of the world—through energy efficiency, better land care management practices, planting trees and doing a whole series of other things. Those things will not have any flow-on consequences in terms of increasing emissions in other parts of the world. But if you impose a price on carbon in Australia in a way that makes Australian businesses less competitive than businesses overseas who are more polluting, who end up taking market share away from Australian businesses, then that is reducing emissions in Australia in a way that will potentially increase emissions in other parts of the world.

But there is more, and clearly Senator Wong does not understand this fundamental point: if this debate is all about helping to reduce global greenhouse gas emissions, if this debate is about what the best contribution Australia can make in terms of helping to reduce emissions in the world is, then that is the debate we should be having. Of course, one of the things we could be doing is maximising our export of LNG into places such as China and Japan so it can displace coal as an energy source in those countries. Another is maximising our exports of uranium, including into countries such as India, so that nuclear as a low-emissions technology can help reduce emissions in the world. But here is the crux of the matter: if we as a country want to go down this path, it will actually mean an increase in emissions in Australia.

People on the Labor side never understand when I make this point. If we are serious about maximising Australia’s contribution in terms of reducing emissions in the world, it might well be that in Australia we have to increase emissions—

*Senator McLucas interjecting—*

*Senator CORMANN—*You see: Parliamentary Secretary McLucas laughs, because she does not understand that point either. I dwell on it because it is the crux of the public policy debate when it comes to the so-called objective of this government: to reduce global greenhouse gas emissions. Senator Penny Wong did not understand it and clearly Senator McLucas does not understand it either. It might well be in the world’s best interests for Australia to increase its emissions if it means that as a result we can reduce emissions by more in the world overall—and that is what the net impact of what we do in Australia is all about. For every tonne of additional emissions increasing LNG production in Australia we can reduce emissions in China by five to nine tonnes if it displaces coal. We can reduce emissions in Japan by about four tonnes if it displaces coal. That is a net beneficial impact for the world.
If you look at the emissions trading scheme model, it was a model that gave some compensation, but not 100 per cent. So there was going to be an additional cost for the LNG industry, an additional cost for the uranium mining industry and an additional cost to other industries that can actually help reduce emissions in the world. This government says, ‘We want to make it harder for you to do that. We want to make it more difficult for you to attract investment, to increase production of energy.’ It says this even though if we increase production of energy in Australia not only will we have reduced emissions in the world so there is an environmental benefit, it will also be good for our economy, good for jobs and good for small business, which can benefit from downstream contracts from these industries.

But what does this government say? It says, ‘No, we want to put on a tax.’ It is so obsessed with reducing emissions in Australia domestically, whether it is five per cent or whatever the target is that the government agrees with that it says, ‘We don’t care what the flow-on consequences are in other parts of the world. We don’t care whether there is a global environmental benefit. We don’t care whether people have to make a sacrifice. We want people to make a sacrifice so that we can say we are reducing emissions in Australia by a certain percentage point, irrespective of what the impact is in terms of global emissions reduction.’ That is the fundamental problem that this government has.

The reason that then Prime Minister Kevin Rudd pulled back from the ETS—as we understand it, on advice from the Treasurer and the then Deputy Prime Minister—is that after Copenhagen even the government realised that that was the case. Even the government realised that in the absence of an appropriately comprehensive global framework an emissions trading scheme as it was put forward—a carbon tax—is nothing more than a tax, which does not actually help to address the problem that this is supposed to be all about. Why would we put a tax on business, put a tax on jobs, put a tax on everything and impose sacrifices if it does not actually help to achieve any beneficial outcome?

The reason I asked Senator Wong the question I did today was that I had hoped, given that that was part of the debate two or three years ago, by now she would have had an answer. The broken promise by the Prime Minister last week is not really telling us anything new. They got the photo opportunity: the Prime Minister and Senator Bob Brown. And when you look at him in the chamber here, you can sense the feeling of power; he is getting quite bolshie and is feeling very strong right now because he knows that he has got this government on the run. This government is jumping to the tune of the Greens, irrespective of whether it is good public policy or not.

What was actually announced last week? The only thing we got was a date. We already knew that the Prime Minister wanted to break her emphatic re-election commitment that there would be no carbon tax. We already knew she was going to do that but she gave us a date, 1 July 2012. Did she give us anything else? No, she did not. There was no price, although we can look at what was on the table before, given that this is just a carbon copy of what then Prime Minister Kevin Rudd put forth.

**Senator Colbeck**—They changed the date.

**Senator CORMANN**—They changed the date. It will probably be a price of around $26 upwards. It will probably be a similar arrangement in terms of compensation. It will be a big money-go-round—for no environmental benefit.

This is, of course, not the only broken promise. Over the last three years we have
had a plethora of broken promises. Remember when, in the lead-up to the 2007 election, Kevin Rudd said that he would not change the private health insurance framework? So what did he do? He wanted to—and Labor still want to—do away with the tax rebate for millions of Australians taking additional responsibility for their private health insurance. Labor promised that they would not make any changes to superannuation. What did they do? They proceeded to halve the concessional contribution caps for superannuation, from $100,000 down to $50,000 and from $50,000 down to $25,000 for people older than 50 and younger than 50 respectively.

I finally got an answer back on it from Minister Shorten, having asked a question back in early December. The number of Australians hit with additional tax because they inadvertently breached concessional super contributions has more than doubled in the first year of the broken promise of the Gillard Labor government—more than double. This government is raising $142 million worth of additional taxes that they do not deserve. They are taxing people because they are breaching concessional contribution caps for superannuation that have been halved after they promised that they would not be. There are direct implications for people across Australia from Labor’s broken promise—$142 million in additional taxes for people with superannuation.

The most fundamental broken promise of all from my point of view—looking at our tax system and the economy—is the promise to hold a tax summit. The Henry tax review was supposed to be about root and branch reform of our tax system. It was supposed to be about delivering a fairer and simpler tax system. Of course, the only thing we ended up with is a multibillion dollar new tax which is manifestly less fair and more complex. The Henry review says we should replace state and territory royalties with a national profit based tax. Is that what the government did? No, it is not. It did not because it did not implement a related recommendation by the Henry tax review. It did not implement the related recommendation that the Australian government should negotiate with state and territory governments on how all of that would work.

You would think that if a national government wanted to replace state and territory revenues it would start off by having a conversation with state and territory governments. How can you be serious about simplifying the tax system or about genuine reform when you are looking at replacing state and territory revenues with a national revenue if you do not even talk to them? The government had a problem: it did not have time to talk to state and territory governments because it wanted to put those billions of dollars into the budget papers. It wanted to be able to claim the revenue so it could go to the election claiming the illusion of an early surplus. That is why it did not have the time to talk to state and territory governments. This was never about tax reform. It was only ever about a grab for cash in order to create the illusion of an early surplus.

In comes Prime Minister Gillard, who does a secret deal with the three taxpayers and designs a tax behind closed doors. That should never be allowed to stand as a precedent for how taxes are developed in this country. Then she made a promise to the Independents—another one: ‘We are going to let the sunshine in.’ The sunshine was going to come in; there was going to be a commitment. I watched the Prime Minister as she made her comments looking right down the barrel of the camera. She said, ‘There is going to be a new era of openness and transparency under the government I lead.’ We thought, ‘Oh, that’s great,’ because Kevin Rudd, when he was Prime Minister, was not
going to give us any detail about the mining tax. He was not going to give us the commodity price assumptions and the production volume assumptions that were driving the mining tax revenue estimates—mining tax revenue estimates that keep bouncing around from $12 billion to $24 billion to $10½ billion to $7.4 billion to less than $5 billion.

Commodity price and production volume assumptions are critically important for us to be able to scrutinise this tax. The Prime Minister promised to be open and transparent. Have we got access to that information? No, we have not. It is information, incidentally, that the state government in Western Australia—whether it is Liberal or Labor—publishes as a matter of course in its budget papers. But this secretive government, this government which breaks promise after promise and this government which has delivered record deficits and record levels of debt and which has taken us from a strong financial position to a disastrous financial position is not open and transparent. This government is a secretive government, and secretive government makes for bad government.

Senator STEPHENS (New South Wales) (4.25 pm)—I rise to make a contribution to this debate on the government’s delivery of commitments. Having listened to that quite extraordinary performance by Senator Cormann, I wonder whether Senator Cormann has a sense of delusion and does not recall that we had 11 years of Liberal government mismanagement around these issues, 11 years of the continual adding of layers and layers of complexity around our taxation system, 11 years of overspending, 11 years of neglecting working families and 11 years of ignoring the issues it was not capable of dealing with. All of the issues that confront us now are supposedly the product of three years of a reforming Labor government. We all know that change comes slowly when you have to deal with complex issues of policy. Eleven years of the complexity of Australia’s taxation system is not something that can be unravelled in just a few years, and certainly cannot be unravelled in the tax summit that Senator Cormann so desperately wants to have before the end of June this year.

Why are we not having a tax summit? Maybe Senator Cormann was somewhere else, but he should know we have just had a major catastrophe in our country. Our efforts are on rebuilding the economy of Queensland and on dealing with the tragedy, distress and destruction that has occurred in New South Wales, Victoria and his own home state of Western Australia. Yet he wants to be caught up in an ideological debate that does not do him or his representation of his state much justice.

Senator Cormann argues that the government has lost its way. Let me tell you that this is not a government that has lost its way, it is not a government that has no direction, it is not a government that does not know what is doing and it is not a government that has no plan or vision for the future. It is a government that has been systematically addressing the neglect and lack of reform that it inherited when it came to government; it is a government that has dealt quite strategically with the impact of the global financial crisis; it is a government that has been delivering crucial services to the people of this country after years of neglect; it is a government that is delivering health and hospital reform and is actually investing in the community services that have been neglected for so long; it is a government that is investing in skills, education and training; it is a government that has invested in our schools, which have been neglected for decades; it is a government that is focused on the future, around the digital education revolution; and it is a government that wants it understood that it is positioning Australia for the future. What do
we do? We think about the nation-building agenda of our government and what we have managed to deliver in three years.

Let’s start with the ill-fated Work Choices, that promise that dare not have its name mentioned in this place. Work Choices is dead? I do not think so. We do not have to think about what this opposition would do. If they came back into power, one of the first things that they would do would be to revisit the Fair Work Act and introduce some of the key features of Work Choices. We know that that is on your agenda.

Senator Cormann—Do you actually really believe that?

Senator STEPHENS—Yes, I do believe it. Let’s think about what else we have done. We have increased our hospital funding by 50 per cent. Senator Cormann from Western Australia is very critical of the government’s social policy agenda. The ideological position of our government is that we are a fairer government. We are investing in services and communities. We are investing for the future. What else have we done for Australia since we came to office? We have tackled the issue of our social support network by increasing the age pension for the first time by more than $100 for singles and $76 for couples. That is nothing to be sneezed at. It is a huge challenge for us to raise the pension for our ageing population and these are big decisions.

Let’s think about paid parental leave. How was the opposition going to pay for its alternative paid parental leave scheme? With a tax on business—not one that was welcomed by businesses, not one that was actually going to deliver outcomes for people and not one that was going to be fair or straightforward. Let’s think about that. We now have a government that, having come through the global recession stronger than any other advanced economy in the world, has managed to create opportunities for another 350,000 jobs in the last year. That translates into almost half a million more people working than when Labor took office in 2007. We have the lowest debt and deficit. That is not to be sneezed at in this time. When you think about what is happening in countries like Ireland, Greece, Portugal and Italy, when you look at their outcomes and their financial outlooks and you compare that with the stability and strength of the Australian economy, it is not to be sneezed at. Yet it is dismissed out of hand by the opposition. They refuse to recognise just that. We are going to bring the national budget back to surplus ahead of schedule and ahead of any other major advanced economy.

What about interest rates? Interest rates now are lower than they were before the Liberal government left office, and that is a powerful signal of the extent to which we are supporting our communities, our small businesses, enterprises everywhere and our families. We boosted the first home owners grant so that another 250,000 people were able to purchase a new home. We are strengthening the economy in every way that we can. We are funding services in every way that we can. We are driving our reform agenda around education and training. That is about skilling our nation for the future. These are very important things and we have done it despite the setback of the global financial crisis and despite the huge impact that the natural disasters have created for us all.

We have cut personal tax in the last three budgets. Let’s not forget that. We have made record investments in infrastructure—highways, rail and ports. We are embarking on the National Broadband Network. It has already been rolled out in Tasmania very successfully. We are creating 130,000 new education and training places and 50,000 university places. So we have a record of continuous reform and continuous invest-
ment that is about setting Australia up for the future. It is about capturing the strength of the boom, not squandering the benefits and products of the mining boom, which continues in Australia. We understand that but, unlike the previous government, we are not squandering that opportunity and that wealth. We are looking at how we can invest in and improve the situation for all Australians.

We are investing in closing the gap—that important issue of addressing Indigenous disadvantage. Let’s think about that and the dismal performance of the previous government, the desperate gap that has existed in life expectancy and health outcomes for our Indigenous brothers and sisters. We are determined to close that gap, to create opportunities for them in education, health and employment so that these people have a sense of their own place in our society, so they are not living on the margins and always living in the shadows. We have extraordinary wealth in our country in our mining boom. We have extraordinary wealth in our country in a highly skilled, clean energy economy that is self-sustaining and beyond our reliance on mineral exports. This is very important for us, so investment in a clean energy future is a critical part of that.

We are singularly working to ensure greater transparency, greater investment, greater certainty and improved services for our ageing population. We are trying to address the issues of the future. An ageing population brings with it stresses on our health system and our community service systems, and we are addressing the challenges of the future. We have not been complacent and we do not intend to be complacent. The concern that people might have about funding the retirement of our ageing population is being addressed by our commitment to increasing superannuation contributions to 12 per cent so that people have sufficient savings for their retirement. People may sniff at that, but it is actually going to make an important difference. Treasury modelling indicates that for a 30-year-old today it will represent another $108,000 for them in their retirement.

We had a previous government that ignored regional Australia at its peril. Our government has put regions front and centre. We are investing in regional infrastructure. We are investing in regional housing. We are trying to take the pressure off metropolitan areas by encouraging investment in the country. We have a new focus on Regional Development Australia. We have a new department for regional Australia—the Department of Regional Australia, Regional Development and Local Government. In fact, we have the chairs and the executive officers of the Regional Development Australia committees here in Canberra right now considering what should be the strategic approach to investing in regions for the next five years. We are moving to invest in regional health services to ensure that people, regardless of where they live, will be able to have access to the health services they need. That is something which has been remiss for a very long time. Now 7½ thousand rural nurses and 1,000 rural allied health professionals will be able to access professional development through a $34 million commitment, and there is $6½ million dollars for 100 clinical placement scholarships. That is about our regional communities getting the skills they need.

It seems to me that this motion that says that we are a government that has no direction and cannot find its way is far removed from reality. We are a government that are getting on with the job. We are a government that are about informing. We are informing in the regulatory space and looking to the issues. I will go to the issue I know so much about, and that is the abject neglect of the not-for-profit sector in the regulatory envi-
ronment of not-for-profits in Australia. The fact is that for 20 years investments in not-for-profit organisations in transparency and governance has really languished. There has just been no investment in understanding either how not-for-profit organisations in Australia work or their contribution to the economy and our society. The regulatory burden has got out of control. So what are we as a government doing? We have created the not-for-profit council. We have created a not-for-profit office. We are actually tackling the issue of a regulator for the first time. There are five different national inquiries into this. The previous Liberal government just would not step up to the plate and deal with the issue of a national charities regulator. Finally, we have a government that are committed to doing something about that.

These are very important reforming agendas that are going to make such a difference in our community. They are going to build productivity. They are going to build capacity in our communities. They are going to build a clean, vibrant economy and a healthy society. We are a government that has a social inclusion agenda. What have we had for those who have been parked on disability pensions as a way in which we can deal with people who live in those kinds of circumstances or for those who care for someone with a disability? This week the Productivity Commission has released its draft report talking about the issue of a disability insurance scheme, canvassing the options so that people who live with disability can actually have a life of dignity and so those who live with disability as a result of a catastrophic accident or injury are not going to be burdens for the rest of their lives and their families and carers are not going to be burdened for the rest of their lives, living a life of indignity and poverty. That is the circumstance for so many, hundreds of thousands of people in Australia, because we have not done anything about it. Previous governments did not do anything about it except to take the soft option of parking them on a disability pension, which is in fact a poverty trap.

It is not a reforming agenda unless you are prepared to take hard decisions, unless you are actually prepared to ask hard questions and unless you are prepared to listen to the answers that maybe you do not want to hear. There are opportunities in engaging in a very constructive debate. That is how we find a way through. I am just befuddled, I suppose, by the nonsense that we have heard in this debate in terms of all of the things that are happening across every portfolio.

I suppose the real issue we have is how we as international citizens here in Australia behave. Senator Cormann talked about how perhaps we should increase our production of greenhouse gas emissions here so we can get a global effect. But let us think about what the implications of that could be. We as global citizens and signatories to global conventions have a responsibility to lead by example, just as we are doing with the Millennium Development Goals. How long did it take for a commitment? It was certainly not given by the previous Liberal government. Only on Labor coming to power did we increase our overseas development assistance commitments to match the targets that have been called upon by the United Nations. A massive investment by us as global citizens in our international aid and development budget means we are helping developing countries to meet their commitments under the reduction targets.

None of this is ever simple. We have the challenge of a complex policy environment but, as a reforming government, we are prepared to step up to the plate. We are prepared to do what it takes. We are prepared to introduce a carbon price as part of a global initiative that is around addressing an inevitable
and complex problem. We must play our part in doing this. We must do what we said we would do. We must face the tough decisions. We must have some targets. We must have strategies. We must ensure that the things that we are doing are about a reforming, vibrant, focused, highly skilled and knowledge based economy. Everything we are doing is about working to that ideal.

So we have to think more about our expansion. As a nation we are going to have an increasing population. There are displaced people across the world, a situation exacerbated by what is happening in the Middle East. We have to think about how we deal with those issues—and we are, as a government, confronting those issues. We have to think more than just fiscal and monetary policy. We have to think about how we have a place in helping develop economic stability in the region. What we are doing here, including maintaining low and stable inflation, and ensuring the stability of our financial system, will ensure that we have a strong economy in the future.

The ACTING DEPUTY PRESIDENT (Senator McGauran)—Senator O’Brien.

Senator O’BRIEN (Tasmania) (4.45 pm)—Thank you, Mr Acting Deputy President. I am, of course, speaking now to take your slot in the debate, as you are in the chair. I am pleased to facilitate that so you do not miss out on an opportunity to speak in this debate. For those who may be listening and wondering what this debate is about, the coalition have moved:

That the Senate notes that after more than 3 years in office and a change in Prime Minister, the Government still has not found its way and continues to fail to deliver on its commitments to the Australian people—

which of course is arrant nonsense. We have heard from Senator Stephens the long lists of achievements of this government since Labor was elected in 2007. I intend to go over those subjects again, because it is a tremendous opportunity for a government senator to talk about our achievements.

In a very short space of time this reformist government, which has been faced with a major international financial crisis, and now is faced with major reconstruction issues arising out of natural disasters, is taking the responsible position of saying: the Commonwealth has to play a role in those matters, the Commonwealth has a responsibility to the Australian people to deliver outcomes that give the best possible circumstances to Australians. In the case of the international financial crisis, this means people keeping their jobs; people keeping their homes; and businesses not going broke, being able to borrow money and being able to continue to operate and not have to dismiss their employees.

One of the key things that Labor did in response, firstly, to the global financial crisis, was to make sure that Australian banks had enough credibility in the international market to be able to borrow internationally and to continue to lend to business. One should not underestimate how important that action was from the Labor government. You only have to talk to businesspeople about that time, when there was a lot of uncertainty in the market about whether business could get loans. In fact, the real uncertainty was whether Australian banks could continue with enough liquidity so that (a) they could continue to lend and, perhaps more importantly, (b) they did not need to call in loans to repay those that were coming up for renewal. Think about the consequences of Australian banks at that time saying to their business customers, ‘You know those loans that we gave you? You have to pay them back’, with no-one else lending the money to allow the liquidity for those businesses to do that. That would have meant businesses closing. It
would have meant businesses laying off employees. It would have meant bankruptcies. It would in fact have meant businesspeople losing all of their assets, because banks would have then had to foreclose on them and try and sell them up in the worst possible circumstances. That was one of the first actions that this government took in response to the global financial crisis.

In an important step, and a step which underlines the economic credibility of this government, the next thing this government did was to ensure that there was enough money in the economy to keep businesses afloat—and that meant spending. This government’s initiatives in that regard seemed initially to receive support from the coalition, but then that support was withdrawn. It appears that the philosophy of the coalition was: let the market decide who survives; let the market decide who keeps their job; let the market decide, of those who lose their job, who loses their house. The reality was that, without Labor’s stimulus, it is widely accepted that there would have been more than 200,000 extra people added to the unemployment list. That is two MCGs full of people added to the unemployment list. That is what the coalition’s position on the stimulus would have meant. The reality is that that probably would have meant 100,000-plus people being in the position of losing their homes or being out on the street, not being able to afford their health insurance or not being able to pay their bills. There would have been a massive increase in the Commonwealth’s responsibility for unemployment payments, so we would have had to pay money out anyway. With businesses closing, there would have been a massive reduction in taxation receipts from the business sector, and a flow-on of consequences that would have meant parlous circumstances for many in the Australian economy—and, inevitably, a government deficit, despite not spending money on stimulus. So, spending on the stimulus meant an initial deficit, but it meant that a lot of people did not go into deficit and families did not lose their jobs and their homes, businesses did not close—and the Australian economy now is the envy of the world.

I was in New York at the end of last year and when talking to diplomats from the European Union, the United States or from many other parts of the world, there was a lot of envy about the position of the Australian economy. Australian government debt is very small by world standards and very manageable. Indeed, this government has given a commitment that the budget will be back in surplus. We will pay the debt off, and we will not have put the Australian people through the sorts of calamities that were the inevitable consequence of the proposal of the coalition that we just let the market provide. That policy was comparable to the approach of the Bush administration to the Lehman Brothers situation. The Bush administration and their officials decided that Lehman Brothers could go to the wall, sink or swim, and that the market should decide. That led to the global financial crisis.

The short documentary that won the Academy Award recently talks about the circumstances of the Bush administration’s response to the crisis. It talks about a lot of corruption in the American financial system as well. It talks about the response of the Bush administration officials to the Lehman Brothers circumstances and then the about face that they took when it became apparent that allowing Lehman Brothers to fail was going to cause a domino effect and force many other financial institutions in the United States to fall over and indeed force consequences on the rest of the world.

Australia has a government that has achieved economic certainty and positive
economic outcomes for its people. We supported jobs. On top of all of that, we have cut taxes. Someone earning $50,000 today is paying $1,750 less in tax per year than they were in 2007. With all of that, we have cut tax for people at that level and throughout the economy. We have also provided a significant increase in pensions, particularly for single pensioners—an increase of more than $100 for single pensioners and $76 for couples. That was long overdue. It has made the life of many pensioners better. I am not saying that pensioners do not deserve more—they do. It has always been a case of the government paying what it felt that it could afford to. This government felt that they deserve more and we could afford to pay more, so we did.

We also boosted the First Homeowners Grant, which has helped an additional 250,000 people to buy their first home. If you remember, we also inherited extraordinarily high interest rates that were having deleterious effects on some markets in our economy. They have fallen and they are nowhere near the levels that we inherited from the Howard government. We have increased the childcare rebate from 30 per cent to 50 per cent and from a maximum of $4,350 a year to $7,500 a year. So to say that we have not been delivering for the Australian people, as is suggested in this resolution, is nonsense.

Who is introducing for the first time ever paid parental leave? This government. The previous government had 12 years. The position of current Leader of the Opposition during the time he was a minister in the Howard government was that paid parental leave would be introduced over his dead body. His position has changed since, but the reality was that it took a Labor government to take the steps to introduce paid parental leave for the first time in this country. It was long overdue. We have now caught up with many parts of the rest of the world. No doubt, over the years that policy position will see improvements in benefits as the country can afford them.

We provided for additional tax deductible for small business during the global financial crisis—another important economic move—for investment in new productive assets, such as new machinery. This was part of the stimulus process but also very important for the continued viability of small businesses, such as trades and farmers. Many in the community have benefited from that. We also made some key improvements in education, in health and in developing our infrastructure.

I want to go back to the question of our nation building stimulus program, because we could probably consider that further in this debate. When I said that not providing the stimulus that Labor provided would have meant that 200,000 additional people would have been out of work, I should have also said that instead of that circumstance there are 715,000 more Australians in jobs today than when this government took office. So instead of there being 200,000 fewer people in jobs, there are 715,000 more people in jobs than when we took office. The economy has grown by more than $167 billion and we are now the second richest economy in the G20—that is the top 20 economies—in per capita terms. While we understand that there are significant cost-of-living pressures on families, underlying inflation in this country is at its lowest level in five years. These are the economic indicators that I say totally refute the proposition contained in the motion moved in the name of Senator Fifield and to which Senator Cormann spoke at the beginning of this debate.

Sometimes the employment figures and the unemployment figures can be affected by the participation rate. If you have a low par-
ticipation rate, which probably indicates that some people have given up looking for work, you sometimes also get a lower unemployment rate. But in this case our reforms have seen record numbers of people enter the workforce, with participation rates at a record high of 65.9 per cent in October last year. Reaching a record high in a period of low unemployment is an indicator that there is no falsity in the figure as a representation of the unemployment circumstances.

The other issue I think we need to touch upon is that in addition to the pension improvements since September 2009 that I spoke about—$115 a fortnight for single pensioners and around $97 a fortnight for pensioner couples—we provided economic stimulus payments to more than three million pensioners and self-funded retirees to fend off the impact of the global financial crisis. We also increased the amount of the pension that can be advanced to $1,005.75 for singles and $758.10 for each member of a couple in a six-month period, which can be important. We provided a new $785 seniors supplement for self-funded retirees. We increased the utilities allowance by $400, and we are letting single, older Australians earn up to $30,685 in this financial year without paying income tax or the Medicare levy through the senior Australians tax offset and three rounds of tax cuts.

We have also provided national transport concessions so that state seniors card holders get concessions when they travel interstate. We have provided eligibility to the Commonwealth seniors health card and the $785 seniors supplement for up to 8,400 more self-funded retirees through a new standard $500 tax deduction that reduces taxable incomes. We have provided a 50 per cent tax discount on up to $1,000 of interest income earned on savings products, including bank accounts—a 50 per cent tax break for the first $500 of interest on savings from 1 July 2010, increasing on 1 July the following year to 50 per cent on the first $1,000 of interest. This is quite an impressive record in three years of government. I have no hesitation in saying that after 12 years in government the coalition cannot claim anything like that rate of improvement and certainly, in proportionate terms, nowhere near it for retirees, pensioners and self-funded retirees.

It is not just the present and the past that Labor has a plan for and we have made decisions not only for the future structure of the economy. The National Broadband Network is a visionary program. The National Broadband Network will see developments through the distribution of access to high-speed internet broadband services for health, education, business, entertainment, pure communication and probably a lot of things that we have not even thought of throughout this country. Some people have sought to compare our level of development and internet speeds with those of countries like South Korea. In terms of geography and population dispersion, there is no comparison, of course. South Korean population centres would fit well into the state of Victoria, whereas Australia has one of the larger land masses in the world for a single country. In those terms, to be able to get high-speed fibre cable servicing 93 per cent of the population at the end of this project will be compared properly with the development of the railways in this country at the end of the 19th century and with the development of the telephone service after the Second World War.

This will be a major economic benefit. We do not yet fully understand the services we will derive from it, but we do know enough about it to know that there will be major benefits in the areas of health, education, entertainment and communications. At the end of the day, according to the business case, this will return a dividend to government. I do not think you can make a case to
oppose it, yet we hear those opposite attempting to do that at every turn, at every excuse. I think that is a great shame. (Time expired)

Senator McGauran (Victoria) (5.05 pm)—I join my colleague Senator Cormann, to be followed by Senator Macdonald and the flamboyant Senator Fisher, in this debate on the Labor government’s delivery of commitments. The motion reads—and we ought to read it again:

That the Senate notes that after more than 3 years in office and a change in Prime Minister, the Government still has not found its way and continues to fail to deliver on its commitments to the Australian people.

Before Senator O’Brien leaves the chamber, I thank him for slipping into my position on the speakers list. It certainly shows that, however minute it is, there is some cooperation between the Liberal Party and the Labor Party. But something has been missing in this debate up to this point, even from the contribution of Senator Stephens. I have listened closely. I was in the chair. I do not want to abuse the chair because Senator Forshaw has also cooperated by coming in five minutes early so I could get up and speak. I do not want to be ungracious to either of you.

The Acting Deputy President (Senator Forshaw)—I am listening very carefully to your contribution, Senator McGauran.

Senator McGauran—What was missing out of this whole debate to this point—and those listening on broadcast ought to take note of this—is that all week in parliament a raging debate has been taking place in regard to the carbon tax. I think Senator Stephens spent about one minute on the issue and then wandered off into a whole lot of other stratospheres. In fact, I think she would have finished up earlier but I saw the whip put a note under her nose to say, ‘Stretch it.’ We all get those notes, and I saw the horror on Senator Stephens’s face when she had to stretch it, and it sure seemed like it in the last eight minutes. She spent about a minute on the carbon tax. I will consult with my colleagues, and Senator Macdonald comes in: did Senator O’Brien touch on the issue at all? The issue of the day that goes to the heart of the credibility of the Prime Minister and the very point of this general business notice of motion, and he did not even touch on it. I think that is telling in itself, that they will not come to the defence of their Prime Minister’s credibility at all.

The Prime Minister has laid down her own principles. If those opposite are not going to defend her, let us go to the Prime Minister’s own base principle of credibility—what this debate is all about, the Prime Minister’s credibility. As early as 20 March 2009 this was the foundation stone on which she based her credibility, that we can judge her on it. 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. We are determined to do that. We gave our word to the Australian people in the election and this is a government that will pride itself on delivering election promises. We want Australians to be able to say, ‘Well, they’ve said this and they did this.’

So this is her number one criterion to be judged upon. But what could be a more stark display than last Thursday’s press conference of how willing she is to abandon that principle, how expendable is that principle she put out on the airwaves, than her backflip with regard to carbon tax. What could be more stark than that. What could be more clear than her comments, which have been quoted all week. You would think someone from the other side would come in to defend Prime Minister Gillard. On the Friday before the
election, on 20 August 2010, Gillard stated categorically, post that foundation stone of principle that she laid down herself, ‘I rule out a carbon tax.’ That is black-and-white, that is pretty clear: ‘I rule out a carbon tax.’

Senator Cash—What did she say?

Senator McGauran—Senator Cash interjects—

The ACTING DEPUTY PRESIDENT (Senator forshaw)—Senator McGauran, please direct your remarks through the chair. If you wish to have a question and answer session with your colleagues, you will have to do it later or else go somewhere else now.

Senator McGauran—I was going to make the point about a point of law, which Senator Cash is an expert in. If you made a statement like that, that is a verbal contract in the private sector. If you say that in business, that is a legal point of law. Prior to that, four days before that, she said on Channel 10, ‘There will be no carbon tax under the government I lead.’ It could not be clearer than that. You cannot read anything in or out of that.

I happen to have been in the Senate at the time that Paul Keating was Prime Minister, and that Prime Minister wore the backdown on his tax cuts after the 1993 election, tax cuts he promised during the 1993 election, advertised tax cuts, promised tax cuts; he boasted about those tax cuts. So when he backed down, that was the end of his prime ministership. I am sure, Mr Acting Deputy President, you would agree with me. You were around at that time, if I remember rightly. When there is a lie or a backflip and when it is big enough and when it is said often enough, the Australian people will not forget. They never forgot Paul Keating and they will not forget this Prime Minister. In the words of Wayne Goss—

The ACTING DEPUTY PRESIDENT—Senators, please finish your conversation. I am having a little bit of trouble hearing.

Senator McGauran—They are showing no interest in the debate.

Senator Chris Evans—My apologies, Mr Acting Deputy President. We have finished. I was almost going to take a point of order on Senator Cash interjecting on the good senator earlier—

The ACTING DEPUTY PRESIDENT—I dealt with that.

Senator Chris Evans—You did. I just want to make it clear that the interjections were coming from his own side, not from ours.

The ACTING DEPUTY PRESIDENT—I felt like I was in stereo, I had sound from both sides. You have the call, Senator McGauran.

Senator McGauran—I was attempting to quote the former Queensland Premier Wayne Goss, referring to Paul Keating but it is in fact a political dictum. Whatever Wayne Goss left behind, which was mainly wreckage, he left behind one of the great political dictums, that if your lie is big enough, your backflip is big enough, the Australian people will not forget and they will wait on their porches with baseball bats. How true that is today. That is now set in stone as a political dictum.

I know those on the other side will be hoping this uproar all week will simply fade away given that there is not much sitting time. They will hope it is all contained within the Beltway. But it is not. This will not fade away, it will not settle down. The Prime Minister thinks she is going to win the debate. That is what she told the caucus. It is delusional. By the way, it was nice of her to turn up and inform the caucus, considering she did not tell it anything about the decision
she was making. It was nice of her to come in and tell you, ‘Hey, I can win this debate,’ when no-one else has. I wonder if she choked up during the whole thing when she was telling it, put on a nice performance for you all. She has done that before. I am sure some of them have fallen for this within the caucus. I am sure some of them are going to take the wait-and-see approach, but it is too late. I am sure some of you believe—at least two of you in this room, I would say—that she just wrote your political death warrant.

I am trying to be helpful, Senators on the other side. I am not just saying this as some sort of biased, unstudied political rant against you on a Thursday afternoon. No. I have actually studied this issue. I have studied the politics of it. I have studied the issue in depth. In fact, I have—and we all have—been through this very debate before. It is deja vu again—which I say with tongue in cheek, for the Hansard. It was called the emissions trading scheme—the great big new tax, the one that Julia Gillard convinced Kevin Rudd to abandon, then dumped him for doing so, then promised not to introduce it but announced its return. How byzantine!

Is that byzantine politics, Mr Acting Deputy President Forshaw? You are a scholar of history. That is byzantine. You know what I mean—layer on layer of politics, complex, unreadable. It is byzantine.

All the senators here would remember this, but I am compelled to walk those from the other side through a bit of political history, in the hope that I might jolt you from your current stance and that you might have the fortitude to stand up to the Prime Minister. I do not want to leave this place cynical. I want to think that, if I put up a rational debate to you, if I make my point quietly and with some intelligence, my argument will not fall flat. But look at the both of you. What, am I kidding myself? But I will attempt it. Mr Acting Deputy President, I can appeal to you. Six months into Kevin Rudd’s prime ministership, it was all Rudd love. He was riding high. The Labor Party were riding high. What is more, the whole issue of climate change was quite popular on the scene. Do you remember that? Some six months into your first term, under Rudd, there was then a by-election in Gippsland. It is worth noting what happened in that by-election, in all that swirl. The Latrobe Valley region is full of rusted-on Labor voters—coal workers, power station workers. In the Latrobe Valley region, there was an issue—it was not the major issue but it was an underlying issue—in regard to taxing power stations and the loss of jobs. You can guess who was running that issue. Little was understood—remember the context of the history of this—by those workers and those voters about this new tax, but they had fair whiff that their jobs were under threat, that living standards would decrease. And what did you get? You got historic swings of more than 12 per cent in every single booth of the Latrobe Valley.

So, when the debate came on full-blown a year later, in 2009, and all the consequences were understood—that workers would lose their jobs—there was a workers’ revolt. The polls plummeted. The Prime Minister lost his job. The policy was pulled and an election was all but lost, but for one seat. Yet on Thursday here we are again. The Prime Minister, having learnt nothing from history, has announced a carbon tax. We are back to square one. The reason you got rid of Kevin Rudd is historical, but it will come back to haunt Ms Gillard—the very same reason. Where are the senators, the plotters, that got rid of Kevin Rudd for this very reason? We are back to square one. We are back to arguing the ideology of the tax. You certainly are. But most of your party really do not agree with it. I am pretty sure the chair does not—

The ACTING DEPUTY PRESIDENT—Order!
Senator McGauran—I withdraw that.

The Acting Deputy President—I am not sure if that is a reflection, but you have withdrawn it.

Senator McGauran—I do withdraw it.

The Acting Deputy President—I do not think you should be making comments about the chair in this debate, whoever is in the chair.

Senator McGauran—No. Can I then turn to the New South Wales right wing, which is still not a reflection on you, I hope, Mr Acting Deputy President! But they are against this tax. I know they are. They know the consequences of it. They are a bit distracted at the moment with the New South Wales election, in which they are about to get a whupping, but the New South Wales right are definitely against this tax. That is pretty much half of the party—the right of the party. They know this is a tax born of the green movement. We are back arguing about how unpopular this tax is in the public eye. Have you already forgotten that? The polls plummeted the last time you tried to introduce the emissions trading scheme/carbon tax—it is all one and the same. We are back arguing about how it will wreck the economy, put pressure on budgets and working families, cost jobs, ruin businesses, send businesses overseas and make exports uncompetitive. We are back arguing that the tax will have zero effect on carbon emissions. We are back arguing that this is a tax that the world has rejected. Copenhagen was a flop. The United States has moved away from an emissions trading scheme or a carbon tax or anything of the sort. India will not introduce it and neither will China.

To add to your nightmare, the old characters are back arguing the point. They have reappeared. Senator Wong is telling us we have to get ahead of the world, the icecaps are melting and the polar bears are falling off the edge. And Senator Evans is still leaning across the table—we are back to that—saying, ‘You’ve played yourself out of the game.’ He said that last time. We were right in the game last time. And it is not a game, but we are right in this, right up to the election. Professor Garnaut is back. Remember him? He wanted all the farmers—this is the idiocy of the man—to switch from cattle and sheep farming—

Senator Cash—To kangaroos.

Senator McGauran—to kangaroo farming. I have not got time to dismantle that. I will leave that to Senator Williams. But it is madness. And the other flake, Tim Flannery, is back. I had a chance to debate him last year on this very issue. He was spruiking the government’s propaganda. Remember he was the one who said Adelaide would run out of drinking water in 2008! This is a shambles of a government. The Prime Minister is so incompetent and desperate. You have all been stitched up. It is too late now. You have all been stitched up, as you sit there mutely.

Senator Chris Evans—Ha!

Senator McGauran—I am not inviting you to interject. The point is—

Senator Chris Evans—Well, which is it?!

Senator McGauran—It’s the workers, stupid! It is the workers. You want to go back to your roots. If you wanted to stop this government from drifting—

Senator Chris Evans—Do you dance?

Senator McGauran—What’s that?

Senator Chris Evans—Do you dance?

The Acting Deputy President—Order!

Senator McGauran—What is he saying?

The Acting Deputy President—Order, senators!
Senator Chris Evans—Do you dance?

Senator Wortley—Do you do the hokey-pokey?

Senator Chris Evans—You’re going to have to spice it up a bit.

Senator Furner—Do you do the time warp?

The ACTING DEPUTY PRESIDENT—Order, senators!

Senator McGauran—Very good interjections! If you really thought the government was adrift, and no doubt the Prime Minister did—I sense a desperate Prime Minister. The sharks might have been circling; I cannot be sure of that, but there was something very senseless about that press conference. If you really thought that, go back to your roots. Remember, it is the workers. Remember, Mark Latham made the same mistake in 2004. He thought he had to grab the green votes too, and he sold out the timber workers. We all know what the result of all that was.

Could anything be more bizarre than that press conference? I did touch on that press conference in the prime ministerial courtyard. Besides the press conference being mired in treachery—as I have quoted—and being flanked by Bob Brown, where was the Treasurer? Who has ever announced a major tax reform, greater than the GST, permeating every part of our lives, of $13 billion plus, without a Treasurer? It is not as if he was overseas. He was certainly in the building; there is no doubt about that. Maybe he was not told about it either. Or maybe he was just shamed about his own quotes, which I cannot believe. I was cherishing them to read out, and here they are. To give him the benefit of the doubt, he probably had too much pride to go, because this is what he said. On 15 August, Wayne Swan said:

… what we rejected is this hysterical allegation that somehow we are moving towards a carbon tax …

And on 12 August, a few days before that, he said:

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

So maybe, to give him the benefit of the doubt, he just was not going to turn up. After all, the cabinet had no idea about it. I know Senator Evans has answered this question in question time.

Senator Cormann—Caucus had no idea about it.

Senator McGauran—Caucus had no idea, no. During the last 3½ or four years they have had no idea. Sorry, Senator Evans, I do not accept your limp answer to that question earlier in the week. Sure, you discussed it when it was a fait accompli in cabinet, and that is about the extent of it that I will accept. Poor old caucus, as my colleague interjects, had no idea it was coming. Yet again they have been let down and stitched up by another leader. They have no input. They have had very little input during this whole government. What a miserable time they have had in government. They have had no time to enjoy it, let down by every single leader—let alone that the Australian people have been betrayed.

But history will catch up with this broken commitment and promise. I know we are not to use the words ‘untruth’ or ‘lie’, but it will not be lost on the Australian people. This is not a beltway issue. You hear on the radio the Prime Minister defending her backflip. It is excruciating. It is delusional. It is embarrassing. It is humiliating. It is just plain fake, and it is not working. I know there is much conjecture about whether we are listening to the real Julia or the fake Julia. I say they are one and the same: the real Julia is a fake. The truth is that this tax will have a cascading
effect through the economy, hitting working families, business and the rural sector. The Greens want the rural sector in eventually, and it will come in.

Senator Cormann—Do they want petrol in?

Senator McGauran—They want petrol in. This is their policy. They want petrol in, and petrol will come in. They want the rural sector in, and the rural sector will be in. Who would believe otherwise? Do not even attempt to delude yourself over there that that is not what is coming into the carbon tax.

Senator IAN MACDONALD (Queensland) (5.27 pm)—It is indeed a real pleasure to follow my colleague Senator McGauran, who has just delivered a very clear exposition of the subject that we are debating today: after more than three years in office and a change of Prime Minister, the government still has not found its way and continues to fail to deliver on its commitments to the Australian people. Senator McGauran has clearly pointed that out.

I start my contribution to the debate by reporting a crime. The crime is that the Canberra pickpockets are at it again. The Gillard government, based here in Canberra, with a regional development minister based in Melbourne, has today announced a magnificent program for rural and regional Australia. It follows on the announcements that Ms Gillard made with the two rural Independents to cling to power after the last election. But the announcement today shows that the Independents wasted their time by holding out for those tortuous 17 days after last year’s hung parliament to get a better deal for regional Australia from Ms Gillard. Today’s announcement shows that, with great gusto, the Canberra based Gillard government has provided a billion dollars for rural and regional Australia, replacing the Regional Development Australia fund which they announced last year, which was for $1.2 billion. So somewhere along the line the pickpockets in Canberra have stolen $0.2 billion from this program.

The documents released by Mr Crean today clearly show that regional Australia has again been done over, contrary to the promises made by this government. What is worse, this fund set up for rural and regional Australia can now be accessed by, wait for it, capital cities. How can a fund for rural and regional Australia be accessed by capital cities? My colleague Senator Cormann, coming from Perth, is very pleased about that, and so he should be. For him and the people of Perth I am delighted about it too, but it is a direct theft from the people of rural and regional Australia. The only announcement that has been made about those funds so far is the announcement of some $480 million for Perth. I am delighted for Perth, but I wish they could get money from this government somewhere else besides pinching it, pick pocketing it, from rural and regional Australia.

My colleagues have paid a lot of attention, as they should have, to the carbon tax that is about to be inflicted upon Australia. I take the Senate back to Ms Gillard’s words. We have heard over the last week the Labor Party saying that everybody knew their policy and knew that the Labor Party were in favour of an ETS or some sort of tax on carbon. But look at Ms Gillard’s words. Ms Gillard did not say ‘if the Labor Party wins we won’t have a carbon tax.’ If she had said that, perhaps we could say that they did not really win so the Greens have come along and put their proposal. But she deliberately said: There will be no carbon tax under any government I lead.

That, we know, was a direct mistruth. That commitment was clearly given a couple of
days before the election, when the spin masters and the focus groups of the Labor Party had told Ms Gillard there was no chance of her being elected if she did not rule out a carbon tax. So, a couple of days before the election, she deliberately told the voters of Australia that there would be no carbon tax.

I know that many voters in Australia would have asked themselves who to vote for, would have been not real keen on Labor’s tax and spend policies but who could vote for Labor rest assured that there would be no carbon tax. She said it not once but I think three times in that last week: ‘There will be no carbon tax under any government I lead.’ She did not say if the Labor Party won the election; she said ‘under any government I lead’. That was a deliberate misstatement, one which I do not think at the time Ms Gillard had any faith in keeping. Because of that claim, a lot of people voted for Labor candidates when they would not otherwise have voted for them. She will stand condemned by the Australian electorate for that breach of faith and the breach of her word.

I can only say to Ms Gillard and my friends across the chamber, if you believe Australians would have voted for a carbon tax, put your money where your mouth is, have the courage of your convictions and say, similar to what John Howard said, ‘We will go to an election on this in a couple of months and the main item of contention will be whether we should have a carbon tax in Australia.’ If the Labor Party are so certain it is good policy, they will win the election in a canter. But they know, as well as we know, that they will not win an election based on carbon tax.

I have heard Labor speakers all week saying that John Howard said ‘never, ever’ to a GST. Well yes, he did, but then he changed his mind. But he did not bring it in in the still of the night; he said he would have an election on it. He went to an election, we had to explain it all, and we were the target of the most negative, whinging campaign anyone has ever heard in this country from the Labor Party, who were totally opposed to it. Of course they have changed their mind now, just as an aside. John Howard had the courage of his convictions and put forward a very difficult to explain tax but one that has transformed Australia. It was the sort of taxation reform that Australia had desperately needed for decades but no-one had the courage to do it. John Howard put it forward, fought an election on it and won.

Julia Gillard, by contrast, is bringing in a tax on every element of Australian life. At the minimum, it has been calculated that the cost of living will rise by $300 a year. I think it will be well in excess of that. We know that fuel is going to go up by 6c a litre at least. While that will be difficult for all Australians, can I tell you that there will be a much greater impact on those of us who live in regional and remote Australia who have to use our cars because, sorry, we do not have public transport, we do not have hospitals down the end of the street, we do not have a school in the next block and we have to drive kilometres and kilometres to get to anywhere even to see a doctor. We will pay more with this 6c a litre increase that Labor’s carbon tax will bring about.

If the carbon tax were going to do any good, I suppose we could grin and bear it. We could say that if it is going to save the world, we have to do it. But, to use the famous words of a failed climate change minister, nothing we do in Australia is going to make one iota of difference to climate change. I always say that of course the climate is changing. There was a time when the globe was covered in ice, and it has clearly changed and will continue to change. Is it man-made carbon emissions that are causing
it? Thousands of scientists say it is, but equally thousands of scientists say it is not. I do not know; I am not a scientist. I simply say that if the rest of the world is doing it and it is going to have some impact, yep, let’s go along with it. But nobody else in the world is going to do this, yet we are going to do it in Australia.

Mr Acting Deputy President Forshaw, you well know and some of your colleagues well know that Australia emits less than 1.2 per cent of the total greenhouse gas output in the world, so with all these measures from Ms Gillard and her government, the Greens-Labor coalition, what are we going to reduce our emissions by? Five per cent, is it? Ten per cent? Twenty per cent? Thirty per cent? Do the arithmetic: 30 per cent of 1.2 per cent is what? Practically nothing. It is not going to make one iota of difference. In fact, it is going to make matters worse because companies currently manufacturing in Australia, under a fairly strict regime introduced by the coalition government over many years, emit a reduced amount of carbon. Those companies will, with this new carbon tax, move offshore; they will be forced offshore.

I was talking to some miners from Western Australia in the magnetite industry. They were showing me that magnetite really is better than the other form of iron ore because you actually process the end result downstream at your mine. It is a sort of manufacturing in Australia, and that brings jobs to Australia. What this tax will mean, however, is that rather than doing that downstream processing of iron ore onshore in Australia companies will do what currently happens to Australian iron ore, which is send it off to China to be processed and converted into goods.

This tax is having the exact opposite effect and nobody but nobody on the government side, not even the failed climate change minister—principally the failed climate change minister—can ever explain that. How is Australia reducing its very small emissions by a very small amount going to save the world? It needs concerted global action, which the failed climate change minister said was going to happen at Copenhagen. We all had a good laugh at that. We knew it would not happen and of course it did not happen. There are ways, of course, in which the world can help with reduction of carbon emissions, if that is as important as is said. More uranium plants—the cleanest form of power that you can get—would help reduce them. But, no, this government simply cannot make up its mind on that either.

The case against a carbon tax has been clearly made by my colleagues before me in this debate, by other coalition speakers all week and, I might say, by the public of Australia. Take any opinion poll, radio talkback call or letter to the editor in the days since this new tax was announced and see what the response has been to that proposal. Nobody wants it because it will do no good. It is simply a churn of money. As my colleagues have pointed out, the government claim they are going to compensate everyone. If you compensate everybody you are not going to change habits or behaviour. You are not even going to reduce the reliance on carbon. It is a stupid policy, but if those in the Labor Party think it is good I say: have the courage of your convictions. Do what John Howard did and go to an election on it. Do it next month and we will see who is right.

I want to move on to some other of the promises made by the Labor Party that have been broken with the same sort of disregard for honesty that happened with the carbon tax. You might remember the Labor Party promised they would give us a national broadband network for $4.7 billion. Remember that? The amount they were going to spend was roughly equal to the amount the
coalition had said it would spend to have a national broadband network in Australia—a commitment that was actually converted to a legal contract. Had the Labor Party not won the 2007 election, we would have a high-speed national broadband network up and running today for a cost of about $5 billion.

Instead of that, we have paid $20 million for one assessment, we paid some other consultants $25 million for another assessment, we have had Senator Conroy struggling and running around all over the place trying to find a policy on broadband, and what have we come up with? A $55 billion slug on the Australian public to produce a broadband network that private industry and government support could have done for about $5 billion.

Go anywhere around the world and you will find people are saying that Australians are paying far too much for a network that, for example, Korea is getting for a much lower price—and it is an equally good network. In Korea they are taking advantage of existing private networks, putting in government subsidies and getting what Australia should be getting.

Go to any aspect of Labor Party promises in recent times and you will find that the Gillard government, and before that the Rudd government, believe their promises should be treated with impunity. They mean nothing. I know a lot of people say, ‘Most politicians lie,’ but when it comes to Ms Gillard’s commitment on the carbon tax people are taking a stand. They are saying, ‘How can you, one or two days before an election, an election which was clearly going to be close, hand on heart make the solemn promise that there will be no carbon tax, to stay in power, and then a few months after that come up with a carbon tax?’ People thought they were voting for either Tony Abbott or Julia Gillard. They did not realise that they would, by voting for Ms Gillard, actually be voting for Senator Dr Bob Brown as the new Prime Minister of Australia, and that is a great shame for Australia.

I know Senator Bob Brown is not in the Senate for this debate. He rarely is on a Thursday afternoon. He has usually slipped off somewhere. If he were here, perhaps I would not be able to talk about him because you saw the kerfuffle he went into the other day when I interjected on him and said, ‘Who?’ and he then demanded that the President protect him from vicious interjections. ‘Who?’ is the sort of interjection that Senator Brown could not handle. What a sook! He is the bloke who is now the effective Prime Minister of Australia and what a calamity that is for our country. We are going to get all the crazy left-wing ideas coming through not as Greens policy but as Labor Party policy. They are the sorts of ideas that went out in Europe with the fall of the Berlin Wall, the old Communist Party philosophies that went out of fashion 20 years ago. The Greens still stick by them and now, in their desperate attempt to stay in power, to retain the ministerial leather and the flash limousines, the Labor Party have done the deal with the devil and Australia will suffer as a result.

I could speak on this for hours and I know colleagues who follow me will do that. Go to any field of policy and you will find that what the Labor Party says before an election is quite different from what they do after an election. People driving home today listening to this debate on the radio will be saying to themselves, ‘We now have a Prime Minister we cannot trust.’ We now have a Prime Minister who, a couple of days before what was going to be a tight election, made a solemn commitment, a promise, and said, ‘Trust me, there will be no carbon tax under a government I lead.’ A couple of short months after that promise was made, we are going to have this tax, which will add at least $300 to the
Senator Furner (Queensland) (5.47 pm)—I feel proud and privileged to contribute today to the debate on Senator Fifield’s motion, which, in part, talks about the government having lost its way, saying that it has not delivered on its commitments to the Australian people. That is far from the truth. The time I am permitted between now and six o’clock does not provide me with anywhere near the opportunity to go through every example of what we have delivered to our constituency, the Australian people. Forgive me for focusing on only a handful of those matters—they are samples of our great achievements.

I will start with what our party stands for. The Australian Labor Party has always been there looking after working-class people, looking after working families. It is a grassroots party that delivers achievements and outcomes for people who need and deserve them. We ensure that workers’ rights are protected and the people trust in our achievements.

Conversely, if you look at the opposition, they did build up a huge surplus—we grant them that. When the opportunity arose, when we were heading down the path of a global financial crisis, there was a need to use that surplus. Surpluses are about delivering in areas of need—areas of need that were neglected for 11½ years. I am speaking about the health system, about roads, rail and school infrastructure. You may recall that in our first period of government we handed down a stimulus package which had a variety of opportunities to make the economy strong and to keep people employed. Without jobs, where would we be? We were not going to allow Australians to fail, we were not going to allow this government to fail. Nevertheless the opposition over there condemned and did not support our package. They did not want new infrastructure built in Queensland, they did not want school halls, they did not want libraries—

Senator Williams—Half the schools didn’t want libraries!

Senator Furner—they did not want roads and rail infrastructure; they wanted to sit on their hands and do absolutely nothing. As we know, the program amounted to $42 billion in infrastructure. It went to education, small business, social housing, defence housing, renewable energy and roads. We also gave taxpayers a $900 bonus to stimulate the retail area. People spent that money to keep the retail sector up and running and they demonstrated that they were able to survive.

Senator Ian Macdonald—The Canberra Labor Club loved it!

The Acting Deputy President (Senator Forshaw)—Order! Previous speakers were listened to in relative silence. Those who wish to interject can put their names on the list.

Senator Furner—We will focus on one aspect of the $42 billion stimulus package—that is, the $16.2 billion Building the Education Revolution. I have been fortunate to go to probably 30 schools to officiate at the openings of libraries, language centres, school halls and extensions of classrooms—a great achievement which principals and parents and citizens associations are very proud of. They have said to me on many occasions, ‘Go back to the Prime Minister, go back to Minister Evans and thank them for delivering on these projects,’ projects they thought they would never see in their lifetime, projects which the opposition condemned, projects which they would not have had had it
not been for the support of crossbenchers and others.

I will just give some examples of where the money has gone in my area of representation. Dayboro State School received $2.65 million for a new multipurpose hall and resource centre; Lawnton State School received $2.12 million for a new resource centre; Chevallum State School—I spoke about their achievements earlier today and how they are addressing obesity—received $2.65 million for a covered outdoor area, refurbishment of a classroom, accommodation for multi-age learning and a multipurpose hall and resource centre; Living Faith Lutheran Primary School received $2.65 billion for shade areas and a new multipurpose hall; and Pine Community School received $324,500 for refurbishment of a covered outdoor learning area, for a green upgrade and for construction of a new library.

On many occasions, opposition members from the other place have been so keen to come along that in some cases you have had to push them aside to keep them from crowding into photo opportunities at those openings. The member for Longman, the member for Moncrieff, the member for Fisher, the member for Hinkler, the member for Forde and the member for Fairfax have been at those ceremonies, proudly standing there with grins on their faces, knowing that they were part of a project that has delivered for this country.

The Primary Schools for the 21st Century, or P21, element of the BER program provided $14.1 billion for 10,521 projects in 7,942 schools. The money was used to build new libraries, multipurpose halls and classrooms and to refurbish existing facilities. Under the Science and Language Centres for 21st Century Secondary Schools element of the BER program, $821.8 million was allocated to 537 schools to refurbish or construct new science laboratories or language centres. Under the National School Pride element of the BER program, $1.2 billion was allocated for the refurbishment of buildings, for the construction or upgrade of fixed shade structures, covered outdoor learning areas and sporting facilities or for green upgrades. So it is clearly demonstrable that we have delivered on our commitments and our promises under the BER program. That the Labor government has been open and transparent is certainly evident through our establishment of the Building the Education Revolution Implementation Taskforce, which has released its interim report.

But our swift action not only provided state-of-the-art facilities to our schools; it fixed roads and built social housing and defence housing. It has also put us in the forefront of world economic performance. Our economy has been the envy of world leaders. I am fortunate enough to be on the Joint Standing Committee on Foreign Affairs, Defence and Trade and you get to speak to a lot of the ambassadors, as you would know, Mr Deputy President Hutchins, who attend those hearings. One of the first things they do when addressing the committee is give their opinion of our economy and the outcomes our government has delivered—how our government’s action made sure we were saved from the global financial crisis.

It was only by our swift action that we were able to protect jobs and workers. In January, 24,000 jobs were created. That is on the back of last year’s record job creation rate which saw 364,000 jobs created. In the last three years, 740,000 Australian jobs have been created—that is while about 30 million jobs have been lost worldwide. That speaks volumes for how successful our $42 billion
stimulus package has been. Treasurer Wayne Swan has indicated that businesses plan to invest $133 billion in 2011-12—a record figure. Mining companies plan to invest $76 billion—higher than the $55.5 billion underway in this financial year. So we took swift action when the global financial crisis hit, thereby preventing the nation from falling into recession. That action left us as one of the best positioned economies in the developed world. We emerged from the global financial crisis as one of the only nations not in recession—allowing us to enjoy the continuation of 20 years of constant economic growth.

On the back of that we delivered some other amazing achievements, such as Australia’s first Paid Parental Leave scheme. I was a proud member of the Senate Standing Committee on Community Affairs that actively heard evidence and eventually handed down the parameters for the parental leave scheme. The scheme took effect from 1 January this year. It provides primary carers who earn less than $150,000 and who meet eligibility criteria with an entitlement to 18 weeks paid parental leave at the national minimum wage. It is a scheme which has been supported by the union movement, it is a scheme which has been supported by some of the main employers and it is a scheme which will improve the livelihoods of working mums in our society. The idea of the scheme is to give new mothers or, in some cases, fathers the opportunity to maintain ties with their employers. This enables businesses to retain skilled staff while giving parents time to stay at home with the baby, improving child development outcomes. It helps support breastfeeding and it gives mothers a reasonable period to recover from childbirth.

I find it humorous that the opposition claim we have not found our way. This comes from a party which has had three leadership challenges since John Howard lost the election in 2007—and there is still disunity within the opposition. Just recently there was disunity about their position on climate change. The coalition’s position on the government’s temporary flood and cyclone relief levy, which was debated in this House this week, clearly demonstrates their opposition to worthy causes, in this case the cause of assisting, in their time of need, those Queenslanders and Victorians hit by severe natural disasters.

But I do believe there is a breakthrough and I understand, as reported in the news, that it will be passed. It is an achievement that should be championed and held high as an example of how we help people in times of need. The coalition’s opposition to the temporary flood and cyclone levy shows that the Liberal and National parties have no commitment to the Australian public whatsoever. This is no different. Let’s not forget their time in government and their Work Choices policy. They could not wait to have the balance of—

Debate interrupted.

DOCUMENTS

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—Order! It being 6 pm, the Senate will proceed to the consideration of government documents.

Commonwealth Scientific and Industrial Research Organisation

Debate resumed from 10 February, on motion by Senator Macdonald:

That the Senate take note of the document.

Senator BARNETT (Tasmania) (6.00 pm)—I wish to take note of the CSIRO annual report for 2009-10 and in so doing I wish to indicate that the Defence Science and Technology Organisation facility in Scottsdale in north-east Tasmania received some good news recently. An $18.7 million up-
grade to that facility has been announced by the federal government. Of course, the initial announcement to upgrade that facility was made in April 2010. They bungled the tender process at that time and now we have to start again.

Of course we welcome this new development and the announcement of this tender, but we know that the work will not begin until late 2011 at the earliest. That is 18 months after what was originally promised. The people of north-east Tasmania are hurting at the moment. Unemployment is on the rise. The Gunns sawmill is closing at the end of this month and over 100 jobs will be lost directly in that community—that hurts.

There is the lesson that has been learnt. The government have been dilatory and have sat on their hands. They bungled the first tender process. I was in Scottsdale just a couple of weeks ago where there were representatives from the CSIRO at that facility. At that time the government announced the establishment of a new joint research centre in food innovation, drawing on the facilities and expertise of the University of Tasmania, CSIRO and the DSTO.

We do not know the detail, but that is great news. I am pleased about that because I made that suggestion in a letter that I wrote to the minister suggesting that the role of the DSTO Scottsdale facility in food production and research could be expanded. In this case it appears that the government has listened to the view set out in that letter and it can see that there is potential. There is huge potential. I am talking about big money investment in this centre. There is no commitment over the direct money amount to this new centre with the CSIRO. We do not know if it is all going to be based in Scottsdale, in Launceston at the university or at CSIRO in Hobart. We do not know the details. I know the local community is very keen to benefit from this new joint research centre. It certainly has the support of the local community. I hope that it can become a centre of excellence for all of Australia. I hope that we can talk about big money investment into this community—not just for research but also for production.

I would like to put on the record my extreme disappointment that this government have taken on a tender for the production of processed foods for our defence forces from a New Zealand company. It is so sad and disappointing that it has not gone to an Australian company and that the Scottsdale facility has not specifically benefited. The Scottsdale facility produces processed food for the Australian Defence Force, so we are missing out on an opportunity there.

In that letter I also made the suggestion that this food should be made available through our overseas aid program, whether it be for the Haiti earthquake, the Pakistan disaster or other places. In a time of need this is exactly the sort of the thing that the Scottsdale facility could provide for. I would hope that the government seizes with both hands this opportunity to create more jobs, growth and development in the north-east. I would like to see more detail about this joint research facility as soon as possible so that we can get things underway. They have been hurting. It is tough up there in the north-east. They need support from the federal government. This is a great way to provide it and I hope it happens as soon as possible. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Australian Postal Corporation

Debate resumed from 10 February, on motion by Senator Macdonald:

That the Senate take note of the document.

Senator IAN MACDONALD (Queensland) (6.06 pm)—This report from Australia
Post continues to show profits and that is always good for a public corporation. At estimates the other day Australia Post were indicating that their mail business is going downhill but they are doing very well out of the parcel side of their business.

I have raised this matter directly with Australia Post, and they are responding very well in trying to address it, but we have a problem in Rockhampton where the Rockhampton Mail Centre has expanded beyond its original being as a suburban post office. That is okay—it is a very efficient postal centre—but the trouble is that it is in a residential area and the people living next door to the mail centre simply are not able to sleep at night. Many of them are pensioners and many others go to work early to do manual work. There is a whole street of people who cannot get to sleep because of the noise of trucks reversing at two, three and six o’clock in the morning and metal containers clanging on the cement. It means that people are really inconvenienced. It is something that I know Australia Post are conscious of. I know they are trying to do something to help and I hope a solution can be reached.

My limited understanding suggests to me that the only solution is for the government to provide Australia Post with sufficient money to move the whole mail centre out of a residential area and into an industrial estate. I am pleased to say that Australia Post is meeting with the residents. We are making a date when we can get together, and that is good. I appreciate the courtesy and the cooperation of Australia Post officials, but I expect in the end result it will be beyond Australia Post. It will need the government and the Minister for Broadband, Communications and the Digital Economy, Senator Conroy, instead of wasting $55 billion on a National Broadband Network that is unnecessary, to put some of that money into establishing a new mail centre in Rockhampton and so give people a bit of rest. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Australian War Memorial

Debate resumed from 10 February, on motion by Senator Ronaldson:

That the Senate take note of the document.

Senator RONALDSON (Victoria) (6.09 pm)—I welcome the government’s belated announcement this morning of some funding for the Australian War Memorial. It is regrettable that the government was dragged kicking and screaming into making that announcement and a lot of people around the country are wondering why it took them so long and why it was that the government was not prepared to move earlier on this matter, having been alerted to it by the Chairman of the Australian War Memorial Council, Peter Cosgrove, back in March of last year and then May of last year. In fact, the situation was so desperate in May last year that General Cosgrove, probably one of the best known and highly respected living Australians, had to ask for a meeting with the then Prime Minister to discuss the financial situation. In actual fact, remarkably, that meeting was never granted.

Senator Barnett—You’re joking.

Senator RONALDSON—It was never granted. Yes, absolutely. The pressure came on in October last year and in response to that the Prime Minister announced an inquiry into the resources of the Australian War Memorial. What the Prime Minister knew, and what others knew, was that they had already been told what the situation was. In fact, the incoming minister was provided with a departmental brief which said the memorial was facing potentially crippling financial circumstances. Why did it take from October until now to make the announcement? I will tell you what forced them to make the an-
announcement this morning, hurriedly—and I would love to know from Senator Lundy what time she got the phone call to be at the War Memorial; I suspect it was not long before the announcement was made. What happened was that there was incredible community pressure growing to the diabolical and appalling behaviour shown to, in my view, the pre-eminent iconic memorial in this country. The pressure became too much and the government was forced to respond. I thank the community for its assistance in the campaign that has been run by the coalition—by Mr Abbott himself and I as the shadow minister for veterans’ affairs. The community has worked very hard on this. The media has made a significant contribution.

But why did it get to this, when this organisation was pleading for $5 million a year extra 12 months ago? When you look at what has been expended and wasted by this government in the last 12 months, the community is asking: what are the Labor Party’s priorities? We heard only two weeks ago that $13 million was wasted on advertising a health agreement for which there was no agreement. That represents nearly three years of the additional funding that the Australian War Memorial required. There is a litany of waste and financial mismanagement which could have put money into this institution and, indeed, other institutions throughout the country. The sooner this government wakes up to itself and reordered its priorities the greater will be the respect that it is given by the Australian community. Look at the last two days in relation to the decision on a carbon tax and look at the impact that that is going to have on Australian families—the very people, the nearly 900,000 ordinary Australians, who visit the Australian War Memorial every year and the nearly 200,000 children.

The financial situation of the War Memorial became so grave that the council met and discussed whether they would close the doors for one day a week. They were going to close the doors for one day a week because the Australian Labor Party refused to provide $5 million. They wasted a billion dollars on the Home Insulation Program, the pink batts program—a billion dollars wasted to pick up on the mistakes they had made—let alone the school halls program and the Green Loans program. When you go through it, there is litany after litany of government waste and financial mismanagement. I hope the Australian Labor Party, and the Prime Minister particularly, has learnt the lesson of the Australian War Memorial. If you treat such icons with the contempt that the Australian Labor Party have done, then you will be pilloried and judged adversely by the Australian community, as you should and they indeed have.

I will finish as I started. I welcome the funding announced by the Prime Minister today, which of course was a response to the funding announced by Mr Abbott last week. Is it coincidental? Others will make their own judgment about that. What the government has to do now is commit the $25 million to the refurbishment of the World War I galleries and not $1.7 million apparently for a feasibility study. We know it is feasible. We know it must be done.

**Senator Lundy** (Australian Capital Territory—Parliamentary Secretary for Immigration and Multicultural Affairs and Parliamentary Secretary to the Prime Minister) (6.16 pm)—On the same matter, I am also pleased to make a contribution because of the significant announcement made by the government today to increase the operational budget of the Australian War Memorial by $8 million. In sharp contrast to the outlandish claims of the very eager senator opposite to claim credit, the government has been under-
taking a very serious review of the War Memorial’s operational budget and its capacity to support a very appropriate and very grave and important commemoration of the centenary of Gallipoli in 2015. In stark contrast, as I said, to the claims of the senator opposite, this is the responsible approach by government. I put to the opposition that their quite shallow exercise today in claiming some credit for the government’s longstanding review of the Australian War Memorial is not the situation at all. In fact, our consideration and our announcement today have been well programmed. I would put to you, Mr Deputy President, that in fact it is pure opportunism for the opposition to stand up here today and claim some credit. We take very seriously our responsibility for the ongoing operation of the Australian War Memorial—we all do. We do not play games with it, and that is one of the reasons why we commissioned a very serious review. It is not about playing politics. It is not about a quick grab for cash in response to an opposition campaign. It is about a serious consideration of the War Memorial’s ongoing operational budget.

I know that there has been quite a deal of interest in this issue, and rightly so. I participated in a Public Accounts and Audit Committee inquiry some time ago now that looked at the operational budgets of a whole number of what are defined as small agencies, and serious issues like the ongoing impact of the efficiency dividend. Indeed, I have participated in Senate estimates over many, many years—but obviously in my role as an ACT senator through the course of our years in opposition—and I am very familiar with the budget situation of the War Memorial. The fact of the matter is that there had been no diminution of the budget of the Australian War Memorial up to this financial year. The claims of the opposition that it had somehow been reduced were incorrect. Despite them being advised of this fact, they persisted in telling mistruths in the public domain about the state of the Australian War Memorial’s budget. And now they have the audacity to come in here and try to claim credit for a considered review and a response to those ongoing operational needs, which were the substance of the Prime Minister’s very warmly welcomed announcement this morning.

It is very easy for the opposition to play these games, to make out that they have been somehow instrumental in the community campaign. The bottom line is that they knew we were reviewing the Australian War Memorial’s budget, and the opposition have made token endeavours in the public domain to buy themselves into this debate in an opportunistic way—so much so that, obviously with the results of the review imminent, we saw a shallow exercise last week by their leader, Mr Tony Abbott, in announcing some kind of commitment from the opposition about the budget. But the fact is that they are not in government; they are in opposition. They can play politics all they like.

I am incredibly proud of this announcement today. It is the operational budget that this institution requires. It is about providing $1.7 million, particularly towards the upgrade of those extraordinary World War 1 exhibitions. It is about all of the things that many Australians care deeply about. I have been to the War Memorial many, many times, and I think all Australians will agree that the World War 1 exhibition area, with its amazing dioramas, deserves this investment by the Australian government. It was my honour to stand beside the Prime Minister this morning as she made this important announcement, and I think it will serve the interests of all Australians very well.
In closing, I want to reiterate the point about the state of the budget at the War Memorial.

Senator Ronaldson—12 months too late.

Senator Lundy—I will take Senator Ronaldson’s interjection—12 months too late. The fact is that their budget has not been cut. That was clarified at estimates last week, and you know it.

Senator Ian Macdonald (Queensland) (6.21 pm)—On the same subject, it is a sign of our Australianism that we give credit where credit is due. I just want to take a few seconds tonight to give credit to Senator Ronaldson for his sterling effort in changing around what was turning out to be an absolute catastrophe for one of Australia’s iconic sites. Senator Ronaldson has been running a campaign. He has assisted RSL clubs, service organisations or anyone around Australia who might have an interest in the curtailment of hours at the War Memorial that has occurred for many weeks and, indeed, months now.

In an illustrious career that has been literally adorned with many achievements and successes for his constituents, I have to say to Senator Ronaldson, ‘This is your finest hour.’ It would not have happened—in spite of what Senator Lundy has tried to indicate—if you, Senator Ronaldson, and Mr Tony Abbott had not made the sort of public noise about the financial problems confronting the Australian War Memorial. It is a great credit to you. It is a great credit to our leader Tony Abbott that he was prepared to join with you in this campaign not just here in Canberra but also right around Australia because the War Memorial is something that all Australians are so proud of. We want to be able to go and see it every day of the week as we can. What was happening to the budget was just scandalous, so congratulations Senator Ronaldson. As I say, this is almost your finest hour.

Senator Parry (Tasmania) (6.23 pm)—I would concur with the remarks of Senator Macdonald. Senator Ronaldson has been a tireless worker in this area and it was so pleasing to see this today. Hansard will recall that Senator Ronaldson, Senator Humphries and I spoke on this matter on a few occasions in the past. I am very pleased to know that the last post will still be played every night and they will not have to seek sponsorship to play it which I think is incredibly important. This is one of the few institutions in this country that we should not ever baulk about funding. I am delighted with the announcement today. I do thank Senator Ronaldson for keeping the pressure on the government that he has. I think it is a good outcome at this point and let us hope that funding continues to flow and increases when necessary to such an iconic item in Australia’s heritage.

Senator Barnett (Tasmania) (6.24 pm)—I want to very briefly associate myself with the remarks of Senator Macdonald and Senator Parry and to congratulate Senator Ronaldson and the coalition more generally for the success that they have had in saving the Australian War Memorial from these dreadful cuts. It has been a job well done. Veterans across Australia will be very relieved to hear the good news and members of the RSL likewise.

Senator Carol Brown (Tasmania) (6.25 pm)—I also want to make a short contribution and congratulate Prime Minister Julia Gillard for today reaffirming the government’s ongoing commitment to the Australian War Memorial, and announcing an additional $8 million per year to ensure its ongoing operations. The new funding will ensure that the memorial can adequately respond to increased demands for these events.
as well as support inquiries, multimedia and education programs, research centres, services and professional historical advice. Today’s announcement also includes—as my colleague Senator Lundy has indicated—a one-off payment of $1.7 million to begin the redevelopment of the memorial’s First World War gallery. Again, I congratulate the Prime Minister and the Minister for Veterans’ Affairs Mr Snowdon for making this announcement today. I praise the memorial and its outstanding contribution to Australian society. I seek leave to continue my remarks.

Leave granted; debate adjourned.

Australian Commission for Law Enforcement Integrity

Debate resumed from 10 February, on motion by Senator Williams:

That the Senate take note of the document.

Senator PARRY (Tasmania) (6.26 pm)—I rise to speak on the annual report of the Australian Commission for Law Enforcement Integrity and the Integrity Commissioner thereof. Being a member of the Joint Parliamentary Committee on the Australian Commission for Law Enforcement Integrity—and I think the longest serving member—I wish to just make some comments about that. In particular, Australia did not need to move down this path because there was no systemic corruption detected in the agencies that the Australian Commission for Law Enforcement Integrity supervises—they are the Australian Crime Commission and the Australian Federal Police. However, it was Justice Minister at the time, Senator Chris Ellison, who instigated the establishment of the Australian Commission for Law Enforcement Integrity not because there was a problem in Australia but to ensure that a problem never existed, and if any problems were detected there was an appropriate and well-equipped body to deal with such matters that would come under its jurisdiction.

The commission has been superbly run for some years now. There are some issues that the parliamentary joint committee look at in relation to matters that are raised with the committee but, by and large, the committee is serving its purpose in oversight of the commission. The commission is certainly serving its purpose to the Australian law enforcement community by ensuring that adequate standards are in place for corruption or breaches of legislation that require investigation by the commission.

As with all agencies when they commence there is always an infancy, a learning period and a time of establishment. The Australian Commission for Law Enforcement Integrity certainly has passed that point now and has developed into a fine agency. I can see as we move forward that the commission will continue to provide the security and the comfort that Australians need to know: that two key law enforcement agencies in this country are adequately supervised and there are mechanisms in place to deal with any breaches that the commission has authority to investigate. Also, the commission has the ability to supervise internal investigations that are conducted by the Australian Federal Police and the Australian Crime Commission. That also gives added comfort that there is an additional independent body looking at matters of internal investigation when they do arise.

I think the model we have adopted in Australia is exceptionally good. I think the model works. As always, the model will need to be constantly reviewed and updated, and this report in particular highlights to the parliament the attributes and the issues in relation to the commission. I urge any senators who are not familiar with the commission to read the report and to be assured—and I hope the Australian public are assured—that this commission is in place to serve a purpose: not necessarily to detect corruption that was perceived to be there, but to be there in
case and to be there as a watchdog. The old saying is: it is no good shutting the gate once the horse has bolted. In this case the horse is still in the paddock and the gate has had some good locks added to it. I think that is a good analogy to describe how the Australian Commission for Law Enforcement Integrity commenced. We are certainly well secured in this country. I know other countries have looked at our models and hopefully we can be of some assistance to other jurisdictions in relation to anticorruption methods. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Office of the Renewable Energy Regulator

Debate resumed from 10 February, on motion by Senator Barnett:

That the Senate take note of the document.

Senator BARNETT (Tasmania) (6.30 pm)—I would like to speak to the Office of the Renewable Energy Regulator financial report for 2009-10 and in so doing note that renewable energy has always been at the forefront in Tasmania. It is an absolutely critical part of our power supply system through hydro and more recently through wind. I note the importance of the Musselroe Bay wind farm development, which is a $400 million proposal for north-east Tasmania. Based on the latest advice I have received, that is the cost. It would build 56 turbines and deliver 169 megawatts of power. That is a lot of power and it is going to be very useful for Tasmania. Whether we can use it in Tasmania or export it, I do not know, but I hope it is very successful.

I am advised the company has already spent approximately $20 million on the development in preparation work and preliminary works. The company is Roaring 40s. I talked to its Managing Director, Steve Symons, last year. I have not talked to him more recently, but he has been driving this development on behalf of Roaring 40s. It is a very important project for Tasmania generally. This is big money for Tasmania. We know that the Gunns sawmill in north-east Tasmania is set to close in the next month or so with over 100 jobs lost. It is a very serious matter for north-east Tasmania. Unemployment is certainly on the rise. The state government seems to have a death wish for the forest industry in Tasmania and that is very disappointing indeed.

During efforts in this parliament and in this Senate to get the government to see sense and review their renewable energy target legislation, which occurred last year, I moved a motion with Senator Fisher and we had success. The first part of that motion said:

… major flaws in the design of the Federal Government’s renewable energy target legislation have led to a dramatic drop in the price of renewable energy certificates and stalled investment in the renewable energy sector …

Of course, part of the stalling was the $400 million Musselroe Bay wind farm. Exactly at a time when the community needed that support, growth, development and jobs, the government sat on their hands.

I talked to Mayor Barry Jarvis just a couple of weeks ago in Scottsdale. I know other councillors up there who are very keen for this development to start. I know the community are keen. The advice was that it should start around midyear. My call is this: the federal and state governments should get off their hands, be proactive and do whatever they can to get that project underway. The previous advice was that it would get underway midyear. We are now into March, and then you have April, May and June. We are talking about a few months away. Why can’t we get this project moved into a fast-track mode to support the north-east and northern Tasmania more generally. This is exactly what the community needs. I call on both the state and federal governments to be proac-
tive, to work with the local community, to work with the developer and to do whatever it takes in a reasonable sense to get this project off the ground. I ask them to do it forthwith. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following orders of the day relating to government documents were considered:


Australian Law Reform Commission—Report No. 113—Report for 2009-10. Motion of Senator Barnett to take note of document called on. On the motion of Senator Parry the debate was adjourned till Thursday at general business.

Federal Magistrates Court of Australia—Report for 2009-10. Motion of Senator Macdonald to take note of document agreed to.

Department of Agriculture, Fisheries and Forestry—Report for 2009-10, including financial statements for the Australian Quarantine and Inspection Service, National Residue Survey and Land and Water Resources Research and Development Corporation (Land & Water Australia). Motion of Senator Macdonald to take note of document agreed to.

Departmental and agency appointments and vacancies—Budget (Supplementary) estimates—Letters of advice—Documents tabled 25 October 2010. Motion of Senator Macdonald to take note of document agreed to.

Departmental and agency grants—Budget (Supplementary) estimates—Letters of advice—Documents tabled 25 October 2010—Attorney-General’s portfolio.
the Governor-General. Motion of Senator Barnett to take note of document agreed to.


Classification Board and Classification Review Board—Reports for 2009-10. Motion of Senator Back to take note of document agreed to.

Attorney-General’s Department—Report for 2009-10. Motion of Senator Back to take note of document called on. On the motion of Senator Parry the debate was adjourned till Thursday at general business.

Military Superannuation and Benefits Board of Trustees—Report for 2009-10, including financial statements for the Military Superannuation and Benefits Fund. Motion of Senator Ronaldson to take note of document called on. On the motion of Senator Parry the debate was adjourned till Thursday at general business.

Defence Force Retirement and Death Benefits Authority (DFRDB)—Report for 2009-10. Motion of Senator Ronaldson to take note of document called on. On the motion of Senator Parry the debate was adjourned till Thursday at general business.

Wet Tropics Management Authority—Report for 2009-10, including State of the Wet Tropics report for 2009-10. Motion of Senator Williams to take note of document called on. On the motion of Senator Parry the debate was adjourned till Thursday at general business.

Australian Sports Commission—Report for 2009-10, including financial statements for Australian Sports Foundation Limited. Motion of Senator Williams to take note of document called on. On the motion of Senator Parry the debate was adjourned till Thursday at general business.

**COMMITTEES**

**Legal and Constitutional Affairs Legislation Committee**

**Membership**

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—The President has received a letter from a party leader requesting changes in the membership of a committee.

Senator LUNDY (Australian Capital Territory—Parliamentary Secretary for Immigration and Multicultural Affairs and Parliamentary Secretary to the Prime Minister) (6.35 pm)—by leave—I move:

That Senator Forshaw replace Senator Furner on the Legal and Constitutional Affairs Legislation Committee for the committee’s inquiry into the Australian Capital Territory (Self-Government) Amendment (Disallowance and Amendment Power of the Commonwealth) Bill 2010, together with the amendments on sheet no. 7031 circulated by the Australian Greens, and Senator Furner be appointed as a participating member.

Question agreed to.

**Consideration**

The following orders of the day relating to committee reports and government responses were considered:

Scrutiny of New Taxes—Select Committee—Report—The student amenities fee – another tax by another name. Motion of Senator Williams to take note of report agreed to.

Finance and Public Administration—Standing Committee—Report—Residential and community aged care in Australia—Government response. Motion of Senator Fierravanti-Wells to take note of document called on. On the motion of Senator Parry the debate was adjourned till the next day of sitting.

Economics References Committee—Report—Decision of the Australian Competition and Consumer Commission on the proposed acquisition of Franklins by Met-
cash Trading Limited. Motion of Senator Williams to take note of report agreed to.

Corporations and Financial Services—Joint Statutory Committee—Reports—Statutory oversight of the Australian Securities and Investments Commission—Report on the 2009-10 annual reports of bodies established under the ASIC Act. Motion of Senator Williams to take note of reports. On the motion of Senator Parry the debate was adjourned till the next day of sitting.

Legal and Constitutional Affairs References Committee—Report—Donor conception practices in Australia. Motion of the chair of the committee (Senator Barnett) to take note of report. On the motion of Senator Parry the debate was adjourned till the next day of sitting.

Education, Employment and Workplace Relations References Committee—Report—Administration and reporting of NAPLAN testing. Motion of the chair of the committee (Senator Back) to take note of report agreed to.

Order of the day no. 1 relating to committee reports and government responses was called on but no motion was moved.

AUDITOR-GENERAL’S REPORTS

Report No. 27 of 2010-11

Senator BOSWELL (Queensland) (6.38 pm)—by leave—I move:

That the Senate take note of the document.

I wish to speak to this Auditor-General’s report, entitled Performance audit—Restoring the balance in the Murray-Darling Basin. As we all know, the Murray-Darling Basin is the biggest food bowl in Australia, and that food depends on the pollination of plants, including vegetables and everything else that is grown there. Tonight I want to expose a threat to food bowls all around Australia, but particularly in the Murray-Darling Basin. The food industry and even our environmental industry is being challenged by this threat, which does not come in the shape of a human or a natural disaster but in the form of an animal, namely a bee from Java.

Currently in Australia there is an incursion of the Asian honey bee in Cairns. This bee is a native to Java, Indonesia, and has infested itself near many of the territories around Australia, namely Papua New Guinea and the Solomons. It has now taken up home in our backyard and could well end up in the Murray-Darling Basin.

In 2007 the first nests of the Asian honey bee were found. The bee carries with it a mite from Java known as the varroa mite. This particular mite is carried on the back of the Asian honey bee and carries with it viruses that can be lethal to the European bee, which is the bee we have in Australia. The Asian bee, carrying the mite, will invade the European honey bee hive. The mite can then transfer itself onto the European bee, bringing with it viruses that will result in fatalities in the adult bees in the hive. The mite will also get in amongst the bee larvae, weakening the unborn bees and causing further losses. In areas such as the Solomons and New Guinea, the effect of this bee and the mite has already been devastating.

While there have been no instances of the mite being found on the Asian honey bee in Australia as yet, there is evidence to suggest it will come if not prevented and will ultimately find its way into the Murray-Darling Basin. Already, because of the quarantine protocols of other countries, the fact that the mite may exist on our bees has caused the overseas demand for Australian queen bees to decline. Unlike the European bee, this bee is not able to be domesticated and it produces little honey. Instead it will rob honey from European honey bee hives like a forager. If this bee makes its way from Cairns down into the food bowls of Australia it will
cause many honey producers and controlled pollinators to experience significant loss in their yield.

The bee does not just threaten the honey and pollination industry of Australia; it is also a threat to public safety, as it establishes nests in cavities within houses and creates a nuisance in urban areas. Furthermore, its impact on the environment is significant, as it stings native animals and insects, disrupting the ecosystem significantly. Further, their nesting sites compete with native insects and they also compete for food. As I have already stated, if the varroa mite is able to breed in Australia the results will be devastating for all primary industry. At first glance the problem is contained within Queensland; however, if allowed flourish, the beekeepers of Australia are adamant that the swarms will spread further, to different states, and will end up in the Murray-Darling Basin. If not stopped, the Asian bee infestation has the potential to do to our honey industry what the rabbit did to our graziers. So what is being done to stop the rot?

This week bee farmers from all over Australia have come to Canberra to voice their concern on this vital food security issue. In April 2010 there was a program initiated that was designed to come up with a solution to the Asian bee problem. In November 2010 this program was significantly scaled back. Now only a staff of 11 researchers remain in the program to carry on the research. Out of those 11 staff members, none are field researchers, which means the program is effectively shut down. This is because no real practical progress can be made without the input of field scientists. This program will be officially cut out altogether on 31 March and then there will be no other way for the beekeepers of Australia to fight this menace. This is a threat all over Australia.

The Commonwealth government at this time feels that, based on evidence provided to it by a technical committee, the bee infestation is not eradicable. The government seems to be of the impression that to carry on this vital research is a waste of time and money. Furthermore, by not doing anything about the problem, the federal government is effectively giving the message that it feels the threat will not spread from Queensland to other states, but we are concerned about the Murray-Darling as well. However, the beekeepers of Queensland and the Queensland government are of the opinion that the problem can be fixed. They believe that the bee is eradicable and that, given the right amount of funding and support, the Asian bees can be wiped out from our shores for good. Also, information from the CSIRO suggests that the swarms can and will move to other states if given a chance.

It is interesting to note that the government faced a similar problem with regard to the invasion of the papaya fruit fly. However, due to the government’s willingness to fight on and find a solution to the problem, that problem was solved. That is what we need to do for the infestation that we are fighting now. At the moment it is thought by beekeepers that in order to restart a credible program a figure of $5 million a year must be obtained. I put it to you, Mr Acting Deputy President, that that is a very small amount of money to protect our environment and our native bees. Five million dollars for one year, to prevent the total annihilation of the Queensland or even the national honey bee industry seems like a small price to pay, and it is not only to protect the bee industry. This problem is very serious from an environmental point of view.

The Queensland government has already developed a model by which they believe the problem can be tackled. I therefore ask the Commonwealth government to take action.
We need to fight this feral menace for the good of our primary food producers, not to mention our own fragile ecosystem. It seems absurd that a country that stands up for primary industry and the environment would allow a problem to exist that has the potential to wipe out a very important sector of our rural economy, when it is thought that it could be fixed so easily and for so little. Therefore, I ask the federal government to listen to the plight of the Australian beekeepers and industry, and either provide the full amount of funding for the eradication program, which is really insignificant, or at least work with the Queensland government and provide partial funding so that this plague can be stopped before it is too late.

Consideration

The following orders of the day relating to reports of the Auditor-General were considered:

Orders of the day Nos 2 to 6 relating to reports of the Auditor-General were called on but no motion was moved.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—Order! It being 6.48 pm, I propose the question:

That the Senate do now adjourn.

Australian Natural Disasters

Senator FURNER (Queensland) (6.48 pm)—I rise this evening to discuss a matter that I spoke about recently in a condolence speech in this chamber on the Queensland flood victims. During that particular speech I raised the matter of an event that was held at Club Pine Rivers and which I was principally involved in. The idea of the event commenced when I contacted the club’s CEO, Wayne Moffatt, in mid-January, requesting that they be involved in an event to raise money for the Premier’s Disaster Relief Appeal. Despite the lack of time, with 10 days notice for the event to be held on Sunday, 22 January at the club, the enthusiasm and the commitment was really overwhelming. What started out as a basic sausage sizzle grew into a massive event, pulling in sporting identities, local and state parliamentarians and The Veronicas, who all attended to support Queensland flood victims.

State member for Pine Rivers, Carolyn Male, councillor for the Moreton Bay region Mick Gillam and I got behind the event and helped with auction items, advertising, marketing and the sausage sizzle. A number of athletes also generously donated their time on the day. They included Tonie Carroll and Matt Gillett from the Broncos Rugby League Club; Daniel Rich from the Brisbane Lions AFL club; legendary jockey Larry Cassidy; and Australian swimmers Melanie Schlanger, Jessica Schipper and Chris Wright; along with Australian softballer Jodie Bowering. Mick Hancock, Mick De Vere and David Nelson also made valuable contributions and wanted to be there but unfortunately had other commitments.

The athletes made themselves available to sign autographs and do whatever it took to help raise funds. In addition, anyone was able to challenge any of the athletes for a gold coin donation throughout the day to play a number of games they had arranged. People challenged Tonie Carroll to pass the ball and take on Larry Cassidy at Texas Hold ‘Em. Additionally, bowls were played with Matt Gillett, darts with Jessica Schipper, miniature golf with Jodie Bowering, and foosball with Chris Wright or Mel Schlanger. All of the athletes were very generous with their time, and a special mention must go to the members of the Olympic swim team, who not only stayed all day but donated $500 of their own money to the cause. Funds were raised by ways of donation boxes set up throughout the club, raffles every hour and a monster auction at the end of the day. All prizes were donated by individuals or the
club and there were no reserve prices on anything. There were some really good bargains in the auction.

On a day with many highlights, it must be said that The Veronicas were the big drawcard. I could not believe at the time of my initial contact with their manager, their brother, Julian Origliasso, the willingness and the generosity shown by them. It was overwhelming. What started out as an agreed 1.5-hour visit from 4.30 pm turned into an extended stay until 9.30 pm. Plenty of people turned up to see them, and they stayed and signed every autograph for and took pictures with everybody who wanted one. They brought prizes for the auction and were even generous enough to agree to be auctioned themselves, for a dinner with them on a particular night. That auction went for around $500, and Lisa and Jess also took to barefoot bowling and showed plenty of ability on the greens.

There were too many volunteers on the day to mention them all individually, but my thanks go to the wonderful staff of Club Pine Rivers who volunteered, along with plenty of members who helped them out. Club corporate partners were also enormously generous not only with donations but also with their time. Genesis Fitness Club, Lawnton; Drummond Golf, Lawnton; Harvey World Travel, Strathpine and North Lakes; Village Motors, Petrie; WOW Sight and Sound from Rothwell; Terry Orreal’s Quality Meats; Westpac Bank and Super A-mart, Lawnton, were fantastic with their efforts. In addition, assistance came by way of donations for raffles from contacts I had made personal requests to, including Terri Irwin from Australia Zoo; Sonia La Penna from Supercheap Auto; Coffee Club, Strathpine; Wendy Cooke from Campbells Cash and Carry, Maroochydore; Cecil Fernandes from IGA; Raj from Baskin Robbins, Kedron, and Kevin Boland from SPM Group. Notwithstanding all that the club had already done, it went further by matching dollar for dollar all donations made through the barrels and donation tins on the day.

Charity support to local communities is nothing new for Club Pine Rivers. The club has supported, and continues to support, many charities over the years. It also tries hard to support as many sporting organisations and other worthwhile causes as it can. Examples of these are the Queensland Ambulance Service, the Salvation Army, Clubs Smile for a Child, Rapids Baseball, Pine Rivers St Andrews Hockey Club, Strathpine Little Athletics, the Endeavour Foundation, Mount Olivet Crime Stoppers, Bray Park-Strathpine RSL sub-branch, the Mater Hospital and many local schools and community groups. Over the past years Club Pine Rivers has raised over half a million dollars for community organisations. All these examples demonstrate why clubs like Club Pine Rivers and its executive need to be supported as pillars of our society.

Many things in life can make you proud to live where you live and be who you are. Being part of a response like that to the floods in Queensland—talking with victims, in their demolished homes sometimes or over the phone, and assisting them in various ways—has to be one of the best things you could do as an Australian. The same Aussie spirit I saw firsthand, shown by the countless volunteers helping out in those flood ravaged areas of south-east Queensland, was the same spirit I saw alive and well at this fundraiser at Club Pine Rivers.

The desire to help with fund raising is widespread in our neighbourhoods. I have now lost count of how many events I have been invited to and have attended. I know the generosity to help your fellow human beings will continue for a long time. Some examples of events I have been to recently or are
about to go to have been at the Sandgate PCYC, which was organised by the local state member. There is an event at the Queensland Multicultural Council this Saturday night in Oxley, which was an area that was devastated by the Brisbane floods. Just last night, I attended a function, with other senators and members from Queensland and Victoria in the members dining room here in Parliament House, receiving a cheque for $2.2 million from a Taiwanese organisation—a clear demonstration of their commitment and the worthiness of those sorts of donations that are coming through. Not long after the flooding in Brisbane, Deen Brothers Earthmoving went out in their earthmoving equipment. Habib Deen tells me that he and 40 volunteers from the Islamic Council of Queensland used both earthmoving equipment and human labour to help the Brisbane flood cleanup.

All this goodwill clearly demonstrates that the opposition’s arguments in debating the flood levy bill, with regard to donations and donations drying up, were clearly vexatious. In closing, I acknowledge those from Club Pine Rivers: President Bob Ebborn, CEO Wayne Moffatt and all of the executive and staff for their amazing efforts to raise money for Queenslanders in so much need. Their example again demonstrates why we should support community clubs like Club Pine Rivers who give so much back to their community.

Australian War Memorial

Senator HUMPHRIES (Australian Capital Territory) (6.56 pm)—I rise tonight to thank the government for having bowed to reality—

Senator Lundy—You can sit down now!

Senator HUMPHRIES—Sadly, that is not part of the deal.

Senator Ryan—They don’t get to set the terms.

Senator HUMPHRIES—They do not get to set the terms; it is a thank you on my terms. I thank the Australian government for facing reality, the reality that the great national institution which stands in the midst of this city—in many ways the oldest national institution based in this city—the Australian War Memorial, has at last had the serious shortfalls in its recurrent budget addressed with a decision made today by the Gillard government to increase recurrent funding to that organisation by some $8 million a year. It has been a while coming. It leaves open some questions about capital expenditure, particularly with respect to the restoration of the First World War galleries, but it is a very positive step and will create certainty where there was none. It will provide a base on which to have proper preparation for the centenary of the beginning of the First World War, and particularly the landing at Gallipoli, properly marked by this nation in the coming few years. I am sure there are many people, not just at the War Memorial but also in the veterans’ communities and so forth, who will be breathing a very significant sigh of relief.

Of course this issue has not exactly crept up on us unawares; it has been very clear for some time that there was a substantial problem at the Australian War Memorial. That was highlighted by documents that were produced under FOI and published in the Australian newspaper a little while ago. They demonstrated concern not just by the council of the Australian War Memorial but also by the Department of Veterans’ Affairs itself, which repeatedly admitted concerns
about the direction in which the AWM’s budget was heading. It said in advice 091127:

Unspent budget from the previous year has now become a regular source of funding in order to achieve a balanced budget position. Salaries for positions relating to capital projects were funded from depreciation funding so as to relieve the general salary budget, however this strategy is not sustainable in the long-term.

As time went by, some of these warnings and concerns became more shrill. A later minute than that first one I quoted states:

The level of funding has now reached a point where is it no longer sufficient to deliver functions as defined in the Australian War Memorial Act 1980 to the standard expected by key stakeholders and the community at large.

Further, it goes on to say:

It should be noted that in the lead up to the 100th anniversary of WWI (2014-18) there is no doubt that the level of interest in commemorative activities and demands for information and assistance will increase significantly … the Memorial will not be in a position to meet that demand.

The option of closing the memorial was then canvassed, not by the memorial itself necessarily but in fact by the Department of Veterans’ Affairs. It minuted that proposal to its incoming minister after the August 2010 election. Eventually the chair of the council, General Peter Cosgrove, wrote to the Minister for Veterans’ Affairs on 25 May last year and painted, frankly, a very dire picture. He said:

By FY14/15, staff levels are forecast to reduce by almost 50.

Further on:

The clear outcome of the staff losses is that the Memorial will be unable to make the contribution expected by Government and the nation.

He pleaded specifically for $5 million in recurrent funding to be restored to the memorial after cuts left it in that position. He said:

I believe that it would be useful for you and I to see the PM on this matter to plead our case for some necessary relief.

Interestingly, the government responded to that concern not by acceding immediately to the request but by commissioning a review to be conducted by the Department of Finance and Deregulation. Interestingly, as of last week when I queried the minister for finance and the department about the state of that review, the answers I received were to the effect that a very rudimentary level of activity had occurred with respect to that review. I got the distinct impression, in fact, that very little had actually been done with respect to that review. That therefore led me to receive the announcement today that there would be $8 million extra in the budget for the Australian War Memorial with some surprise. This was a review which was meant to get underway and to report in time for announcements, if any, to be made in the context of the budget in May 2011. Here we are at the beginning of March and a decision has been announced.

As I say, I welcome that, but the question remains: why now? The answer is very clear. The answer is that this parliament, particularly the opposition, led by Senator Ronaldson, has taken every opportunity to make the case for the memorial’s funding to be restored. It has fought a trenchant and articulate case for there to be better funding for the Australian War Memorial. Senator Ronaldson, Mr Abbott and I have repeatedly made that case in a variety of settings. I am delighted that, following the announcement made in the middle of last week by Mr Abbott at the War Memorial itself that under a coalition government there would be an improvement of $5 million in the Australian War Memorial’s funding base, the government has followed suit. I am proud to have fought the fight with my colleagues Senator Ronaldson and the Leader of the Opposition
to achieve that improvement in the memorial’s funding base.

It was a situation, however, that the community ought never to have faced. This funding should never have been taken away. It was taken away by blind adherence to a policy that said that every agency, every institution, no matter how small and no matter how important its role, should have an across-the-board cut made to it. The policy came a cropper. It was obvious for at least a year that that was the case, and unfortunately it took the pressure applied by the opposition in this relentless campaign to have the memorial’s funding restored to make the government realise that it needed to act. So it brought forward a decision that presumably it was contemplating making in the context of the budget and it made it this week. I welcome the decision, but I ask the Gillard government to ask itself: why has it taken that kind of pressure to get action? How many other decisions remain to be addressed because this government cannot prioritise its spending appropriately? How much more needs to be done that the opposition will need to draw this government’s attention to before it is acted upon?

This is a great day for those interested in properly documenting, recording and honouring the services of Australians in war and in peacekeeping operations. It is a great opportunity for an institution at the heart of this city and the heart of my community to be able to serve the purpose that has been entrusted to it by the Australian nation that it itself said it was not able to fulfil under the funding arrangements it had lapsed into in recent years. I thank my colleagues for their assistance in making this happen. I hope we never find ourselves in this unfortunate position again. These institutions have an enduring mission and role which extends well beyond the life of any one government. To allow their funding base to decline to the point where they cannot fulfil that role is a tragedy. I have to say with regret that, although I am grateful for the memorial having received this funding, it is not the only institution in the national capital which is facing the same kind of dilemma. That also needs to be addressed.

Water

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (7.06 pm)—Last month I had the great pleasure of meeting with the Urban Water Stakeholder Reference Panel in Adelaide. The panel was established in 2008 and consists of urban water experts from across Australia, including members from the water industry, local government representatives and scientists—including some Queenslanders, Senator Boyce. Yes, we try to include them in all of our considerations. I had met some of the panel members before, and it was a pleasure to meet the rest of the panel for the first time. The panel meets three times a year and provides practical advice on Australian government urban water policies and programs. Since it was established, the panel has provided advice on its recent research and work programs. These include: case studies on commercial and industrial water savings; research on urban rivers under different stormwater scenarios; and innovative stormwater and aquifer recharge projects.

To gain a greater understanding of the construction and operation of stormwater harvesting and reuse, the panel visited—and I know this will be of interest to Senator McEwen—a number projects in the north of Adelaide. My home state of South Australia leads the nation, as I am sure the senator is aware, in stormwater harvesting and reuse for managed aquifer recharge. The northern suburbs of Adelaide have been at the forefront of that leadership. The panel and I vis-
ited three of these northern suburbs sites, guided by the very well-known stormwater figure Colin Pitman. He is the city engineer of the City of Salisbury. He has played a major role in the development of projects in that particular council area.

Our first stop was the Unity Park biofiltration scheme. The Australian government is providing nearly $7 million in funding for this project, which will deliver up to one billion litres of treated water each year when it is fully operational. This water will be used for industry, new residential developments, schools and sports grounds in the northern suburbs. This will reduce the demand on valuable drinking water supplies, helping to keep these areas green and vibrant during the hot summer months. Of course, that is what they looked like while we were out there. The project will initially offset potable water demand by up to 400 million litres a year, with the capacity to increase that offset to one billion litres a year.

During our visit at Unity Park we saw that the construction of six biofiltration beds is well underway, with aquatic plants already in the ground in some of these beds. Biofiltration—as I am sure you are aware, Mr President—is a pollution control technique that uses, for example, constructed wetlands to capture and biologically degrade pollutants.

*Senator Boyce interjecting—*

*Senator FARRELL—* I am advised by Senator Boyce that she also knows about biofiltration. I am very pleased about that. The innovative aspect of the Unity Park project is that it has a very small footprint—in other words, it does not take up much space. Of course, that is very important in convincing other councils to pick up this sort of technology. This could pave the way for widespread use of this sort of stormwater harvesting technology in urban areas across Australia where there are not large spaces available. The project also includes six new aquifer storage and recovery wells that are being installed along a nearby road verge, again demonstrating that big spaces are not required for this sort of stormwater harvesting and reuse technology.

Senator McEwen would be very well aware of our next stop, which was Parafield, where a Salisbury council project is diverting water from a drain, via a weir, into a capture basin. The water is then pumped into a holding basin from where it moves by gravity to a two-hectare cleansing reed bed. Nutrient and pollutant loads are typically reduced by up to 90 per cent by this process and the salinity of the treated water is significantly lower than that of water from the River Murray. This is a joint project with a local wool-processing company, which I am told is the largest in Australia. Wool washing requires significant quantities of water and the high costs of fresh water and sewerage disposal had lead the company to consider cheaper locations elsewhere. However, the development of this project will provide up to 1.1 billion litres of treated stormwater and waste water for wool processing each year, which will contribute to the security of about 700 jobs in the north of Adelaide.

Our last stop was the Stebonheath Flow Control Park, which is part of the innovative Waterproofing Northern Adelaide project. The Australian government is contributing $38 million to the overall Waterproofing Northern Adelaide project, which is run by a subsidiary of the Playford, Salisbury and Tea Tree Gully councils. It is good to see all of those councils working closely together. The $7.5 million Stebonheath Flow Control Park, which was opened by Senator Penny Wong in March last year, is one of 18 key stormwater harvesting, treatment and storage wetlands to be constructed or upgraded under the wider Waterproofing Northern Adelaide project. The park combines eight hectares of...
recreational open space with four hectares of wetlands. About 422 million litres of water each year from the wetlands will be injected into the Northern Adelaide Plains aquifer for storage and recovery. Eventually, about 570 million litres will be harvested from the park wetland for irrigation of City of Playford parks and reserves.

The wider project is a great example of how neighbouring local governments can work together on stormwater harvesting and reuse schemes. It is also an example of the federal government’s innovation-driving investment in stormwater projects across Australia. In conjunction with state and local governments, this investment is helping to secure urban water supplies in cities and towns across the country. The meeting and site visits certainly made for an extremely interesting and informative day, and I look forward to my next meeting with the Urban Water Stakeholder Reference Panel.

Disability Services

Senator BOYCE (Queensland) (7.14 pm)—I want to speak tonight about a landmark report that was released this week—the draft report of the Productivity Commission into longterm disability care and support. I would like to start by noting the death last week of the famous and outstanding disability theorist and advocate, Dr Wolf Wolfensberger. I noted in one of the many obituaries within the disability community that have been published for him today the comment that some people:

… may not know his name but I would be confident in assuming that, if you believe it is possible for people with disabilities to have a good life in the community, then you have felt his impact.

This man, who developed the principles of normalisation, was in many ways the starting point for where we have gotten to now in looking at a national disability insurance scheme. Dr Wolfensberger, when it was not fashionable or popular, developed the idea that people with disabilities should live in the community and, as far as possible, they should live the same normal live that a person without a disability did. It was a revolutionary idea at the time, but it is an idea that has grown and has become accepted. Unfortunately, what has not become accepted along with it is the need to fund the care and support that people with disabilities require. Deinstitutionalisation was seen in many cases simply as a cost-saving measure by governments, both state and federal. It was not seen as a way of diverting resources into the community. NDIS Queensland probably speak for everyone in the disability community when they say:

Hard work lies ahead to ensure the public, politicians of all persuasions and the media understand the need for and benefits of social and economic progress for people with disabilities, their families and carers that the National Disability Insurance Scheme would represent.

The scheme itself suggests probably nothing less than a revolution in funding of disability care and support services. The Productivity Commission’s first finding in all their material is:

The current disability support system is under-funded, unfair, fragmented, and inefficient, and gives people with a disability little choice and no certainty of access to appropriate supports.

It is not a ‘system’. This is the beginning of the very voluminous and very detailed report that the Productivity Commission has done. I would like to acknowledge the extraordinary hard work done by the commission, including Associate Commissioner John Walsh, who was appointed to the commission—he is an actuary; he is a person with a disability—to assist them in undertaking this inquiry.

One of the key findings of the report is that we need to develop two schemes: a national disability insurance scheme, which
would probably service about 80,000 people right now but, in the long term, about 360,000 people; and also a scheme to address what is referred to in the report as ‘catastrophic injury’—from all causes: motor vehicle accidents, medical accidents, criminal injury and general accidents that occur in the community and at home—because, as many people would know, right now, depending on which state you have your accident in, and depending on what sort of accident you have, you may receive adequate funding to support you while in other states you will not.

The cost that the Productivity Commission have put on this scheme is, as they point out, quite wide. They say that right now $6.3 billion is spent by the federal and the state governments on disability support. They believe that the real cost in the long term, to do a proper job, will be $12.5 billion—an extra $6.2 billion. As they point out, the costs are going to increase radically anyway, so using an insurance scheme that looks at simplifying the system and making it more efficient will be cost-saving in the long term. Right now we really have no idea what the savings will be in having carers who are able to have jobs and in having people with sufficient support to live decent, healthy and basically normal lives. It will make a huge difference, not just to the individuals, their carers and those around them; but it will also have an impact on the budget if we have people who are able to perform to the best of their abilities because they have the support there.

Another key point that the Productivity Commission makes is that current funding for disability services coming from state governments is that, in the main, disability support systems are not portable. I recently saw a family who live on the Gold Coast but are not game to move their son from his accommodation in Northern New South Wales because there is no guarantee that he would get the same level of support and funding in Queensland that he currently gets in New South Wales. The commission produces dozens of cases around what seems to be a very bizarre situation in modern Australia, where moving states can mean you will get a lower level of help than you have in the past.

The way that the commission suggests that this would be done is by reducing state and territory taxes by the amount of revenue that the states and territories currently provide to disability services. They set out numerous other ways of doing it, but they say that this in their view would be the preferable option because it would lead to more efficient funding of a national disability insurance scheme, with greater certainty for long-run funding and with no greater level of Australia-wide taxes than any of the other options. Compared with most of the alternatives, it would also have a lower risk that jurisdictions would not meet their ongoing commitments. I am very pleased that this is where they have come to.

I would also like to spend a little bit of time looking at the timing that is being suggested. In the view of the Productivity Commission, the NDIS should begin a full-scale rollout in one region of Australia in 2014, with that being extended to cover those in the whole of Australia most in need in 2015 and then progressively expanded to cover everyone with a significant disability by 2018. I appreciate very much the points that they make about the fact that we must not hasten too quickly in this area; that we need to get this right; that we need to fix the
dysfunctional system that we have. But I would also like to urge this government to not simply think that having this draft report—which will go to consultation and then become finalised in mid-year—is enough right now. I urge the government to open their hearts and look at the many examples that are given throughout the report of what carers are suffering now. The government needs to look at providing an emergency package of funding that will assist parents, carers and people with disabilities until we can get a scheme like this properly implemented.

I would also like to point out that the Senate Community Affairs Legislation Committee will be concluding in mid April its inquiry into the planning needs of ageing parents and carers of people with disabilities and I hope that this will be seen as a complement to the Productivity Commission report.

**Senate adjourned at 7.24 pm**

**DOCUMENTS**

**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.]


Civil Aviation Act—Civil Aviation Regulations—Instruments Nos CASA—

71/11—Instructions – for approved use of P-RNAV procedures [F2011L00340].

EX21/11—Exemption – recency requirements for night flying (Alliance Airlines Pty Limited) [F2011L00341].

EX28/11—Exemption – recency flying at night by holders of night V.F.R. agricultural ratings [F2011L00338].


Environment Protection and Biodiversity Conservation Act—Amendments of lists of—

Specimens taken to be suitable for live import—

EPBC/s.303EC/SSLI/Amd/039 [F2011L00339].

EPBC/s.303EC/SSLI/Amd/045 [F2011L00335].

Threatened species, dated 2 February 2011—

[F2011L00343].

[F2011L00344].

Migration Act—Select Legislative Instrument 2011 No. 13—Migration Amendment Regulations 2011 (No. 1) [F2011L00336].


Governor-General’s Proclamation—Commencement of provisions of an Act

Food Standards Australia New Zealand Amendment Act 2010—Schedule 1—1 March 2011 [F2011L00312].

**Indexed List of Department and Agency Files**

The following document was tabled pursuant to the order of the Senate of 30 May 1996, as amended:

Indexed lists of departmental and agency files for the period 1 July to 31 December 2010—Statement of compliance—Department of Families, Housing, Community Services and Indigenous Affairs.
Departmental and Agency Contracts

The following document was tabled pursuant to the order of the Senate of 20 June 2001, as amended:

Departmental and agency contracts for 2010—Letter of advice—Finance and Deregulation portfolio.

Departmental and Agency Appointments and Vacancies

The following document was tabled pursuant to the order of the Senate of 24 June 2008, as amended:

Departmental and agency appointments and vacancies—Additional estimates—Letter of advice—Treasury portfolio.

Departmental and Agency Grants

The following document was tabled pursuant to the order of the Senate of 24 June 2008:

Departmental and agency grants—Additional estimates—Letter of advice—Treasury portfolio.
The following answers to questions were circulated:

**Majura Parkway**
(Question No. 225)

Senator Humphries asked the Minister representing the Minister for Infrastructure and Transport, upon notice, on 29 November 2010:

Has the Minister received any representations on the issue of the Majura Parkway in the Australian Capital Territory; if so: (a) from whom and on what date was the representation received; and (b) can a copy of the representation along with the Minister’s response be provided.

Senator Carr—The Minister for Infrastructure and Transport has provided the following answer to the honourable senator’s question:

Representations have been received from a number of ACT Members of the Legislative Assembly.

**Superannuation**
(Question No. 367)

Senator Cormann asked the Minister representing the Assistant Treasurer, upon notice, on 17 December 2010:

With reference to the superannuation contributions in excess of the concessional and non-concessional contribution caps:

(1) For each of the following financial years: 2007-08, 2008-09 and 2009-10:
   (a) how many individuals made contributions above the concessional and non-concessional contribution caps respectively;
   (b) what was the average amount paid above the concessional and non-concessional contribution caps respectively;
   (c) what was the total amount of taxation collected as a result of contributions above the concessional and non-concessional contribution caps respectively;
   (d) what was the average amount of tax paid per individual on contributions above the concessional and non-concessional contribution caps respectively;
   (e) what was the average amount of excess concessional contributions that counted towards the relevant individual’s non-concessional contribution caps for the same period; and
   (f) what was the average amount of excess concessional contributions that counted towards the individual’s non-concessional contribution caps that created excess non-concessional contributions for the same period.

(2) For the period 10 May 2006 to 30 June 2007, what is the answer to each of the questions raised in (1)(a) to (1)(f) for the non-concessional contributions made during that period.

(3) For the financial years 2009-10 and 2010-11:
   (a) how many people does the Australian Taxation Office (ATO) expect to make contributions above the concessional and non-concessional contribution caps; and
   (b) how much tax is this estimated to raise.

(4) Has the ATO investigated the reasons or received explanations from the taxpayers for contributions above the concessional and non-concessional contribution caps respectively.
(5) What were the reasons for contributions above the concessional and non-concessional contribution caps respectively?

(6) Is the ATO aware of how many contributions above the concessional and non-concessional contribution caps respectively were made inadvertently, for example, due to lack of knowledge of precise timing of superannuation contributions from different sources (such as personal contributions, salary sacrifice contributions and compulsory employer contributions); if so, what proportion of contributions fall into these categories.

(7) How much did it cost the ATO to administer the concessional and non-concessional contribution caps respectively for each of the following financial years:
   (a) 2007-08;
   (b) 2008-09; and
   (c) 2009-10.

(8) How much does the ATO estimate it will spend administering the concessional and non-concessional contribution caps respectively in the 2010-11 financial year.

Senator Sherry—The Assistant Treasurer has provided the following answer to the honourable senator’s question:

(1) (a)—

Table 1: Individuals potentially exceeding contributions caps 2007-08/2008-09/2009-10

<table>
<thead>
<tr>
<th>Financial year</th>
<th>Contribution Caps</th>
<th>Number of Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>Concessional only</td>
<td>30,222</td>
</tr>
<tr>
<td></td>
<td>Non-concessional only</td>
<td>3,687</td>
</tr>
<tr>
<td></td>
<td>Concessional &amp; Non-concessional</td>
<td>724</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>34,633</td>
</tr>
<tr>
<td>Likely 2007-08 excess contributions tax assessments</td>
<td>22,561</td>
<td></td>
</tr>
<tr>
<td>2008-09</td>
<td>Concessional only</td>
<td>28,291</td>
</tr>
<tr>
<td></td>
<td>Non-concessional only</td>
<td>4,798</td>
</tr>
<tr>
<td></td>
<td>Concessional &amp; Non-concessional</td>
<td>853</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>33,942</td>
</tr>
<tr>
<td>Likely 2008-09 excess contributions tax assessments</td>
<td>23,059</td>
<td></td>
</tr>
<tr>
<td>2009-10</td>
<td>Concessional only</td>
<td>65,733</td>
</tr>
<tr>
<td></td>
<td>Non-concessional only</td>
<td>4,339</td>
</tr>
<tr>
<td></td>
<td>Concessional &amp; Non-concessional</td>
<td>541</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>70,613</td>
</tr>
<tr>
<td>Likely 2009-10 excess contributions tax assessments</td>
<td>48,721</td>
<td></td>
</tr>
</tbody>
</table>

1 These figures are current as at 17 January 2011 and are based on information reported to the ATO. These figures will change as new information is received by the ATO.

2 Not all individuals identified as exceeding the contribution caps will receive an assessment. A number of cases will be subject to correction of reporting errors by funds. Additionally, the ATO takes a practical, risk based approach in relation to cases where the caps are exceeded by only a small amount.

3 Figures for 2009-10 will change as self managed super funds and some individuals are not required to lodge 2009-10 information until May and June of 2011.

(b)—

Table 2: Average excess contributions 2007-08/2008-09/2009-10

<table>
<thead>
<tr>
<th>Financial year</th>
<th>Contribution Caps</th>
<th>Average excess</th>
<th>Median excess</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>Concessional</td>
<td>$10,514</td>
<td>$2,865</td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
QUESTIONS ON NOTICE

<table>
<thead>
<tr>
<th>Financial year</th>
<th>Contribution Caps</th>
<th>Average excess</th>
<th>Median excess</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>Non-concessional</td>
<td>$62,801</td>
<td>$5,553</td>
</tr>
<tr>
<td></td>
<td>Concessional &amp; Non-concessional</td>
<td>$144,989</td>
<td>$5,961</td>
</tr>
<tr>
<td></td>
<td>Concessional</td>
<td>$13,096</td>
<td>$3,249</td>
</tr>
<tr>
<td></td>
<td>Non-concessional</td>
<td>$74,634</td>
<td>$18,463</td>
</tr>
<tr>
<td>2009-10</td>
<td>Concessional &amp; Non-concessional</td>
<td>$206,028</td>
<td>$15,960</td>
</tr>
<tr>
<td></td>
<td>Concessional</td>
<td>$6,901</td>
<td>$2,993</td>
</tr>
<tr>
<td></td>
<td>Non-concessional</td>
<td>$48,853</td>
<td>$25,000</td>
</tr>
<tr>
<td></td>
<td>Concessional &amp; Non-concessional</td>
<td>$89,861</td>
<td>$9,532</td>
</tr>
</tbody>
</table>

1 These figures are current as at 17 January 2011 and are based on information reported to the ATO. These figures will change as new information is received by the ATO.

2 Not all individuals identified as exceeding the contribution caps will receive an assessment. A number of cases will be subject to correction of reporting errors by funds. Additionally, the ATO takes a practical, risk based approach in relation to cases where the caps are exceeded by only a small amount.

3 Figures for 2009-10 will change as self managed super funds and some individuals are not required to lodge 2009-10 information until May and June of 2011.

(c) and (d). The ATO does not separately record the concessional and non-concessional components of excess contributions tax collections.

The ATO has largely completed the process of issuing assessments in respect of 2007-08 and has commenced issuing assessments for the 2008-09 financial year. Assessments have yet to issue for the 2009-10 financial year so no data can be provided at this time.

Table 3 shows total excess contributions tax collected from individuals for the 2007-08 and 2008-09 financial years and the average amount that has been collected per individual to 7 January 2011.

These figures will change as we continue the process of issuing assessments and further amounts are collected by the ATO or amounts in dispute are resolved.

<table>
<thead>
<tr>
<th>Financial year</th>
<th>(c) Total collected</th>
<th>(d) Average collected per individual</th>
<th>Median collected per individual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>$58,242,663</td>
<td>$6,142</td>
<td>$2,198</td>
</tr>
<tr>
<td>2008-09</td>
<td>$44,103</td>
<td>$2,100</td>
<td>$941</td>
</tr>
</tbody>
</table>

(e) and (f). As individuals may have made other non-concessional contributions, but not necessarily up to the cap, only a portion of excess concessional contributions will also count as excess non-concessional contributions. This is reflected in the data below.

Table 4: Average excess concessional contributions counting towards the non-concessional cap¹

<table>
<thead>
<tr>
<th>Financial year</th>
<th>(e) Average excess concessional contributions counting towards the non-concessional contributions cap</th>
<th>(f) Average excess concessional contributions counting towards the non-concessional contributions cap and resulting in excess non concessional contributions</th>
<th>(f) Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>$71,757</td>
<td>$50,811¹</td>
<td>$1,894</td>
</tr>
<tr>
<td>2008-09</td>
<td>$100,890</td>
<td>$80,555</td>
<td>$4,655</td>
</tr>
<tr>
<td>2009-10</td>
<td>$44,700</td>
<td>$31,351</td>
<td>$3,633</td>
</tr>
</tbody>
</table>

¹These figures are current as at 17 January 2011.

² There were 267 cases in 2007-08 where assessments were raised in these circumstances. The average total contributions in these cases was $481,758 (with a median total of $550,776).
(2) (a). Table 5: Individuals exceeding the transitional non-concessional cap (10 May 2006 – 30 June 2007)

<table>
<thead>
<tr>
<th>Contribution Caps</th>
<th>Number of Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Concessional</td>
<td>1,863</td>
</tr>
</tbody>
</table>

The ATO does not hold data relating to individuals who potentially exceeded the transitional cap. Table 5 above provides details relating to the number of assessments issued. These figures are current as at 17 January 2011 and exclude 208 individual assessments where the Commissioner applied his discretion.

(b). Table 6: Average excess transitional non-concessional cap contributions (10 May 2006 – 30 June 2007)

<table>
<thead>
<tr>
<th>Contribution Cap</th>
<th>Average excess contributions</th>
<th>Median Excess contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-concessional</td>
<td>$67,050</td>
<td>$6,859</td>
</tr>
</tbody>
</table>

These figures are current as at 17 January 2011 and further information may be received by ATO resulting in the reduction of these assessment amounts.

(c) and (d). Table 7: Excess contributions tax collected (10 May 2006 – 30 June 2007)

<table>
<thead>
<tr>
<th>Transitional period</th>
<th>(c) Total collected</th>
<th>(d) Average collected per individual</th>
<th>Median collected per individual</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/05/06 – 30/06/07</td>
<td>$41,452,563</td>
<td>$27,748</td>
<td>$7,749</td>
</tr>
</tbody>
</table>

These figures are at 7 January 2011 and will change as further amounts are collected by the ATO or amounts in dispute are resolved.

(e) and (f). Not applicable as transitional provisions only apply to non-concessional caps.

(3) (a). Table 1 in part 1(a) provides information on the number of individuals that have potentially exceeded one of the contributions caps in 2009-10. These figures are current as at 17 January 2011 and are based on information reported to the ATO. This information will change as described in the footnotes to the table.

The ATO does not currently have an estimate for the number of individuals that may exceed a contribution cap. Variables impacting on likely numbers include:

- 2009-10 is the first year that the contribution caps were reduced
- the factors contributing to an individual exceeding a contribution cap are varied (see question 5) and will be different for individuals from year to year
- recent compliance action by the ATO may influence behaviour by taxpayers and their advisers.

(b).The 2009-10 Budget contained estimates (not separately identified) of excess contributions tax associated with ensuring taxpayers met their superannuation obligations, including excess contributions tax, during the global financial downturn (page 390, 2009-10 Budget Paper No. 2). The estimates from the 2010-11 Budget’s changes to concessional contributions caps are given on page 41 of 2010-11 Budget Paper No. 2.

These estimates do not assume a rise in excess contributions tax. They assume that people do not make excess contributions, but instead seek to take employer contributions and some personal contributions as personal income and that some personal contributions are invested in vehicles which are as tax effective as superannuation.

(4) No. The ATO does not have a mechanism to systematically collect this information from taxpayers, nor has it commissioned or undertaken market research to investigate the reasons taxpayers made contributions above the concessional and non-concessional contribution caps. However, the ATO does receive feedback from some taxpayers and their representatives through inquiries, correspon-
dence, requests for review and ATO consultative bodies. While this information provides some indications of causes it may not be representative of the entire impacted population.

(5) Based on the current body of information, there appears to be a variety of causes for contributions which exceed the caps. These include:

- taxpayers failing to take into account available information when planning their contributions for a financial year
- incorrect superannuation fund reporting
- taxpayers not completing their income tax return correctly
- taxpayers not providing superannuation funds sufficient contribution information.

Specific to the concessional contribution cap:

- salary sacrifice arrangements, particularly caused by the timing of contributions made by employers. For example, contributions made in respect of one financial year not being received by the fund until the next year.

Specific to the non-concessional contribution cap:

- taxpayers not understanding the tax treatment of contributions
- taxpayers acting on professional advice
- superannuation funds not returning contributions which the fund was unable to accept at law as required.

(6) No, as noted at (4), the ATO has not specifically investigated the reasons taxpayers have made superannuation contributions in excess of the contribution caps in a financial year.

(7) The ATO does not separate its administration costs into concessional and non-concessional components. The ATO costs shown at Table 8 refer to the administration of excess contributions tax in total.

In 2007-08 almost half ($2.5 million) of the costs were associated with answering enquiries and a quarter ($1.5 million) associated with putting in place the administrative systems to support the contribution caps.

In 2008-09, just under half of the costs ($3.4 million) related to identification and issue of assessments to taxpayers who had exceeded the $1 million transitional cap. Letters were also issued to 30,000 taxpayers warning them that they had exceeded the caps in 2007-08. These activities increased requests for review and interpretative assistance which represented 18 per cent ($1.3 million) of expenditure.

In 2009-10, just over a third ($4.6 million) of the costs were attributed to the issue of 2006-07 assessments and, towards the end of the year, 2007-08 assessments. Requests for review, application of the Commissioner’s discretion and interpretative advice also drove 35 per cent ($4.6 million) of expenditure.

Table 8: ATO Administration Expenditure on Excess Contributions Tax

<table>
<thead>
<tr>
<th>Financial Years</th>
<th>Actual Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>$ 5,180,857</td>
</tr>
<tr>
<td>2008-09</td>
<td>$ 7,641,137</td>
</tr>
<tr>
<td>2009-10</td>
<td>$ 12,975,218</td>
</tr>
</tbody>
</table>

(8) The ATO does not separate its budget for administration costs into concessional and non-concessional components. The ATO estimate of costs shown at Table 9 refers to excess contributions tax in total. These costs include system build and maintenance, accounting, processing, provision of advice, marketing, communication and compliance activities.
In 2010-11 it is expected that there will be a substantial increase in costs over previous years (refer Table 8) as assessment activity relating to the 2007-08 year is finalised and commences on the 2008-09 and 2009-10 years. $10.6 million, or just under a third of estimated expenditure, is expected to be attributed to the cost of issuing these assessments. Dealing with requests for review, applications of Commissioner’s discretion and interpretative advice are expected to account for just under a quarter ($7.9 million) of 2009-10 expenditure. Compliance activity and answering taxpayer enquiries are each expected to account for approximately 10 per cent of expenditure ($3.8 million and $3.6 million respectively). Around 15 per cent of costs are attributed to resolving issues that have delayed the issue of 2007-08 and 2008-09 assessments until the 2010-11 year and to consider systems improvements, including changes that may be required should the $50,000 transitional cap for persons aged 50 and over be extended as announced in the 2010 Federal Budget.

Table 9: ATO Estimate of Administration Expenditure on Excess Contributions Tax

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Estimated Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>$ 34,640,110</td>
</tr>
</tbody>
</table>

Endorsement: Internal ATO use only

<table>
<thead>
<tr>
<th>Position</th>
<th>Who</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPM</td>
<td>Neil Olesen</td>
<td>16/2/11</td>
</tr>
<tr>
<td>2nd Commissioner</td>
<td>Bruce Quigley</td>
<td>18/2/11</td>
</tr>
<tr>
<td>Commissioner</td>
<td>Michael D’Ascenzo</td>
<td>18/2/11</td>
</tr>
<tr>
<td>Minister’s office</td>
<td>Chief of Staff</td>
<td></td>
</tr>
</tbody>
</table>