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SITTING DAYS—2011

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RADIO BROADCASTS
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FORTY-THIRD PARLIAMENT  
FIRST SESSION—FOURTH PERIOD  

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

Senate Office holders  
President—Senator Hon. John Joseph Hogg  
Deputy President and Chair of Committees—Senator Stephen Shane Parry  
Temporary Chairs of Committees—Senators Judith Anne Adams, Christopher John Back, Thomas Mark Bishop, Suzanne Kay Boyce, Douglas Niven Cameron, Patricia Margaret Crossin, David Julian Fawcett, Mary Jo Fisher, Helen Evelyn Kroger, Scott Ludlam, Gavin Mark Marshall, Claire Mary Moore and Louise Clare Pratt, Ursula Mary Stephens and Mark Lionel Furner  
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  
Chief Government Whip—Senator Anne McEwen  
Deputy Government Whips—Senators Carol Louise Brown and Helen Beatrice Polley  
Chief Opposition Whip—Senator Helen Kroger  
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  

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

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<td>Adams, Judith Anne</td>
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(1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

(2) Chosen by the Parliament of New South Wales to fill a casual vacancy to be filled (vice H. Coonan, resigned 22.8.11), pursuant to section 15 of the Constitution.

**PARTY ABBREVIATIONS**

AG—Australian Greens; ALP—Australian Labor Party; CLP—Country Liberal Party;
DLP—Democratic Labor 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 Hon. Julia Gillard MP
Deputy Prime Minister, Treasurer Hon. Wayne Swan MP
Minister for Regional Australia, Regional Development and Local Government Hon. Simon Crean MP
Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate Senator Hon. Chris Evans
Minister for School Education, Early Childhood and Youth Hon. Peter Garrett AM, MP
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate Senator Hon. Stephen Conroy
Minister for Foreign Affairs Hon. Kevin Rudd MP
Minister for Trade Hon. Dr Craig Emerson MP
Minister for Defence and Deputy Leader of the House Hon. Stephen Smith MP
Minister for Immigration and Citizenship Hon. Chris Bowen MP
Minister for Infrastructure and Transport and Leader of the House Hon. Anthony Albanese MP
Minister for Health and Ageing Hon. Nicola Roxon MP
Minister for Families, Housing, Community Services and Indigenous Affairs Hon. Jenny Macklin MP
Minister for Sustainability, Environment, Water, Population and Communities Hon. Tony Burke MP
Minister for Finance and Deregulation Senator Hon. Penny Wong
Minister for Innovation, Industry, Science and Research Senator Hon. Kim Carr
Attorney-General and Vice President of the Executive Council Hon. Robert McClelland MP
Minister for Agriculture, Fisheries and Forestry and Manager of Government Business in the Senate Senator Hon. Joe Ludwig
Minister for Resources and Energy and Minister for Tourism Hon. Martin Ferguson AM, MP
Minister for Climate Change and Energy Efficiency Hon. Greg Combet AM, MP

[The above ministers constitute the cabinet]
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<td>Minister for the Arts</td>
<td>Hon. Simon Crean MP</td>
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<td>Minister for Social Inclusion</td>
<td>Hon. Tanya Plibersek MP</td>
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<td>Minister for Privacy and Freedom of Information</td>
<td>Hon. Brendan O'Connor MP</td>
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<td>Minister for Sport</td>
<td>Senator Hon. Mark Arbib</td>
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<tr>
<td>Special Minister of State for the Public Service and Integrity</td>
<td>Hon. Gary Gray AO, MP</td>
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<tr>
<td>Assistant Treasurer and Minister for Financial Services and Superannuation</td>
<td>Hon. Bill Shorten MP</td>
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<tr>
<td>Minister for Employment Participation and Childcare</td>
<td>Hon. Kate Ellis MP</td>
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<tr>
<td>Minister for Indigenous Employment and Economic Development</td>
<td>Senator Hon. Mark Arbib</td>
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<tr>
<td>Minister for Veterans' Affairs and Minister for Defence Science and Personnel</td>
<td>Hon. Warren Snowdon MP</td>
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<tr>
<td>Minister for Defence Materiel</td>
<td>Hon. Jason Clare MP</td>
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<tr>
<td>Minister for Indigenous Health</td>
<td>Hon. Warren Snowdon MP</td>
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<tr>
<td>Minister Assisting the Prime Minister on Mental Health Reform</td>
<td>Hon. Mark Butler MP</td>
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<tr>
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<td>Hon. Kate Ellis MP</td>
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<td>Minister for Social Housing and Homelessness</td>
<td>Senator Hon. Mark Arbib</td>
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<td>Special Minister of State</td>
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<td>Minister for Small Business</td>
<td>Senator Hon. Nick Sherry</td>
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<td>Minister for Home Affairs and Minister for Justice</td>
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<td>Minister for Human Services</td>
<td>Hon. Tanya Plibersek MP</td>
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<tr>
<td>Cabinet Secretary</td>
<td>Hon. Mark Dreyfus QC, MP</td>
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<td>Parliamentary Secretary to the Prime Minister</td>
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<td>Parliamentary Secretary to the Treasurer</td>
<td>Hon. David Bradbury QC, MP</td>
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<td>Senator Hon. Stephen Conroy</td>
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<tr>
<td>Parliamentary Secretary for Climate Change and Energy Efficiency</td>
<td>Hon. Mark Dreyfus QC, MP</td>
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SHADOW MINISTRY

Leader of the Opposition                          Hon. Tony Abbott MP
Deputy Leader of the Opposition and Shadow Minister for Foreign Affairs and Shadow Minister for Trade Hon. Julie Bishop MP
Leader of the Nationals and Shadow Minister for Infrastructure and Transport Hon. Warren Truss MP
Leader of the Opposition in the Senate and Shadow Minister for Employment and Workplace Relations Senator Hon. Eric Abetz
Deputy Leader of the Opposition in the Senate and Shadow Attorney-General and Shadow Minister for the Arts Senator Hon. George Brandis SC
Shadow Treasurer                                  Hon. Joe Hockey MP
Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House Hon. Christopher Pyne MP
Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals Senator Hon. Nigel Scullion
Shadow Minister for Regional Development, Local Government and Water and Leader of the Nationals in the Senate Senator Barnaby Joyce
Shadow Minister for Finance, Deregulation and Debt Reduction and Chairman, Coalition Policy Development Committee Hon. Andrew Robb AO, MP
Shadow Minister for Energy and Resources            Hon. Ian Macfarlane MP
Shadow Minister for Defence                        Senator Hon. David Johnston
Shadow Minister for Communications and Broadband    Hon. Malcolm Turnbull MP
Shadow Minister for Health and Ageing               Hon. Peter Dutton MP
Shadow Minister for Families, Housing and Human Services Hon. Kevin Andrews MP
Shadow Minister for Climate Action, Environment and Heritage Hon. Greg Hunt MP
Shadow Minister for Productivity and Population and Shadow Minister for Immigration and Citizenship Mr Scott Morrison MP
Shadow Minister for Innovation, Industry and Science Mrs Sophie Mirabella MP
Shadow Minister for Agriculture and Food Security    Hon. John Cobb MP
Shadow Minister for Small Business, Competition Policy and Consumer Affairs Hon. Bruce Billson MP

[The above constitute the shadow cabinet]
**SHADOW MINISTRY—continued**

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Shadow Parliamentary Secretary for the Status of Women
Senator Michaelia Cash

Shadow Parliamentary Secretary for Environment
Senator Simon Birmingham

Shadow Parliamentary Secretary for Citizenship and Settlement
Hon. Teresa Gambaro MP

Shadow Parliamentary Secretary for Immigration
Senator Michaelia Cash

Shadow Parliamentary Secretary for Innovation, Industry, and
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Senator Hon. Richard Colbeck

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The PRESIDENT (Senator the Hon. John Hogg) took the chair at 09:30, read prayers and made an acknowledgement of country.

BILLS

Steel Transformation Plan Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

to which the following amendment was moved:

At the end of the motion, add "and that the Government, in allocating funds under the Steel Transformation Plan, pay particular regard to the Green Jobs Illawarra Action Plan and any other similar plans in other affected regions".

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (09:31): The Steel Transformation Plan Bill 2011 represents the emergency surgery necessitated by an act of gross violence—in this case, economic violence perpetrated by the Green-ALP alliance. Very simply, but for the carbon tax we would not be needing this compensation package. It is a compensation package which will go nowhere near undoing the damage that has actually been occasioned by the announcement of the carbon tax. Hundreds of millions of dollars have been wiped off the share price. Some people might say, 'Why does that matter?' It matters because superannuation companies and other people have invested in those companies and, when their share value goes down, when their dividends go down, people in retirement, self-funded retirees and superannuants get a lower income. There are consequences for this sort of reckless activity.

Of course, the Steel Transformation Plan Bill is the last of the carbon tax package. The Labor Party deceptively sets it aside and suggests that it is unrelated, but of course the hapless Mr Combet was forced to admit, on 10 October 2011, that the so-called Steel Transformation Plan had been driven purely by the carbon tax when he said:
The negotiation of the Steel Transformation Plan did come out of the discussions we've had with the steel companies for months now over the carbon price issue.

So let's not have any more of this nonsense, this dissembling, this obfuscation, suggesting that this is about transforming the steel industry. The fact is that the steel industry was transformed before this bill was introduced. It was transformed in a negative way by the economic recklessness of this government. It was transformed by this government breaking a solemn election promise that there would be no carbon tax.

Indeed, I am reminded of a wonderful speech given by a fresh, new member of the House of Representatives. In her first speech she said—and let's guess who said this:

For far too long public debate in Australia has failed to nourish or inspire us.

She went on to say:

The end result of this political cycle is a weary people who no longer believe what politicians say and who think the politicians saying it do not ... believe it themselves.

Do you know who that was? None other than Ms Gillard herself in her very first speech. It seems that she has now morphed into that which she did not want to be. That begs another question: who is the real Julia? Is it the one who gave her first speech all that time ago? Is it the one who said 'no carbon tax' before the last election? Or is it the Ms Gillard who is now celebrating the passage of the carbon tax in direct breach of a solemn election promise? It is interesting, isn't it? Ms Gillard has morphed into that which she did not want to be.
The other thing about this steel transformation plan is that it was negotiated with two companies. How many other people and companies are involved in the steel industry in this nation? There are literally hundreds of small businesses involved in steel fabrication all over our country, many of them small family businesses. Will they receive a single cent of compensation? No, not a single cent. Why? This steel transformation bill is another insight into the way this hapless Green-Labor alliance does business. It is all about big government, big business and big unions. It is like their mining tax where they say, 'That's all resolved. We've negotiated it.' Well, they have, with three big mining companies—the three biggest—and do you know who they left out? Only the 2,997 other mining companies in Australia, but they all happen to be small businesses. So the Green-Labor alliance does not care about them. Similarly, in this so-called steel compensation package, who are they concerned about? Big business.

Labor say they are concerned for small business and that they are about trying to get more small businesses. I fear that unfortunately they are succeeding, not by growing small businesses but by collapsing big businesses into small businesses. That is not the way forward for our economy. To try to claim somehow that collapsing big business into small business is a good thing is another unfortunate insight into the way this government does business and seeks to run the economy.

When there are thousands of small businesses intricately involved with the steel sector, to provide compensation to only the two biggest companies is to sell short all those workers in all those small businesses. But what is the real reason? Chances are the vast majority of the workers in those small family businesses are not in a trade union, so why would you bother looking after them? Non-unionised workforces are not a concern. But, if you have a big unionised workforce that helps bankroll the trade union movement that helps bankroll this government, then you will use taxpayers' funds to compensate them, and all the others can go jump. This is similar to the three big mining companies with the mining tax. That is what this is all about: bankrolling those that bankroll the unions that in turn bankroll the Labor Party. That is where you get this vicious cycle.

I call on the genuine trade unionists in this country to stand up for their workers and say that enough is enough. Where are the Paul Howeses of this world? I remember the very strong stance that he took, 'If the carbon tax costs one Australian job, we will be opposing it.' We know it has cost more than one Australian job just from Coogee Chemicals alone. It has cost 150 jobs in that one project. We know it is costing many jobs at Kurri Kurri aluminium. We know that lots of jobs have been lost out of the steel sector courtesy of the carbon tax. Where is the hapless Mr Howes? Desperately seeking preselection to get into the parliament. He will rat on his workers and rat on the trade union movement because he wants a seat in the federal parliament, like so many other great champions of the workforce—people like Senator Doug Cameron, who shrunk the AMWU under his leadership. One can understand why—

Senator McEwen: What has happened to the Liberal Party in Tasmania this week?

Senator ABETZ: I thank Senator McEwen for that wonderful interjection. The evidence is overwhelmingly clear that the Liberal Party in Tasmania is growing. It is now the biggest party in Tasmania. It would win a state election in its own right. On the latest opinion polls it would win the seats of Braddon and Bass and chances are Lyons and Franklin and three Senate seats. Do you
know why there has been this transformation, Senator McEwen? Because of your deceit to the electorate. The people of Tasmania know that every single Labor member and every single Labor senator was elected at the last election on the promise of no carbon tax. Members of the Labor Party have defied and betrayed the people who elected them. The people of Tasmania now trust that the Liberal Party has the integrity to stand by its election promises, unlike the Australian Labor Party.

That interjection from the hapless Government Whip highlights the difficulties that the Australian Labor Party are in. The coalition will continue to fight this carbon tax and its consequences all the way to the next election and, if the people of Australia give us the mandate, we will repeal it.

Senator CAMERON (New South Wales) (09:41): Nothing in that pretty hopeless contribution from Senator Abetz on the Steel Transformation Plan Bill 2011 surprised me. The contribution from Senator Abetz really did not deal with the issues facing the steel industry. Senator Abetz has never cared about the steel industry in his whole political career. Senator Abetz talked about genuine trade unionists standing up. I remind Senator Abetz that genuine trade unionists did stand up against the coalition and against Senator Abetz when he was the champion of Work Choices in the Senate, when his job was to argue that Work Choices was going to be of great benefit to working people in this country. Similar misrepresentations are now taking place when Senator Abetz is running the same nonsense about the sky falling in because the Labor government is taking steps to deal with carbon pollution and global warming.

Senator Abetz should be reminded that when the workers and good trade unionists did stand up they threw Senator Abetz and John Howard out on their ear. Clearly the position of the coalition is one that is false. It is a false concern that they are raising about manufacturing because in the 11½ years of the Howard government they were never concerned about manufacturing jobs. In terms of supposedly driving productivity in manufacturing they only raised Work Choices and trying to compete on low wages and low skills. That is the history of the coalition. Any steelworkers who are listening in know exactly where the coalition stand. They know exactly their position. Here we have the coalition running the argument that $300 million should not be allocated to help the steel industry through the difficulties it has with two main issues: (1) the global financial crisis, which the coalition fail to accept ever happened; and (2) the dollar being so strong that it is putting huge pressure on manufacturing companies around the country. And what is the coalition's answer to the strong dollar? Their answer is to give the mining companies back almost $11 billion—to give Gina Rinehart, Twiggy Forrest, Anglo-American, BHP and Rio Tinto $11 billion. That is their answer to the global financial crisis and the strength of the dollar. The strength of the dollar is the main issue that we are facing.

I suppose another problem that we face is the lack of skills across our industry base because of the complete ignorance of the Howard government in accepting and understanding that if you build your skills base you build the strength of the economy. They then fiddled the books in relation to skills and argued that if you were trained as a hamburger flipper at McDonald's you were then a skilled person who should be allocated as being trained against the traditional trades—an absolute nonsense.

Let us come back to the steel industry. I actually know something about the steel industry. I actually worked in the steel
industry. I do not think there would be too many on the other side who have ever worked in the steel industry.

_Senator Milne interjecting—_

_Senator CAMERON:_ But I have worked in the steel industry. Senator Milne says 'ever worked', and I think that is right: some of them have never, ever worked in a real job. That is the position over there.

_Opposition senators interjecting—_

_Senator CAMERON:_ In they come, baying and moaning because the nerve has been touched. What would the lawyers on the other side know about workers in the steel industry? I know what it is like to work in the steel industry. I know what it is like to work in the manufacturing industry. I know what it is like to work in the shipbuilding industry. My background is as a fitter. I have been on the job and worked. I have not simply come here as the result of some preselection deal as a lawyer who has done nothing else but try to be an ambulance chaser for their whole life. So I actually know something about the manufacturing industry. I have never been an ambulance chaser like those on the other side. I have to say I am quite glad that I have no legal training. I am quite happy to say that I left school when I was 15 and have no formal qualification other than a City and Guilds trade certificate. But that does me against you lot over there. I must say the investment that has been made in the legal training for you lot over there has been misspent, because there is not a lot between the ears. A lot of you over there just fail to accept the absolute basics in this debate. The absolute basics are that our manufacturing is under pressure because of the success of our mining industry. The mining industry is driving the dollar up, and it is putting huge pressures on our steel industry.

How do we want to deal with it? We want to deal with it by increasing the skill base. We want to deal with it by promoting innovation. We want to deal with it by promoting best practice. We want to deal with it by making sure we have decent management training in this country, decent management systems in this country, managers who can actually compete internationally—something that in 11½ years the Liberals and the coalition failed to deal with. These are the issues for manufacturing in this country: dealing with the high dollar, innovating, building the skill base and making sure we have strong management skills within the industry.

We know what is around the corner with the coalition: they want to go back to Work Choices. They think that that is the best way to compete. They do not want to compete on best practice. They do not want to compete on quality. They do not want to compete on timely delivery. They do not want to compete on the skill base of the workforce. They just want to take away their penalty rates, take away their shift allowances and take away any condition we can have. They want to introduce what they describe as 'flexibility'. I say to every worker in this country: when you hear a coalition MP or senator talk about 'flexibility' you should immediately think about Work Choices, because 'flexibility' is code for the coalition's Work Choices. They said they could never speak the name Work Choices again, so what have they done? They have introduced the concept of 'flexibility'. So when you hear them talk about 'flexibility' it is flexibility to get rid of your penalty rates. The steel industry will compete through 'flexibility'.

You wait and hear it. It will be 'flexibility' to take away the penalty rates of steelworkers in this country, the 'flexibility' to take away their shift allowances, the 'flexibility' for the boss to tell them when
they will start and when they will finish, the 'flexibility' for the boss to determine every move they make from when they go on the job until they leave the job. There will be no industrial democracy or rights on the job. It will be entirely managerial prerogative to determine whatever a worker does when they walk on the job. That is not an Australia that is a good Australia. That is an Australia that is the mindset of the coalition to rip away workers' rights and conditions. That is their only answer. 'Flexibility' means Work Choices. That is the clear position.

What are we trying to do? We are trying to assist the steel industry, and the steel package we are putting up is completely separate from the package which was voted on historically here yesterday and which takes this country forward to do something about the environment and to reposition this country for the future. The steel bill is being put up separately as a special package to assist workers in an industry which is under huge pressure because of the global financial crisis and the strength of the dollar. It is what is described as the 'Dutch disease': the mining industry powers ahead, and the manufacturing industry ends up in difficulty. That has been well documented around the world. We have the Dutch disease at the moment. When you get a disease, what do you do? You exercise some care, exercise some support and assist the industry—and that is what we are doing. We want to help the fitters, the boilermakers, the welders and the steelworkers in the steel industry. We want management in the steel industry to lift their game: we want them to look at the research and development and the innovation that will drive the new technology and the new products to enable the industry to compete in an economy which is carbon constrained. That is the challenge for the steel industry, and we are putting up the finances to help them meet it.

But what do we get from the coalition? More negativity. I heard Senator Joyce's speech here yesterday. I do not think he mentioned the steel industry except in the first minute and in the last minute of a 20-minute speech—and it was an absolutely incoherent rant. Senator Joyce sees himself as one day being the Deputy Prime Minister of this country, who will be able to choose his portfolio. He will obviously say to Joe Hockey, 'Sorry, mate—you're never going to be the Treasurer; I'm going to be the Treasurer of this country.' Can you imagine giving the National Party the purse strings of this country? Can you imagine what a disaster that would be? We do not want to ever see Senator Joyce holding the purse strings of this country, and I know that there are some on the other side who are as horrified as I and we on this side are at that prospect.

What do we need to do? We need to build the capacity of our steel industry. We need the steel industry to be in a position where, through good work practices on the job, better management systems, higher skills, better quality products and more innovative products, they can take the opportunities that the legislation which went through this parliament yesterday offers industry in this country. If you look past all of the economic problems in Europe, one of the bright things there still is the renewables industry.

_Senator Bernardi interjecting_

_Senator CAMERON:_ Senator Bernardi says 'what a dud'. But the renewables industry in Europe is employing tens of thousands of workers. It is at the forefront of building the latest technology in wind turbines, wave turbines, photovoltaics and tidal power. It is dealing with the issue of renewables technology and dealing with it effectively. In Spain there is 25 per cent unemployment at the moment, but not
because—as Senator Back would have you believe—the renewable energy industry has created the problem for the economy. This is another example of the coalition's selective memory. They seem to forget that there was a global financial crisis and that we were lucky enough to get through it because there was a Labor Party in government who acted in a timely, targeted and temporary manner to make sure that we created jobs when all the while other countries around the world were losing jobs. When we are faced with a challenge we deal with it, and we dealt with the challenge that we faced in the global financial crisis. We are the envy of the world for our capacity to deal with these challenges. When we are faced with a challenge in the steel industry we will deal with it in the same way: we will look at it, and we will support the fitters, the boilermakers, the electricians and the steelworkers of Wollongong and Newcastle and elsewhere who need our support.

We are the party of working people in this country; you are the party of big business, and that is why you would hand back over $11 billion to Gina Rinehart, Clive Palmer and Twiggy Forrest—so that the donations keep pouring in to the Liberal Party from the big end of town. We know what it is all about, and you would do it at the expense of steelworkers in Wollongong and Newcastle. We will not do that. We are putting hundreds of millions of dollars separate from the climate change package in to assist steelworkers in this country and, as a former steelworker and as a former union official who looked after steelworkers, I cannot think of a better thing that government can do.

Senator Bernardi: You're a has-been. I think that's the best way to describe it.

Senator CAMERON: I do not know what Senator Bernardi is going on about, calling people has-beens. That is all right. I am very happy to say that I have had a very good career as a trade union official and I come here to parliament with my experience as a trade union official to actually help workers. I do not know what Senator Bernardi comes here with other than probably favourable treatment in a private school and some degree that allowed him to go into a parliamentary office and suddenly he gets preselection and becomes, I bet you, a nonevent and a joke in parliament. You and Senator Joyce, Senator Bernardi, are a bit of a joke in parliament. You are pretty well seen to have no support. No wonder Malcolm Turnbull sacked you. No wonder Malcolm Turnbull had you well and truly under control.

Coming back again to the steel industry, we will make sure that the steel industry in Australia can actually compete and look at accessing some of the huge opportunities in relation to renewable energy. Look at Spain. Senator Back said that Spain was a basket case because of renewable energy. The only bright spot in the Spanish economy is the Spanish renewable industry. They are exporting $3 billion worth of goods every year. They are at the forefront of wind power and other renewable energy. Spain employs 40,000 people in renewable energy—40,000 jobs. The sector has 700 companies, 19 wind turbine manufacturers, 270 component manufacturers, 140 wind farm developers and 277 service providers. The opportunity we can have in Australia is about the steel industry accessing the capacity to build the wind turbines of the future and the steel towers that require hundreds of millions of tonnes of steel to be built so that renewable energy is there for the future. That is the challenge for the steel industry. I am sure the steel industry will take that challenge up. But let me tell who will not take that challenge up. That is the coalition, because they are
Before I address the specifics of the Steel Transformation Plan Bill I feel it is necessary to respond to some of the perfidious words of Senator Cameron. We have heard a monotone misleading of not only many aspects of this bill but the coalition’s position on it. The first thing I would like to turn my head to is Senator’s Cameron’s claims that he was not the beneficiary of some preselection deal or some night of the long knives and that he was not an ambulance chaser. I suggest that Senator George Campbell, a former senator in this place, would say something different. Senator Cameron was the beneficiary of a plot against a sitting senator and was the beneficiary of a stitched-up preselection deal, which he now denies. So it is a bit rich for Senator Cameron to be saying that he is not the beneficiary and he is somehow authentic. He is so authentic as a defender of the workers that he voted for a carbon tax which this bill is directly related to. Once again, the perfidious words of Senator Cameron said it is not; it has nothing to do with it. But it does, and it was dealt with as part of the carbon tax package of bills through a Senate inquiry. So it is directly related to this bill.

Senator Cameron went on and said that manufacturing was under pressure because of the Australian dollar. That may indeed put additional pressures on the manufacturing industry in this country, but make no mistake: the people of Australia and the manufacturers of Australia know that the issue at stake here is the fact that this government is increasing the cost base for manufacturing by imposing a carbon tax. That is undeniable, it is indisputable, and that is why we are talking about an assistance package for parts of the steel industry.

Senator Cameron also said there was a need for decent management, and I agree with him there. I think there is a need for decent management, particularly in the Labor government, because the Labor government have mismanaged every aspect of policy that they have introduced into this country.

Finally, in responding to Senator Cameron’s comments, the politics of envy ooze out for everyone to see. For some reason he is claiming that because he did not go to a private school people who did are somehow terrible people or have had some privileged life. That is an insult to the many thousands of men and women who work very hard to send their children to private schools, and that includes a lot of parents who take on a second part-time job just to pay for that. The politics of envy do you no favours, Senator Cameron; nor do you for the workers of Australia when, as the supposed champion of the Left working class, you go into your caucus meeting and you roll over because you get defeated every single time.

Senator McEwen interjecting—

Senator BERNARDI: If you cannot advocate properly, do not advocate and do not pretend that you are. Having exposed Senator Cameron's talking points for what they are, just tired old Socialist doctrine, I turn my attention to the direction of this bill. The only reason this Steel Transformation Plan Bill is being introduced is to limit some of the damage caused to the steel industry by the imposition of Ms Gillard’s carbon tax. This is a tax, of course, that was passed yesterday. It was the tax that was promised would never be introduced not only by the Prime Minister but also by Mr Swan. Fifteen of those on the government side of the chamber were elected at the last election promising not to have any carbon tax, and I notice that Senator McEwen has fallen silent.
after her earlier interjection. That is because she was elected at the last election as well—

Senator McEwen interjecting—

Senator BERNARDI: She was elected at the last election as well, promising there would be no carbon tax. Yet what did she do yesterday? She voted for it. The only person with any shred of decency on that side is Senator Conroy, who hates the carbon tax and refused to come in. Senator Feeney disappeared as well, as did Senator Arbib, who was indisposed overseas. They are the only people with honour.

This is the issue: we know this carbon tax is going to be a disaster for Australian industry, and this bill is a tacit admission of it. If there were not a carbon tax, there would not be a need for this kind of compensation in the first place. There would not be a need for $300 million to be doled out to two individual companies. And might I say that on 10 October 2011 Greg Combet, the Minister for Climate Change and Energy Efficiency, admitted that the establishment of the Steel Transformation Plan had been driven purely by the carbon tax when he said, 'The negotiation of the Steel Transformation Plan did come out of the discussions we've had with steel companies for months now over the carbon price issue.'

The carbon price issue! What a way of describing exporting tens of thousands of jobs overseas, seeing industry flee overseas and seeing carbon dioxide emissions increase. But what really galls me about this is the fact that it is so selective. As this government always does, it plays favourites. It picks and chooses who it wants to be the winner, because under this plan there were only two Australian firms—albeit significant firms—that will qualify for assistance: BlueScope Steel and OneSteel. This is because the definition of 'eligible corporation' in clause 4 limits it to them.

This overlooks some key statistics that I think the Senate needs to be advised of. These two firms, I understand, employ somewhere between 15,000 and 17,000 employees, but every other steel business, including what are estimated to be the thousands of steel fabricators all over the country, many of them longstanding family businesses—people who have not had privileged backgrounds, who have worked and built their businesses from the ground up, and who should be admired by Senator Cameron and the people on the other side but instead are decried for making a success of their life—will not receive so much as a single cent of assistance under this legislation. I have to say that I am only estimating how many firms these are, because the Australian Bureau of Statistics has not kept the records for a number of years, but in 2006-07 there were around 91,000 total employees across the entire Australian steel industry chain. We have $300 million going out to two businesses that have about 15,000 to 17,000 employees, and we have nothing going to the other thousands of businesses, including the family-owned businesses, who are going to be equally affected by this carbon dioxide tax as it puts up the price of electricity and manufacturing—wages are going to rise, and all of these things. But there is nothing for them. If this does not smack of a government just trying to buy largesse and thinking, 'Well, we can placate these larger firms because they're the ones that will make the noise'—if it does not have the stench of a government that is desperate to quieten down any dissent—I do not know what does.

The frustrating thing also is that the government cannot even get its own lines right about how long this compensation package is going to be introduced over. Clause 12 of the Steel Transformation Plan Bill clearly states...
that the plan covers the four-year period from 2012-13 to 2015-16. But, of course, the government cannot even get its own lines right, because it makes it up on the run in general. On 12 July a joint media release was issued by Mr Combet, Sharon Bird and Stephen Jones, the member for Throsby, which stated:

... the Government will introduce a Steel Transformation Plan which will deliver assistance worth up to $300 million over five years—not the four years that it says in the transformation bill but over five years—to encourage investment and innovation in the Australian steel manufacturing industry. They cannot even get the timing of it right. They have gone from four to five years. Mark Dreyfus, from the other house, said:

The Steel Transformation Plan will provide assistance of $300 million over five years. I have trouble listening to or believing much of what Mr Dreyfus says, quite frankly, because I was on national TV with him once and caught him not telling the truth. I repeatedly pushed him and he kept saying yes, he had read a document which he clearly had not, and then he tried to misrepresent what was in the document. So there is a credibility issue there with Mr Dreyfus, but I think he is part of the ministry of this government. He said it was over five years as well, notwithstanding what the bill itself says. But the official websites of the Department of Innovation, Industry, Science and Research, who should be at the forefront of everything, and the Department of Climate Change and Energy Efficiency both state, 'The plan will operate over six years.' What is it—four, five or six years?

Might I suggest to you that the whole thing could be exhausted in two years, because there is a provision for as much as $164 million to be paid out in advance, before the carbon tax is even introduced.

There is the one-off sweetener: 'There's your sweetener. Please don't complain. Have $164 million.' And then as much as $75 million can be paid out each financial year. That would give rise to $75 million being paid on 30 June of one financial year and another $75 million being paid on 1 July of the next financial year—the very next day. So, in effect, you have $164 million paid out up front and then you have $150 million paid out over two days. That is what is supposedly going to last four, five or six years. No-one is really sure, and no-one is sure what this government is actually doing.

But one thing that people can be absolutely sure about is the effect that this carbon tax has had on these two individual firms, notwithstanding the compensation that is being offered to them—this $300 million incentive. Immediately before this incentive was announced, the price of OneSteel shares was $2.03. Immediately following the announcement, the shares dropped to $1.93. That is a significant amount of shareholder wealth that has evaporated—somewhere to the tune of $133 million. What has happened since as more detail has emerged about this carbon dioxide tax that is going to disincentivise industry from remaining in Australia, limit growth of our industry, put the price of every consumer good up as a result of the electricity needed to produce it in this country and put pressure on employment and put pressure on domestic growth? What has happened since then? Quite frankly, it is all bad news for the shareholders of OneSteel, because their share price has dropped from $2.03 before this assistance package was announced to—at 8 September, when I have the most recent figures—96c. In the nine or so months from when the carbon pricing scheme was announced in February to 8 September, we have seen $2.5 billion wiped off shareholder value—$2,530 million. That is an
extraordinary loss, and that is what this government calls innovation. That is what this government calls enterprise and growing Australia. But it is not just OneSteel; of course, BlueScope Steel has suffered as well. On 23 February, when the carbon tax was first mooted, it was at $2.20. By the time this compensation package was announced in July, the shares were down to $1.26. Today they are 74c; $2,662 million of shareholder wealth has disappeared, and we are expected to be convinced that this is innovation and somehow the shareholders will do better because there is going to be a $300 million payment to them over two years. This is an absolute folly. It is a joke, as are most of the government’s policies in respect of supporting industry. When I first came into this place I once gave a speech saying that if we had Minister Carr running the manufacturing industry in this country the problem would be that we would ultimately see the decline of manufacturing. I stand by that because the proof is there. We are watching the diminishing of manufacturing in this country. We have seen Mitsubishi close on his watch. We have seen the motor vehicle industry under pressure on his watch. Now we are seeing the steel industry under pressure on his watch.

Of course, Senator Carr came in and gave me a huge spray. He did me the courtesy—I will pay this—of ringing up and saying that he was going to give me a spray in the parliament. But the proof will be in the pudding. We will see the decline of manufacturing in this country, and we are seeing it. And we are seeing a desperate government throwing taxpayer money where shareholder money should be. I mean, what sort of deal is it where you can destroy over $5 billion of shareholder investment and wealth, which is national wealth I have to tell you, and use the excuse that you are going to give us $300 million? It beggars belief. It does not pass the commonsense test.

These are the sorts of things that Australians are concerned about. We are worried about them because the compensation is dwarfed by the loss of shareholder values. It is not a good deal. The whole pretext that this is somehow going to drive renewable energy or that there is going to be some sort of benefit for us is simply not true. You cannot have renewable energy powering a steel furnace. I do not know anywhere in the world where it is done. Maybe it can be done here. I doubt it. We should learn from the experience of other nations. We should learn from their experience as to how they have generated jobs growth, not just in the mining industry—we are blessed with a great many resources in that respect—but in having a competitive manufacturing industry. And that means not imposing punitive taxes like a carbon dioxide tax across our entire economy at such a high level, which no other country in the world is doing.

Consider our competitor nations. Canada has entirely ruled out having any sort of carbon dioxide tax. They have just said, ‘No, we are not going to do it. It is ridiculous. It is silly.’ We have the European Union, which is probably as close to broke as it can get, where under the emissions trading scheme over there it has been estimated that over 90 per cent of the trades are actually fraudulent, pass-the-parcel trades, or rorts designed to get taxes out of it. My own research has indicated that there are huge concerns about the renewable energy industry in parts of Italy and Spain because it has been taken over by organised crime because they know that these subsidies are easily rortable. What we are seeing is a repeat of this sort of problem in this country. So devoid is this government of any new initiative that could possibly be called innovative or that could
possibly reflect Australia's unique position in the world, they are just grabbing a hodgepodge of solutions from Europe. And Europe is not the best example, I have to tell you, of encouraging independence, thrift, enterprise and innovation.

We should instead be looking to our nearest neighbours and our major competitors in this respect—the people that we are trying to sell steel to, which is mostly Asia. We should be looking at what they are doing. Let me tell you this: yes, they have an investment in renewables in many instances and that is okay. We have some of that here too. But they are building plenty of coal fired power stations. They are not imposing economy-destroying carbon dioxide taxes because they know it is folly and will severely impact the national economy. Unless the rest of the world is following along it will make no difference whatsoever to the environment or to the climate. There are those of us, and I am one of them, who have some suspicion that even if the rest of the world did something it would make no difference to the climate. But that is not the point. Why would Australia go it alone in this process? A whole range of maxims will be trotted out about all the other countries that are doing this and how prosperous they are. Well, they are not prosperous. Spain is not prosperous. Italy is not prosperous. Greece is not prosperous. You have financial issues right throughout the European Union.

Ms Gillard held America up once and said, 'We should be modelling our economy on the Californian experience.' California has seen industry run over the borders into other states where they do not have these punitive green regimes. California is as close to broke as it gets. It needs to borrow money to pay its payroll. It is an absolute disgrace. And yet that is what Ms Gillard wants us to model our Australian economy on.

Well, I say, no, let's not do that. Let's not punish firms that want to invest and employ Australian workers. Let's not just mouth rhetoric about supporting Australian workers and yet try to shut them out. Let's not stand up and say, 'I have been a union boss so I know what is good for the workers.' Let me tell you: I have been an employer; I know what is good for the workers—a business that thrives and prospers. That is how they maintain their employment. Let me assure you of this: every decent employer in this country who has a decent employee will do whatever they possibly can to keep that employee happy because they want to keep them because they know they are an asset to the business. Every business owner that I know says they want a happy workforce. But there are problems when you have troglodytes like Senator Cameron and his ilk. Senator Cameron and his ilk see only the politics and the business of confrontation, where businesses need to be smashed in order to somehow protect workers. We saw it last week in the Senate inquiry when he was jumping up and down and trying to grandstand against Mr Joyce from Qantas. Shame on Senator Cameron and his ilk for doing that because Mr Joyce had to take a stand for his business, his shareholders and the Australian people. It is all right for Senator Cameron and others to criticise Qantas, whilst they are flying with them as often as they possibly can, but it just beggars belief. Hypocrisy writ large is so evident in this place. When people are standing up here saying that we do not care for the workers because we want to make sure there are prosperous, growing industries that we are not exporting overseas, because we oppose ridiculous policies that are not going to achieve the stated aims and are going to impose an impost on Australian thrift, entrepreneurship, enterprise and prosperity, we have every right to say this is wrong. We
are not opposing the issue that Australian industry does occasionally need some support— (Time expired)

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (10:21): I rise to speak on the Steel Transformation Plan Bill 2011. The spending starts for the compensation for the carbon tax. There is no other reason this legislation is before the Senate. The government are well aware that the carbon tax passed through this place yesterday to the glee of many and the disappointment of others. They are well aware of the cost this carbon tax is going to have on our nation, including on the cost of doing business. I will say it again: if you strangle your business sector you strangle your economy. Business is where the nation's wealth is derived. Businesses employ people, those employed people pay tax and government, federal or state, gets the money to carry out their services, whether they be aged-care facilities or defence. It all comes from the business sector. The more we strangle our business sector here, especially those businesses that have to compete against competitors overseas where our exchange rate is damaging us, the cost of labour is far cheaper and the cost of energy is far cheaper because those countries have not decided to put a price on carbon and a cost on industries, the more we strangle our economy. Those businesses overseas do not face that; we do. Hence, that is why this legislation is before us.

I will turn to the cement industry. I am well aware that the cement industry is getting a 94.5 per cent discount on the carbon tax. I have raised this issue before in this chamber. We had 15 cement factories in Australia. One in Central Queensland closed up 18 months or so ago. A few months ago we heard the terrible announcement that Kandos was closing its factory, so we are almost back to 13. Kandos, I believe, employed 96 workers directly, and many of the truckies and the other businesses that survived and fed off the Kandos cement factory will feel that closure as well. In Australia we produce around 10 million tonnes of cement a year. When we produce a tonne of cement in Australia we produce 0.8 tonnes of CO₂, that is around eight million tonnes of CO₂ a year. China, that huge nation with its huge population, its huge growth of some nine per cent or 10 per cent a year and its exports growing enormously, produces in excess of one billion tonnes of cement a year. I said that we produce around 10 million tonnes a year; we actually import two million tonnes of cement as well. In China the average amount of CO₂ produced in cement manufacturing is 1.1 tonnes of CO₂ per tonne of cement. Comparing that to Australia: we produce 10 million tonnes of cement, with eight million tonnes of greenhouse gas, CO₂, or whatever you want to call it. In China if you produce 10 million tonnes of cement you produce 11 million tonnes of CO₂.

Here is the problem: if we shut down our industry in Australia, we will no doubt import from China our cement, those 10 million tonnes now being manufactured in Australia—of course, that production is on the slide as we have had one factory close and another announce its closure. We will see 11 million tonnes of CO₂ produced in China, compared to the eight million tonnes that are produced in Australia. That is three million tonnes extra. I have said before that we do not have a tent over our nation. We are linked to the world in trade and in the atmosphere. Shutting down our industries and moving them overseas equals more CO₂. If your goal is to reduce more CO₂ that is simply not going to work.

The cement industry is going to receive a 94.5 per cent discount on the carbon tax. That will still cost the cement industry in Australia an extra $9 million. Industry
cannot afford $9 million. I have met with the cement industry, I am sure people in the government have met with them, I am sure Senator Carr, the Minister for Innovation, Industry, Science and Research, has met with them. The cement industry cannot afford a tax of $9 million. Why? Mainly because of the exchange rate. I will take you back to why the Australian dollar is so strong. Look at the difference between our interest rate and those of most trading nations, those OECD nations, around the world. Most of their interest rates are almost at zero, while we have an official interest rate of 4.5 per cent. I welcomed the 0.25 per cent reduction on Melbourne Cup day. That was good news for battlers, for home loan borrowers, for small business and for farmers, although we have not seen any reduction in interest rates for small business or farmers yet. I have certainly been in touch with the four major banks to ask: ‘What are you doing with your business loans?’ We welcome the 0.25 per cent reduction from the Commonwealth and Westpac banks. It was only 0.2 per cent from the NAB, but that is still a reduction. Twelve months earlier when there was a rise of 0.25 per cent in interest rates, we saw the Commonwealth Bank raise its levels by 0.45 per cent and the NAB by 0.35 per cent. So we are getting some relief.

The interest rate differential is one of the reasons— it is not the sole reason—the Australian dollar is so strong. When people overseas are investing, are they going to invest and get 0.5 per cent or are they going to invest in Australia and get 4½ or five per cent? Sure there are exchange rate risks, and movements in exchange rates can turn everything pear shaped; I know that too well. However, this is a problem we are facing with industries. I will say it again: the cement industry—those 13 factories—cannot afford a $9 million tax if it is to survive. It cannot afford it. We will see more closures in this industry, just like in the steel industry.

We see that BlueScope and OneSteel are getting compensation through this legislation. My colleague Senator Bernardi highlighted the share market and what the carbon tax has cost those companies. This is where we have a serious problem with this whole plan: the cost of doing business. I know the majority of households are going to be compensated; there will be three million households that will not be compensated. That may cover some of their costs in increased electricity prices and in increased fuel prices, as electricity is used in much of the processing and delivery of fuel.

We now see that we are going to have under this proposal almost seven cents a litre on the road transport industry. Any truck with a tare weight of 4½ tonnes or more will face some $510 million of extra diesel tax. There was a 38 cents a litre excise on fuel. The coalition, driven by John Anderson, former Nationals leader and Deputy Prime Minister, brought in an 18½ cents a litre rebate for the transport industry. Consequently, they would pay just 19½ cents a litre, the road user fee, to contribute over the damage to the road. The government has already taken almost 3½c of that rebate off our truckies. On 1 July 2014, they plan to take almost another 7c off our transport industry. Where is the compensation for our transport industry? In regional Australia we need the trucks. Our rail system has been depleted. We should have invested in our rail system instead of pink batts and school buildings that are mainly the responsibility of state governments anyway. We could have put that money into the Brisbane to Melbourne train line, even up to Gladstone. We could have developed better infrastructure to make our country more productive and more competitive. But, no, we wasted so much of it.
Senators opposite have been laying very low on the diesel rebate, because, as I said yesterday across the chamber to Senator Sterle, there will not be a truckie vote for the Labor Party or the Greens come next election. You cannot put $510 million of extra cost on our truckies. I do not know if the transport industry would even make that much profit right across Australia. I do not know what the profits of Toll or Finemore or the smaller companies are, but I would doubt that they would make that much profit in total. I know that the transport industry is a tough industry with huge costs, and it has been since the seventies when I was driving in the transport industry. And we are going to put more costs onto our truckies. As I said, there will not be a truckie out there, especially an owner-driver, who will support the Greens or the Labor Party come next election, because they do not want that extra $510 million tax on their fuel.

Senator Polley: Is that from your crystal ball? Is that your prediction?

Senator WILLIAMS: I will take that interjection. That is what is in the plan that the Multi-Party Climate Change Committee came up with. It will add a tax of almost seven cents a litre come 1 July 2014, and our truckies will have to pay that. I am sure you are familiar with it, Senator Polley. There is only one way we can prevent that tax being put on our truckies: have a change of government at the next election, because they do not want that extra $510 million cost on this abattoir in the first year. That was the evidence that our Senate Select Committee on the Scrutiny of New Taxes heard at Tamworth: a $1.74 million cost. And yet their competitors in America will not have that cost.

They are striving to compete against America. The home of subsidies for farmers is either in Europe or America, and our industries have to compete against them. Those abattoirs in America, which are pursuing our markets in South Korea, Japan and many other countries, do not have those costs. If you remove the competitive edge of our trade-exposed industries you remove the jobs in those industries. That is what of great concern about this whole tax proposal.

It is through this place now. For that we can thank the betrayal of the Australian people by those opposite and those who were complicit in that betrayal—namely the member for New England, Mr Tony Windsor, and the member for Lyne, Mr Rob Oakeshott. They were complicit in the break of the promises made by and the breach of the words given by the Prime Minister and the Deputy Prime Minister, Treasurer Swan. Those two Independents played a major role in this. When it comes to seats in parliament, those seats do not belong to the politicians but belong to the people and the people will have their say come next election.
I want to talk now about the issue of certainty. The reason for the carbon tax was to bring certainty so that business could invest. And I welcome Senator Conroy to the chamber. We know that the carbon tax come 1 July next year will be $23. I was hoping Senator Conroy would stay for this speech, because I know what a great fan he is of this carbon tax. We have not seen him speak on it; we have not even seen him vote on it. He is like Senator Collins and Senator Feeney: they were absent with leave, because they did not want to be part of this whole debate yesterday.

Getting back to the idea of certainty, what will be the price of carbon in 2016 or 2017? Will it be $8 a tonne? Will the scheme have been shut down around the world, seeing that other nations are not taking up emissions trading schemes? Will it be $80 a tonne? We do not know what the price of carbon trading around the world will be in five years time. And that is supposed to deliver certainty? That is what is so uncertain about the whole policy: no-one knows what the price will be. It is a bit like asking what the Australian dollar will be trading at in five years time. You can have a guess. It will probably be somewhere between 40c and $1.40—a big range—but we do not know for sure. No-one knows for sure: it depends on the sentiment of the market, the buyers and sellers. What will be the price of carbon? We do not know. This is the certainty that was supposed to be delivered to Australian businesses and investors: we will not know what the price of carbon will be. That is why this whole scheme is so crazy.

The bill that we are debating is about the steel industry and compensation for only two companies. Where is the compensation for the states? Where is the compensation for the state of New South Wales? As people would be well aware, in New South Wales the coal fired generators are owned by the state. I still say that it was against the Constitution to introduce this tax, when section 114 clearly states:

... nor shall the Commonwealth impose any tax on property of any kind belonging to a State.

To me, that is black and white in the Constitution, but they will weasel their way around that, I imagine. I do hope the states take a challenge to the High Court on that very issue.

But when you consider companies like Macquarie Generation, owned by the New South Wales government, which produces 40 per cent of New South Wales' electricity, they are going to be up for about $550 million in carbon tax a year—their profit is gone! Their profit is currently $125 million, which goes to the state of New South Wales to help run our Police Force, our hospitals, our schools; and to build our roads and those other services that people depend on. But that money is going. So where is the compensation for New South Wales? Is it any wonder Mr O'Farrell, the Premier of New South Wales, announced an increase in royalties in the mining industry to make up for the money the state is going to lose? New South Wales this year has a budget deficit of $1 billion in their forecast, and then into the black at last. I know how tight it is for state governments—and for local governments—to run their budgets, to have enough money to deliver their services, to maintain their roads and everything else we insist on. But where is the compensation?

We have compensation for the steel industry, for two companies. What about the cement industry? What about the abattoirs? They would receive some $150 million over six years, but most abattoirs will not qualify for that anyway.

And where is the compensation for local government? If their landfills exceed the emissions of 25,000 tonnes, look at the cost
to local government. Already, Tamworth Regional Council have announced an extra $300,000 for electricity. But in New South Wales we have rate-pegging, so they cannot increase the rates. They can increase the rates on their water and sewerage, and perhaps make a bit of a windfall there to compensate them, but it just means that people pay again. It is back to the people; it always comes back to the people to pay. The cost of living will go up—more than what the predictions say, I can assure you.

That is why this whole package has just been one big mess. You think you are going to reduce carbon dioxide. What are we on—386 parts per million? I would like to know what this carbon tax will do to the atmosphere. How many parts per million of CO₂ will we have in the atmosphere in 10 years' time? We will have a lot more than 386 million. Just take China: they will produce 10.3 billion tonnes of CO₂ this year. Under Australian Treasury's forecast—not opposition figures plucked out of the sky—China will produce 17.9 billion tonnes of CO₂ by 2020. They will go up by 7,600 million tonnes a year. We are going to go up by 43 million tonnes. I wonder what the actual parts per million of CO₂ will be by 2020? We are on roughly 386 million now. It is not going to be less than 386 million.

And the Greens are claiming now that it is carbon dioxide that has caused the cyclones and the floods. Well, there are going to be more later on—cyclones and floods have been around for thousands of years, just like climate change has. The climate has been changing for thousands and thousands of years—and will continue to change, regardless of what we do. But now, of course, here is a money-grab by the federal government with this carbon tax, handing out the gifts to try to keep industry alive. We have lost 105,000 jobs in manufacturing in the last three years. We will lose more.

But now, of course, some of the money might even be to pay for the advertising campaign coming up, which is going to convince everyone that the government has done the right thing, being led by the Greens and the Independents—that what the government has done is correct. It is crazy. If the government were to come up with a decent environmental policy I am sure it would be supported all around this chamber.

The biggest asset we have, and the greatest asset to nurture in this country, is our land, our soil, that grows our food—not only feeding millions of Australians but millions of people around the world. That is the greatest resource we need to look after. That is why our direct action policy is solely directed at incentives to the farmers, working with the farmers; not like the Kimberley Maxwell Yeadon stage of the early days of the Carr government. One of his staffers, by the way, was none other than Senator Penny Wong! That is where she learnt her hatred for those on the land: from the infamous Kimberley Maxwell Yeadon stage of the early days of the Carr government. Remember John Laws? He would be up him every day—Kimberley Maxwell Yeadon, the jumped-up shop steward. That is where this comes from: the Left of the Labor Party and the hatred for the man on the land and the families who work it. So now you understand why Senator Wong thinks like she does and where it comes from. This is a bad policy. If we win the next election, it is going.

Senator SINGH (Tasmania) (10:41): After listening to Senator Williams' contribution to the second reading debate on this bill, the Steel Transformation Plan Bill 2011, there is no surprise that they will be voting against it because of course again, in their fine tradition, they have outlined how they are the party of 'no', they are the party that say no to everything, that run scare campaigns instead, that stick to a political
kind of juggernaut situation of running scare campaigns and opposing everything rather than actually embracing what is good about the bill before them and the good that will come from it for the steel industry and the manufacturing industry.

I am pleased to speak to this bill, which does demonstrate very much the Labor government’s commitment to the steel industry, just as Australia is shifting towards a new, innovative industry sector under the new carbon pricing mechanism agreed to by the Senate yesterday. While we are moving to protect steelworkers, and the steel industry, the coalition is mouthing platitudes and turning its back on that very industry. This steel transformation plan, and the carbon price, is giving manufacturing an opportunity to transform and adapt, through innovation, to meet the challenges of the future. It is very much a forward-looking plan: it is looking at the fact that we are transforming into a low-carbon economy future, into a clean energy future and preparing those parts of Australian industry, such as the steel industry and the manufacturing industry, for that transformation.

Over something like $20 billion worth of potential support is going to be accessible to manufacturers to seizing this very future that those opposition senators are just not willing to embrace and so they continue to live in denial as we move forward.

I think Senator Williams highlights again—similar to Senator Macdonald, whose contributions to both the second reading and the committee stages of the clean energy bills over the last week were absolutely appalling—that he does not accept the science. Similar to Senator Macdonald, Senator Williams spoke just now about his lack of understanding of the issue of climate change. What he raised was the fact that the climate changes. Well, lo and behold, so it does! And that there are floods. Yes, there are floods! And that there are storms and the like—yes, there are!

But why are we acting on climate change per se? Because science has provided us with input to show that some of that climate change is caused by human impact. It is of our own doing.

We have an opportunity to halt that and stop it from getting worse—and time is of the essence in that sense, as scientists have shown us—and actually start to try to save this planet and turn it around. For example, something like one trillion tonnes of carbon dioxide of human origin is in our atmosphere today, and we continue to contribute to it.

The senator is right: China does contribute to it to a large extent, as does the United States and other parts of the world. Climate change has no boundaries; it goes beyond countries. But if we all as individual countries take the attitude, ‘China is emitting X, Y and Z, so why should we do anything if they’re not doing as much as we’d like them to do right here and right now,’ then no-one would do anything, would they?

I would like you to go into a classroom and explain that logic to a grade 6 or a grade 9 class, who actually have an understanding about this. They are actually learning it in their school curriculum. They are not learning, ‘Climate changes and that's just how it is, so let's do nothing.’ They are learning that there is science that provides facts saying that the climate is changing from the human impact of emitting carbon dioxide into the atmosphere and it is causing detrimental effects on our planet. The result is that we need to do something about it. That is what yesterday's vote was all about. That is what it was about yesterday when you put your heads in the sand and voted against the clean energy bills.

**Senator Williams:** It is you who betrayed Australia.
Senator SINGH: The only betrayal of Australia going on is from you, Senator Williams, and your opposition colleagues, for not supporting moving to a clean energy future, for not supporting action on climate change and for denying the science. You spoke recently on the fact that you do deny the science; you think we should do nothing because the climate changes. And if you do agree to do something it comes down to your Direct Action Plan, which is actually about taxing Australian households to give money to polluters. The irony is unbelievable.

The coalition is against a market driven approach. You come into the Senate and say: 'Oh, what's going to happen? We're not going to know what the price of carbon is going to be, because it's a market driven approach.' It is absolutely bizarre to have the coalition be against a market driven approach. Aren't you the party of the free market? Here you are against a market driven approach when it comes to putting a price on carbon. It is quite extraordinary.

The Steel Transformation Plan, which relates to the bill we are currently focused on, is just one part of the government's suite of policies supporting the steel industry and manufacturing in general. The coalition turns up at steel sites and cries crocodile tears and, at the same time, votes against $300 million worth of support for the steel industry. Again, it is complete hypocrisy.

The steel industry, as we know, is facing a number of challenges, including the high Australian dollar and higher input costs, separate from carbon pricing itself. We understand that the Steel Transformation Plan will encourage investment and innovation in the Australian steel manufacturing industry and will help the sector to transform into a more efficient and sustainable industry in a low-carbon economy. It builds on our existing collaboration, which the government has been supporting over several years now. For example, the CSIRO has been working with BlueScope Steel and OneSteel on the steel industry CO₂ Breakthrough in Metal Production Program to increase energy efficiency and minimise costs by reducing emissions and waste, with a total investment to date of around $10 million. According to the worldsteel carbon dioxide breakthrough program, the technology resulting from the CSIRO's ISP is one of the few known technologies in the world with potential in the short term to reduce net carbon dioxide emissions by the steel industry by over 50 per cent at very minimal cost.

The University of Wollongong is another example. The CSIRO and ANSTO are individually represented on the Steel Industry Innovation Council. We know that the CAST Cooperative Research Centre, with government funding of $33.5 million, has been working with the Australian metal manufacturing sector to create business opportunities and improve processes to reduce costs and increase productivity. CAST partners include universities, business and industry players, including BlueScope Steel. These are all important transitional, researched and scientific good things that are happening in this space as we transform into a clean energy future. These are good things that the coalition senators refuse to listen to and take note of, because they are the party that just says no.

Another example is the Defence Materials Technology Centre, which has undertaken several research programs involving private industry—including BlueScope Steel, Bisalloy Steels and Thales Australia—with the University of Wollongong and government researchers. These programs are developing improved steel for armoured vehicles and better design and fabrication processes to reduce weight and cost. It is
another innovative example of how innovation comes with the change to a low-carbon economy. That is the kind of business certainty that yesterday provides. Yesterday businesses were given some certainty, because now we know that we have a new market mechanism structure in place for their industry and for the investment and the innovation that comes with our transforming to a clean energy future. I think I have mentioned before in this place that I visited Alstom, an engineering factory in Tasmania, which was waiting to find out the outcome of yesterday's vote on the clean energy bills to give their business certainty so that they can continue to invest in Tasmania and the jobs that they provide in engineering support to our hydroelectricity scheme in Tasmania, as well as a number of other clients that they support in the clean energy sector in the rest of the country. All of these programs are developed to improve steel for armoured vehicles, as I said, and to improve outcomes that transition us into that clean energy future.

Aside from improving capabilities and protection available to Australian service personnel, research that has been undertaken also offers huge potential for civilian manufacturing applications and exports. This willingness of universities to support the communities that sustain them demonstrates the public-spirited nature of our public institutions, our universities. These contributions show again that the science and research sectors are a natural fit with industries and communities, with industries like the steel industry, and when they do work together, whether in good times or difficult times, our innovation system can very much capitalise on opportunity and minimise that adversity.

The $300 million Steel Transformation Plan is a special, appropriate scheme with assistance under the plan capped at $75 million per year. The Steel Transformation Plan will operate over six payment years from 2011-12 to 2016-17. There is no confusion about the term of assistance under the $300 million plan. As announced on 10 July this year, payments under the self-assessment component of that Steel Transformation Plan will be made six months in arrears and therefore the eligibility activity period will be a four-year period whereas the payment period will be a five-year period. As announced on 22 August, competitive assistance advances will also be available in the 2011-12 financial year. Accordingly, taking both these elements together, assistance under the Steel Transformation Plan is to be made available over those six payment years from 2011-12 to 2016-17.

On top of that, the government is also supporting the SMEs, the small and medium enterprises, through the clean technology programs which the coalition also oppose. For example, the new $200 million Clean Technology Food and Foundries Investment Program will provide grants worth up to $50 million over six years to the metal-forging and foundries industries. These grants will assist the industries to invest in energy efficient equipment and low-pollution technologies, processes and products. The government is also supporting these SMEs through tailored business management advisory services, through Enterprise Connect, for example, which the coalition is proposing to cut $100 million from.

*Senator Nash interjecting—*

**Senator SINGH:** The amount of negativity that comes from those senators opposite that continue to oppose everything leads to their putting their heads in the sand in not accepting that we have to take hold of the issues that climate change science
provide to us and change our trajectory into a clean energy future.

Senator Nash interjecting—

Senator SINGH: Instead, it sends us back into the old dark ages—

Senator Nash interjecting—

Senator SINGH: Senator Nash, your opposition to the clean energy bills again highlights the fact that the opposition are focused on taking this nation into the dark ages, to the days when we did not believe scientists, when we certainly did not act on anything that science provided and when nothing really happened. It was a sad period in our history. We do not live in the dark ages anymore; we live in a time when we do embrace science and we do accept that we need to take hold of peer reviewed science. Unfortunately, those opposite continue to not support the science, although I tend to think that some of them do actually support the science and they are just playing politics on this issue. It suits them to try and be naysayers and be scaremongers and oppose everything because they see that that is perhaps their role rather than actually coming together and doing something for the benefit of all Australians, for our environment and for industries that need our support such as the steel industry. But, unfortunately, we will continue to see the naysaying opposition just oppose having Australia move into a clean energy future when so many other countries in the world have already embraced it and are embracing it. Why are they doing it? Why do we have these ongoing UN meetings to try and move this globe forward? We care about the future of this planet. We care about the fact that we need to do something to ensure that the human impact that we have on it is not going to be to its detriment—not just for us but for our children and for our children's children. That brings me back again to the bill and the fact that the bill focuses very much on steel transformation. It is a fact that steelmakers are very supportive of the Steel Transformation Plan. Australian steelmakers are facing considerable challenges from external factors other than the carbon price. I am sure that Senator Williams will acknowledge that. BlueScope has stated that it is restructuring its operations to improve its financial health in response to the global circumstances it faces, including the high Australian dollar, high raw material costs and intense import competition. They are realities that BlueScope Steel has to live with in the current global market. It is essential, therefore, that the steel manufacturing industry is supported during this period of transition, and that is exactly what the Steel Transformation Plan will provide: further support for Australian jobs and ensuring the future of the Australian steel industry. Labor senators on this side of the chamber very much support jobs. We are the party that very much supports working people. We support their rights and we support their jobs. Opposition senators have a long track record of not supporting jobs, ripping out workers' rights and ensuring that workers are not protected and not supported in any kind of transition to a clean energy future or a future where there is global uncertainty in the steel industry. We do not believe in leaving those workers in the lurch, and that is why we are supporting this bill.

Senator BOYCE (Queensland) (11:01): You have to love some of the Orwellian titles that the Labor government can dream up for its bills. There is the Steel Transformation Plan, which they would have us believe will somehow improve the steel industry in Australia. If passed, it is certainly going to transform the steel industry. It will transform it right out of Australia. That is what it will achieve. It will achieve the end of a steel industry in Australia. Certainly the
players will stay, but the industry will not be based in Australia any longer.

I must address some of the bizarre claims made by Senator Singh and Senator Cameron about the Labor government's so-called concern for workers and workers' rights. The first thing a worker wants is a job. If you are destroying jobs at the rate that is government currently is, you cannot be in the slightest interested in workers and workers' rights. It is a basic fact that without a job a worker is not a very well-resourced person. The Labor government apparently cannot seem to grasp this fact.

Let's just look at what has happened to manufacturing in Australia, particularly over the period when this government has been in power. Over the past decade and a half, the manufacturing sector in Australia has shrunk from 17 per cent of GDP to nine per cent of GDP. In the last four years alone, we have shed 136,000 jobs in manufacturing. That is how much this Labor government cares about workers—136,000 jobs gone in four years. What keeps workers in a viable and vital manufacturing industry is a government that cares about how that industry works and vaguely understands something about the industry that it is trying to control—that it is trying to assist and built. Certainly, absolutely nothing that Senator Cameron or Senator Singh can contribute will assist.

We have the bizarre situation of Senator Singh suggesting that we are opposing this bill out of some sort of spite. Well, no, we are opposing this bill because it is part of the government's carbon tax package and it should have been included with the carbon tax package. We are opposing this bill because, when we become the government, we will repeal the carbon tax and when we repeal the carbon tax there will be no need for a so-called Steel Transformation Plan. It was quite interesting to notice that Senator Singh mentioned all sorts of extremely good and useful research projects that are currently being conducted by universities, CRCs, the Defence Materials Technology Centre, and other groups related to the Steel Industry Innovation Council. Yes, there are some great research projects going on. There always have been some great research projects going on. These research projects are not reliant on the Steel Transformation Plan Bill being passed; they are happening right now. Industry has always been interested in being as efficient as possible, and this is particularly true of energy efficiency. Energy efficiency has been a key driver of most of the innovation that has happened in industries and most of the research that has been undertaken by industries, particularly smelting industries, over the last 20 years.

Once again we come back to another Orwellian little point about this bill: the Steel Transformation Plan Bill is allegedly about improving energy efficiency and reducing the carbon dioxide equivalent emissions of the industry, but nowhere in the legislation at all is there any requirement on the steel industry to reduce its emissions. They can get $300 million of assistance apparently without doing anything at all to reduce emissions. You would think there would be a KPI or two in the bill if the point of it is to reduce carbon dioxide emissions in manufacturing. You would think the bill would set out exactly what is expected here, but there is absolutely nothing to tell them what to do.

I would be very interested to hear some more of Senator Singh's views on some of the research that is being undertaken. It is just research. It will be industry itself and the practical and sensible people who will drive the real changes. They will make those changes because they are interested in
efficiency and energy efficiency is a top priority for them.

Under the Steel Transformation Plan only two Australian firms will qualify. Only two companies are going to be transformed: BlueScope and OneSteel. We have a classic example of this government trying to negotiate with the big boys and leaving the small and medium enterprises entirely to their own devices, once again showing that this government is not interested in the slightest in the welfare of workers, because it is small and medium enterprises that provide the jobs of Australia.

There are thousands of steel fabricators all over Australia who will not get a single bit of assistance out of this legislation. They will face enormous increased costs and pressures under this legislation, despite the government saying the opposite. Energy costs will rise. Power costs will rise. Steel costs will rise. Cement costs will rise. The list goes on and on.

Given we have yet again the debacle of Minister Wong being unprepared to divulge the real basis for the modelling they undertook for the carbon tax, we have no idea what the real cost to the Australian people will be. No doubt in all of the multimillion-dollar ads the line about the very small increase that households and businesses will face will get used, but we know that is completely wrong because Treasury, no doubt under direction from the government, based their modelling on the fact that there would be an internationally agreed carbon scheme. That has not happened and is not likely to happen in the near future. It would be good if it did happen by 2020, but the odds of that happening are very low. So in those circumstances the costs in Australia are going to be higher and more prohibitive.

I interjected earlier—and I know I should not have, Madam Acting Deputy President—when Senator Singh was suggesting that all the smaller businesses would get government technical advice. Any business adviser acting in a non-conflicted way would have to tell any Australian manufacturer right now to move their business offshore. That is the only advice that any independent adviser could give an Australian manufacturing business. With this government's continued and increasing tax take no business could act in any other way. Any financial or business adviser who gave advice contrary to that would not be acting in the interests of that company. Small business will be devastated yet again by this government's actions.

We are opposing the Steel Transformation Plan because it is part of the carbon tax package. When we are in government this plan will not be necessary. There will be no need for a Steel Transformation Plan as compensation to the steel manufacturers, because they will not be subject to the carbon tax.

I would like to look at some of the costs that will go on smaller manufacturers and other businesses as a result. For individuals compensation cuts out at a maximum household income of $80,000 and for businesses compensation cuts out at a turnover of $2 million. The odds are that many small and medium manufacturers will not receive compensation at a business level nor at an individual level if they are successful enough to be able to pay themselves more than $80,000 a year. This government's current carbon tax plan will drive them into poverty. I suppose as their companies and households are driven down they should be grateful that they will be eligible for the compensation. I was chilled when I read a comment made by the Prime Minister in July this year. Speaking in Rockhampton on radio she said:
… small business will see some flow through in things like electricity prices …

What small businesses will be able to do is pass those costs on to consumers …

She needs to go in the same little 'we haven't got a clue how the real world operates' bag as Senator Cameron and Senator Singh. Is that really how they think business operates in Australia right now? You get a price increase if you are a manufacturer or retailer and pass it on to your customer? Do they honestly think that is how it works? If the complete and utter destruction of this economy under these know-nothings were not so frightening, it would be funny. But it is not funny. To claim that small businesses will be able to pass their costs onto consumers, as the Prime Minister has, reveals a complete lack of knowledge of what is happening in the real world. She would be very happy in the museum along with other dinosaurs like Senator Cameron and Senator Singh.

The price of electricity under the Labor-Greens coalition has gone up 10.7 per cent. Groceries have gone up 6.1 per cent. Petrol has gone up 11.3 per cent. You can partly include—I am not sure how you separate them—that 136,000 jobs have disappeared out of manufacturing in the past four years. In small business, 300,000 jobs have gone since Labor was elected. That is the sort of intelligent comment you get from the Prime Minister, who originally told us there would be no carbon tax, but now we have a carbon tax. She claims it will only affect 500 big polluters when we know it will affect every little corner of our economy and ultimately lead to the destruction of much of our economy.

There is decreasing room in Australia for successful manufacturing. I would have thought that someone like Senator Cameron would hang his head in shame at the fact that that is happening, but instead they are negotiating a little deal with BlueScope and OneSteel to hold onto some of their jobs. It was 'enough'. It was the fact that BlueScope announced that they were going to have to cut 1,000 jobs that finally got this government to wake up and notice that they were hurting industry in Australia and would go on hurting industry in Australia. But they did not wake up to try to stop the harm they were doing to industry; they just cobbled together the Steel Transformation Plan to try to protect it—presumably long enough for Senator Cameron to be out of the Senate so that he will not be held accountable when the thousands and thousands of jobs go when the real transformation happens.

I would like to make the point that climate change is real. Humans are contributing to climate change. We need to act. The coalition has a plan to act, including a direct action plan and a very significant investment in renewable energies, which continues on from the work that we have been doing in that area since 1996. That is the way to transform Australia's economy without destroying it. That is the way to keep jobs and industry in Australia. That is the way we can fix this without doing the damage that is going to be done to the economy by this government, which has not got a clue what it is up to.

I want to look at the Minerals Council modelling that was released the day before yesterday on the topic of how the carbon tax is going to affect the Australian economy. When you get rid of Treasury's fiction that it is sensible to base modelling on the fact that there will be a successful and well-functioning international carbon tax and emissions trading pricing scheme operating, the modelling shows that by 2020 the Australian economy will be a cumulative $180 billion poorer with a carbon tax than it would be without a carbon tax. It shows that by 2020 Australian wages will be 1.9 per cent lower with a carbon tax than without
one. It shows that the price of a carbon tax in 2020 will not be $29 a tonne, as the Treasury fairytale would have you believe, but $43 a tonne because there simply will not be the opportunity there to buy permits from overseas to abate the costs of the emissions here.

Yes, the coalition absolutely opposes this piece of legislation. It will go the same way as the carbon tax when we are elected to government and can fulfil some real promises instead of promising one thing before an election, as the current Prime Minister did, and doing another thing straight after.

Senator SCULLION (Northern Territory—Deputy Leader of The Nationals) (11:21): I rise today—again somewhat miffed by some of the contributions from those on the other side—with regard to the Steel Transformation Plan and the reasons for it to be put in place. Some of the contributions to the debate have indicated that this plan is part of an adjustment process and part of a very neatly put together taxation system when in reality it is a knee-jerk reaction. Straight away, immediately after the imposition of the carbon tax, they are out here with the bandaids. This plan is the very first bandaids—and it is a very large bandaids—to try to save the two biggest players in the very important steel industry. But once again they are only going to talk to the big players in this and through regulation say, 'The only ones who've got eligibility to this compensation package are the very largest.' This plan seems to be a rerun of the mining tax. They are only going to have a handful of players—only the very big players—in the room, and they will negotiate with them. They will take the pain away from those who have the greatest capacity to bear it.

It is good to see Senator Madigan in the room. I am not sure if Senator Madigan was around that table—I suspect that he was not—but he as a steel manufacturer must be bleeding at the gills at the thought that BlueScope and OneSteel are getting special assistance, whereas the manufacturing sector, which is very small in Senator Madigan's area but employs lots of people and is very important and provides the capacity for us to manufacture items, particularly in rural and regional Australia, which add a lot of value and a lot of independence will not receive any assistance. Sadly, Senator Madigan will not be in that.

Senator Madigan, I am not sure if you are going to have a little wind turbine on your head or a special solar operated shirt as you weld your forge, but I wish you good luck with all of that, mate.

Senator Singh said some pretty interesting things during her contribution. She accused us in this place of taking a political position. I do not know about that—it seems pretty critical. She said that she could not understand why we were so negative about this tax. Senator Singh, I listened carefully to your maiden speech, and I think that you will make a very good contribution in this place. I know from the sorts of things you said that you must have good values, so I hope that you understand that we have taken our position on this because we gave our word to the Australian people that, if elected to government, we would not put a price on carbon: we would not introduce a CPRS and we would not introduce a carbon tax. That is what we said to the Australian people, and the Australian people thought when they went to an election that neither of the two principal organisations, the Australian Labor Party and the coalition, was going to impose a carbon tax. Senator Singh, the reason we have taken the position that we have on the carbon tax is that we have decided to honour
our promise whereas you on the other side have decided to dishonour your promise in the worst possible way.

Then, Senator Singh, you accused us all of being climate deniers. I am not a climate change denier at all. I think a lot of the science is a bit confusing, but we will look at it on balance as we go along. We have certainly given the planet the benefit of the doubt, and we have agreed—as have the Australian Labor Party—that we will reduce our emissions by five per cent by 2020. The difference in our policies is that the direct action policy will, through a clearly audited arrangement and a clearly audited investment, be able to reduce our emissions by five per cent by 2020 whereas, if you look carefully at the plan and the modelling of those on the other side, you will find that they are falling short by 43 million tonnes. The Australian Labor Party are not reducing Australia's carbon footprint by five per cent by 2020—in fact, they are falling considerably short of that target. But it is okay; we are going to go and buy carbon credits on a market that does not exist and spend $3.5 billion every year until 2020—and that money would build an awful lot of schools and hospitals—rising eventually to $57 billion a year. So, in 2050, we will be sitting in this place saying, 'By the way, in the forward estimates there is one little line item—$150 billion that we are sending offshore.' That is the Australian Labor Party's plan. It is absolutely appalling, and it needs to be exposed for exactly what it is. It will do absolutely nothing to the climate, yet it is going to cost us that sort of money. This should not be seen in isolation; those billions and billions of dollars that we are sending offshore to buy a piece of paper so that the sea can be kept at the right level means that we are not going to be able to spend money on other things. The figures are absolutely terrifying.

Senator Singh said that businesses want certainty. They do want certainty, but I do not think they want the grim certainty of the financial future that this government has just provided them. If you went down to the company which Senator Singh referred to who manufacture steel for armoured vehicles and asked them, 'Would you have liked a carbon tax?' they would have said, 'Absolutely not.' There is no point putting your arm around the wounded soldier with a bullet hole in his leg and giving him your bandaid while saying, 'It will be okay; I'm going to help you get better,' when you were the one who shot him in the leg. It would be the height of hypocrisy for you to do that.

This steel plan is a short package of $300 million, and the question is: what is going to happen when it runs out? It is just going to delay the inevitable, which is that we are not going to be able to compete with imported products and that Australia, one of the world's great steel producers, will not even be independent. We know that the very next day after the government announced this $300 billion steel plan $300 million was wiped off the joint share packages of BlueScope and OneSteel. Of course, the steel plan now being brought in will do them no good at all—and, aside from that, the $300 million in the plan has come from Australian taxpayers, which means fewer schools and fewer hospitals. The people who own the shares are not companies; they are people. They are Australians, and the shares represent their superannuation, and $300 million of that has been wiped out.

They have already transformed the steel industry as part of their contagion of incompetence by ensuring that this small steel plan has already gone and had its effect—that is, it has had no net effect at all on looking after the steel industry, which is so important to manufacturing today. Senator Carr, on the other side, on his watch, has
been responsible for over 105,000 jobs lost in the manufacturing sector, and I can tell you that what they do not really need now is a bullet wound in the head. It is not a wound; there is no bandaid that will fix this. It has been demonstrated, once again, that this carbon tax will be the end of another essential Australian industry. (Time expired)

The ACTING DEPUTY PRESIDENT (Senator Pratt): The time allotted for consideration of the remaining stages of this bill has expired.

Question put:
That the amendment (Senator Milne's) be agreed to.

The Senate divided [11:34]

(The President—Senator Hogg)

Ayes ....................... 9
Noes ....................... 49
Majority ................... 40

AYES
Brown, RJ
Hanson-Young, SC
Milne, C
Siewert, R (teller)
Wright, PL

NOES
Pratt, LC
Sherry, NJ
Sinodinos, A
Sterle, G
Urquhart, AE
Wong, P

Question negatived.

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

The Senate divided. [11:42]

(The President—Senator Hogg)

Ayes ...................... 36
Noes ...................... 31
Majority ................... 5

AYES
Bilyk, CL
Brown, CL (teller)
Cameron, DN
Collins, JMA
Crossin, P
Farrell, D
Gallacher, AM
Hogg, JJ
Ludwig, JW
Marshall, GM
Milne, C
Polley, H
Rhiannon, L
Siewert, R
Stephens, U
Urquhart, AE
Wong, P

NOES
Abetz, E
Bernardi, C
Boswell, RLD
Brandis, GH
Cash, MC
Cormann, M
Edwards, S
Fawcett, DJ
Fisher, M
Humphries, G
Kroger, H
Maggio, JJ

CHAMBER
The question now is that the remaining stages of this bill be agreed to and the bill be now passed.

The Senate divided. [11:46]

(The President—Senator Hogg)

Ayes.........................36
Noes........................31
Majority...............5

AYES
Bilyk, CL
Brown, CL (teller)
Cameron, DN
Collins, JMA
Crossin, P
Farrell, D
Feeney, D
Gallacher, AM
Hogg, JJ
Ludwig, JW
Marshall, GM
Milne, C
Polley, H
Rhiannon, L
Siewert, R
Stephens, U
Urquhart, AE
Wong, P

NOES
Boswell, RLD
Brandis, GH
Cash, MC
Cormann, M
Eggleston, A
Fierravanti-Wells, C
Heffernan, W
Joyce, B
Macdonald, ID
Mason, B
Nash, F
Payne, MA
Scullion, NG
Williams, JR (teller)

PAIRS
Arbib, MV
Evans, C
McEwen, A
Sterle, G

NOES
Boyce, SK
Bushby, DC
Colbeck, R
Edwards, S
Fawcett, DJ
Fisher, M
Humphries, G
Kroger, H
Madigan, JJ
McKenzie, B
Parry, S
Ronaldson, M
Sinodinos, A

Hallucinations:

Question agreed to.

Bill read a second time.

Third Reading

The PRESIDENT: The question now is that the remaining stages of this bill be agreed to and the bill be now passed.

The Senate divided. [11:46]

(The President—Senator Hogg)

Ayes.........................36
Noes........................31
Majority...............5

AYES
Bilyk, CL
Brown, CL (teller)
Cameron, DN
Collins, JMA
Crossin, P
Farrell, D
Feeney, D
Gallacher, AM
Hogg, JJ
Ludwig, JW
Marshall, GM
Milne, C
Polley, H
Rhiannon, L
Siewert, R
Stephens, U
Urquhart, AE
Wong, P

NOES
Boswell, RLD
Brandis, GH
Cash, MC
Cormann, M
Eggleston, A
Fierravanti-Wells, C
Heffernan, W
Joyce, B
Macdonald, ID
Mason, B
Nash, F
Payne, MA
Scullion, NG
Williams, JR (teller)

PAIRS
Arbib, MV
Evans, C
McEwen, A
Sterle, G

Australian Renewable Energy Agency
Bill 2011

Australian Renewable Energy Agency
(Consequential Amendments and
Transitional Provisions) Bill 2011

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (11:49): The coalition does not oppose the Australian Renewable Energy Agency Bill 2011 or the Australian Renewable Energy Agency (Consequential Amendments and Transitional Provisions) Bill 2011. The Australian Renewable Energy Agency Bill establishes the Australian Renewable Energy Agency, known as ARENA. ARENA is designed to centralise the administration of $3.2 billion in existing federal government support to the renewable energy industry currently managed by the
Australian government and by Australian government funded bodies such as the Australian Centre for Renewable Energy, ACRE, and the Australian Solar Institute, the ASI.

ARENA will also assume the work of ACRE in establishing and maintaining links with state and territory governments and, with the ASI, in fostering and developing collaborative research partnerships internationally. ARENA will also be responsible for the policy advice to the Minister for Resources and Energy and Minister for Tourism, and will take over and expand the activities of ACRE in this regard. The bill also establishes the members of the ARENA board, its chief executive officer and its chief financial officer, and sets out how ARENA will operate and be funded. Funding to be provided to ARENA each year is prescribed in the bill until 2020 and will be held by the government until required by ARENA. Around $1.7 billion of the funding allocations to be made by ARENA is currently uncommitted and will be available to ARENA to provide financial assistance for the research, development, demonstration and commercialisation of renewable energy and related technologies, the development of skills in the renewable energy industry and the sharing of non-confidential knowledge and information from the projects it funds.

The Energy Agency (Consequential Amendments and Transitional Provisions) Bill complements the main ARENA Bill by providing the transitional and consequential activities that need to occur in order for ARENA to take over funding and administration from the existing programs and projects transferring from the Department of Resources, Energy and Tourism to the ASI and ARENA.

The coalition believes these bills create a better vehicle for the delivery of renewable energy technology project funding and support, and the coalition's position with respect to these bills is an entirely separate matter from the position the coalition may adopt on any particular project that ARENA may inherit or later consider or support. While the coalition does not oppose the establishment of ARENA, as it will allow for the streamlining of procedures and for appropriate corporate governance in the sector, it should not be taken as carte blanche approval of specific programs to be administered by the proposed ARENA. It is a matter of public record that the government has not covered itself in glory when it comes to the implementation and operation of energy projects, including renewable energy projects. There is a long and chequered history of failure, as there is on most things in the performance of the current Gillard and prior Rudd governments, on a whole range of programs they have attempted to administer.

We need look no further than the establishment of the carbon tax to again see a program and a policy that have been all over the place. We now see of course, as a result of a breach of promise, a carbon tax that will be introduced into Australia and will be far deeper, far broader and far more economically damaging than any other tax of its type in the world. It is a tax which will drive up the cost of living, put more pressure on electricity prices and make Australia's energy and resources industries less competitive than their global counterparts. This is a hallmark of this government, as is the incompetent management of a whole range of programs, including its renewable energy programs, to which I will come back in a moment.

There are reams of economic modelling that show that the carbon tax will put a significant burden on the Australian energy and resources sector and expose it to
disadvantage in terms of competitiveness. Yet the members of the government have shown us, on the passage of that legislation through the parliament, that they would rather celebrate than think about the damage that it is going to cause to our competitiveness and to our economy. The carbon tax is designed, they say, to try and lower carbon emissions. In reality, of course, it does nothing to drive the fuel switches and energy efficiencies that we need. At least with the bill we have before us today there is a structure, corporate governance and an outcome. You do not see the same thing in the carbon tax legislation.

We have also seen in recent times this government, through its renewable energy and carbon reduction programs, demonstrate the incompetence that we have grown used to across the board. We saw it in the last fortnight in the announcement by ZeroGen that it was in receivership and would soon disappear from the face of the earth. Hundreds of millions of dollars, a good proportion of which have been contributed by this Labor government, will disappear with it for no outcome. With it goes taxpayers' dollars that this government so unwisely invested in it.

That investment is part of the Labor government's whole smoke-and-mirrors approach to clean energy, where it promises the world but delivers absolutely nothing. Given that ZeroGen is now in receivership and $40 million of federal taxpayers' money—and a substantial amount, perhaps double that, of Queensland taxpayers' money—has disappeared and gone down the drain, we need to ensure that, as much as is possible when you have a Labor government in power, these sorts of things do not happen again. That is why the coalition will not be opposing this legislation. We hold out some hope, through the structure of ARENA, that they will not appoint only Labor apparatchiks to the board of ARENA but will get the expertise they need to ensure that the board is constituted of men and women who understand the importance of renewable energy projects and who understand how to invest money. We hold out some hope, although it is perhaps a faint one.

ARENA will be made up of a board of six appointed members plus the secretary. There will be at least one person from the field of renewable energy technology, another from commercialisation, another from business investment and another with expertise in corporate governance. There may be, unfortunately, a cross-membership with the $10 billion Greens slush fund that the Labor Party has set up so that the person who runs this country, Senator Bob Brown, can get what he wants out of the project. It is money poured into projects that will probably end up in the same place as ZeroGen.

We do not oppose this legislation, as I say. We understand the reasons for setting up ARENA and will watch very closely as it is done. Whilst it is reassuring that renewable energy issues—and energy in general—are going to be overseen by this body, it is somewhat disappointing that we have still not seen the framework for Australia's energy in the form of a white paper. We are of the view that it is very difficult to invest in any form of energy, particularly renewable energy, in the complete absence of a policy or structural framework on energy policy going forward. The last energy white paper was delivered by my colleague Mr Macfarlane for the Howard government as long ago as 2004. Seven years is an extraordinarily long time for the sector to have to wait for a comprehensive statement of the government's energy policy, yet seven years is the length of time that the sector has had to wait with no promise of that situation improving any time soon.
Throughout those seven years the world has changed dramatically. We have seen the growth of China and the expansion in emissions that that has caused. We have seen a huge shift in energy demand as countries develop their economies. We have seen in Australia not only a huge focus on only supplying that demand through coal or liquefied natural gas but also an energy shift that has seen an expansion of the wind energy industry. Without an energy white paper it does not matter how good ARENA is, the energy sector will still be staring in the dark as to which direction it should take.

We in the coalition do support renewable energy. We do not support some of the programs that the government has in place, and at an appropriate time we will go into that in detail. The renewable energy industry was started by a coalition government. I know that those who sit opposite like to take full credit for everything to do with renewable energy, but let us get a few facts on the table. The Mandatory Renewable Energy Target, the MRET, was introduced by a coalition government—the Howard government. It was put in place and was up and running. It was the first in the world. It was a coalition government that established the photovoltaic industries in Australia. It was a coalition government that funded the first wind projects in Australia. It was a coalition government that funded the first photovoltaic large-scale generation programs. It was a coalition government that put money into the first solar thermal projects. It was a coalition government that continued to ensure that we had alternative energy projects that worked.

So we in the coalition do have a strong basis on which to support renewable energy. We do have a very strong interest in making sure that we put in place a structure that will be able to administer the programs that the government puts in place to bring about an outcome that actually produces lower emission energy and energy that is renewable. The problem that we have is that this government continually come up with bright ideas and then comprehensively bungle them through bad administration and failure to oversee policy development properly. The coalition will make sure that the onus is put on the government, by the establishment of ARENA, to be effective and efficient in their management of policies and projects as this money is rolled out. Who knows when the next election will be? But between now and then there is going to be a sizeable amount of money put into this sector and if it is managed properly it should have a positive outcome.

I hope that this government uses the establishment of ARENA as another chance and a turning point in its poor planning and policy implementation. I doubt that it will—though we live in hope—because this government has not heeded any of the wide-reaching warnings from the industry or from the coalition to date. The coalition will not object to the introduction of appropriate policies that can assist and not impede the energy resources sector, including the renewable energy sector. But examples of success have been very few and far between in the life of this Labor government. We will not stand in the way of a government that pushes ahead with good policy, but we will stand in the way of policies that are destructive or based on a poorly thought through agenda.

We would in our time, had we had the opportunity, have established—or when we get the opportunity will establish—a structure perhaps similar to this one. But the crux of this bill is that it is a second chance for the government. It will be another chance—perhaps a last chance—for the government to demonstrate not only to the energy industry but also to the people of
Australia that it can actually manage money. I live in hope but, as I said before, it is a faint hope indeed for to date we have not seen that competence from this government. ARENA will not only have to administer the renewable energy sector but will also have to be a miracle worker to give the government a lead and show it how to manage money and not waste billions and billions of dollars.

Senator MILNE (Tasmania—Deputy Leader of the Australian Greens) (12:01): I rise today to support the legislation to set up the Australian Renewable Energy Agency. This is something that I announced on 8 July 2011 as a result of the Multi-Party Climate Change Committee negotiations. It is something that the Greens have long argued for and I am delighted that we are now seeing the legislation that will set up ARENA. It will be a statutory authority with an independent board. The reason for that is that we have seen many problems with a disparate array of various government schemes over a long period of time. I will get to all the problems with those in a moment. But what is really interesting is that the coalition have said—with an oath in blood, I believe—that all of the bills that deliver the clean energy package will be repealed under any Abbott government should one occur. But not only are they not going to repeal the legislation that creates the Australian Renewable Energy Agency; they do not even oppose this, because they recognise it as good and sound policy.

What is more interesting is that one of the reasons that Senator Brandis just cited for supporting ARENA was its structure and the fact that it would have experts in investing money on the board and be independent. It is the structure of ARENA that gave the coalition the confidence to think that it might disburse the funds in a proper manner, which is precisely why the Greens have argued for independence and a statutory authority.

But exactly the same thing applies to the Clean Energy Finance Corporation. It has an independent board and is a statutory authority. And yet in that case we have Mr Robb and no doubt Senator Brandis as well running around saying that the Clean Energy Finance Corporation will be a honey pot for the white shoe brigade. How can it be that you have two independent statutory authorities with independent, professional, expertise based boards with the coalition supporting one and not supporting the other because it is going to be politicised? That shows the complete nonsense and drivel that comes from the coalition when it comes to policy on renewable energy.

Everybody knows that what we need in Australia is to advance a renewable energy revolution. We need to get 100 per cent renewable energy as quickly as possible in this country. Not only will that be a great thing for reducing greenhouse gas emissions and seriously addressing the climate crisis but it is a recipe for sophistication in the Australian economy, greater diversity and a rollout of investment in the bush in particular. It will mean new jobs. As we have just heard in the debate on the steel transformation plan, it is where Australian steel needs to be directed. It is needed to build the towers for the wind turbines and the support for the solar arrays. Solar thermal needs steel; renewable energy needs steel. The advancement of renewables has so many advantages for Australia in terms of our future economy, our jobs growth and our whole manufacturing mix.

I wanted to put on the record at the start that this absolutely puts paid to the coalition's suggestion that the Clean Energy Finance Corporation cannot be supported. If they can support ARENA because they recognise that it has the right structure, that puts a great big bucket of water over the top of the coalition leader's oath in blood, which
is getting more watery and anaemic by the moment. It also shows how absolutely bereft of any policy rigour the coalition's response is. However, I am diverted.

It is important to point out that under ARENA all the existing Commonwealth government renewable energy programs—except the renewable energy target—will be administered by the new independent statutory authority. It will be the first time that we will have a systemic whole-of-government approach to renewable energy at arm's length from government. With ARENA and the Clean Energy Finance Corporation we are covering the whole spectrum of innovation, which is very exciting.

The first half will be covered by the Australian Renewable Energy Agency, which will look at early stage research, development and rollout and possibly up to pilot stage. The programs that are being rolled into the Australian Renewable Energy Agency are the Solar Flagships Program, the Australian Solar Institute, the Low Emissions Technology Demonstration Fund (Solar), Renewable Energy Demonstration Program, the ACRE Solar Projects, the Renewable Energy Venture Capital Fund, the Australian Biofuels Research Institute, the Emerging Renewables Program, the Second Generation Biofuels Research and Development Program and any uncommitted funding from the Connecting Renewables Initiative. I think you can see, Mr Acting Deputy President, why it is so sensible to pull together all of those different strands of funding and put them into one agency—a one-stop shop, if you like—for people out there in the sector wanting to know how they can get support from government for their particular project and get an expert board who oversees this whole thing.

What we are also going to see is that the independent board will immediately manage the $1.5 billion in funding that is already committed under some of those programs, plus it will manage the $1.7 billion in uncommitted funds that already exist as a result of all these programs out there. That $1.7 billion has not been disbursed to date, and now we will be able to get it out there into renewable energy research, development, commercialisation and demonstration. By bringing all these programs under an independent authority we can finally deliver consistent, systemic support for the industry.

Senator Brandis seemed to imply that the only problems that have occurred with renewable energy funding and rollout have occurred under a Labor government. That of course is quite wrong. These problems in supporting the renewable energy sector have been there since the Howard government, because government departments simply do not seem to be able to talk to the industry and work out how to support them in a way that is both rigorous and actually gives them what they need. The reason there is all this undischbursed funding is that the rules that have been set just do not suit the industry.

I want to quote from a paper that was written by Wayne Smith, a director of Clean Economy Services, in July last year. He wrote:

The only thing certain about Australia’s solar policy is uncertainty. That’s the key lesson from the last five years of solar policy at a national level. Whether it’s residential solar or large-scale solar, the ground has constantly shifted for the solar industry.

… … …

The Photovoltaic Rebate Program began in 2000, offering rebates of up to $4000 for solar panels on homes. This resulted in some 7000 homes installing solar panels … In May 2007, the then Environment Minister, Malcolm Turnbull, announced a doubling of the rebate to $8000—
and, whilst that got attention—
the Rudd/Gillard Government argued it drove a
massive budget overrun of more than $850
million. In May 2008, the Rudd Government
restricted the $8000 rebates to households earning
less than $100,000 and in June 2009, the Rudd
Government’s Solar Homes and Communities
Plan was abruptly stopped and replaced by a new
Solar Credits Scheme.

So you can see there, all the way through,
just as industry gears up for the rules that are
set, suddenly, because the community is so
keen to actually embrace renewable energy,
particularly solar, the rules change—and that
undermines business and sets up a boom-
bust scenario. As has been indicated from the
paper I was reading from, the problems
started from the initiation in 2000 of changes
that then Minister Turnbull made, then from the
changes introduced under the Rudd
government, through to then Minister Garrett
getting rid of it altogether.

The same thing happened with the sudden
decision to end the Rural and Remote Power
Generation Program, and the suspension of
the popular Solar Schools Program, before it
was reopened later, on the eve of the federal
election last year. In terms of the Rural and
Remote Power Generation Program, I stood
in this Senate endlessly saying to the
minister: ‘You simply can’t do this.’
However, it was done—Minister Wong did
get rid of it. But I am glad to say that, as part
of the negotiation over the carbon pricing
legislation, we now have an investment to go
back into conversion to renewables,
particularly in remote Indigenous com-
"munities. I think around $40 million has
been allocated for that, and I am very pleased
to see it back there.

You see a similar story with solar hot
water. In July 2007 the Howard government
was providing a $1,000 rebate for solar hot
water systems and heat pumps, and that was
a practice continued by the Rudd
government. In February 2009 the Rudd
Government increased the rebate to $1,600
without means-testing, through a new
Renewable Energy Bonus Scheme, as part of
its response to the global financial crisis. In
September 2009 the rebate for heat pumps
was reduced to $1,000 and in June 2010 the
system was changed again, under the
Enhanced Renewable Energy Target. In July
2010 there were yet more changes, with a
commitment by the government and the
coalition to take $150 million from the
Renewable Energy Bonus Scheme to fund
other election promises—and on and on and
on it goes. The industry is totally fed up.

The Solar Flagships Program is a classic
case in point. In that case the rules were
badly set up in the first place, and it was very
difficult for industry to actually apply; and
then, under the rules of the second round of
the Solar Flagships Program, it is hard to see
how it could ever have been delivered or
rolled out—because, in May 2009, after the
government had announced the $1.5 billion
Solar Flagships Program, it was redesigned,
it was split into two funding rounds, with the
first round delayed for more than a year; and
then in the course of the election campaign
suddenly it was all changed. In July 2010, in
the lead-up to the federal election last year,
both the Labor Party and the coalition
announced a $220 million cut to the Solar
Flagships Program. Then over the summer
we had the Prime Minister say that she
would take money from the program to fund
the flood levy. It was the Greens who said:
no, we will not stand for the idea that you
take money from the renewable energy
sector, which is a solution to climate change,
to fund the cost of the damage caused by
climate change, which was the flooding in
Queensland and the extreme weather event,
in terms of the level of intensity of both the
flooding and Cyclone Yasi, which are
climate related. We managed to stop the
bleeding of the finance out of the Solar Flagships program. We organised a roundtable in the process of that.

So you can see that this has been nothing other than frustration for people in the industry and it is costing the industry jobs. Now there will be an independent statutory authority with a finance pool that cannot be raided or changed for 'cash for clunkers' or flood levies or anything else that any political party would want. Instead we are saying that this is the money to get it right, to get the early stage right through to the pilot stage and then from there it will go to the Clean Energy Finance Corporation to assist in getting funding for technology-ready projects that are unable to secure the commercial financing at that particular time. That will help to leverage private sector finance.

What is also interesting about the coalition's view on all of this are events that have happened in places like the Eyre Peninsula in South Australia. Given that we have just debated the Steel Transformation Bill and we are now talking about setting up the Australian Renewable Energy Agency, it is worth noting that the Leader of the Opposition, Tony Abbott, went to Whyalla and predicted the area would become a ghost town, an economic wasteland and even be wiped off the map under the carbon tax—and called—and the Clean Energy Future program. Then the Steel Transformation Plan was announced—$300 million in addition to the compensation for energy-intensive, trade-exposed industry—and the coalition voted against providing this money for OneSteel in South Australia. In fact, OneSteel actually came out and said that the clean energy package was 'appropriate and sensible'.

What is even more interesting is that when my colleague Senator Sarah Hanson-Young pointed out that the future for Whyalla and the Eyre Peninsula was in renewable energy, in rolling out the massive change that will be delivered through ARENA and the Clean Energy Finance Corporation, the coalition screamed and ran around South Australia laughing saying, 'No, this will not be the future.' But we note today on the front page of the Sydney Morning Herald that Mr Mark Cant, a former Liberal candidate—which is quite interesting—who now speaks for the Whyalla and Eyre Peninsula Regional Development Board, has said:

We want to be one of the top 10 clean-energy regions in Australia.

He went on to say:
There's a wave energy pilot project set to begin in December, a rare earth minerals processing plant—providing metals used in modern technologies such as hybrid cars and iPods—also set to begin construction this year, well-advanced plans for a large-scale solar project and a study showing the region has the potential to provide big amounts of wind power.

Mr Cant said companies including Pacific Hydro, Orica and Origin Energy had bought land in the area and put up monitoring systems in preparation for possible wind-power investments and the region intended to apply to the federal government's clean energy fund for a high-voltage transmission line to connect the proposed projects to the national electricity network.

Imagine that. The coalition are now opposing the Clean Energy Finance Corporation, which will be the basis for supporting this clean energy plan for Whyalla and the Eyre Peninsula, as my colleague Senator Hanson-Young pointed out some months ago to the screams of ridicule from Liberal and National Party senators. In fact, this week, instead of the coalition leader cutting and running to London, where he did not have to be until 10 November, he should have gone to Whyalla and stood up and told them there that not only did he oppose the $300 million in the Steel Transformation Plan but he also opposes the Clean Energy Finance
Corporation, which the area has now said it really needs in order to advance the new vision and new future that it sees. That is increasingly what we will find.

Coming out of this debate on the Australian Renewable Energy Agency, I know that it is embraced and welcomed by the industry. They are really looking forward to a board with expertise working out the rules, to being able to access funding and to being able to see a clear path from research and development through to the demonstration pilot stage and then going to ARENA for leveraging private sector finance. For once we in Australia now have a pathway for renewables. I am really proud of the role the Greens have played in negotiating with the government and the Independents to get this as a major part of the Clean Energy Future package. Not only does it do great things for areas like the Eyre Peninsula—and it will do so in Tasmania and lots of other parts of rural and regional Australia, as well—it will also massively increase our capacity to reduce our emissions. I think it was ClimateWorks that said recently that the massive expansion in renewables will lead to a much faster and deeper cut in emissions than that projected and modelled by Treasury, which had very conservative assumptions.

What we have here results from the Multi-Party Climate Change Committee and the negotiations to get an emissions trading scheme to implement the polluter-pays principle. In addition to the carbon price, which will drive some sort of conversion from coal, we now have the additional support for renewables, which is welcomed by the industry.

Those statutory independent authorities are critical and I put back to the coalition: what is the difference between the government's structure of ARENA and the Clean Energy Finance Corporation? If the coalition can support ARENA and are now saying it is such a good idea—having suggested that the Greens were holding the country hostage—isn't it time they admitted that they will not repeal the Clean Energy Finance Corporation legislation, just like they will not repeal the rest of the bills?

Senator THISTLETHWAITE (New South Wales) (12:21): I support the Australian Renewable Energy Agency Bill 2011 and the related consequential amendments bill. These bills are a very important element of the government's Clean Energy Future program. Yesterday we established finally a price on carbon emissions within our economy. And in doing so we established the architecture for a new era of economic development in our country, an era of development that will see not only emissions in our economy reduce over time but also households, businesses and communities adapt over that process, over that trajectory, to ensure that we are investing in new technology, in new production methods and in new businesses that harness the power of renewable energy.

It also recognises that we make an effective transition to a long-term trajectory of reductions in carbon emissions. To achieve that we must support and invest in research and development, capital production and commercialisation of renewable energy development in this country. We have established the price mechanism to ensure that there is the incentive amongst households and businesses to promote new ventures. These bills ensure that we use some of the revenue generated from the carbon price to support the commercialisation of the technology and the development and investment that will assist in the reduction of emissions in our economy.
Australia has a great tradition of innovation, resourcefulness and entrepreneurship when it comes to new technology and inventions that have reformed the way Australians and the rest of the world communicate and operate. For a population of close to 20 million people we punch well above our weight when it comes to innovation, research and development and the development of new technology throughout the world. The black box flight recorder, the stump-jump plough, the Hills hoist, the refrigerator or solar hot water: these are inventions that Australians have commercialised and revolutionised the way that humans conduct their affairs. We also are leading the way when it comes to harnessing the energy generated from our great natural resources.

I have been fortunate to witness some of those innovations turn from ideas into research and into commercial projects. A small business in the Illawarra has commercialised the use of the power of the coastline in that area, the power of waves, and turned that power into electricity, which is powering homes in the Illawarra. There is Mackay Sugar and their very innovative production techniques associated with refining sugar at their plant in Mackay and their plans to use the by-product of the refining of sugar, the molasses that is created from that process, to process it into ethanol for the future as a renewable fuel source. There is the farmer I met when I attended a carbon farmers conference in Dubbo who informed me of the changes he had made to his tractor that allowed him to capture and refine his diesel emissions and to turn them into a fertiliser that he was using to improve the productive capacity of his land. Australians have a great history of innovation, research and development and I am sure that with proper support through the establishment of the Australian Renewable Energy Agency the possibilities are boundless and we will begin to see Australians develop ways to harness the power that exists in our natural environment and commercialise those for the benefit of not only our own country but the wider world.

Australia is a land of extremes. This was so eloquently described by Dorothea MacKellar: a land of droughts and flooding rains, of damaging winds, of powerful swells, of searing heat. But it is also a nation that has the ability to harness those powers. Due to the sheer size of our great nation, it is not uncommon for such weather events to occur simultaneously. Many view this as a negative. Historically it has been an issue that we have come to adapt to, but it is also an issue that provides an opportunity for our nation—a positive, an ability and a resource that does not exist for other nations as we move into a clean energy future. We have an ability to harness the natural powers that exist throughout our country and turn them into renewable energy sources. And as we enter this new phase with the enactment of this legislation, we can be reassured that the government is supporting ideas, research and development and technology that allow us to harness our natural resources.

The future of our nation and our trajectory to a low emissions country and a thriving economy at the same time depends on our ability to properly harness these natural forces, and it is through independent bodies such as the Australian Renewable Energy Agency, or ARENA, that we will indeed maximise our opportunities to benefit from the clean energy productive capacity of our environment. The decision to establish ARENA was an agreement between the members of the Multi-Party Climate Change Committee, and was announced on 10 July 2011 as a part of the government's Clean Energy Future package. The proposed
legislation is established through two bills, the Australian Renewable Energy Agency Bill 2011 and the consequential amendments bill. ARENA will consolidate around $3.2 billion in existing government support for renewable energy technology innovation currently administered by the Department of Resources, Energy and Tourism, and Australian government funded renewable energy bodies such as the Australian Centre for Renewable Energy and the Australian Solar Institute. ARENA will have the authority to administer around $1.5 billion in current renewable energy technology funding agreements. It will determine its funding strategy and develop and manage programs for funding around $1.7 billion in unallocated funds. It will also have the independent authority to select projects and make binding funding decisions for provision of financial assistance for research, development, demonstration and commercialisation of renewable energy and related technologies, including enabling technologies. Where appropriate, it will share knowledge and information with industry from the projects that it funds.

ARENA's objectives will be to improve the competitiveness of and increase the supply of renewable energy technologies. It will also promote collaboration with state and territory governments to support renewable energy technology innovation. Importantly, ARENA will be independent and will not be subject to direction from government on the particular projects it selects to be awarded funds. The Australian public can be confident in the independence and integrity of this body in the selection of projects that will receive funding. This is just another example of the government working to reassure the public that we are deadly serious about this clean energy future package.

Indeed, this legislation has won support from many of those opposite, including Tony Abbott's resources spokesman, Ian Macfarlane, who was quoted in the Australian newspaper just last week saying that it was 'reassuring' that this agency would provide 'structure for policy and program development in energy and resources'—an endorsement of the government's program in this area and an endorsement of the establishment of this body, one that no-one can deny is positive in nature and will make a real difference to the commercialisation of renewable energy projects and capital in this country.

The establishment of ARENA proves this government is doing what it takes to work with industry to ensure a smooth transition to a prosperous clean energy economy. There is a lot of potential for major advances in renewable energy technologies over the next few decades. Rapid advances in the science and engineering of renewable energy are being made on several fronts. It is our goal to ensure that this continues and that we harness this exciting new industry and the benefits and changes that it will make to our nation and our way of life.

As a father of two young children, I am quite proud of this government. Through legislation such as this we are doing our bit to ensure the good health of our nation and our planet for future generations. We are also investing in new industries and new jobs growth in the new economy. Tackling climate change is something that we must do to ensure that we transform our energy sector. Luckily, we are extremely well placed to do so. We have the landscape, the weather, the know-how and the political will to make the change to a clean energy future. We have a dynamic and competitive private sector. We have abundant resources of renewable energy, from sunshine to wind power to geothermal energy, and we have
the wave and tidal power of the oceans surrounding our great nation. With the raft of clean energy legislation that has been enacted and is being enacted, all the pieces of the puzzle are finally falling into place. The architecture is there for us to make the transition from an industrial carbon-polluting economy into a clean energy technology based future. We can now tackle this generational challenge through the transition to a clean energy future. It is through bodies such as the Australian Renewable Energy Agency that this transition will be successful. In this respect, I commend the bills to the Senate.

Senator BOSWELL (Queensland) (12:35): Today we are speaking on the Australian Renewable Energy Agency Bill which establishes the entity that will administer the $3.2 billion in existing federal government support: ARENA. ARENA will be administering all renewable energy projects, and it still has $1.7 billion in funds out of the $3.2 billion. On top of this, the $10 billion clean energy fund will be there. The Greens demanded that from the government. Senator Milne, leading the government around by the nose again, got this. This is one of Senator Milne's great trophies. She wanted it; she got it. She told the government the Greens would not support the $23 entry price if she did not get the $10 billion, so this is her trophy. It is another trophy for Senator Bob Brown, when he goes over to visit Durban. He can swan around there and say he screwed $10 billion out of Australian taxpayers and got not only the world's biggest carbon tax to inflict on Australia but also the world's biggest renewable fund. It will have to be heavily subsidised to exist—up to, I would say, $70 or $80 on renewable energy certificates. The Labor Party are in fairyland about this. They have to understand that one person's green energy subsidy is another industry's penalty. That is what we have to face.

I am concerned that the superannuation funds run by the unions are going to invest heavily in this artificial, make-believe renewable energy Clean Energy Finance Corporation. They will be trying to get maximum leverage out of the $10 billion. Personally, I would not put Confederate money into a renewable energy bank that relies on an artificial price to supply industry and has to have huge subsidies to keep it going. Inevitably, there will be a day of reckoning when the Business Council of Australia, the Australian Chamber of Commerce and Industry or some other peak body says that the carbon tax and renewable energy are killing Australian industry by making it uncompetitive and costing jobs. We cannot keep increasing costs and expect to sustain a manufacturing industry in Australia. In the face of a collapsing manufacturing industry, governments will have to act. You cannot have a carbon tax and renewable energy. It is a double whammy. We cannot compete with our exports and compete against imports from other countries that do not have either.

Bindaree Beef runs an abattoir in Inverell, which is where Senator 'Wacka' Williams lives. Bindaree Beef is the iron lung of Inverell and employs 630 people. It is paying around $3,185,708 in renewables and electricity. That is their estimate. Next year the carbon tax will put up electricity prices by about 30 per cent and renewables by about seven or eight per cent, so their electricity bill—and these are my figures; I just put 30 per cent on top—will go from $3,185,000 to $4,364,000. That will be on top of the increased taxes on all beef that comes in and all meat that goes out by road. Bindaree Beef have said in their submission to the Senate that they cannot absorb the costs. They have worked out that they will
have to pay the farmers $11.26 less. Farmers are not in those 500 dirty polluters who are going to be penalised; everyone will get penalised. That is a huge hit for Australian graziers. Those charges will be the same for all Australian abattoirs, give or take a few bob.

Rick Morgan owns one of Queensland's finest seafood restaurants at Redcliffe. Senator Brandis would know it. He has employed a consultant to assess his future electricity and renewables bills. The price is going to increase by 24 per cent. It is a relatively small restaurant and he has a few trawlers. He employs 140 people with the restaurant, the trawlers, the trucks and so forth. It is going up 24 per cent, up to $64,000. I am afraid to tell the Labor Party that Rick Morgan does not share the government's view that there is a bright, new renewable business that is going to take his 140 staff to a new fish restaurant paradise. In fact, he is distinctly pessimistic.

The Labor Party and the Greens can always see a bright future with increased jobs and a business utopia when it comes to renewable energy and the carbon tax. None of them have ever run a business. They are always looking towards the green emerald city that is going to produce jobs and all sorts of wonderful things in the future. I hope they are right, but I do not think they are. Senator Thistlethwaite today was talking about wave power. There are all these sorts of new things. You can produce wave power but no-one has ever been able to do it commercially. The only renewable at the moment that is in anyway feasible is wind, and even that is terribly expensive.

The $10 billion Clean Energy Finance Corporation legislation has not been introduced. When it is I will say a lot more about renewable energy. These ARENA bills now give me an opportunity to address the fiasco on rooftop photovoltaic cells. The government could not even administer that. Now it has introduced the most complicated and convoluted carbon tax. I confidently predict that this will end in the same way as roof insulation did. There is a very clear likelihood that the impact will be even worse and possibly much worse. There are a whole series of policy and administrative failures from this government that provide no confidence that it is capable of administering any policy of substance, let alone a policy on the scale of the carbon tax. We have seen that in virtually everything it does. We have had the pink batts fiasco, the school halls debacle, the asylum seekers disaster, the live cattle trade mess—and the impacts of that are still unfolding—and the biggest infrastructure project in the nation, the NBN, rolling out without a business case and with very few signatures to get on board.

We have had serial policy misjudgment associated with serial shocking maladministration. This is the hallmark of this government. Most Australians think of this government as being chronically incompetent. No example is more pertinent to consideration of just how bad the carbon tax might become through maladministration and incompetence than the disaster that Labor is making in renewables. The Renewable Energy Target is a subset of the carbon tax. It is an abatement measure. Seeing how it is being handled fills you with dread in the context of a carbon tax. The people who are chronically mismanaging it are the precise people who will be charged with the administration of the infinitely more complex carbon tax. I am obviously referring to the Department of Climate Change and Energy Efficiency and the Minister for Climate Change and Energy Efficiency.

Let me give you the shorthand version because, if we were to go into it thoroughly and do a thorough clinical autopsy, we
would be here all day. We need to go back a bit. In the last Howard government the government budgeted $150 million over five years for cash subsidies for rooftop solar. It blew out by over half a billion dollars in 18 months before Garrett finally pulled the pin.

Debate interrupted.

MATTERS OF PUBLIC INTEREST

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

Asbestos

Senator SINGH (Tasmania) (12:45): I rise today to speak on the issue of asbestos and the failure of home renovation TV shows to highlight the dangers of this toxic substance. Australia is a country with one of the highest rates of mesothelioma diagnosis in the world. Asbestos is now banned in Australia and 50 other countries. We know, though, that it is still being mined, exported and used in other countries, and one only had to see the ABC's Foreign Correspondent program last night, where Matt Peacock highlighted the trade of asbestos from Canada to India. Something like 90 per cent of India's asbestos comes from Canada. That is just one example of the ongoing international issues that need attention in relation to the trade, export, use and mining of asbestos.

Australia, of course, has been working very actively with the UN community, including signatories to the Rotterdam Convention, to have strong restrictions placed on the trade of asbestos. We ratified the ILO asbestos convention this year also. I will have more to say on the issue of international efforts and international issues with asbestos in the future, but today I want to focus my attention on asbestos closer to home.

Australians are increasingly turning their hand to DIY home renovations as renovation TV shows such as The Block, The Renovators and Backyard Blitz, just to name a few, appear on our TV screens. The community is inspired by such shows and, come the weekend, people head down to their local hardware store, purchase some tools and equipment and proceed to take a sledgehammer to the walls of their homes. It looks easy enough when the people on these reality TV shows do it, so why not? But my concern is the presence of asbestos and the fact that these DIY home renovators are unknowingly putting themselves at huge risk.

The presence of asbestos in any home built between the 1940s and 1980s is highly likely. When it comes to the dangers associated with asbestos, there is absolutely no doubt regarding its carcinogenic nature. We know that exposure to asbestos results in terminal illness and, ultimately, in death, and we have known this for years. In the year 1982, there were around 160 cases of mesothelioma cancer reported in Australia, and that number had quadrupled to nearly 600 by 2004. The University of Sydney produced a study that estimates that nearly 18,000 mesothelioma cases will be reported by 2020.

Australia has experienced two waves of asbestos related disease. The first is associated with the mining of the substance and the manufacturing of asbestos products. The second wave is from asbestos used in industry—most commonly in the building construction industry. But asbestos related diseases are not limited to the thousands of workers who were exposed before the carcinogenic nature of this substance was fully known. New research released just months ago by the University of Western Australia shows a third wave of asbestos...
related deaths, and the cause has been named as DIY home renovations.

According to medical experts, it takes between 20 and 40 years for the symptoms of mesothelioma to appear; and, as such, mesothelioma rates will continue to rise from work related exposure. Every year around 700 Australians are diagnosed with mesothelioma, and asbestos related disease rates are expected to continue to rise till around 2020, with an estimation that there will be at least a further 40,000 cases of asbestos related diseases such as asbestosis and lung cancer and 13,000 cases of mesothelioma. One would have hoped that those rates would then begin to decline. Sadly, at this point in time, due to home renovators who are unwittingly exposing themselves, this potentially looks not to be the case.

Asbestos remains a silent killer. An exposure even over a short period of time and at a low level such as during home renovations can result in the diagnosis of mesothelioma. It only takes one fibre to lodge itself and manifest itself to become an asbestos related disease. We saw this in a story recently in the *Weekend Australian Magazine* with Carol Klintfalt, who was terminally diagnosed with an asbestos related disease that resulted from home renovations that she undertook in the 1980s. Carol's story told of how she would go and buy the sheets of asbestos from the hardware store. She would sand them back and then sweep up the mess. It was then that she inhaled asbestos dust that has now resulted in her being diagnosed with mesothelioma. Her prognosis in 2006 was six to nine months, but Carol is one of only five per cent who do survive for five years after diagnosis. The average person diagnosed with mesothelioma dies within a year of their diagnosis. Sadly, Carol's story is the same as many others because back then the dangers were not as widely known. Today there is absolutely no excuse.

Therefore, I believe there is an obligation on these DIY TV renovation shows. There is no doubt that, as well as making good TV and seeking high ratings, these shows are aimed at turning Australians into DIY home renovators, which is why big hardware companies are so eager to join forces with them and provide free products in return for prominent branding during the airing of these shows. The spin-offs are many. It certainly makes good business sense, and in that I wish them every success. What is not good business, however, is failing to highlight whether or not asbestos is present in many of these properties featured on these shows and the necessary care that needs to be taken. Asbestos may not always be present in the homes renovated on these shows, but I understand that—for example—one program focused on the renovation of four houses built in the Victorian era; moreover, as I mentioned before, any house built between the 1940s and the 1980s is likely to contain asbestos. Therefore it is grossly irresponsible for these programs to fail to mention asbestos and alert viewers to the fact that contestants need to consider the presence of asbestos when renovating.

I have spoken with many people working in the asbestos related area, and they share my concern. Barry Robson of the Asbestos Diseases Foundation of Australia said he could barely bring himself to watch home renovation TV shows—he simply felt too angry at their lack of social responsibility in failing to highlight asbestos as a very real and very dangerous hazard. Barry joined forces with Mark Lennon from Unions NSW to raise their concerns via the media recently, and Unions NSW has also written to channels 7, 9 and 10, calling on them to include a clear message about the dangers of asbestos encountered during the renovations.
featured in these TV shows. They received a vague response from Channel 9 and are still waiting on responses from the other channels.

One Australian reality renovation TV contestant recently wrote about his experience on a renovation show on Facebook. He wrote:

As an asthmatic I choose not to broom concrete and asbestos dust into my lungs when I renovate. I use a vacuum. In this environment, there is no control over dust and an expectation that you will work in it and then remove your mask to talk on camera.

This disturbs me. No-one should be exposed to asbestos dust in such circumstances—and certainly not for the sake of TV ratings. This is exactly why rules and regulations exist on the handling, removal and disposal of asbestos. It is why the Gillard Labor government has commissioned an asbestos management review which will look at asbestos management arrangements and how best to minimise the risk of avoidable exposure while also suggesting clear strategies for how best to address the issues relating to awareness, management and removal of asbestos.

In response to the comments made by this contestant, the show's co-executive producer told the Daily Telegraph:

All our houses were professionally assessed, all asbestos was clearly noted and The Renovators had to include licensed asbestos removal in their plans and costs. Our rules state clearly that no contestant is to handle or remove asbestos.

That is all well and good, but are the viewers—the DIY renovators that these shows inspire—aware that this is happening behind the scenes? They absolutely are not. Are budding DIY home renovators shown what asbestos looks like in a bid to help them identify it themselves? They are not. Are DIY home renovators told of the dangers associated with asbestos and the risk to their health? Again they are not. The solution is relatively simple and would cost relatively little money. The issue of asbestos must be highlighted. That is why today I am calling on these TV programs to act. A simple message along the bottom of the screen with a warning and a mention of an asbestos awareness website is perhaps one way to do this. Having the host highlight the dangers associated with asbestos is another important step. Showing contestants finding asbestos and documenting them taking the correct actions is another. Ignoring the presence of asbestos is not an option.

If the TV producers are adhering to the rules and regulations regarding asbestos, as they say they are, and if they are identifying it and having it removed by licensed removalists, then all we want is for this to be included in the program. Show people the real story; do not let these DIY home renovators think renovating is as simple as taking a sledge hammer to a wall. Do not let them assume it is okay to rip down walls without a second thought; tell people that asbestos can be found in fibro sheeting, in water, in drain and flue pipes, in roofing shingles and in guttering.

Until the 1960s, 25 per cent of all new homes were clad in asbestos cement. The use of asbestos was phased out only in the 1980s, and a total ban was introduced only in 2003. This is a very real problem. It is not uncommon for garden sheds or chook sheds to have been built entirely from asbestos sheeting, and few would give a second thought to ripping one of these down one weekend and putting themselves—and, indeed, their family and their neighbours—at huge risk of inhaling this toxic and poisonous substance.

It is up to all of us to educate those who are unaware of the dangers of asbestos, and, if one person is unknowingly putting
themselves at risk, then we are not finished with the job. No one wants to see a spike in the diagnoses of asbestos related disease in 20 or so years from now, and no one wants such a spike to be attributed to the craze of these DIY home renovation TV shows when such a simple solution could have made all the difference.

In closing, I repeat my call for these TV programs to take responsibility and provide a clear message during their broadcast about the dangers of asbestos. I shall put this call in writing to these shows today, and I look forward to their action on the matter. As we know, it is not just former workers in construction and cement manufacturing and the like who are at risk, although they are still there and suffering; today, there is a third wave—unwitting home renovators—who will potentially die without a chance of recovery and so add to Australia's high statistics of suffering and death from asbestos related disease. We have to turn this around. Those home renovation shows on TV have a captive audience and high ratings; why not be good corporate citizens and do the right thing by those viewers who take the time to watch and learn from the programs? While being entertained they can be educated about how they should go about their home renovations. Why not give them the message they need to avoid future suffering and death so that they do not add to Australian asbestos related death statistics in the future?

Mental Health

Senator EGGLESTON (Western Australia) (12:59): We are fortunate in this country that health care is, by and large, free and available to all. From last week, however, a needy section of our community does not have that facility and is not resting so easily. On 1 November changes made to the Medicare Benefits Schedule in the May budget took effect. Under this budget cut, changes have been made to the allied mental health services available under the Better Access initiative. The Better Access program was first announced as part the COAG's National Action Plan on Mental Health. It began in November 2006 and established Medicare rebates for general practitioners so that they could provide early intervention, assessment and management of patients with mental disorders as part of a GP mental health treatment plan.

Most people with mental illnesses do not have major disorders such as schizophrenia or manic depressive disorder. Much more common are reactive depression and other less serious problems, where treatment and counselling by a GP is more appropriate and a less costly treatment option than referral to a psychiatrist. Previously Medicare rebates were available for up to 12 individual consultations and/or up to 12 group allied mental health services in a calendar year for patients with an assessed mental disorder who were referred by a health professional to a doctor, such as a medical practitioner managing the patient under a GP mental health treatment plan or under a psychiatrist for assessment and management for the problem, or a psychiatrist or paediatrician.

In exceptional circumstances, patients could access an additional six individual services. The Medicare Benefits Schedule defined exceptional circumstances as a significant change in the patient's clinical condition or care circumstances which made it appropriate and necessary to increase the number of services or consultations. It was up to the referring practitioner to determine that the patient met the requirements for exceptional circumstances. Under this initiative, allied mental health services included psychological assessment and therapy provided by eligible clinical psychologists, and the focus was on
psychological strategy provided by such people and appropriately trained social workers and occupational therapists. That was then. That was the initiative introduced under the Howard government.

But last week some of society's most vulnerable citizens, those with mental illness, were prescribed a bitter pill. Now Medicare rebates for those with a diagnosed mental disorder under the Better Access initiative will be capped at just 10 individual mental health services per calendar year from the previous maximum of 18. That is one consultation every five weeks. Medicare benefits for medical practitioners have also been slashed. Bulk-billing GPs will now receive a rebate of $126.46 if a care plan consultation lasts more than 40 minutes. A second rebate of $85.92 will now be offered for care plans taking 20 to 40 minutes. Both rebates are a significant reduction on the $163.35 GPs previously received from Medicare prior to 1 November.

Additionally, for the first time, GP mental health care plans will attract lower rebates than care plans for physical diseases. In all, $405 million has been amputated from the Better Access program. Of course, the fact is that dealing with a mental health problem takes more time than dealing with a physical illness in many cases. More time is needed in dealing with a mental health problem at each consultation, as the essence of mental health therapy is just that: time—time for the patient to talk through their symptoms and time for the doctor to give advice. This is because psychiatric illness is very much like an iceberg: what you see painted on the outside is just a small capture of the canvas on the inside, and it does take time to reveal the whole picture.

A three-year review conducted by the Department of Health and Ageing in 2009 found the Better Access initiative had been just the prescription for the mental health community as, firstly, there had been a significant increase in the number of new patients receiving GP mental health plans and the number of providers using the items. Secondly, in general, stakeholder feedback suggested that the significant uptake of the Better Access MBS items indicated a positive response to a previously unmet need. An independent review was then conducted at the end of 2010. It too found that the Better Access program was having a positive influence on a section of the community often neglected. It found that the use of services under Better Access had been high and had increased over time.

In 2007 more than 700,000 Australians—that is, one in every 30—received at least one Medicare rebatable mental health service under the initiative. In 2008 this figure was more than 950,000, or one in every 23 members of the Australian community, rising to more than 1.1 million, or one in every 19 members of the Australian population, in 2009. Australians received a total of 2.7 million Better Access services in 2007, 3.8 million in 2008 and more than 4.6 million in 2009. After accounting for some people who received several services in one year, this equates to over two million individuals, who received more than 11.1 million services over the three-year period from 2007 to 2009.

Importantly, the 2010 review found that around half of all Better Access consumers may well have been new not only to Better Access but to mental health care more generally. Additionally, the evaluation indicated that consumers experienced clinically significant reductions in levels of psychological distress and symptom severity upon completing treatment. Clearly the Better Access initiative was meeting the demands of the mentally ill, bringing more into the doctors' rooms and helping them
cope with what for many are often terribly debilitating conditions which impact not only on their personal lives but also on their work performance.

While just 13 per cent of patients go beyond the 10 sessions, the benefits to those clients in alleviating symptoms and in some cases avoiding hospitalisation should not be underestimated. The Australian Psychological Society said in its submission to the Senate inquiry that a survey of almost 10,000 psychology patients who had undergone between 11 and 18 sessions found that 84 per cent had a moderate to severe or a severe disorder at the start of the treatment. In its submission to the inquiry conducted by the Senate community affairs committee, the Royal Australian College of General Practitioners said the changes to the Better Access scheme will be damaging. The college believes that reducing the number of sessions from a maximum of 18 to 10 will likely 'result in the failure of many treatments', adding that 'such a change ignores the research evidence' on the management of mental illness. I add for the record that I am a Fellow of the Royal Australian College of General Practitioners and do strongly believe that GPs have a major role to play in identifying and treating psychiatric illness in the community. The Australian Medical Association commented that in slashing the Better Access funding the government had taken yet another clumsy approach and this was typical of the health policy of the Gillard government.

Better Access, in fact, has become limited access. According to an Access Economics report, mental health is the key health issue faced by young people. According to its report The economic impact of youth mental illness and the cost effectiveness of early intervention, mental health disorders account for over 50 per cent of the total disease burden in Australian youth, led by depression, anxiety and substance use disorders. Each year nearly a quarter of Australians aged between 12 and 25 years—over a million young people—experience a mental disorder. Cuts to the Better Access program are going to affect these people particularly.

The coalition is critical of the government for the way it has undertaken changes to Better Access. There has been scant consultation with key stakeholders to assess the impact of the changes—most especially on the patients it will stand to impact. Instead the government has relied heavily on the Better Access evaluation, which has been criticised for having deficiencies in methodology and datasets. The government has, as it has with many other issues in health and ageing, taken piecemeal action that fails to adequately assess the impact on key stakeholders and, most importantly, on patients themselves. Sadly, this lack of consultation with stakeholders should come as no surprise. Funding for medical services like joint injections and cataract surgery was also recently slashed in a similar non-consultative manner by the Gillard government. Consultation on health policy is clearly not the government's way. Even the recommendations of the independent Pharmaceutical Benefits Advisory Committee on the listing of PBS medicines have been ignored by this government.

The coalition will continue to listen to the community's concerns and will ask questions at Senate estimates in February to gauge the impact of changes to this Better Access program. The coalition has a strong commitment to reforming mental health and will take the concerns of patients, their families and health professionals into account while reviewing policies before the next federal election. Clearly, while the government would have people believe it consults, the reality is that people are left
sitting in the waiting room and the doctor is certainly not in for people with mental health problems under the programs of the Gillard government.

**New South Wales: Infrastructure**

Senator RHIANNON (New South Wales) (13:13): New South Wales is stuck in the grip of an ongoing transport crisis with no solution in sight. For decades the state's roads budget has outstripped the rail budget. In Sydney, privately owned toll roads have spread like a blight, greenfield land releases have been approved with little or no corresponding public transport infrastructure, and traffic congestion and air pollution are at an all-time high. Regional country rail services have been slashed, regional passenger lines closed and rural rail branch lines left to decay while freight truck numbers rise sharply. It will require a mammoth undertaking to undo years of gross underinvestment in rail services and public transport in New South Wales and to overcome the developer-driven urban planning failures in Sydney and the regional centres. These planning failures undermine our economy and make our roads more dangerous.

The New South Wales Department of Environment and Climate Change has long been aware that vehicle use is climbing and air pollution is worsening, and that climate change will mean warmer temperatures and higher ozone levels. Strategic transport planning in New South Wales has been unduly influenced by groups with vested interests: motorway builders, property developers and their financiers, and the powerful transport lobby. For two decades, these companies gave many millions of dollars in corporate donations to both New South Wales Labor and the New South Wales coalition, with well over $20 million in donations from property developers alone.

At the same time, they won planning decisions that heavily favoured their business. The losers have been the people of New South Wales and our democratic system of government.

New South Wales has suffered at the hands of successive state governments that have been unwilling to place the public interest ahead of those powerful vested interests. The beleaguered transport system will perhaps be the most lasting legacy of the recent New South Wales Labor government to Sydney, with its motorway madness scarring the city for decades to come. Sydney's trains are overcrowded, especially the long commutes from Greater Western Sydney, and the rail network does not service much of the sprawling population. The future for public transport looks grim. The New South Wales government does not have the political will to build the projects that are so urgently needed. The government will not borrow the money required.

The decades-long stagnation of public transport services in New South Wales has led to a crisis in public confidence. A survey by the University of Sydney earlier this year found that the majority of New South Wales residents were not confident that transport in their local area would improve, with more than three-quarters of New South Wales residents believing that the situation would be the same or worse in a year's time. This was in contrast to the rest of the country, where an increase in transport confidence was recorded. Tellingly, more than half of New South Wales residents thought public transport was the highest-priority transport issue in Australia. For over a decade, the New South Wales budget has favoured major road projects at the expense of rail. The O'Farrell government is showing the same reluctance that the Labor government before it did with regard to going into debt in the short term to deliver a world-class publicly
owned transport system that will serve future generations.

Increasingly, people are looking to the federal government to fund these critical public transport improvements, to reopen regional rail services and rescue Sydney from crippling traffic jams, worsening air quality and lost productivity. While the federal government is putting funding into New South Wales transport projects, the money favours roads over rail, to the detriment of public transport planning. This year's national federal spending on roads will outstrip spending on rail by a ratio of five to one. The best estimate I have been given for this year is $5.3 million on roads compared to $1.2 billion on rail. There is virtually nothing allocated for bicycle pathways or active transport.

Federal investment in New South Wales transport over the six-year life of the government's Nation Building Program was increased this year by $339 million, bringing the total New South Wales transport related infrastructure investment to a record $12.1 billion over six years. Now, that is impressive, but there is a catch: each year, rail is receiving only a fraction of the money being allocated to roads. New South Wales will continue to suffer from this strategic failure to invest in rail infrastructure by both state and federal governments. Our rail services and rail lines have barely stepped out of the 19th century. We still have winding rail tracks. It is acknowledged that we need to straighten and upgrade roads, and massive amounts of money are being put into doing just that, but why doesn't that happen for our rail lines? Our all-important rail links are very much the poor cousin when it comes to transport funding.

The Gillard government's $4 billion investment in the Pacific Highway so far is a marked increase on the paltry $1.3 billion invested over the 12 years of the Howard government. It is amazing that the Nationals ever got away with that poor spending record. I have visited many communities over the years who are seeking road and highway upgrades to address safety concerns over bad stretches of road. That spending is clearly needed, but the investment we are seeing here to expand the Pacific Highway to a major motorway is a classic case of responding to the pressures of the powerful truck lobby. Minister Albanese's website states:

… interstate freight between Sydney and Brisbane is predicted to almost triple by 2029, with 80 per cent of this growth destined to be carried by trucks using the Pacific Highway …

Northern New South Wales is set to become a giant truck stop between Sydney and Brisbane. The impact of truck freight is massive. In the Blue Mountains, west of Sydney, the locals are also deeply troubled by the volume of freight being transported by trucks on the Great Western Highway. For too long, successive governments have been slaves to the truck industry, with disastrous results for the environment and road safety, and excessive working hours for truck drivers.

The Greens believe that the future of Australia's transport needs would be better served by an expanded freight rail and high-speed rail network. The closure of rural rail branch lines in New South Wales is so deeply wrong. I have worked with farmers in western New South Wales, lobbying for their branch lines to be maintained and restored. Each harvest season, rural rail branch lines lie in ruinous neglect across the state, while there has been a threefold increase in B-double trucks on our roads in the last decade. It hurts regional communities, whose councils have to bear the financial burden of repairing the roads and whose roads have become much more dangerous for locals and
tourists alike. Our future food security now depends on truck transport. Consumers will pay for rising petrol costs in the price they pay for fresh food at the cash register, as dwindling oil supplies will drive up petrol prices. I have also visited North Coast communities working hard to get their regional rail line from Casino to Murwillumbah restored. It was closed by the Labor government. Transport Minister Albanese would bring credit to his government and to his party if he were to reopen that line, expand it to run as a local commuter service and extend it into Queensland. There has even been talk of ripping up rail lines. It seems like madness in this day and age to be talking about removing rail infrastructure and selling off rail corridors, yet that is happening in New South Wales. In Newcastle there is a proposal by local property developers to rip up the Newcastle passenger rail line that extends into the heart of the city. It would be outrageous if the federal government considered financing this proposal in any way. How would that sit with their commitment to sustainable cities? What little rail investment there is in New South Wales at the moment is largely limited to improving north to south freight rail services. This investment is worth while, but again it is a fraction of the reinvestment in roads. There is no money for restoring regional passenger rail services and rural branch lines, and only limited funds for piecemeal rail infrastructure spending on Sydney's ailing CityRail network. The federal funding to finish the Chatswood to Parramatta rail link and the Southern Sydney Freight Line is welcome but we need to acknowledge it needs to be much more extensive.

How can the federal government help get public transport moving again in New South Wales? In May this year the Minister for Infrastructure and Transport, Anthony Albanese, released a national urban planning policy aimed at improving infrastructure planning in Australian cities. It is a worthwhile initiative; a national approach to planning our cities is long overdue. I commend the government for its goals of productivity, sustainability, liveability and good governance. As part of this reform process every state and territory is required to put in place by 1 January 2012 strategic planning systems for the capital cities. They must meet nine criteria that ensure effective, coordinated long-term planning is embedded right throughout the government process. This is going to be a tall order for New South Wales. Sydney is beset with long-term transport planning failures for its nationally significant economic infrastructure such as transport corridors, airports and ports, freight and intermodal connections.

The federal government has some good ideas, but they are not backing up these ideas with money. New South Wales needs so much more than pilot projects, spot upgrades and feasibility studies. Solving the transport crisis will require massive investment in rail and public transport. The federal transport minister, Mr Albanese, needs to become a stronger and more consistent voice for the public transport needs of New South Wales. The former New South Wales Labor government let us down by failing to win federal infrastructure money for vital public rail transport services in the previous rounds of National Building Program funding. We cannot afford to rely on the current New South Wales coalition government to prioritise regional rail and public transport. No wonder confidence in the government to deliver on public transport is at an all-time low. Minister Albanese needs to advance key transport projects for Sydney.

There is on the transport minister's doorstep one fast and affordable solution that the Greens are backing—light rail. Sydney
has a small light rail line that runs from the city to Lilyfield in the inner west. The recent decision by the New South Wales government to extend the light rail to Dulwich Hill was a win for the community after a strong, long-running campaign by EcoTransit that was backed by the community and the Greens. In the 1940s Sydney trams carried upwards of 400 million passengers using one of the largest street based tramway systems in the world. Today Sydney's bus system carries fewer than half that number of passengers.

The Greens support a Sydney light rail network to reduce the need for inner Sydney residents to own private cars. Senator Scott Ludlam came to Sydney last year to launch the Greens' light rail plan for Sydney. The Greens report, *Light Rail in Australia: Get on Board* outlines the benefits, viability, costs and funding sources for light rail infrastructure in all Australian cities. It is an ambitious plan to resurrect light rail in Sydney, following the lead of more than 100 international cities where light rail has made a comeback over the last decade. New South Wales Greens MP Jamie Parker is working hard for the people in his electorate of Balmain and in Sydney's inner west to promote the benefits of expanding light rail services. Studies show that light rail attracts business, is loved by residents, is relatively fast and inexpensive to build, and when integrated with other forms of public transport would quickly get people out of their cars.

Some people felt hopeful that the new Liberal-Nationals government in New South Wales would fix our transport problems, thinking that they could not be worse than Labor. Six months into their term, what have they done? After years of talking up their green transport credentials, they have axed the GreenWay pedestrian-cycleway project, and a light rail feasibility study is all that is left.

With so much at stake for New South Wales, in the coming months I will be watching closely responses to the federal government's National Urban Policy and federal support for rail and public transport infrastructure projects in New South Wales. I will be working with communities to build support for federal investment expanding light rail in inner Sydney, filling the rail transport gaps in outer Sydney and restoring and expanding rural rail lines and services.

**Israel**

Senator FURNER (Queensland) (13:28): My contribution to today's matters of public interest is on the subject of Israel. I must put on record initially that I am no expert on Israel, but I am better informed than those who have not had the opportunity or taken the effort to go to that country and see its complex issues before they pass judgment on that amazing country. I also put up front my acknowledgement of and thanks to the Australia/Israel and Jewish Affairs Council, including in particular Dr Colin Rubenstein and Jamie Hyams, for their consideration in providing me the opportunity to visit that amazing country in September this year.

The diversity of the country and its myriad issues confront you as you journey through Israel. The Arab Muslims who wish to maintain their Israeli lifestyles, the Israelis, the Jews and the Palestinians all have an opinion about how to solve the country's problems. With its technology based advanced market economy, Israel is well placed in this region. It depends on imports of crude oil, grain, raw materials and military equipment. Despite limited natural resources, Israel has intensively developed its agriculture and industry sectors over the past 20 years. Cut diamonds, high-tech
equipment and agricultural products—fruits and vegetables—are the leading exports.

After contracting slightly in 2001 and 2002 due to the Palestinian conflict and troubles in the high-tech sector, Israel's GDP grew by about five per cent from 2004 to 2007. The global financial crisis of 2008-09 spurred a brief recession in Israel, but the country ended the crisis with solid fundamentals following a year of prudent fiscal policy and a series of liberalisation reforms, and with a resilient banking sector. The economy has shown signs of an early recovery. Following GDP growth of four per cent in 2008, Israel's GDP slipped by 0.2 per cent in 2009 but GDP growth reached 3.4 per cent in 2010, as exports rebounded. Israel is soundly placed economically in the region.

Jerusalem had a profound effect on me. When you visit this holy city, you gain a greater appreciation of its beauty and the spiritual place that it is. Walking along the cobbled streets and through narrow alleyways, you cannot help reflecting on the period of time when Jesus would have been in the same area. When you find yourself passing within metres of a mosque and a church you realise the resilience and the passion of the people who reside in Israel who are looking for a peaceful settlement to their differences.

Then I went to the town of Sderot. This is not the only opportunity that I was provided with, but it was certainly one that made me realise a few things. This small town is close to the border of Gaza. I saw firsthand what they described as the 'rocket gallery'. I was shown this by Noam Bedein the day after a rocket was launched into this town from Gaza by terrorists. Looking at these rockets lined up on racks at the rear of the police station was an eerie experience. I realised that rocket attacks are an everyday occurrence for these people. These rockets are made out of cut-up water pipes, no doubt from Gaza. They are made into crude and elementary projectiles packed with explosives and then fired into the town of Sderot.

Following this presentation at the rocket gallery we went round the township and saw some further alarming examples of what these people go through day to day. We saw bomb shelters that are bus stops. We saw how the Israeli government is helping to build bomb shelters in the backyards of each residence to protect them from rockets fired from Gaza. We saw burnt-out homes where rockets had destroyed the residents' property and, in some cases, lives. That brought the government's policy home. We saw a playground for children with play equipment such as a long worm that had strengthened ribs to provide shelter from rockets. We saw the sports ground at the high school, where strategically placed bomb shelters dotted the area where secondary school children were playing basketball.

I challenge everyone to think about taking your child to a playground and dealing with that issue. It is beyond comprehension to have to deal with those threats as a parent. You can only imagine the stress and anxiety felt by the residents of Sderot. They get only 15 seconds warning when rockets are fired from Gaza into their neighbourhoods. So when the warning comes you have 15 seconds to get into a bomb shelter or, if you are in a playground, to get into that worm and protect your children from a rocket that has been fired from Gaza.

Over 5,000 rockets, missiles and mortar bombs have been launched from Gaza towards Israel between 2005 and January 2009, when the naval blockade was imposed. Hundreds of thousands of Israeli civilians live in range of these attacks and the town of Sderot is an example. As their effectiveness
has increased, some rockets are now capable of reaching Tel Aviv, some 68 kilometres away. Since 2001 such attacks have caused more than 25 deaths and hundreds of injuries. In addition, since the start of 2009, a further 548 rockets and 356 mortars have been fired from Gaza into Israel. The enormity of the psychological toll on the affected population cannot be underestimated. In addition, there have been substantial material losses. The purpose of these acts of violence, which have been repeatedly condemned by the international community, has been to do damage to the population of Israel.

I recently read with absolute amazement of the comments of former Liberal Prime Minister Malcolm Fraser in the Age on 4 October. In this article he claims rockets fired into Israel were 'the propaganda weapon that it provides Israel.' That has to be one of the most bizarre comments I have ever encountered. What absolute nonsense!

The other matter that I wish to comment on is the improved security measures implemented by the Israeli government. They have put security measures in the entrances of supermarket and put walls along roadsides to protect people from being shot at. Walking into a supermarket brought this home to me. I was scanned by a security guard with a machine gun strapped over his shoulder. No doubt this is stopping suicide bombers. It is stopping people being murdered as they drive their vehicles along the highways in Israel.

Senator Feeney: On the way in?

Senator FURNER: That is right. On the way into a supermarket, I was scanned by a security guard with a machine gun strapped over his shoulder. No doubt this is stopping suicide bombers. It is stopping people being murdered as they drive their vehicles along the highways in Israel.

Something that brought home to me the courtesy and consideration that the Israeli people provide other people throughout the world was the Save a Child's Heart organisation run by Simon Fisher at Wolfson Medical Centre. This is an amazing initiative in which an Israeli based international humanitarian project provides life-saving cardiac surgery and other critical procedures for children from developing countries like Indonesia and from regions such as Africa, the Americas, Eastern Europe and Asia. For locations close to Israel, like the West Bank, Gaza, Jordan and Iraq, Israel in fact provides 49 per cent of medical procedures for children. While visiting the hospital I saw a young child, sedated following an operation, lying in bed next to her mother. The child had come from Gaza for a heart operation, an operation that this child would never have received had it not been for Save a Child's Heart or for the help of the Israeli government. In addition to the medical treatment provided to date to over 2,700 children from 42 countries, the project provides a comprehensive training program in Israel for doctors from these countries. While we were present it was explained that a doctor from Tanzania was, after eight years of training, returning to their country to be the sole cardio practitioner able to treat children with heart problems.

Yad Vashem The Holocaust Martyrs and Heroes Remembrance Authority is another stark reminder of what happened to this country and reminds us what happened in history. The main display in the complex is the historical museum, which tells the story of the Holocaust in chronological order, beginning with Adolf Hitler and his rise to power in 1933, the persecution of the Jews through to the final stage of the awful genocide of the Holocaust. The authority commemorates the six million Jews murdered by the Nazis and their collaborators. I think anyone would be moved by the displays and material describing the systematic persecution and murders of the Jews as delivered by the
chronicles and displays throughout the museum. At the very end of the museum is provided a register of the names of the millions of Jews killed, along with the children's memorial commemorating 1½ million children who died during the Holocaust.

Notwithstanding the numerous examples of this terrible piece of history, one part stuck in my mind, consistent with contemporary activities occurring in Melbourne and Brisbane—that is, the boycotting of Jewish businesses. History tells us that Saturday, 1 April 1933 was the start of anti-Semitic attacks on the Jewish population. Nazi Brownshirt troopers stood at entrances to Jewish shops, department stores and professional offices holding posters saying 'Germans, defend yourselves against the Jewish atrocity propaganda, buy only at German shops.' These events led to series of laws and decrees robbing the Jews of one right after another within the 12 years of Hitler's Reich, with 400 laws and decrees targeting the Jews.

As most of us would be aware, there exists today events where Jewish businesses have been boycotted for no apparent reason. In the Melbourne CBD on 1 July this year this action resulted in 19 arrests after anti-Israel protesters blocked potential customers from entering the Max Brenner chocolate and coffee store. If you go to YouTube and search for these particular protests you will see examples and footage of these boycotts and you will see firsthand protesters holding up signs like 'Israel: the Mother of Terrorism', and shouting out over loud-hailers, 'We're going to shut you down Max Brenner'. As a result of these bigoted protests the Max Brenner store was forced to close for the duration of the protest. The correlation between the two events should not be lost; anyone associated with them, whether individuals or political parties, like Greens Senator Rhiannon, who was in here before, should be condemned on the basis of their association of these activities. I know she has been supporting these events, and it is something she really needs to take stock of and realise the effect it is having on a business that has nothing to do with what is occurring in Israel.

The Palestinian Media Watch is another example of what is happening over there. It is an Israeli research institute that studies Palestinian society from a broad range of perspectives by monitoring and analysing the Palestinian Authority through its media and schoolbooks. PMW's major focus is on the messages that the Palestinian leaders, from the Palestinian Authority, Fatah and Hamas, send to the population through the broad range of institutions and infrastructures they control. PMW's many reports and studies on Palestinian summer camps, poetry, schoolbooks, crossword puzzles, religious ideology, women and mothers, children's music videos and the PA's indoctrination of adults and children to seek shahada—or martyrdom—have had significant impact on the way the world sees the Palestinians. PMW has presented its findings before members of US congress and to members of parliament in numerous countries including the European Union, Britain, France, Norway, Sweden, Holland, Switzerland, Canada and Australia, and has lectured at universities and conferences worldwide.

PMW's material has been presented before the foreign affairs committee in the US congress and the US senate appropriations committee. In addition, PMW reports regularly on how foreign aid is misused by the PA for terror promotion. These reports have led to changes in legislation and funding procedures. Through its bulletins and reports PMW continues to give the world a precise understanding of the reality of the Palestinian Authority. Disturbing
examples of propaganda delivered over television by Hamas is this following set of words in a video clip, entitled 'Hamas: Kill Christians and Jews "to the last one"'. It reads as follows:

Allah, oh our Lord, vanquish Your enemies, enemies of the religion [Islam] in all places.

Allah, strike the Jews and their sympathizers, the Christians and their supporters, the Communists and their adherents.

Allah, count them and kill them to the last one, and don't leave even one.

That is just one example of what the PMW has been able to provide and show the world of the propaganda that is being delivered through Hamas and others associated with terrorist acts. I will never understand how anyone is able to advocate the theft of a child's innocence through systematic brainwashing in their very early age of adolescence by planting the seeds of terrorism in their minds.

Another opportunity arose while in Bethlehem to visit a Palestinian refugee camp. I am running out of time, but I will try and get through this. It really was a great opportunity in Bethlehem to visit one of these camps. While having some preconceived ideas of these types of camps from media images, I was quite surprised to see the opposite. Despite being reasonably quiet walking through the streets of the camp, the silence was shortly broken by the sound of children returning home from school, playing and laughing, enjoying their journey homeward. In addition, we had an opportunity to purchase some light refreshments at a corner store.

In conclusion, I left Israel slightly pessimistic of a solution ever being reached. As in a previous life, where for 20 years I was involved in negotiations of all sorts, I know that, to reach agreement on any matter, there needs to be genuine negotiations and compromise. Without this approach any conclusion to reach a settlement will fail. *(Time expired)*

**Senator Mason:** Hear, hear! A great speech!

**Australia Network**

**Senator BIRMINGHAM** (South Australia) (13:43): At the outset may I concur with Senator Mason and congratulate Senator Furner on a very wise and appropriate speech on an important subject matter.

But I rise to offer some advice to the Prime Minister. My advice is: never let Senator Conroy near a tender process! Senator Conroy has a track record of wasting the time and money not just of taxpayers but also of a host of companies bidding for tenders that he has been involved with. First we had the National Broadband Network mark 1, the fibre-to-the-node proposal, in which Telstra and a consortia led by Optus and a range of bidders participated. Ultimately, of course, that tender was scrapped. The ANAO found that, between the government and the tender participants, the cost exceeded $30 million in wasted money. NBN mark 2 is off and running, but not running so well. They have had to relaunch tenders in New South Wales, in Queensland and in South Australia to try to get it right, again at great expense to NBN Co. and to the tenderers involved.

Thirdly, and most recently, we have of course the farce of the Australia Network—not one false start but two false starts to the tender involving the Australia Network. Ministerial accountability used to have a 'one strike and you are out' policy. But under the Gillard government Senator Conroy has chalked up three strikes and he is still in the inner sanctum. While the botched tenders relating to broadband may involve larger sums of money, the botched tender relating
to the Australia Network is perhaps the most grievous, because at the heart of it lies seemingly blatant political interference in a supposedly fair and open tender process.

The Australia Network is an important asset to Australia, averaging around one million viewers per week from its broadcasting across more than 44 countries in Asia, the Pacific and the Indian subcontinent. I first posed questions on the $223.1 million Australia Network contract in Senate estimates in February this year, which was the first opportunity following the 23 November announcement by the government that it would put this contract out to open tender and the 4 February release of the request for tender.

It is worth noting at the outset that nobody made the government opt for an open tender process. Five years earlier the Howard government had rejected calls for an open tender and simply extended the contract of the ABC to deliver the Australia Network. In fact, it has also been suggested that at the very outset of this process late last year the Department of Foreign Affairs and Trade recommended that the government not undertake an open tender. I challenge the government to release that initial advice of DFAT on how this contract should have been awarded and come clean on whether or not Mr Rudd overrode the advice of DFAT and, if so, whether he did so of his own volition or with cabinet approval.

At the time of my questioning in February it became clear that this tender was being conducted in a very secretive way. ABC Managing Director Mark Scott advised the estimates committee:

... a condition of the tender is that the ABC not discuss the nature of the tender and our work at the moment.

Confidentiality provisions of some sort are not unusual in tender processes, but in this instance it seems a total gag had been put in place. It begs the question: have Mr Rudd or the Gillard government generally had things to hide in the Australia Network tender process from day one?

At the time of the February 2011 estimates the Australia Network was due to expire on 8 August 2011, with the tender documentation stating that tenders closed on 25 March 2011, and indicating 8 June 2011 as the final indicative date for all negotiations to have been completed. The date of 8 June 2011 is when all negotiations for the new Australia Network contract were to have been completed. When we met with Mr Scott again at the budget session of Senate estimates on 26 May 2011, just nine working days remained before the date on which the contract negotiations were to have been concluded. However, Mr Scott advised that he and the ABC were in the dark. He said:

There has been no formal discussion with DFAT since the tender document was submitted. There was a session in April where tenderers could make a presentation. We did that, but there has been no formal communication from that point.

Senator Conroy at that time, in May 2011, stated:

I think the ABC has made a fine bid, but other than my opinion I am not involved in the process.

This statement poses a further interesting question: what knowledge did Senator Conroy have of the ABC's bid? He stated that he thought it was 'a fine bid'. Presumably that means he had at least seen or been briefed on the bid, if he had not been a party to its development. More on that later.

Concerned that it was now impossible for the tender to be resolved and a new contract finalised by the 8 June deadline, I went off to question the Secretary of the Department of Foreign Affairs and Trade, Mr Richardson.
By the time of Mr Richardson's appearance at budget estimates it was 2 June 2011, by then just four working days before negotiations were to be completed. In an otherwise evasive performance, Mr Richardson stated:
A decision still has to be made in terms of the preferred tenderer.
But there was no new indicative date on which negotiations might be completed. Mr Richardson did confirm that the tender evaluation board consisted of:
… a number of representatives across different parts of government.
and:
… was chaired by someone from outside government.
He took on notice the question of who comprised the board. In answering that question on notice the secrecy continued, with the government refusing to provide those details. Mr Richardson also indicated that the tender evaluation board submitted a report to DFAT days or weeks prior to his appearance at estimates. Again, he took on notice the precise date and again the answer was never forthcoming. Mr Richardson did however state that Mr Rudd:
… has not yet been advised of the recommendation of the tender board.
Most curiously, Mr Richardson was at the time unable to advise who the final decision maker for this tender was, despite Mr Rudd’s office being quoted in the *Australian Financial Review* of 21 April as indicating that Mr Richardson himself was the approver. Answers to questions on notice confirmed that indeed he was the approver, despite not being able to say so himself.

What happened next is where matters involving the Australia Network get decidedly murky indeed. On 24 June, 16 days after the supposed deadline for a new contract, the Prime Minister announced a variation to the tender and a six-month extension to the existing contract and stated that the decision on the preferred tenderer would now be referred for cabinet consideration. It also leaked out at the time—but it was not volunteered in the Prime Minister's statement—that ministerial responsibility for this tender for a contract to be let by DFAT for budgeted funds administered by DFAT would not longer be handled by the Minister for Foreign Affairs but instead by the Minister for Broadband, Communications and the Digital Economy. No satisfactory explanation has ever been given for any of these changes.

It was claimed the variation was sparked by events such as the uprisings associated with the Arab Spring. Why that required such a dramatic change to a tender process, where a recommendation had already been made, has never been explained. The reasons given appear to be little more than a mask to cover up the fact that the government just did not like, and was unwilling to accept, the result of the first tender as recommended by the independent evaluation board, which by 24 June someone within government had been sitting on for at least a month.

Labor still has plenty of explaining to do over this first delay and this failure to accept the result, up until that point, of a seemingly fair and prudent tender process. This conclusion was given added impetus when Mark Day wrote in the *Australian* on 4 July that the panel, which he revealed comprised public servants from Treasury, Finance, DFAT and the communications department, had decided three to one for the Sky News bid, with only the communications department being against it. Mr Day has subsequently indicated that he understands the finding in favour of Sky News was in fact unanimous. With Senator Conroy now charged with oversight of the tender, it kicked off for a second attempt. The ABC
contract to deliver the Australia Network was extended by six months until 8 February 2012. The bids under the second tender were to close on 27 July 2011 and, according to the Prime Minister in her statement on 24 June, ‘a decision on preferred tenderer is expected to be taken by September 2011’.

Not only have the reasons for this change never been explained, but the probity of this tender process has been in doubt ever since Senator Conroy was put in charge of it. Senator Conroy is, after all, the minister with ultimate oversight for one of the bidding parties, namely the ABC. The millions of dollars the ABC receives from this contract help it to maintain its international presence and no doubt provide other efficiencies of scale to the ABC. There is little doubt that without the Australia Network contract the ABC would be asking Senator Conroy for additional funds in their next triennial funding agreement.

And then there is the matter of Senator Conroy's own words in Senate budget estimates on 26 May this year:
I think the ABC has made a fine bid ...
It is clear that Senator Conroy had knowledge of the ABC bid and supported the ABC bid before he was given responsibility for the Australia Network contract. Whether there was a good reason or not for Mr Rudd to be stripped of responsibility for this contract—and I very much doubt there was—there was clearly a very good reason for Senator Conroy to decline the Prime Minister's request that he assume responsibility for it. Senator Conroy has been conflicted on this from day one. His oversight of this tender has added greatly to the stench of political interference plaguing it and his willingness to accept oversight of it demonstrates a serious lack of judgment and a serious misunderstanding of the importance of prudence in tender processes. The Prime Minister's decision to give Senator Conroy this responsibility ensures she equally stands condemned for an equally serious lack of judgment.

On 16 September, the deadline set by the Prime Minister for a decision for the second attempt at getting a successful tenderer, the date came and went without public comment from the government. By 18 October, in the supplementary budget estimates, Mr Scott from the ABC confirmed:
... our staff would be keen for the resolution of the tender process, and we await news.
He confirmed that the ABC had received no information on any findings by the tender evaluation board. Senator Conroy, now the 'approver' and allegedly responsible minister, refused to be drawn on whether or not he had received a recommendation from the tender evaluation board, claiming yet more confidentiality and secrecy. What needs to be secret in this tender process, it seems, is subjective, made to suit the circumstances on a given day. In the May-June budget estimates Mr Richardson and DFAT claimed it was inappropriate to reveal who was on the tender evaluation board but did reveal that Mr Richardson was in receipt of a recommendation from that board. By the October estimates, Senator Conroy and the communications department revealed the membership of the tender evaluation board but refused to say whether the board had made a recommendation. Allow me to give some free advice to this government: if you are going to hide behind confidentiality provisions and dodge questions under cloak of secrecy, you should at least get your story straight on what is secret and what is confidential; otherwise you get caught out for lying.

All the confidentiality was, of course, pointless. The day before these estimates, 17 October, Mark Day and Denis Shanahan
wrote in the *Australian* that a recommendation had been made to Senator Conroy. Again, the decision was, allegedly, 4-nil in favour of Sky. It seems the panel may have met the 16 September deadline and Senator Conroy may have been sitting on the decision for up to a month, trying to find a way to get around a second tender assessment where he again disapproved of the outcome. It was revealed on Monday of this week that on 27 October the matter of these leaks was referred to the Australian Federal Police. In explaining why these leaks warranted referral when the earlier ones did not, Senator Conroy stated in the Senate yesterday:

... the first reports concerning the details of the tender process contained significant inaccuracies, which did not justify a referral to the AFP for investigation.

The corollary of this statement is that presumably the 17 October story was accurate, because it did warrant referral.

While these leaks are a serious matter, Senator Conroy has failed to outline how they actually compromise the integrity of this process any more than the series of questionable decisions made by the government brought the probity and integrity of this tender into question. Many are forgiven for thinking that these leaks presented a neat excuse for the government to cancel this tender, which for the second time had delivered a winner who government ministers—all bar Mr Rudd, it seems—were unwilling to accept. There appear to be two factors at play here. The first is prejudice, the prejudice Mr Rudd has for an open tender, presumably because he sees it as a way to drop the ABC, and the equal prejudice Senator Conroy and the Prime Minister have against any organisation with any remote connection to News Corporation. The second factor is leadership. Mr Rudd is to be stymied at all costs and Ms Gillard is to have the final say, via Senator Conroy, over this international program of soft diplomacy, instead of her foreign minister.

The ABC, Sky, DFAT and the department of communications all appear to have become pawns in the political power plays that plague the heart of this Labor government. True to form, Mr Rudd appears to have ignored departmental advice. True to form, Senator Conroy appears to have been dissatisfied with the outcome of a tender and therefore sought to start all over again—to hell with the costs to the parties involved. True to form, Ms Gillard could not trust Mr Rudd and stripped him of responsibility. True to form, Ms Gillard misled the Australian people about the reasons for these changes. In the process, the rule book for tenders appears to have been overthrown and any semblance of proper probity in the conduct of this tender appears to have been utterly shredded. *(Time expired)*

**QUESTIONS WITHOUT NOTICE**

**Carbon Pricing**

*Senator ABETZ* (Tasmania—Leader of the Opposition in the Senate) (13:59): My question is to the Minister for Finance and Deregulation as the Minister representing the Minister for Climate Change and Energy Efficiency. Will consumers be paying more GST by virtue of the flow-through price increases consequent on the passage of the carbon tax?

*Senator WONG* (South Australia—Minister for Finance and Deregulation) (13:59): The government have been completely upfront with Australians about there being an impact on prices as a result of the CPI increase of 0.7 per cent that the carbon price will give effect to—an amount which is significantly less than the impact on the CPI of the GST, which I am asked about, when it was first put in place. These factors are what have driven the calculation of the
government's assistance package, which we have gone through ad nauseam in this place. They include the fact that nine out of 10 households will receive some assistance through tax cuts and/or payment increases. Almost six million households—that is, two out of three—will get tax cuts or increased payments that will cover their entire average price impact.

Senator Brandis: Mr President, I rise on a point of order that goes to relevance. The question was a narrow one. It had nothing to do with the compensation package. It asked whether or not consumers would be paying more GST. That is all.

The PRESIDENT: The minister is answering the question. The minister has one minute and four seconds remaining.

Senator WONG: I have been clear that there will be an increase in prices. We have indicated that. The Treasury modelling indicates that. We have been clear: food will increase by less than 0.5 per cent—on average $1 per week; electricity, $3.30 per week—on average 10 per cent; and gas, around $1.50 per week—on average nine per cent. The government will also be providing tax cuts: a tripling of the tax-free threshold—also to be opposed by the opposition, also to be wound back by the opposition, just as the opposition will be opposing and winding back the increase to pensions, the increase to disability support pensions—

Senator Brandis: Mr President, I rise on a point of order. The question, as I pointed out in my earlier point of order, was only directed to whether or not the GST would increase. You allowed the minister to proceed because she had one minute and four seconds to go. She now has five seconds left. She has not addressed the question either directly or indirectly. She can answer the question, yes or no, in the remaining five seconds and I ask you to direct her to the question.

The PRESIDENT: Senator Brandis, I cannot instruct the minister how to answer the question. You may well phrase your question in a particular way and expect a particular answer. But I cannot instruct the minister to answer in the way in which you may wish the answer to be constructed. I believe the minister was answering the question and I ask the minister to continue. The minister has five seconds remaining to address the question.

Senator WONG: As I was saying, we have published full details of the price impacts of the carbon price.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (14:03): I assume the minister was trying to say yes but could not bring herself to it. Mr President, my first supplementary question is: was the impact of this carbon tax on the GST modelled? If not, why not? If it was, what will be the expected total extra GST take as a result of the Labor and Greens carbon tax?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:03): In relation to the question about the quantum, I do not have that information. I will see if I can find whether or not any of that is available. I suspect that the answer will be that the government will update its budget figures—which will include tax-take in the usual way—in the midyear review, which is due before the end of the year. That midyear review will reflect the state of the government's policies and will include the legislative package which was passed by the Senate. I will see if I can provide any further information on that. In relation to the Treasury modelling, it has been very clear on the price impact of a 0.7 per cent CPI increase and that has been the basis of the
very substantial household assistance package, which will increase pensions and reduce taxes—which the opposition are opposed to.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (14:04): Mr President, I ask a further supplementary question. Given that the impact of this tax on the GST was clearly not modelled, how can the government argue it is giving sufficient compensation to consumers? Will the government's advertising campaign, designed to sell the public a tax that it does not want, point out the additional costs to consumers of this tax on a tax together with the increased marginal rate on income taxes?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:05): In relation to the income tax rates, they are clearly set out in the clean energy package. They were set out by the government when we announced the tax cuts that we will make—the tripling of the tax-free threshold. The effect on some of the headline income tax rates was also transparently released. What it shows is that anybody in this country earning under $80,000 a year will, under our tax reform package, which is part of the clean energy package, get a tax cut—a tax cut which those opposite are opposed to. This action stands in stark contrast to the opposition, who will be imposing some $1,300 more in tax on electorates and on their voters to pay for their direct action policy. That is the difference between those opposite and us. We will cut taxes. They will have to raise them or slash health services to fund their policy. (Time expired)

Mining

Senator STERLE (Western Australia) (14:06): My question is to the Minister representing the Prime Minister, Senator Evans. Can the minister advise the Senate how the minerals resource rent tax is essential to delivering the long-term dividends of this mining boom to all Australians?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:06): I thank Senator Sterle. I know he is a strong advocate for the mining industry but also a strong advocate for the rights of Australian people to benefit from it.

The MRRT is a historic reform which will strengthen Australia's economy and benefit all Australians. It will mean, for the first time, Australians will see a fair share of the money raised from the sale of resources that belong to them. These benefits will see 2.7 million Australian businesses get a tax break, they will see eight million Australians get a boost to their superannuation, they will see a further superannuation contribution for our lowest paid workers and they will see investment of billions of dollars in roads, bridges and other critical infrastructure.

The MRRT will apply to highly profitable miners who have benefitted enormously from the current resources boom, earning profits of nearly $100 billion in the year to June. What we are saying is that Australians deserve to participate in those record profits. They all deserve to get a share of those profits. The benefits of the boom ought to be spread across Australia, not just to those who have shares in the large mining companies, not just to those who work for them, but to all Australians. It is not unreasonable taxation but a share of the super profits at a time when the resources sector is booming.

Small businesses and working people in this country who are not associated with the mining industry will get a long-term benefit—a benefit to business through reduced tax and a benefit to the workers
through superannuation which will allow them to have a larger retirement income. There will be a long-term benefit to all Australians in profiting from the mining boom and sharing in the profits of those mining companies. This is good policy, it is fair policy and it invests in the long-term future of Australia, and I would urge the opposition to get on board with what is important economic reform. (Time expired)

Senator STERLE (Western Australia) (14:08): I thank the minister for that answer. Mr President, I ask a supplementary question. Minister, are you aware of claims that some highly profitable mining companies will avoid paying the MRRT?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:09): I am aware of a report by a Western Australian accountancy firm claiming that Rio Tinto and BHP will not pay any minerals resource rent tax. It is a report commissioned by Mr Twiggy Forrest, Australia's richest man, who earlier claimed this tax was going to kill the industry, that it was economic vandalism and that he would be destroyed. Now apparently it is not going to have any impact at all.

Mr Forrest's company today admitted that despite having a market capitalisation—

Opposition senators interjecting—

The PRESIDENT: Senator Evans, you just might resume your seat. It is very difficult to hear you because of the noise on my left. Order!

Senator CHRIS EVANS: Mr Forrest's company, FMG, admitted today that despite having a market capitalisation of $50 billion they had not cut a corporate tax cheque to date. They have not paid a dollar in company tax to date and they want to resist having to pay the minerals resource rent tax. A large mining company owned by Australia's richest man will not pay tax. That is not something the Australian people should accept. (Time expired)

Honourable senators interjecting—

The PRESIDENT: Order! If you want to wind down question time, it is in your hands. When there is silence on both sides we will proceed.

Senator STERLE (Western Australia) (14:11): I do thank the minister. That is very, very interesting. Mr President, I ask a further supplementary question. Minister, are you aware of any alternative policies or risks to delivering the long-term dividend from the mining boom to all Australians?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:11): It appears that the opposition, while not having an alternative policy, intend to roll back this reform as well. Not only are they going to roll back the compensation to people as part of the carbon tax but they are also going to roll back the superannuation, the company tax—all those benefits that come from the mining boom. They are going to roll those back and give them back to the mining companies. That is what they think they are going to do.

They have decided that the superannuation thing might be a bit hard, so they have changed their mind on that, but they are not quite sure how they are going to pay for that. They have $70 billion of budget cuts to make and they are throwing this on top of that—they have the cost of all this rollback—all to make sure that Australia's largest mining companies do not pay tax on super profits, all to make sure that the Liberal Party can say to the miners: 'We're not going to make you pay tax on super profits. We don't think the Australian people
should benefit from the boom.' Shame on the opposition! Shame on you! That is not good policy. (Time expired)

Carbon Pricing

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (14:13): My question is to the Minister for Climate Change and Energy Efficiency, Senator Wong. I refer the minister to Minister Combet's interview on 7.30 last night in which he was asked of the carbon tax:
Will it cut Australia's greenhouse gas emissions?—
and responded—
Yes it will. The minimum amount of emissions reductions achieved in the year 2020 will be 160 million tonnes.
A clarification was then sought, with the interviewer asking whether those cuts would be in Australia, to which Minister Combet replied:
In Australia, that's correct, …
Isn't it true that, even with Labor's carbon tax, emissions in Australia will actually rise from 578 million tonnes in 2010 to 621 million tonnes in 2020, a rise of 43 million tonnes not a cut of 160 million tonnes? Why did Minister Combet seek to mislead Australians on national television last night?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:14): Mr President, first I am not sure if I should take the question, because the question was to the minister for climate change. I have not been the minister for climate change for quite some time.

Honourable senators interjecting—

The PRESIDENT: Order! Both sides, I am waiting for silence.

Senator WONG: It is the case that Australia's emissions with a carbon price will fall from what they otherwise would have been. The opposition like to pretend that that is not the measure—I am always interested in the opposition's metrics because their position is that we should pretend, that there is this sort of 'Abbott world' in which there will be no change to Australia's emissions despite economic growth and population growth between now and 2020. It must be the same Abbott world where you can keep spending money without having to account for it.

The PRESIDENT: Senator, if you are referring to a person in the other place, you should refer to them by their correct title.

Senator WONG: You are quite right, Mr President—the Mr Abbott world in which you can keep spending money on program after program, matching spending promises, while you campaign to abolish the revenue sources for those spending promises. It is a very interesting world where emissions do not grow, despite the fact that the economy grows, and you can spend as much money as you want and campaign against the taxes which fund that spending.

Senator Joyce: Mr President, I rise on a point of order as to relevance. The question was quite clearly put to find out whether what was said last night on The 7.30 Report was the truth or not the truth. We are waiting for the answer. It might have been a mistake but you have not answered the question, just like every other question.

The PRESIDENT: There is no point of order, Senator Joyce. The minister has 37 seconds remaining.

Senator WONG: In terms of The 7.30 Report interview, I understand Mr Combet did go on to explain the nature of international linking and said that the point behind international linking is to reduce the cost on Australian business. That is why you enable international linking. This is another part of the Mr Abbott planet where you
impose more cost on Australian business—this is a Liberal position. (Time expired)

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (14:17): Mr President, I ask a supplementary question. Having already committed more than $37 million to try to flog its toxic carbon tax through mail-outs, advertising and funding activist groups, will the minister rule out committing another dollar of taxpayer money to a taxpayer-funded advertising campaign designed to con Australians into believing the carbon tax is good for them?

Government senators interjecting—

The PRESIDENT: Order, on my right!

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:18): The government have made clear in our previous announcements that the public information campaign associated with this—

Honourable senators interjecting—

The PRESIDENT: Senator Wong, resume your seat. The conversation which is going on across the chamber makes it impossible to hear Senator Wong. Order!

Senator WONG: Certainly Mr Combet engaged in some previous discussion in relation to the information campaign. The reason for an information campaign is that this is a very significant reform, a major economic reform, which will ensure not only that we price carbon but also that many taxpayers will get tax cuts and many Australians will get an increase in their pension. I am indebted to my colleague who has reminded me of the fabulous Work Choices campaign, which had fridge magnets, mouse pads and millions of brochures sitting in a warehouse for months. (Time expired)

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (14:19): Mr President, I ask a further supplementary question. Given Labor ministers will not even tell the truth about the carbon tax in national television interviews and that this Labor minister refuses to rule out throwing good money after bad in trying to sell this tax to Australians, why should Australians believe anything Labor says about this toxic tax by whatever means they express it?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:20): Why should the Australian people believe anything those opposite say when it comes to climate change, when over years and years they have changed their position, once supporting action on climate change, now opposing it? There was even the 'blood oath' about the repeal. Remember Mr Abbott said to Australian companies, 'Don't buy permits.' His shadow minister comes into debates on this bill and moves an amendment that will enable companies to buy more permits. That says something about how serious they really are about repealing it, because coming in here amending an act in order to remedy a problem is hardly consistent with a blood oath to repeal.

Carbon Pricing

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (14:21): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency. Is the minister aware of the letter from the Prime Minister of the UK to our Prime Minister, Julia Gillard, in reference to the carbon package saying:

Your announcement sends a strong and clear signal that Australia is determined to make its contribution to addressing this challenge and it will add momentum to those in both the developed and the developing world.

Honourable senators interjecting—
The PRESIDENT: Senator Brown is entitled to be heard in silence.

Senator BOB BROWN: Mr Cameron went on to say:
Your action will add momentum to those, in both the developed and developing world, who are serious about dealing with this urgent threat.

Honourable senators interjecting—

The PRESIDENT: If this is the way you wish to waste the time of question time, then that is your choice. But I am entitled to hear the question and Senator Brown is entitled to be heard in silence. Senator Brown, continue.

Senator BOB BROWN: I ask the minister: is it not an embarrassment that Australia has a Leader of the Opposition, a conservative, in London, who, to take the Prime Minister of Britain's words, is neither serious about action on climate change nor prepared to have Australia play its role in contributing to addressing that challenge?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:23): I will leave the adjectives perhaps to others. I would say it is certainly rather odd, isn't it, that the man who pledges in blood to repeal this carbon price disappeared on the day it was voted on, was not even here to comment on it—

Opposition senators interjecting—

Senator WONG: and he is going to the United Kingdom. I think they realised that was a bit of a mistake, from their reaction—

The PRESIDENT: Senator Wong, please resume your seat. I have asked Senator Wong to resume her seat because of the noise in the chamber. Senator Brown, you are entitled to hear the answer. Senator Wong.

Senator WONG: Regardless of the timing, I would invite Mr Abbott, while he is overseas, to perhaps talk to his conservative colleague about the wisdom of his position. Let us remember, Margaret Thatcher is amongst the many people on the conservative side of politics who recognised the importance of the issue of climate change. And regardless of the various political differences in the United Kingdom, we have seen consistently from both sides of politics there—all major parties, I should say—a recognition of the importance of dealing with climate change and of the importance of pricing carbon as a way to deal with it in an economically efficient way. The reality is that Prime Minister Cameron's position is far closer to the Labor government's position than it is to Mr Abbott's position and that of his conservative colleagues. That is the reality of the position and that is the oddness of the policy position that Mr Abbott holds.

One would have thought that conservatives might actually think that there is a role for sensible economic policy. Sensible economic policy would be to price carbon. Sensible economic policy is not, as Mr Abbott is proposing, to tax Australian families in order to fund big polluters.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (14:25): Mr President, I ask a supplementary question. I note that Mr Abbott may today meet UK Foreign Secretary William Hague, who said:
We believe, in the UK government, that climate change presents one of this century's major international challenges in terms of security and peace in the world … 

... ... ... 
We believe the most successful economies of the future will be built on low carbon growth …

I ask the minister: do you think there is anything that connects the Australian Leader of the Opposition with this forward-thinking— (Time expired)
Senator Abetz: Mr President, on a point of order, clearly this question is seeking an opinion. The question was: do you think there is anything connecting two parliamentarians—one in the United Kingdom and one on the opposition side? That clearly bears no relationship to the ministerial duties of the minister.

Senator BOB BROWN: I will rephrase the question. Do you know of anything—

Senator Abetz: You can't do that!

The PRESIDENT: Order! Senator Brown.

Senator BOB BROWN: The point is, 'do you think' means exactly the same as 'do you know of'?

Senator Brandis: You ignorant man!

Honourable senators interjecting—

The PRESIDENT: Order! Senator Brandis, screaming across the chamber such as that does not help the conduct of question time. It does you no good at all as an individual member of the Senate and I think it might help if you withdraw that remark. I am not directing you; I think it might help if you withdraw it.

Senator Brandis: If it offends Senator Brown to be called ignorant, I withdraw.

The PRESIDENT: Senator Brandis, that really does not help. Senator Heffernan is on his feet. Senator Heffernan, I want to clear this matter up first, so if you will resume your seat.

I do not think the manner in which that was done helps the way in which question time is conducted in this place. I admire the fact that there is robust debate in this chamber, but I do not think it helps the conduct of the business for any senator—I am not just selecting you on this matter, Senator Brandis—to call across the chamber in such a manner. There is a time to debate these issues if you disagree with the views that are being expressed. Senator Abetz rightly took a point of order, which he is entitled to do. But if people disagree with the issue then the place to debate it is at the end of question time. In trying to maintain reasonable order in this place—I am not trying to be onerous on people—I just ask that, if people who are asked to withdraw something can withdraw it in a reasonable manner, that does help, and they should not put any caveats on it. Whether it offends Senator Brown or not is not the issue; it is whether it offends the chamber and the conduct of the business in this chamber.

Some people need to look at the behaviour in this chamber—and I am not singling out you, Senator Brandis; I want you to understand that quite clearly. I am saying this to all people on all sides, because it really does reflect poorly on the way in which people perceive this chamber when people on both sides—it does not matter which political party—entertain behaviour that is not acceptable to the public. Having said that, Senator Brandis, it would assist me in the conduct of this if you would just say you withdraw it.

Senator Brandis: I have already done so, Mr President.

Senator Heffernan: My dear friend Senator Brown, there has been a great oversight today.

The PRESIDENT: Is this a point of order?

Senator Heffernan: The point of order is he forgot to order the camera angle.

The PRESIDENT: That is not a point of order.

Senator Ludwig: Mr President, on the point of order originally raised by Senator Abetz, can I indicate at the outset that Senator Abetz appeared to be relying on 73(1)(h), which indicates that the question
should not call for an expression of opinion. However, in looking at the letter of standing order 73, this chamber has not stuck to that for a long time, as evidenced by questions from the opposition over many years. But there is an ability to express the question more broadly rather than to simply confine it. In addition to that, if I couple it with the second part of Senator Brown's question, Senator Wong in answering can answer that part of the question which she is able to, even ruling out under 73(1)(h) that part which calls for an opinion. The question was quite long and covered a significant amount of territory.

The PRESIDENT: There is an opportunity for me under the standing orders to ask for a question to be rephrased, but I am not going to do so. I am going to say, as I have said consistently in this place, the minister needs only to answer that part of the question which applies to the minister's portfolio. Those parts that do not apply the minister does not have to address at all. Minister, answer only those parts that apply to your portfolio.

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:32): I will attempt to do my best. What I would say is this. In terms of the state of thinking in conservative parties around the world, Mr Abbott is—

Senator Abetz: You're an expert now, are you?

Senator WONG: I was asked if I—I will not take the interjection. It is certainly the case that Mr Abbott's position is unusual. It is perhaps not as unusual as Senator Joyce's is, but it is an unusual position. Perhaps what makes it most unusual is that generally there has been an approach by governments of both political persuasions that a sensible way to approach climate change is to understand the economic change which is required and therefore to put in place the most efficient policy mechanism, which is a market mechanism. On this, Mr Abbott is on his own.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (14:33): Mr President, I ask a further supplementary question. I ask the minister: is she aware of comments of Nobel Peace Prize winner and former US Vice President Al Gore that:

This is a historic moment. Australia's Parliament has put the nation's first carbon price into law ... As the world’s leading coal exporter, there's no doubt that opposition to this legislation was fierce. But through determination and commitment, the voice of the people of Australia has rung out loud and clear.

I ask the honourable minister what response she has to the comments of this world leader in thinking on climate change.

The PRESIDENT: Senator Brown, I struggle to find that that question is in order because it is not related to the minister's responsibility. The other thing I find is that it is asking for the opinion of the minister.

Senator BOB BROWN: I am simply quoting from former Vice President—

The PRESIDENT: Senator Brown, I will give you the opportunity to rephrase the question, but at this stage I am finding it very difficult to find a link to the portfolio.

Senator BOB BROWN: The question is: is the minister aware of these positive comments about the passage of legislation through the Australian parliament, and what impact does that have on the global awareness of the action of this Australian parliament?

The PRESIDENT: Senator Wong, you can address that part of the question.

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:35): I have seen reporting of those comments. I think that Vice President Gore's
position in advocating consistently across the world for action on climate change is hardly unknown. I do not know why the opposition find this such a controversial issue. I make the point—

Opposition senators interjecting—

The PRESIDENT: I remind senators that all this is achieving is that it is chewing up question time. Minister, you have 31 seconds remaining.

Senator WONG: As I was saying, I do not understand why the opposition finds this such a controversial proposition. I think the Vice President's advocacy for action on climate change is well known. He has, like many people around the world and many people in Australia have, looked at the science and come to the view that it is very important that this generation take responsibility, given the short space of time in which we can reduce the risk for future generations.

Mining

Senator CORMANN (Western Australia) (14:37): My question is to the Minister representing the Treasurer, Senator Wong. I refer to revelations that under the mining tax deal negotiated exclusively and in secret between the Prime Minister and the three biggest mining companies, without any direct involvement of Treasury, those large global companies and FMG will not pay any mining tax for a number of years, whereas smaller Australian based mining companies would have to generate most of the MRRT revenue from day one. Does the government now concede that its mining tax gives multinational mining companies an unfair competitive advantage at the expense of smaller Australian miners and, if not, will the government now release all of its MRRT revenue assumptions for proper public scrutiny?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:38): I assume that the shadow minister is referring to some of the reporting about MRRT revenue, which, if he had read subsequent articles, the Treasury has refuted very clearly the assessment made. I would make the point that the opposition on the minerals tax is really in all sorts of difficulty. Their shadow minister, Mr Macfarlane, has described the money being made in the mining sector as 'extraordinary'. He has described the profits made by mining companies as 'extraordinary'. Yet Mr Abbott's position is that—and I think I am quoting—'Mining companies pay more than their fair share of tax.'

Senator Brandis: Mr President, I rise on a point of order. Commentary on the opposition's position is not directly relevant to the question that this minister was asked. Albeit that the minister has a minute and seven seconds to complete her answer, it is obvious to you, Mr President, that what she is saying now bears no resemblance to the question she was asked. You chastised the opposition before. All we seek is neutrality in the chair, with the same rules applied—

The PRESIDENT: Order! That is a reflection on me. It is a reflection on my neutrality. That is a personal reflection on me, Senator Brandis.

Senator Brandis: I withdraw any reflection, Mr President.

Senator Ian Macdonald interjecting—

The PRESIDENT: Are you reflecting on me as well, Senator Macdonald?

Senator Ian Macdonald: I am saying that you should have a look at the video.

The PRESIDENT: Thank you.

Senator Brandis: Mr President, I withdraw any reflection on you, but I do ask you to be more conscious of the requirement
of the sessional orders that answers be directly relevant to questions. A commentary on the opposition’s policy is not directly relevant to a question of ‘Will you release modelling?’

Senator Chris Evans: Mr President, on the point of order: Senator Wong was asked a question by Senator Cormann about the minerals resource rent tax and claims that certain companies would now not have to pay it, the appropriateness of the tax and the impacts of the tax. In responding to that question, she referred to Mr Abbott’s commentary on the tax and his attitude to it, which is a perfectly reasonable thing in responding to the question.

Opposition senators interjecting—

Senator Chris Evans: It asked for a response to commentary on the tax. She referred to remarks—

Senator Ian Macdonald: What? Are you the president, are you?

Senator Chris Evans: Senator Macdonald, why don’t you take one of the little blue pills and calm down, all right?

The President: Order! Senator Evans, that does not help either. So if you will withdraw that.

Senator Chris Evans: Mr President, I withdraw unreservedly, as is my wont. It is perfectly in order for Senator Wong to canvass other views about that tax in responding to the question. I would ask you to rule it in order, and I would encourage everyone to calm down a bit.

The President: The minister has one minute and seven seconds remaining. And I do draw the minister’s attention to the question.

Senator Wong: If the shadow minister wants to ask questions about things which are incorrect then obviously I am going to respond to them. He made an assertion at the beginning of his question regarding revenue from the mining tax. In the first part of my answer, the first thing I said was that there was also reporting, which he should have been aware of, that the Treasurer had refuted—

Senator McEwen: The Treasury had refuted.

Senator Wong: The Treasurer and Treasury, I should say—thank you, Senator McEwen—had refuted those assertions. If he would like to refer to the public statements which were reported today about the inaccuracy of the modelling to which he referred, I am sure that he will become aware of those facts. But he comes in here asking a question which is not correct, which is based on incorrect premises. The reality is that you are making assertions which are not correct.

Senator Cormann (Western Australia) (14:43): Mr President, I ask a supplementary question. Why has the government refused to release its MRRT revenue assumptions in clear defiance of successive orders of the Senate since 30 September 2010? Is it because on reflection the government realised that the three companies which designed the Gillard version of the mining tax for them will not end up paying it? What has the government got to hide?

Honourable senators interjecting—

The President: When there is silence on both sides, we will proceed.

Senator Wong (South Australia—Minister for Finance and Deregulation) (14:44): The government has included the MRRT revenue figures in its budget and the shadow minister would be aware of that, which is more than I can say for any of the costings of which he has been a part. He is critical of the government on the question of having a consultation process with the mining companies. How is this not relevant?
Senator Cormann: Mr President, I rise on a point of order. I understand that the minister enjoys getting stuck into me and the opposition more than she does providing an answer to a difficult question, but this is not in accordance with standing orders—

Honourable senators interjecting—

The PRESIDENT: Senator Cormann, you are entitled to be heard. I cannot hear what you are saying. Senator Cormann, continue.

Senator Cormann: Thank you. I understand that Minister Wong enjoys getting stuck into me and the opposition more than providing an answer to a difficult question, but it is not consistent with standing orders, which require her to be directly relevant to the question. The question is why the government is refusing to release revenue assumptions related to the mining tax, despite successive orders of the Senate requiring the government to do so since 30 September 2010. What have you got to hide?

Senator Ludwig: Mr President, on the point of order: the minister has been directly relevant in answering the question asked by Senator Cormann. Senator Cormann misses the point that the question he asked was very broad and included a part which he is now and was previously screaming across the chamber about. But that does not mean that the minister has to provide the answer that Senator Cormann seems to be plucking out in his interjection. So, Mr President, you should rule him out of order.

The PRESIDENT: I believe the minister is answering the question. The minister has 33 seconds remaining to answer the question.

Senator WONG: The first point I would make on the question to which I was directly responding is that the senator made a comment about the government dealing with three companies. I was directly responding to the political assertion in that question by making the point that in a significant reform such as this one it is appropriate that the government consults with industry. I would have thought that that, in fact, would not be a controversial proposition.

Senator CORMANN (Western Australia) (14:47): Mr President, I ask a further supplementary question. What will be the impact on the budget bottom line of increases in state royalties on iron ore and coal in Western Australia, New South Wales, South Australia and Tasmania since the May budget? And why has the government also refused to release the estimated budget costs over the forward estimates for each of the measures attached to the mining tax, again in clear defiance of an order passed by the Senate? Is it because the cost of the measures attached to the mining tax is higher than the revenue it will generate from 2013-14 onwards? Again, what has the government got to hide?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:48): There were a number of propositions there. First, in relation to royalties, I know New South Wales was mentioned. I am not sure whether they have actually proceeded any further than the initial announcement telling people how those royalties that they are talking about will in fact be calculated. But the government will update its figures in the usual way in the mid-year review. We have disclosed the revenue forecast in the 2011-12 budget over the forward estimates of $11.1 billion. We will update that in the usual way.

The opposition may not like commentary on them, but I would make this point. The hypocrisy of coming in here and demanding
more figures when they have $70-plus billion worth of cuts that they have yet to front up to the Australian people—

**Senator Brandis:** Mr President, I rise on a point of order. There are only three seconds remaining for the minister to respond directly to the question. On no view could anybody believe that by attacking Senator Cormann she is responding to a question about the figures in the budget bottom line. There is no element of the three parts of this question which the minister is directly or indirectly addressing. You should bring her to the question and ask her to quote the figures in the remaining three seconds.

**Senator Ludwig:** Mr President, on the point of order: what Senator Brandis misses in all of this is that there were three parts to the question that was asked—

**Senator Brandis interjecting**—

**Senator Ludwig:** I listened to you in silence.

**Senator Brandis:** No, you didn't.

**Senator Ludwig:** Yes, I did. There were three parts to it, and the third part was a spurious assertion by Senator Cormann. The minister in responding was being directly relevant to the three parts that were asked in the one question.

**The PRESIDENT:** The minister has three seconds remaining.

**Senator WONG:** I responded on royalties and I gave the revenue forecasts over the budget estimates.

**Senator Abetz:** Mr President, a point of order was raised. You failed to rule on it. You simply responded, as I understand it, by saying that the minister had three seconds left. Mr President, I also ask you to give very serious consideration as to whether the change to sessional orders, made some time ago now, requiring direct relevance by a minister in answering a question has ever been applied or has had any significance in changing the way question time has been conducted since. Mr President, many times recourse is had to the precedent. But the problem was question time was turning into a farce. That is why the Senate took a deliberate decision to change the sessional orders to require ministers to be directly relevant. I would invite you to give serious consideration to ruling in accordance with that which the Senate voted for—namely, for ministers to be directly relevant.

**The PRESIDENT:** I will review your comments, Senator Abetz, and if need be I will get back to the chamber. The time for answering the question has expired.

**Steel Industry**

**Senator STEPHENS** (New South Wales) (14:52): My question is to the Minister for Innovation, Industry, Science and Research, Senator Carr. Can the minister respond to claims that the steel industry has been mugged, vandalised, shot and crippled by the $300 million Steel Transformation Plan?

**Senator CARR** (Victoria—Minister for Innovation, Industry, Science and Research) (14:52): Thank you, Senator Stephens, for that question; I know of your longstanding interest in the steel industry. What we have seen is overblown, wild rhetoric—

**Honourable senators interjecting**—

**The PRESIDENT:** Senator Carr, resume your seat. While there is debate across the chamber I will not ask the minister to proceed.

**Senator CARR:** What we have heard is wild and overblown rhetoric by Liberal senators on these questions. What we saw yesterday and today was that 19 Liberal senators had the opportunity to argue the case in favour of blue-collar workers, in favour of steelworkers—and what did they do? They turned their backs on blue-collar
workers; they turned their backs on the steel industry. They had 19 opportunities, but what we saw was the fraudulence and hypocrisy of the position advanced by the Liberal Party, to the point where the Liberal Party has turned its back on a $300 million support package for high-quality sustainable jobs in the steel industry.

Honourable senators interjecting—

The PRESIDENT: When there is silence we will proceed.

Senator CARR: Thank you, Mr President. In recent times we have heard comments about dumping, we have heard comments about free trade agreements, we have heard comments about the IMF. What we have seen is the Liberal Party trying, in a very cynical manner, to run a very populist line on economic policy. We know that they are a party of nostalgia, a party that looks back to the old days. However, I would never, ever have thought they would adopt the policies of Georges Marchais, who was the French Communist Party leader in 1974—but that is exactly the position they are adopting. They are opposed to international engagement. They are opposed to assisting working people. They are opposed to actually doing anything to sustain jobs in this country. What they want to do is claim a commitment to working people, but they leave that commitment—

Honourable senators interjecting—

The PRESIDENT: Senator Carr, just resume your seat. When there is silence I will ask the minister to proceed.

Senator CARR: It has been put to me that I misrepresented the Communist Party of France. I think what we have got is a situation where the commitment to working people is left on the hook, along with the fluoro vest, when you walk out the door and out of camera shot. The commitments of the Liberal Party, as we all know, are complete frauds. (Time expired)

Senator STEPHENS (New South Wales) (14:55): Mr President, I ask a supplementary question. Minister, how does the government respond to concerns that the Steel Transformation Plan is of no assistance?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:56): I am looking forward to the Liberal Party going down to the Illawarra and telling steelworkers that $300 million for the steel industry is of no assistance. I am looking forward to them trying to pretend, as Mr Abbott does on a regular basis, that they know how to use a screwdriver, yet cannot do anything to actually help workers in the manufacturing industry. They say they are going to repeal these measures. I am looking forward to them saying how they are going to withdraw over $20 billion of assistance from industries across this country.

Senator Fierravanti-Wells interjecting—

Senator CARR: I am going to look forward to them saying how they do not want to see the 43 per cent increase in support for science and research that this government is undertaking.

Senator Fierravanti-Wells interjecting—

The PRESIDENT: Order! Senator Carr, resume your seat. There is a little bit of excitement in the chamber still.

Senator Conroy: From the fishwives!

Senator Fierravanti-Wells: Mr President, I ask that Senator Conroy withdraw that offensive remark.

The PRESIDENT: Senator Conroy, withdraw that.

Senator Conroy: I withdraw, Mr President.

Honourable senators interjecting—
The PRESIDENT: When there is silence the minister can proceed.

Senator CARR: I am looking forward to the Liberal Party saying that they do not support the 'Buy Australia' campaign. I am looking forward to them saying they do not support our steel industry advocates or the industrial capability networks or the Supplier Access to Major Projects scheme. These are all the measures that this government is undertaking—(Time expired)

Senator STEPHENS (New South Wales) (14:57): Mr President, I ask a further supplementary question. Can the minister respond to claims that science has already done all it can do for the steel industry?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:58): We have heard those opposite claim there is nothing further that can be done with regard to science and innovation in the steel industry. It is a classic case where ignorance cannot be enlightened. We know, for instance, that CSIRO have been working with BlueScope and OneSteel on a low-carbon breakthrough and they have been doing so for the last five years. CSIRO's integrated steelmaking process is one of the few known technologies which can deliver a substantial cut in carbon emissions at minimum cost to smelters. This is a proposition we are now likely to see put into commercial operation in a very short period of time.

The estimated value of this knowledge over the next 20 years is some $42 billion. That is assuming just a 10 per cent market penetration. This is not just some incredible dream. These are practical measures that science can deliver to industry. And industry working in collaboration with our scientists is able to advance and produce the high-skilled—(Time expired)

Australia Network

Senator BIRMINGHAM (South Australia) (14:59): My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. I refer the minister to the corrupted Australia Network tender process under his watch. Had the minister received a recommendation of a preferred bidder from the tender evaluation board at any time prior to the government making a decision to end the tender?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (14:59): That goes to the details of the tender. The tender was ongoing, so I am not going to start commenting backwards and forwards about what stage it was up to. The lack of understanding from those opposite—

Senator BIRMINGHAM: Mr President, I rise on a point of order. Yesterday the minister informed the Senate that the tender ceased to have effect on Monday, so the minister is clearly misleading the Senate if he claims it is still ongoing. If it is no longer ongoing, he should be able to inform us of a matter of simple procedure such as whether or not he received a recommended bidder.

The PRESIDENT: Order! That is not a point of order. Senator Conroy, you have one minute and 41 seconds remaining.

Senator CONROY: I said that it was ongoing during that period. I was not suggesting it was still going. But that refers to the details of the process. The process was an ongoing process before it was terminated and there is not much more I can add to that.

Senator BIRMINGHAM (South Australia) (15:00): Mr President, I ask a
supplementary question. I refer the minister to his statement to the Senate yesterday:
The government will now consider the full range of options for the awarding of this contract and
will make a decision no later than March next year.
Will this be a decision in March on how the government will undertake a new selection
process, or a decision on who the ongoing provider of the Australia Network service
will be?
Senator CONROY (Victoria—Minister for Broadband, Communications and the
Digital Economy, Deputy Leader of the Government in the Senate and Minister
Assisting the Prime Minister on Digital Productivity) (15:01): I stand by exactly
what I said yesterday.
Senator BIRMINGHAM (South Australia) (15:01): Mr President, I ask a
further supplementary question. If the minister intends to announce simply how the
process will be conducted in March next year, how long will it take to get a successful
bidder? If he is only going to announce who the bidder is, will he tell the Senate exactly
how that process will be undertaken?
Senator CONROY (Victoria—Minister for Broadband, Communications and the
Digital Economy, Deputy Leader of the Government in the Senate and Minister
Assisting the Prime Minister on Digital Productivity) (15:02): The good senator is
asking me to speculate on and pre-empt the future. I stand by exactly what I said
yesterday.
Senator BIRMINGHAM: Mr President, I rise on a point of order. I was very careful
to quote what the minister said yesterday—and what the minister said yesterday, for the
relevance of his answer, was:
The government will now consider the full range of options for the awarding of this contract and
will make a decision no later than March next year.
We are simply trying to get from the minister clarity as to what type of decision it is that he
is promising to make by March next year. Referring simply to those words provides no
clarity whatsoever.

The PRESIDENT: I understand that the minister has concluded his answer.

Senator Birmingham interjecting—

The PRESIDENT: Senator Birmingham, you took a point of order.

Honourable senators interjecting—

The PRESIDENT: Order! If you want to argue about it, the time will come very
shortly. Senator Birmingham, I hear your point of order, but there is nothing more that
I can do about your point of order given that
the minister's answer has concluded.

Senator CHRIS EVANS: Mr President, I ask that further questions be placed on the
Notice Paper.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Schools: Music

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education,
Skills, Jobs and Workplace Relations and Leader of the Government in the Senate)
(15:03): On 3 November, Senator Bob Brown asked me a question about music
education. I seek leave to incorporate the answer in Hansard.

Leave granted.

The answer read as follows—

Senator Chris Evans
Leader of the Government in the Senate
Minister for Tertiary Education, Skills, Jobs and Workplace Relations
Wednesday 9 November
Response to Question from Senator Brown at Senate Question Time, Thursday 3 November
Senator Brown asked:

How many primary schools do not have specialist music teaching and what are the disadvantages attached to that lack? I ask the minister if he would find out how many primary state schools there are that do not have specialist music educators and which ones they are.

Response

The Australian Government does not hold data about specialist music programs run in primary schools.

Question

How many specialist music schools are there in Australia?

Response

The Australian Government does not hold data on the number of specialist music schools. While a number of states and territories run specialist music schools, the allocation of resources to support special programs, including specialist music schools, is a matter for state and territory education authorities.

Question

What are the advantages of an early childhood education in music in terms of the outcomes of education at the other end of schooling?

Response

There is considerable evidence that active participation in music education has an effect on the intellectual, social and personal development of children and young people.

Evidence for a causal relationship between music training and changes in the brain is provided from longitudinal studies of both children and adults learning music.

While it is never too late to acquire music skills, research suggests that earlier training is likely to be most effective in influencing the development of the brain and behaviour.

The Government recognises the importance of music education in schools and supports an arts-rich education for all students. Development of an Australian Curriculum for the arts is part of a second phase of work being undertaken by the Australian Curriculum, Assessment and Reporting Authority and will promote a nationally consistent approach and high quality teaching and learning of music in all of Australia’s primary schools.

An initial paper on the Shape of the Australian Curriculum: the Arts was released on 26 August 2011. The Shape paper sets out the intention for all students to experience and study each of the five arts subjects including music from Foundation to the end of primary school.

The Australian Curriculum is aligned with the Early Years Learning Framework and builds on its key learning outcomes. In the Early Years Framework, literacy includes a range of modes of communication including music movement, dance, storytelling, visual arts, media and drama, as well as talking, reading and writing.

Forestry

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (15:04): Yesterday Senator Rhiannon asked me a question about forestry operations in Victoria. I seek leave to incorporate further information in Hansard.

Leave granted.

The document read as follows—

Further response to question from Senator Rhiannon of 8 November 2011

I am advised that the Victorian government has proposed variations to the ‘Code of Practice for Timber Production 2007’.

Proposed variations are in the public domain for consultation with submissions invited on the proposed variations from the public through until 1 February 2012.

The Victorian government have stated:

- It is proposed that the Code be varied to require persons undertaking timber harvesting operations and associated activities to comply with approved Flora and Fauna Guarantee Action Statements, unless it is determined by the Secretary to the Department of Sustainability and Environment that the
requirements of a Flora and Fauna Guarantee Action Statements do not apply.

- Such a determination will only be made for individual timber harvesting coupes (or groups of contiguous coupes) after application from the person responsible for undertaking the timber harvesting operations and associated activities, and following consideration of potential impacts on threatened species.

Under the Regional Forest Agreements in Victoria there is a requirement for the management of forests under Victoria's accredited forest management system which includes the Code of Practice for Timber Production and the Flora and Fauna Guarantee Act 1998. The Code of Practice for Timber Production is expected to be reviewed on a regular basis. The Victorian government states that "The objective of the variations is to achieve a better balance between the protection of threatened species and sustainable timber production from public native forests."

I understand that the Victorian government plans to undertake a series of surveys inside national parks.

The Victorian Government is establishing a process for threatened species surveys that will better inform Victoria's sustainable forest management framework and conserve threatened flora and fauna at a species and landscape level.

I am advised that the approach will properly recognise the role played by Victoria's 4 million hectares of National Parks and conservation reserves and enhance the Victorian governments' knowledge of threatened species distribution.

**Carbon Pricing**

Senator WONG (South Australia—Minister for Finance and Deregulation) (15:04): I have some further information in relation to Senator Abetz's question of me today. I can confirm that the 0.7 CPI impact includes the GST effect. I can also confirm that the GST was explicitly included in both the household impact modelling and the macro modelling in relation to the clean energy package.

**QUESTIONS WITHOUT NOTICE:**

**TAKE NOTE OF ANSWERS**

Australia Network

Senator HUMPHRIES (Australian Capital Territory) (15:04): 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 Birmingham today relating to the Australia Network tender process.

Another day; another Labor government fiasco—this time concerning the tender process for the release of the new Australia Network, which provides for broadcasting of Australian news, current affairs and entertainment into our region and beyond. This tender is only worth $223 million or so, and I say 'only' because compared with many of the other spectacular Labor government cases of maladministration—things like the National Broadband Network, the Building the Education Revolution program, pink batts and so forth—this is relatively small fry at only a quarter of a billion dollars or so.

However, this program, at this time, has the potential to represent extremely poor value for money for Australian taxpayers unless this process is brought back on track. The Senate is entitled to know what the government is doing to bring this process back on track. The answer given by Senator Conroy today to Senator Birmingham—and I used the word 'answer' advisedly—was one of the briefest answers provided to any question asked in this Senate throughout the entire year.

Senator Marshall: We'll take that as a compliment!

Senator HUMPHRIES: Well, it is not a compliment. It is not a compliment when you want to know what is going on, you see that there are problems with this process and the government cannot answer basic
questions about what is happening with its tender process. There are credible reports at the moment that both of the tender processes which have been aborted by the government in the course of this year had reached the stage where preferred tenderers were being recommended by the independent tender board to the government. In both those cases it was for a certain outcome which allegedly has not met with the approval of the government. On both occasions the government has failed properly to see through the end of that tender process. Instead, it has extended or aborted the process for its own short-term narrow political objectives.

The questions that have been asked today in the Senate, and were asked yesterday as well, have not been answered with respect to this process. Did the tender boards make a recommendation before the process was short-circuited by the government on two occasions? We do not know, because the minister could not answer that question. Will either of the tenderers—apparently there are two—who are now proceeding into the next iteration of this tender process be given an equal consideration in how they are to be dealt with? We do not know.

Was the tender recommendation received before the leak which supposedly aborted the second phase of this tender only a few weeks ago? Again the minister was asked that question. It was asked yesterday; the minister could not answer it. Will the matter be referred to the Auditor-General? That was a question asked by Senator Ludlam yesterday. We do not know, because the minister would not answer the question. Will there be a report to the Senate on what Senator Ludlam called yesterday 'a shambolic tender process'? Again, we do not know, because the minister was asked this question and did not answer it.

Today, again, Senator Birmingham asked the minister questions about exactly what it is that the government proposes to do between now and next March when, we are told, on the third attempt the government will announce an outcome for this tender process. Senator Birmingham received no answer. This is not good enough. This is a process for the expenditure of $223 million of taxpayers money when we do not know what is going on inside the government's mechanisms. We are told that reports were produced and handed up to the government recommending a certain outcome—apparently unanimously in at least one, and possibly both, of those tender processes—and the government decided to take a different approach in order to get an outcome more to its preference.

That is the allegation. We would know whether that was the case if the minister chose to answer some questions in this place about what is going on. But he has not done that. And the Australian taxpayer deserves better than that. What is going on? Why was it necessary to abort the first stage of the tender process? The minister tells us it was because of changes in the 'key emerging markets on the global economy and significant political transformation occurring across the Middle East and North Africa'. Excuse me? What has that got to do with the letting of a tender for the Australia Network?

Then we were told there had been a leak. But isn't it true that the leak occurred after the government had received the recommendation of the tender board? If it is not true why didn't the minister tell us that? It is unsatisfactory that the Senate cannot get the answers to these questions, because they go to the heart of this government's perpetual maladministration. (Time expired)

Senator FEENEY (Victoria—Parliamentary Secretary for Defence)
I think the issue here is well understood. I think the background to it has been long deliberated over. There is an increasing need for an effective Australian presence in the international television market, particularly in Asia but also in the Middle East and North Africa, to which Senator Humphries referred so disparagingly.

For decades Radio Australia has carried the flag for Australia internationally, but satellite television is now the dominant medium for hundreds of millions of people in countries where we need to project Australia's voice and a positive image of Australia. This is acutely in our commercial interests and our broader strategic interests, and should be something about which we are all in furious agreement. But, alas.

In November 2010 the government announced an open tender process for the rights to conduct Australia's international TV operation for the next decade, for a maximum of $223 million over 10 years. Now, Senator Humphries referred to the tender 'only' being worth $223 million—and well he might, when he and his colleagues sitting over there work out that their $70 billion black hole has, by virtue of some announcements last week, become a $72 billion black hole. So for them it is a mere $223 million over 10 years. But let us be very clear: this is an important project; it is a project of national significance. It is a project that Senator Conroy and the government are playing very close and attentive care to.

In June this year, the government announced an extension to the existing Australia Network contract while additional information was sought from tenderers. In the light of changed international circumstances since the original tender was issued, the government decided that national interests should be addressed more broadly. Tenderers were asked to submit amended bids to explain how their operation of the Australia Network service would meet Australia's national interests in the light of the increasing influences of key emerging markets on the global economy and the significant political transformation occurring across the Middle East and North Africa together with the need, identified during recent consular crises, for strengthened associated information services through a range of sources.

This is all common sense. Those opposite might try to pretend that sweeping events such as those that have recently taken place in North Africa and the Middle East are of no account but this government does not agree. Now that process proceeded smoothly until recently. But unfortunately, as Senator Conroy explained very clearly yesterday, significant leaks of confidential information to the media have taken place. As a consequence, the tender process has been compromised. It has been compromised to a degree that the government decided, quite reasonably, that a fair and equitable outcome could no longer be achieved.

That is what it means, Senator Humphries, to manage a proper and appropriate tendering process. The sorts of leaks that have occurred in recent times were believed by the government to have compromised the process. As a result the government took the decision that it was in the best interests of both tender parties and the government that the process be terminated. The government has asked that the Australian Federal Police investigate these leaks. That is not a decision that has been taken lightly. The government believes that the advice received about the tender process left it with no other option.

The government is extremely disappointed that those leaks have occurred and that the process has been compromised. It is not
something we are celebrating, Senator Humphries. And it is something that you should not be celebrating either. This was a significant commercial contract. As Senator Humphries said, it is worth some $223 million of taxpayers money. And it was important that both cabinet and the general public should have confidence in the outcome and the process that gives rise to the outcome. To provide for the continuing operation of the Australia Network in the interim, the government has granted a six-month extension to the contract with the ABC, until August 2012. Those opposite, I note, have raised absolutely no concern as to how this very important service operates in the interim. But that is something the government has turned its mind to. This will ensure that there is no disruption to services and will allow the ABC the flexibility to book such things as satellite time and to maintain an ongoing service. Those opposite would seek to make cheap political points out of this because, of course, that is their want. However, I do note with great interest that the day after the carbon tax bills have gone through this place we are here debating this point. There is a creeping dread amongst those opposite that their negativity and their unrestrained—(Time expired)

Senator EGGLESTON (Western Australia) (15:15): That was an amazing speech we just heard from Senator Feeney on the motion to take note of answers relating to the Australia Network. One of the things that has been missing in this issue and in discussion over the last couple of days is information. All we have been told are vague outlines such as a tender was called and then earlier in the year it was abandoned, allegedly, because of matters to do with the Arab spring. Now, for the first time, Senator Feeney has given us a little bit of information about how and why that might have been relevant. Yes, Senator Feeney, you have done a good job and provided us with some more information.

Earlier this week we heard that a second tender had been withdrawn, applications had been cancelled and because of 'leaks' this matter was going to be referred to the Australian Federal Police. It is very interesting and very strange. I was on a program yesterday with Doug Cameron and he did not know anything about what might be happening. It is very intriguing to think that a tender for a broadcast service should be referred to the Federal Police. Now Senator Feeney has come forward and done what Senator Conroy, the Minister for Broadband, Communications and the Digital Economy, was apparently totally incapable of doing. He has referred to the fact that the government wants to extend the Australia Network television service to the Middle East and North Africa. Why is that such a secret? No-one else has said that and it is obviously not a secret. Yet the minister for communications was incapable of telling us that that was what was planned and that that was the issue. He is the minister and it is up to him to tell members of the parliament and the public in general what the issues were.

Senator Feeney said that the government now wants to do a much wider service, which is very interesting, but of course there are other issues. The Australia Network television service was run from the Department of Foreign Affairs and Trade and I think the Minister for Foreign Affairs is a man called Kevin Rudd. Isn't it strange, as there is a little bit of tension going on about leadership and all that sort of thing? The Australia Network television service is obviously part of Australia's diplomatic amatorium. It conveys the message about our way of life and what is going on in Australia to the people of the Pacific and Asia. So it would seem quite reasonable and logical that responsibility for this service should rest
with the Department of Foreign Affairs and Trade, yet strangely enough it has been taken away from that department and put into the Department of Broadband, Communications and the Digital Economy headed by Stephen Conroy.

The DEPUTY PRESIDENT: Order! Senator Eggleston, you should refer to ministers by their correct titles.

Senator EGGLESTON: I do apologise, Mr Deputy President. Senator Conroy, we all know, is a great Australian. I am sure he loves Australian Rules and I think he supports Geelong. It may be that his grand plan is to broadcast AFL not only to the Pacific and Asia but also to North Africa and the Middle East.

I suspect that is not really what it is all about at all. It would be interesting and very Australian if it were. I suspect it is really all about internal divisions within the government. This whole thing is symbolic of certain dissensions within the government and certain tensions. Julie Bishop, the opposition foreign affairs spokesman, said on a radio program that those sorts of issues might be more important in providing answers to what this is really all about. Ms Bishop called for an Auditor-General's report on this whole process, and I think that would be very interesting to see.

As I said at the beginning, it is very curious that somebody like Senator Feeney should be the person to convey to the Australian parliament the fact that the Australian government has decided to broaden the requirements for the tender for the Australia Network television service. I can only say that, if a junior is the person who conveys such an important message, I just wonder what is really going on in the ranks of the government.

Senator MARSHALL (Victoria) (15:20): That was an interesting if not strange contribution by Senator Eggleston to the motion to take note of answers on the Australia Network. He has challenged me to look up when I get back to my office what diplomatic amatorium actually means. I have never heard that terminology used before, but I am sure it has a meaning relevant to what he was talking about. I should put on the record very clearly, because it may offend the Minister for Broadband, Communications and the Digital Economy, Senator Conroy, that he is actually a Collingwood supporter and not a Geelong supporter. That was only one of the very many inaccuracies of your contribution, Senator Eggleston.

I was a little bit bemused with your suggestion that, no matter how talented Senator Conroy is, his talent should extend to being able to guess what you are thinking and then, in answering a question from another senator, also answer the question that you have been thinking ought to be answered. I do accept that Senator Conroy is very talented, but to simply be able to guess what you are thinking at any particular point in time and then respond to that in question time I think is really drawing a very, very long bow.

Senator Conroy has provided a substantial amount of information to the Senate over the last couple of days, and he has answered the very questions that have been asked of him. But one of the key elements, of course, is that the AFP have been requested to investigate the nature of the leaks, which has then led to the termination of the tendering process. Again, I find it a little bit strange that the opposition is so determined to sabotage any potential investigation by the Federal Police into this matter by seeking all sorts of information about what led the government to terminate the contracts, which are the very things that the Australian Federal Police have been asked to
investigate. It is standard practice in this chamber that, when there are those sorts of investigations, senators should not seek the details that will be the subject of the investigation. We are not a body that is suited to doing those sorts of investigations; the Australian Federal Police are. They ought to be allowed to get on with the job of conducting those investigations and ought not to be impeded by the Senate when doing so. I think it is a little bit passing strange that the opposition seeks to do that.

Just in case you are unaware of how important this is, the government is very concerned about what has happened, because the Australia Network is a core element of Australia's overseas broadcasting network and a major public diplomacy platform. It is important for Australia and it is important that this is done right. I am sure, Senator Eggleston, you would agree with me that whenever public moneys are being awarded, whenever government contracts are being awarded, probity has to be front and centre. Probity is absolutely crucial when the government is going through these processes. These processes have to have the confidence of the community. Clearly, this process has lost, firstly, the confidence of the government, which has terminated it, and, naturally, the confidence of the community. The government acted absolutely appropriately in terminating the tendering process once the probity could not be secured.

We know—and I am sure Senator Eggleston, who has been involved in many Senate committees where we have looked at the probity of awarding different contracts, knows—that the government has in place what some people would consider quite extraordinary levels of checking, balancing and challenging the probity of contracts and the awarding of contracts every step of the way. This is obviously no different. But of course, if information has been leaked from the tendering process that had the potential to influence the outcome of that tendering process, it is absolutely appropriate for the government to terminate that tendering process and, to reflect the serious nature of this, refer these matters to the Australian Federal Police. And that is exactly what the minister has done.

Senator FAWCETT (South Australia) (15:25): I rise to address the answer that was given to Senator Birmingham's question about the Australia Network tender. I would like to start with purpose. That is one area where I do agree with members of the government and members on my own side about the importance of the Australia Network as an important tool in Australia's diplomacy and representing aspects of Australian culture and values in regions around the world—although, having had a look at the program guide for the Australia Network, I am not actually sure how much Home and Away adds to the world's true understanding of Australia.

One of the other aspects I wish to address, though, is the commentary that has come from some members, particularly in the Greens, that the ABC are the only people who should be able to provide this service. If you go back in the history of the Australia Network, you will see that it was run by the Channel 7 network from the late 1990s until 2002 as a function of tendering processes. It was run quite successfully during that period, as it has been by the ABC, which goes to show that there are many options for the provision of services.

The present issue is not so much about the service or the value that it adds to our diplomatic effort or to communicating about Australia's value; it goes to the heart of competence, or lack thereof, in this government. The responsibility for assessing
this rested with the Department of Foreign Affairs and Trade. They set up an expert panel, and that expert panel twice delivered a decision to government that the government clearly did not like. Now, if the government decides that it wants to have the final say on who is going to provide this service, whether for ideological reasons or for practical reasons, it is completely within its remit to set up an appropriate process to get that outcome. It is, at the end of the day, the executive government.

But one of the areas where this government shows a complete lack of competence is the understanding of the impact of government decisions and government policy on people and companies in the real world. There were two tender processes. The focus here has been very much on the fact that the department has run a tender process twice. In the real world, that means that there are people, there are companies, who are expending money to develop a bid under a tender process to bring staff onto a team or to hold staff in expectation of a decision being made so that they can deliver a service. That is not free. That costs money. And it goes to the lack of competence of this government that ministers do not understand the implications of their decisions and their delays, their procrastinations, their petty internal wranglings, on real-world companies and people who have to be concerned with profit and loss and cash flow, which are the things that directly impact on their ability to employ people. And it is the employment of people that provides certainty, growth in our economy, homes, education and opportunities for young families.

The incompetence of this government is not just on display here. We have spent this morning debating the Steel Transformation Plan Bill 2011. Back in August, I asked Senator Carr why anyone should have confidence in the decision that he had made about support for the steel industry when steel industry leaders were saying that the government shows a complete ignorance on manufacturing, does not want to listen, is engaged with economic vandalism and does not care whether there are manufacturing jobs in Australia. I was asking him about the steel industry advocate and why the government had not filled that position in eight months. Lo and behold, they then filled it. But we are talking today about further support of the steel industry. Why? Because of the carbon tax—another decision the government has taken which undermines the viability of business and manufacturing in this country, which are the very things that deliver jobs.

It is not only in these industries. If you look at the defence industry, particularly in South Australia, people are very concerned around the fact that this government's procrastination around tenders—its inability to make decisions and approve projects—is so blocking the flow of work to companies that they are bleeding skills at a rapid rate and people are concerned that we will see a significant downgrade in Australia's defence capability through its lack of defence industry due solely to the incompetence of this government, which cannot run tender processes and approve projects. (Time expired)

Question agreed to.

COMMITTEES

Rural Affairs and Transport References Committee

Reporting Date

Senator KROGER: by leave—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

Question agreed to.

BUSINESS
Leave of Absence
Senator KROGER: by leave—I move:
That leave of absence be granted to the following senators:
(a) Senator Ryan for 9 November and 10 November 2011, for personal reasons; and
(b) Senator Nash for 10 November 2011, for personal reasons.

Question agreed to.

NOTICES
Presentation
Senator WRIGHT: To move:
That the Senate—
(a) notes that:
(i) 11 November is Remembrance Day, which commemorates the official end of World War I on that date in 1918;
(ii) on Remembrance Day we remember those members of Commonwealth armed forces who died in the line of duty in World War I and since, and
(iii) since 2000, more Australian soldiers have died as a result of suicide than armed combat overseas;
(b) recognises:
(i) the sacrifice of Australians who have died serving our country,
(ii) that death is not the only human toll of war,
(iii) that veterans suffer from mental health effects directly related to their experiences serving in conflict zones, and
(iv) the mental health effects of conflict reach beyond veterans to their families, who are also affected; and
(c) calls on the Government to:
(i) encourage speaking out about suicide and to continue making suicide prevention a priority, including within the armed forces,
(ii) ensure adequate funding for mental health services for veterans and their families,
(iii) encourage the armed services to promote and support good mental health practices, and
(iv) encourage a culture of openness and understanding about mental health in the Australian military.

Senator CROSSIN: To move:
That the order of the Senate of 2 November 2011 authorising the Joint Select Committee on Gambling Reform to hold a private meeting otherwise than in accordance with standing order 33(1), be varied by omitting "29 November 2011" and substituting "22 November 2011".

Senator BERNARDI: To move:
That the time for the presentation of the report of the Standing Committee of Senators’ Interests on a draft code of conduct for senators be extended to 10 May 2012.

Senator MARSHALL: To move:
That the time for the presentation of the report of the Education, Employment and Workplace Relations References Committee on disability employment services be extended to 25 November 2011.

Senator BOB BROWN: To move:
That the Senate—
(a) notes the current and potential damage that imported asbestos is creating to the health of people in the Asia Pacific region;
(b) recognises the Australian Government’s efforts at the 2011 Conference of the Parties to the Rotterdam Convention on Prior Informed Consent to have chrysotile asbestos (white asbestos) listed in the convention;
(c) expresses its disappointment that Canada is stalling the listing of chrysotile asbestos in the convention;
(d) calls on the Canadian Government to recognise the profound global implications of Canada’s continuing production and export of asbestos and asbestos containing products; and
(e) supports the Australian Government to use all available diplomatic means to convince the Canadian Government to cease both production of and trade in asbestos.

Senator LUDLAM: To move:
That the following bill be introduced: A Bill for an Act to amend the Australian Broadcasting Corporation Act 1983, and for related purposes. Australian Broadcasting Corporation Amendment (International Broadcasting Services) Bill 2011.

Senator WATERS: To move:
That the Senate—
(a) notes:
(i) that the Government and the Opposition did not support the Australian Greens' motion on 9 November 2011 that 'all applications and approvals made under the Environment Protection and Biodiversity Conservation Act 1999 [the Act] which would have a significant impact on the Great Barrier Reef World Heritage Area to be suspended until the conclusion of the UNESCO requested strategic assessment, to allow consideration of all cumulative impacts of coal and coal seam gas ports and other developments on this internationally significant biodiversity icon',
(ii) the comments by the Minister for Sustainability, Environment, Water, Population and Communities (Mr Burke) on Four Corners on Monday, 7 November 2011, that he would 'prefer a situation where as much as possible is able to be dealt with once we've concluded the strategic assessment, but people have legal rights under law to commence the process and those processes continue in the interim', and
(iii) the Act already provides a suspension process for applications and approvals in particular circumstances and a revocation process for approvals in particular circumstances, both without compensation rights flowing to the proponent; and
(b) calls on the Government to:
(i) confirm that sections 130(5), 132, 144 and 145 of the Act allow the Minister to suspend all applications and approvals made under the Act that would have a significant impact on the Great Barrier Reef World Heritage Area until the conclusion of the UNESCO requested strategic assessment, and
(ii) if necessary, urgently amend the Act to confer on the Minister the power to suspend all applications and approvals made under the Act that would have a significant impact on the Great Barrier Reef World Heritage Area until the conclusion of the UNESCO requested strategic assessment, to allow that strategic assessment to properly consider all cumulative impacts of coal and coal seam gas ports and other developments on this internationally significant biodiversity icon.

BUSINESS
Leave of Absence
Senator McEWEN: by leave—I move:
That leave of absence be granted to Senator Ludwig on 10 November 2011, on account of parliamentary business.

Question agreed to.

MOTIONS
Youth in Communities
Senator SIEWERT (Western Australia—Australian Greens Whip) (15:34): I move:
That the Senate—
(a) recognises:
(i) the success of the Youth in Communities (YIC) measure which has led to improved school attendance, reduced substance misuse and reduced involvement in the criminal justice system amongst other positive outcomes for youth in central Australia, as recently identified by Courage Partners in their report on YIC service provider survey findings, and
(ii) the value of youth development services and the high risk status of remote Indigenous youth;
and
(b) encourages the Government to:
(i) commit to longer term funding for youth services and associated programs,
(ii) urgently commit to continuing the community based aspects of the YIC measure
beyond its current expiry date of June 2012, so that services can retain community based staff rather than losing them in the lead up to the cessation of funding in June, and

(iii) carry out a gap analysis to assist program expansion, with a view to extending appropriate youth services to youth in all Northern Territory communities who currently miss out on youth services.

Question agreed to.

Australia Network

Senator BIRMINGHAM (South Australia) (15:34): I seek leave to amend general business notice of motion No. 543. Also, I indicate that I will be adding the name of Senator Ludlam to the motion.

Leave granted.

Senator BIRMINGHAM: I move the motion as amended:

That there be laid on the table by the Minister for Broadband, Communications and the Digital Economy, no later than noon on Thursday, 10 November 2011, all recommendations provided by the Australia Network tender assessment panel to the responsible minister or responsible departmental secretary since the commencement of the tender, the original advice from the Department of Foreign Affairs and Trade to the Minister for Foreign Affairs and Trade regarding how the Australia Network contract should be awarded and the legal advice referred to by the Minister for Broadband, Communications and the Digital Economy in question time on Tuesday, 8 November 2011.

Question agreed to.

Committees

Community Affairs References Committee

Meeting

Senator SIEWERT: I move:

That the Community Affairs References Committee be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Wednesday, 9 November 2011, from 5 pm.

Question agreed to.

Motions

Coal Seam Gas

Senator WATERS (Queensland) (15:35): I seek leave to amend general business notice of motion No. 546 standing in my name.

Leave granted.

Senator WATERS: I move the motion as amended:

That the Senate notes:

(a) that no coal seam gas development should proceed where it poses a significant impact on the quality of groundwater or surface water systems; and

(b) it must be absolutely clear that no coal seam gas development should occur unless it is proven safe for the environment.

Question put.

The Senate divided. [15:40]

(The Deputy President—Senator Parry)

Ayes ........................9
Noes ........................37
Majority .................28

AYES

Brown, RJ
Hanson-Young, SC
Milne, C
Siewert, R (teller)
Wright, PL

NOES

Abetz, E
Bernardi, C
Bishop, TM
Brown, CL
Cameron, DN
Colbeck, R
Crossin, P
Eggleston, A
Fawcett, DJ
Fisher, M
Gallacher, AM

Adams, J
Bilyk, CL
Boyce, SK
Bushby, DC
Cash, MC
Cormann, M
Edwards, S
Farrell, D
Feeney, D
Furner, ML
Humphries, G
The National Party is back. I, and also on behalf of Senator Waters, move:

That the Senate—

(a) notes the unique biodiversity and natural heritage of the Coral Sea that is home to the critically endangered hawksbill sea turtle and endangered green turtle;

(b) recognises that 2012 will be the 70th anniversary of the historically important Battle of the Coral Sea in 1942 that changed the face of World War II; and

(c) calls on the Government to declare the Coral Sea the world’s largest marine national park.


The DEPUTY PRESIDENT: Leave is granted for two minutes.

Senator LUDWIG: The government is committed to protecting our unique environment whilst strengthening communities across the country. The Coral Sea is an important national asset and is internationally recognised for its rich biodiversity and important heritage values. It is also home to a breathtaking coral reef, sandy cays and islands. The Coral Sea Conservation Zone was declared to provide interim protection of this area while it is being assessed as part of the national marine bioregional planning process. This process is based on science, detailed planning and extensive community consultation.

Public consultation on the east marine region, including temperate waters and the Coral Sea, will commence soon. The government understand there are different views in the community on this issue. We are committed to a transparent process that includes meaningful consultation with all stakeholders. This engagement is important. For that reason, we will not support this motion.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (15:44): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for two minutes.

Senator BOB BROWN: I thank the Minister for Agriculture, Fisheries and Forestry for that information. The prospect of the Coral Sea becoming the world’s largest marine national park is a very exciting one for this whole nation and, indeed, the planet. We are in an age in which 70 per cent of the world’s fisheries are in collapse or have collapsed.

Senator Bernardi interjecting—

The DEPUTY PRESIDENT: Order on my left!

Senator BOB BROWN: We are getting some very embittered comments from the coalition opposite, who do not value the global significance of the Coral Sea in the way that the Greens do. This motion acknowledges that next year will be the 70th anniversary of the Battle of the Coral Sea in 1942. That, of course, is part of the history
not just of this nation but of our relationship with the United States. President Obama will be here next week. I would have thought it would be an enormously wonderful opportunity to flag the potential of a great national park where that great battle took place in the run to the 70th anniversary of the Battle of the Coral Sea next year. That is the prospect that we have inherent in this motion.

Consultation is important. It has been going on for a long time. Our challenge to the government is to ensure that everything possible is done to make this great potential declaration of a national park in the Coral Sea come to reality in time for that 70th anniversary of the Battle of the Coral Sea next year.

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (15:46): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for two minutes.

Senator JOYCE: With regard to motion 546 moved by the Greens, quite obviously we are in the process of trying to get to an outcome. With regard to coal seam gas, it was a very clever political move by the Greens—

The DEPUTY PRESIDENT: Order! Senator Joyce, we are not dealing with that motion. We are dealing with motion 533.

Senator JOYCE: to create a wedge.


The DEPUTY PRESIDENT: Leave is granted for two minutes.

Senator COLBECK: As is their usual wont, the Greens are not prepared to accept any other view than their own. As Senator Ludwieg has quite rightly said, there are a number of views that relate to this particular matter. The coalition is very concerned that the consideration of any lock-up of Australian territory, whether it be terrestrial or marine, goes through a proper process of consultation and also considers the views of all, including the science. The Greens, in their desire to rampantly lock up anything that is available, completely and utterly ignore the world-leading fisheries management and marine management systems that we have in place in this country.

If the Greens are in any doubt about the quality of those systems, they need only read the Fishery status report 2010, which was released only two weeks ago and which demonstrates quite clearly the strong recovery and strong situation that marine stocks and fisheries stocks in Australia's territorial waters are in. That is because of the strength of management of our systems within Australia.

So the desire of the Greens to lock up huge swathes of Australian territory, either terrestrial or marine, in contravention of the real science rather than the concocted science we so often see placed on our plate by the Greens, is not supported by the coalition. We are in support of a proper consultative process that provides for the views of all rather than just the few. Therefore, we will not be supporting this motion.

Question put:

That the motion (Senator Bob Brown's) be agreed to.

The Senate divided. [15:50]

(The Deputy Speaker—Senator Parry)

Ayes ......................9
Noes ......................41
Majority....................32

AYES

Brown, RJ
Hanson-Young, SC
Milne, C
Siewert, R (teller)
Wright, PL

Di Natale, R
Ludlam, S
Rhiannon, L
Waters, LJ
Question negatived.

Vocational Education and Training

Senator RHIANNON (New South Wales) (15:53): I move:

That the Senate—

(a) notes that—

(i) the technical and further education (TAFE) system, as the dominant provider of vocational education and training (VET) since its inception, has improved Australian skill levels with important assistance provided to Indigenous and other disadvantaged communities,

(ii) while TAFE is the key component of VET, its base funding is diminishing, and

(iii) a report by the National Centre for Vocational Education Research found that a 6 per cent funding increase did not match a 12 per cent increase in training and course delivery costs; and

(b) calls on the Government to:

(i) work to address the skills shortages by securing public funding for TAFE,

(ii) rule out supporting a Higher Education Contribution Scheme-style university loans scheme for TAFE students,

(iii) increase TAFE funding so it can continue to offer a broad range of high quality, diverse programs for all the community, and

(iv) ensure the Ministerial Council of Tertiary Education and Employment commissions a review of VET since the competition policy was introduced.

Question put.

The Senate divided. [15:54]

(The Deputy President—Senator Parry)

Ayes ...................... 9

Noes ...................... 41

Majority ............... 32

AYES

Brown, RJ
Hanson-Young, SC
Milne, C
Siewert, R (teller)
Wright, PL

NOES

Abetz, E
Bernardi, C
Bishop, TM
Boyce, SK
Cameron, DN
Colbeck, R
Crossin, P
Eggleston, A
Fawcett, DJ
Fierravanti-Wells, C
Furner, ML
Joyce, B
Ludwig, JW
Madigan, JJ
McEwen, A
McLucas, J
Nash, F
Polley, H
Scullion, NG
Sterle, G
Urquhart, AE

NOES

Adams, J
Bilyk, CL
Boswell, RLD
Bushby, DC
Cash, MC
Cormann, M
Edwards, S
Farrell, D
Fisher, M
Gallacher, AM
Groger, H (teller)
Lundy, KA
Marshall, GM
McKenzie, B
Moore, CM
Parry, S
Pratt, LC
Singh, LM
Thistlethwaite, M

Question negatived.
Recycling

Senator LUDLAM (Western Australia) (15:57): I move:

That the Senate—

(a) notes that:

(i) National Recycling Week runs from 7 November to 13 November 2011,

(ii) Australians use more than 12 billion drink containers every year – 1.4 million per hour – fewer than half of which are recycled,

(iii) a July 2010 study commissioned by the Government found that a container deposit scheme (CDS) with a 10 cent deposit on beverage containers would increase recycling to more than 80 per cent and reduce overall litter volume by 19 per cent,

(iv) South Australia has operated a successful CDS since 1977,

(v) the Northern Territory has adopted a CDS to commence in 2012, and

(vi) the Australian Labor Party in Western Australia has adopted the Australian Greens’ model CDS bill for that state; and

(b) calls on the Government to immediately adopt a national CDS.

Question put.

The Senate divided. [15:58]

(The Deputy President—Senator Parry)

Ayes..........................9
Noes.........................40
Majority....................31

AYES

Brown, RJ
Hanson-Young, SC
Milne, C
Siewert, R (teller)
Wright, PL

NOES

Abetz, E
Bernardi, C
Bishop, TM
Boyce, SK
Cameron, DN

Colbeck, R
Crossin, P
Eggleston, A
Fawcett, DJ
Fierravanti-Wells, C
Furner, ML
Joyce, B
Ludwig, JW
Madigan, JJ
McEwen, A
McLucas, J
Nash, F
Pratt, LC
Singh, LM
Thistlethwaite, M

Cormann, M
Edwards, S
Farrell, D
Feeney, D
Fisher, M
Gallacher, AM
Kroger, H (teller)
Lundy, KA
Marshall, GM
McKenzie, B
Moore, CM
Parry, S
Seullion, NG
Sterle, G
Urquhart, AE

Question negatived.

Parliamentary Behaviour

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (16:01): I ask that general business notice of motion No. 549, which relates to conduct following the final vote on the clean energy bills, be taken as a formal motion.

The DEPUTY PRESIDENT: Is there any objection to this motion being taken as formal?

An opposition senator: Yes, there is.

The DEPUTY PRESIDENT: There is an objection to the motion being taken as formal.

Suspension of Standing Orders

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (16:02): Pursuant to contingent notice, I move:

That so much of the standing orders be suspended as would prevent me moving a motion relating to the conduct of the business of the Senate, namely a motion to give precedence to general business notice of motion no. 549.

That so much of the standing orders be suspended as would prevent me moving a motion relating to the conduct of the business of the Senate, namely a motion to give precedence to general business notice of motion no. 549.

That so much of the standing orders be suspended as would prevent me moving a motion relating to the conduct of the business of the Senate, namely a motion to give precedence to general business notice of motion no. 549.

I am not surprised that the opposition has sought to not allow a determination on this motion. It will be, of course, treated with some insincere and, I think, non-serious
contribution, but Senator Harradine ought to be back in the chamber to contribute to this debate, because he was a person who stood by goodwill being a marker of the difference in the way in which this chamber conducts its affairs.

The DEPUTY PRESIDENT: Order! Those senators not wishing to stay in the chamber and participate or listen to debate, and who are having private conversations, please leave the chamber. Otherwise, be silent so Senator Brown can be heard. Senator Brown, you have the call.

Senator BOB BROWN: Senator Harradine told me shortly after I arrived here that this chamber is different to the House in that there is a sense of goodwill here that does not always prevail in the House. Whichever side of the issue you were on yesterday, a hugely important piece of legislation for this nation—that is, the carbon package—had its eventual passage through the Senate. I just did an interview with the BBC and my colleague Senator Milne has been talking with media in New Zealand. It has been written up in today's New York Times. The impact of this legislation is globally important.

Yesterday, when the final vote was taken on the legislation, you will know, Mr Deputy President, that the press gallery had more than 40 members—something I have not seen since the passage of the goods and services tax more than a decade ago. It was a major and historic moment for the Greens, and there were quite a number of cameras in the press gallery. Senator Heffernan got from his chair and walked down and stood in front of the contingent of Greens to obscure the cameras making a record of that event as we shook hands and generally were happy that the passage of that legislation had taken place. I am not particularly miffed about whether or not we get coverage obscured, but it was a churlish and childish thing for Senator Heffernan to do. He frequently invades other people's press conferences, other people's moments, book launches and so on. It was rude, if not to the Greens, to the photographers in the gallery, to the cameras here and to the watching and listening public, because it obscured their right to see the events taking place in this chamber.

I know that there has been some debate in the other house about similar moves by members of parliament to obscure cameras. I do not understand, frankly, what motivates people to do that, but I think it is below the simple dignity, the reasonableness and the maturity of this chamber to have a senator behave in that fashion. He may—

Senator Abetz: Mr Acting Deputy President, I rise on a point of order. In Senator Brown's motion there is no suggestion that the action of which he complains was deliberate. But now he is seeking to impute improper motives to the senator about whose behaviour he complains, and I would ask you to invite the senator to withdraw the reflections—because it is not in the motion.

The DEPUTY PRESIDENT: Senator Abetz, in relation to the debate that is before us, it is about the suspension of standing orders. That is the substance of the debate. But I draw the attention of Senator Brown to the substance of the debate.

Senator BOB BROWN: Which is, of course, the matter under discussion. If we do not deal with this today, in circumstances in which the opposition has moved to obstruct a vote on the matter in the chamber, then it will not be relevant to deal with it at some future time. Generally, the behaviour in this chamber has deteriorated rapidly.

Opposition senators interjecting—
Senator BOB BROWN: Mr Deputy President, I cannot hear myself speak at the moment.

Opposition senators interjecting—

The DEPUTY PRESIDENT: Order! Those on my left!

Senator BOB BROWN: There is a huge amount of noise, interruption, disruption and infringement of the standing orders and it is increasing in this chamber. I am simply making a stand against that in favour of a more decent way of all senators behaving towards all other senators. That is what this motion is about. If you simply ignore an event like that that happened yesterday then you are partly responsible if it recurs. The part of this motion at the end which calls on the opposition to ensure it does not recur is the active part, and I hope they would be in concord with that.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (16:08): The man who has led demonstrations with big banners to block people out of sight and the man who has led demonstrations making a lot of noise to drown out other voices is the man who, in Pecksniffian manner, comes into this place complaining that somebody stood in the way of a camera. I know that this senator allegedly had an interest in the art of photography but I never knew that his interest in the art of photography only related to photographs of himself. What a vain, petulant speech we have just heard. We were told that this was a matter of national significance. Was the government's view blocked? No. Was the view of the President, the most important person in this chamber, blocked? No. Even that of a humble leader of the opposition? No. And that of the National Party? No. Senator Xenophon's? No. Senator Madigan's? No. So what was this important group in the Senate that was being blocked? Not the government, not the opposition, not some Independents—oh, it was the Greens! I would suggest to Senator Brown that he be very careful with that glass of water in front of him, because if he stares in it when the light is shining in it he might see a narcissistic type reflection—and this is what this is all about. This is a window into the vanity of the Leader of the Australian Greens. This is a window into the petulance of the Australian Greens. This is a man who complains that somebody walked over to talk to the Australian Greens. Have a read of the motion and see it does not impute any improper motive to the senator. It says:

… notes that:

… after the final vote on the … bills, Senator Heffernan crossed the chamber to stand in front of the crossbenches and the Australian Greens’ senators …

Who are the crossbenchers in this place? How big is Senator Heffernan's body? He went over the gap, over the crossbenches of Xenophon and Madigan and the Australian Greens. I always thought Senator Heffernan was as skinny as a beanstalk. Now you are trying to say that he is bigger than a Mack truck. How on earth could a senator standing there block out the crossbenchers and the Greens all at the same time? It is a physical impossibility. Senator Brown was not concerned about the crossbenchers; he was concerned about himself, as is always the case. He goes on to say:

… this action obscured vision of cameras and the press gallery observing the proceedings for the Australian public; …

The whole Senate chamber was available for them to photograph—but who might they miss: the Australian Greens and the Leader of the Australian Greens. How petulant and how vain. Where does it suggest any improper motive? He then calls:

… on Senator Heffernan and his colleagues—
I assume that includes the Australian Greens—
to reflect on this ... behaviour and take
appropriate steps to see that it does not recur.
Is the senator actually trying to tell us and
the Australian people that this is a matter of
such great import that it needs the suspension
of standing orders in this place as we need to
discuss the fact that Senator Brown could not
get his photograph taken because somebody
who is about as slim as anybody else in this
chamber, Senator Heffernan, happened to
walk over to the Australian Greens to discuss
the vote? This is petulance writ large and this
is vanity writ large. But do you know what it
also is writ large? The Australian Greens
and, in particular, Leader of the Australian
Greens, Senator Brown. I have been around
this joint for about 17 years and I have never
seen or heard such a vain or petulant motion
being put forward by any backbench senator,
let alone somebody who claims to be the
leader of an Australian political party. Mr
Deputy President, I suggest that we dispense
with this nonsense of Senator Brown's and
get on with the important business
of the Senate.

Senator MILNE (Tasmania—Deputy
Leader of the Australian Greens) (16:13):
The extraordinary thing is that it is always
the conservatives in politics who argue that
they stand by the rules, that they are people
of principle. They go around the community
saying that but you see—

Opposition senators interjecting—

The DEPUTY PRESIDENT: Order! Those on my left!

Senator MILNE: You have quite rightly
made my point, Mr Deputy President. You
see that when it is not a conservative senator
speaking in this Senate, the conservatives
have absolutely no concerns about shouting,
interjecting and being rude and abusive, as
we evidenced by Senator Macdonald only
last week—who still has not apologised to
Get Up!, I might add, for his appalling
references. This morning he was interjecting
about the Prime Minister in a very offensive
way, and I understand the chair was not
aware of it then. Yesterday, we had a
situation where the coalition were heard in
silence by the government and the Greens
but, when it came to us speaking, the
coalition behaved appallingly. Then, when
we went to the divisions yesterday, we had
people deliberately leaving the chamber so
that the bells had to be rung for four minutes
instead of one minute.

Senator Abetz: And is this relevant?

Senator MILNE: The point I am
making, for the benefit of the Leader of the
Opposition in the Senate—who cannot seem
to grasp the idea, so I have to tell him
again—is that they deliberately set up a
puerile strategy to frustrate the debate,
knowing full well—

Opposition senators interjecting—

The DEPUTY PRESIDENT: Order, on
my left! Order!

Senator MILNE: that in fact a number
of people around the country were waiting
for the vote. That was extremely childish
behaviour which does not reflect well on this
place. I think it is about time—

Opposition senators interjecting—

Senator MILNE: And we are still
hearing the same kind of rabble behaviour
and interjections. What we need in this place
is respect for the standing orders and respect
for the—

Senator Abetz interjecting—

Senator MILNE: As we now are hearing
again, Mr Deputy President, we need respect
for the standing orders. That people are
deliberately setting out to frustrate others
does not reflect well on this place.
As my colleague said, this is not the first instance. There are several examples from press conferences and other events here where a conservative senator has thought it amusing to disrupt other people's events. If that is something that he spends his time doing, and he is entitled to, and the people of New South Wales think that is an appropriate way for their elected representative to behave, it is up to them to express that when they get to the ballot box. But I do think it is appropriate that we expose some of the double standards of the conservatives.

Don't bother telling people, Mr Deputy President, that the conservatives respect the rules, because they do not respect the rules. They go out of their way to frustrate the rules, to absolutely abuse the standing orders and to behave in the most appalling manner. They put that on display for the whole of Australia yesterday in the broadcast that went out from the Senate. This motion is asking that the conservatives reflect on the behaviour that they exhibited in here yesterday, and I think that would be appropriate. I am disappointed that the government does not think it is appropriate that the conservatives reflect on the appalling behaviour they exhibited to the nation.

Senator BERNARDI (South Australia) (16:18): It is an extraordinary thing when the worst fears of the Australian people are confirmed by the vainglorious and narcissistic motion that we have before us. It is offensive to the Australian people that this parliament seems to have nothing better to do than debate the pious and sanctimonious words put forward by Senator Bob Brown and Senator Milne because they missed a photo opportunity. In the last 3½ or four minutes, we have heard all about upholding the standing orders, from the party of hypocrisy—the party that will not acknowledge the magnificence of the chair in this chamber when they enter and leave, the party that will not acknowledge people's formal titles in Senate inquiries and hearings, the party that will not acknowledge standing orders. For the benefit of this chamber, let me put this to you:

A resolution of the Senate allows the media to photograph any senator in the chamber provided that they have the call.

Might I remind Senator Bob Brown that yesterday he did not have the call. He stood up and was champing at the bit, trying to grandstand by cuddling with his cabal over there, who have sent this country down a path from which there will be no return while they remain in power. But let me remind them that it is in breach of standing orders.

Senator Bob Brown has come up with this confected outrage and some contrived complaint against Senator Heffernan, who because of his generosity and magnanimous heart was simply going across there to acknowledge that we had been defeated in a challenge. But, in the rudeness, the shrillness and the smugness of the Greens party, they refused to acknowledge Senator Heffernan. I saw him. I watched him. He turned around and looked at the chamber; he looked to the chair and he acknowledged the chair humbly. I can only imagine what he said to himself: 'Why won't they talk to me? I'm just trying to be generous.' But what has happened as a result? We have this hypocritical, vainglorious and narcissistic motion come into the chamber. It is only right that the Australian people would be questioning why this is happening. If there has been regrettable activity in this chamber, might I say much of it rests with the Greens party.

If you want to know about bad behaviour in and out of this place, we need look no further than Senator Bob Brown himself. This is the man who feigned bankruptcy or impending bankruptcy to collect money from the public for legal bills, around $300,000—
Senator Bob Brown: Mr Deputy President, I raise a point of order. I take objection to 'feigned bankruptcy'. It is untrue and unparliamentary, and I ask that it be withdrawn.

Senator Abetz: Mr Deputy President, on the point of order: Senator Bob Brown might reflect that, when it was put to him that he was not actually going to go bankrupt, he amended the Greens website using words to the effect that he might not necessarily have technically gone bankrupt. So he did amend his language after those matters were drawn to his attention.

The DEPUTY PRESIDENT: Senator Bernardi, it would assist if you withdrew that last remark.

Senator BERNARDI: I will withdraw that Senator Bob Brown was feigning bankruptcy, but he did—

The DEPUTY PRESIDENT: Unconditionally, Senator Bernardi.

Senator BERNARDI: I withdraw unconditionally. But it did not stop Senator Brown, being the ecomillionaire, from collecting nearly $1 million in order to pay about $300,000 worth of legal bills. Anyone with any integrity who was not so consumed with hubris and ego would have said, 'No, I've got my charity from the public; they can keep their money for themselves.' This is a shameful stunt by a man who thinks the rules should apply differently to him than to anybody else.

This is a man who condemns political donations to any political party yet whose own party takes $1.6 million donations. I ask myself, and I am sure the Australian people will ask themselves, 'Why was it that a line of questioning in this chamber by the Greens was directly related to the business interests of the person who made that donation?' It is a proper and right question for the Australian people to consider, Senator Brown. Might I also say that the question you are putting to the Australian people today in this chamber is simply inappropriate and improper. There is a dignity that should be maintained in this place. We should not sink to the lowest common denominator and debase it to the level that Senator Brown and the Greens wish to take it to. If we are maintaining the standing orders, if we are serious about maintaining the traditions and the other things that make the Senate such a special place in which to work, we cannot debase it by putting motions like this, by not acknowledging the chair and by showing flagrant contempt for standing orders whenever it suits. That is exactly what this does. We should not be surprised by it, because we have experienced it again and again from the Greens party.

Senator Brown and the Greens cannot handle any scrutiny—they have a glass jaw. That is why, when their policy position is examined, when there is any critical questioning of their own conduct and behaviour, their response is: 'This is the hate media; this is persecution. The Greens are different. We're separate. We're isolated from the world.'

Senator Abetz: They are different.

Senator BERNARDI: Indeed they are different, they are separate and they are isolated from the world. Unfortunately, they have their hands on the tiller of government, and that is a shame for this country. (Time expired)

Senator FAULKNER (New South Wales) (16:24): What the Senate is being asked to do this afternoon is suspend its standing orders to debate this motion, general business notice of motion No. 549 which, amongst other things, deals with the behaviour of Senator Heffernan at the time of the passage of the package of clean energy
bills yesterday. I would submit that Senator Heffernan and his behaviour are not more important than debate on the Australian Renewable Energy Agency Bill 2011 and the Australian Renewable Energy Agency (Consequential Amendments and Transitional Provisions) Bill 2011, which is a time limited debate, the time expiring at 5.30 this afternoon. Nor do I believe that considering Senator Heffernan or his behaviour in this chamber is more important than debate on the Tobacco Plain Packaging Bill 2011, which is also an order of the day for government business later this afternoon.

There is an iron law of the Senate: never get between Senator Heffernan and a television camera! Never do it. He acknowledges that that is the case. Senator Heffernan has never seen a bad microphone yet! Of course, I do not think it will be news that Senator Heffernan did at the conclusion of the debate yesterday what he tried to do in question time today: take a point of order of no substance at all to see if he could score a little bit of time on the television. The truth is that you will not have to hold the front page, I can assure you, to debate the behaviour of Senator Heffernan trying to get his scone on television. He does it all the time. There is no news in the fact that Senator Heffernan is a narcissist. We know that. There is no news in the fact that Senator Heffernan is egomaniacal. We know that that is the case. There is no news in the fact that self-aggrandisement is what Senator Heffernan is all about. I have in fact been unkind enough at times to suggest he is quite bonkers when it comes to this obsession with getting himself in the media, which has involved interrupting people's doorstops and trying to take over a properly convened press conference. It is no different inside the chamber from outside the chamber.

But the issue we are debating here this afternoon is: should the Senate's legislative program be overturned for debate on this motion? It should not. As far as I am concerned, there is no news in Senator Heffernan's quite odd behaviour. I think Senator Heffernan came into this parliament—you can correct me, Senator Heffernan—in late 1996. Is that correct?

Senator Heffernan: Yeah.

Senator Faulkner: He has always been like this. Nothing is ever going to change. Senator Brown can move as many motions as he likes. What you get with Senator Heffernan is what you saw yesterday afternoon in the Senate, what you saw in question time today and what you will see as long as he stays in the chamber. I think the Senate should get on with its real work.

Senator Ian MacDonald (Queensland) (16:28): What more really needs to be said after that speech, except perhaps to defend Senator Heffernan and say what an effective representative, in every sense of the term, he is for the people of New South Wales. Senator Faulkner is correct. We are debating a motion to set aside the whole program of the Senate so that we can debate and vote on this ridiculous motion from Senator Brown.

Senator Brown's talk about anyone disobeying the rules is so hypocritical it makes me almost breathless. Senator Brown of course made his career by breaching the law. Even as recently as the Convoy of No Confidence came down from the north and from all over Australia, Senator Brown was reported as saying what a hopeless lot they were: 'They have not blockaded anything.' According to Senator Brown, unless you are breaking the law you are no longer relevant.

I have been here long enough to remember when it was a requirement to wear jackets into this chamber. Senator Brown
would continually come in here without a jacket for no other reason than to break the law. It was drawn to the attention of the chair—

**Senator Bob Brown:** Mr Deputy President, I rise on a point of order. I ask that any suggestion that I have come in here deliberately or otherwise to break the law be withdrawn. But I would also remind the chair that the chair ruled that there was no requirement for a jacket to be worn in this place and that the senator is quite wrong in his assumption about that matter.

**The DEPUTY PRESIDENT:** There is no point of order, Senator Brown.

**Senator IAN MACDONALD:** Of course not. That simply shows the pettiness and petulance of a precious person who thinks that he has rights and privileges that nobody else has.

I want to draw to the attention of the Senate another instance of Senator Brown’s direct conflict with the rules of this Senate. The rules of this Senate quite clearly say that the chair must be acknowledged. Senator Brown has never acknowledged the chair at any time. But there was an occasion a few months ago when that was drawn to the attention of the chair.

**Senator Bob Brown:** Mr Deputy President, I rise on a point of order. The senator has asserted that I have never acknowledged the chair at any time. That is entirely false.

**The DEPUTY PRESIDENT:** That is not a point of order, Senator Brown; it is a debating point.

**Senator IAN MACDONALD:** On the occasion that I am talking about, this behaviour was drawn to the attention of the person in the chair. The chair politely said to Senator Brown: ‘Yes, that is the rule. You must understand, Senator Brown, that you do have to acknowledge the chair under the standing orders.’ Senator Brown on three occasions subsequently walked out the door and deliberately did not acknowledge the chair.

This particular motion from Senator Brown is beyond the pale. It shows what sort of person is leading the Greens political party at the present time: a person who has made his career out of defying the law, the lawmakers and the rules of the game. For him to bring this motion is absolutely despicable. It would be laughable if it were not so tragic that one of our members should have the sort of disposition that means he has to be photographed and, if he is not, he complains.

**The DEPUTY PRESIDENT:** The question is that the motion moved by Senator Bob Brown to suspend standing orders be agreed to.

Question negatived.

**Great Barrier Reef**

**Senator WATERS** (Queensland) (16:32): I move:

That the Senate calls for all applications and approvals made under the *Environment Protection and Biodiversity Conservation Act 1999* which would have a significant impact on the Great Barrier Reef World Heritage Area to be suspended until the conclusion of the United Nations Education, Scientific and Cultural Organization requested strategic assessment, to allow consideration of all cumulative impacts of coal and coal seam gas ports and other developments on this internationally-significant biodiversity icon.

Question put.

The Senate divided. [16:38]

(The Deputy President—Senator Parry)

Ayes ......................9
Noes ......................39
Majority...............30

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**CHAMBER**
Wednesday, 9 November 2011

**SENE**

CHAMBER

**AYES**

Brown, RJ  
Hanson-Young, SC  
Milne, C  
Siewert, R (teller)  
Wright, PL  

Di Natale, R  
Ludlam, S  
Rhiannon, L  
Waters, LJ  

**NOES**

Abetz, E  
Adams, J  
Bernardi, C  
Bilyk, CL  
Birmingham, SJ  
Bishop, TM  
Boyce, SK  
Cameron, DN  
Cormann, M  
Eggleston, A  
Faulkner, J  
Feeney, D  
Gallacher, AM  
Kroger, H (teller)  
Lundy, KA  

Adams, J  
Bilyk, CL  
Bishop, TM  
Boyce, SK  
Cameron, DN  
Cormann, M  
Eggleston, A  
Faulkner, J  
Feeney, D  
Gallacher, AM  
Kroger, H (teller)  
Lundy, KA  

The DEPUTY PRESIDENT: Is there any objection to this motion being taken as formal?

Senator Abetz: Yes.

The DEPUTY PRESIDENT: Leave is not granted, Senator Brown.

Senator BOB BROWN: Mr Deputy President, during the course of the debate earlier, Senator Macdonald said that I had come in here to break the law. You ruled that was in order, but I ask you to take that *Hansard* to the President for his determination on the matter.

The DEPUTY PRESIDENT: I shall do so. If the President deems it fit to come back and report to the Senate, he will.

**COMMITTEES**

Environment and Communications  
References Committee  

Additional Information

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (16:42): At the request of the Chair of the Environment and Communications References Committee I present additional information received by the committee on its inquiry into recent ABC.

Senator BIRMINGHAM (South Australia) (16:43): I move:

That the Senate take note of the documents. This is a report into ABC programming activities. It is a valid report, and I pay tribute to the many members of the Senate who worked on that inquiry. In particular, I know Senator McKenzie spent a great deal of time in the compilation of that report and I acknowledge her work in that regard, as well as that of those around the chamber, and of course Senator Xenophon's initiation of that inquiry.

However, in looking at ABC programming decisions it is equally important to
understand and to note that at present the ABC is under some financial duress, some uncertainty. And that uncertainty is not just the usual uncertainty of the triennial funding agreement that the ABC faces—valid though that is—but equally the uncertainty that continues to dog the ABC over the handling of this Australia Network contract by the Labor government.

That uncertainty has played out for 12 months now. It has been 12 months this month that the Labor government took a decision—of their own volition; they did not have to do this—that they would go through an open tender process for the Australia Network. That was their choice, and they embarked on that tender process. As I outlined in the MPI speeches before question time, on 4 February this year they released a request for tender. There were two bidders: the ABC and Sky News. The ABC was seeking to continue their contract for the delivery of the Australia Network, and Sky News, a new bidder, was seeking to take on the Australia Network contract. It is a $223.1 million contract. It has very direct implications for the ABC in terms of their operation, their structure and their size. If they lose this contract no doubt there will be implications for future funding and programming decisions.

Since that tender was launched we have seen an utter debacle, to say the least. It is a debacle clouded in political mystery and clouded by the dysfunctionality of the government of those opposite. Why is this so? Because the tender was initially put out by the department that has the funding, the Department of Foreign Affairs and Trade. The initial approver of the tender, the party who was initially going to make the decision, was none other than the Secretary of the Department of Foreign Affairs and Trade, Mr Richardson. What happened? Along the way it seems that the board undertaking the independent evaluation of the merits of the two competing tenders came up with a recommendation. From various media leaks we are led to believe that Mr Rudd was quite happy with the recommendation. The recommendation was that Sky News win the bid.

When the rest of the government heard about this we understand they went apoplectic. They went so apoplectic that they had to go and totally rewrite the tender arrangements and totally rearrange this deal. In doing so they stripped Mr Rudd of responsibility for decision making around the Australia Network. They stripped Mr Rudd, Mr Richardson and DFAT of responsibility for decision making when it came to Australia Network. Instead they transferred that responsibility to Senator Conroy. Never mind that Senator Conroy, as the communications minister, has direct portfolio responsibility for one of the two bidding parties: the ABC. Never mind that Senator Conroy has no portfolio responsibility for the financial allocation of the Australia Network funds to DFAT. He is conflicted because he is responsible for one of the bidders yet he actually has no responsibility for the funding. Nonetheless, the government chose to take this path.

Before I raised the question of just how conflicted Senator Conroy was, because in May of this year Senator Conroy said during estimates:

I think the ABC has made a fine bid, but other than my opinion I am not involved in the process. This begs the question: had Senator Conroy been involved in the ABC’s bid? Had he seen the bid? What knowledge did he have of the bid?

Senator Williams interjecting—

Senator BIRMINGHAM: Absolutely—what knowledge did Mr Rudd have of the bid or the entire process? But what
knowledge did Senator Conroy have of the ABC's bid prior to his becoming the minister responsible for determining who the successful bidder would be? It seems as if Senator Conroy had already taken a side in May this year. He stated in public that he preferred the ABC bid. Yet just the next month Prime Minister Gillard and the cabinet took the decision to make Senator Conroy the umpire, the person to make the decision of who would be the successful bidder.

Senator Farrell: What about the NBN? He is doing a really good job on it.

Senator BIRMINGHAM: Is he doing a really good job on the NBN, Senator Farrell? Is he? Why is there no contractor in our home state, Senator Farrell? Why is there no contractor signed on to deliver the NBN?

The ACTING DEPUTY PRESIDENT (Senator Adams): Order! Senator Birmingham, would you address your remarks through the chair.

Senator BIRMINGHAM: I apologise, Madam Acting Deputy President. I was provoked into highlighting another of Senator Conroy's great failures.

In relation to the Australia Network contract, as I highlighted before question time, the rule book for tenders appears to have been totally overthrown during this contract. Any semblance of proper probity in the conduct of this tender appears to have been utterly shredded. We saw it in question time today when Senator Conroy was asked some very specific questions about the tender.

Senator Williams: And he ducked them.

Senator BIRMINGHAM: He well and truly ducked for cover. You know that a minister is in trouble and has things to hide when their response is simply, 'I refer to the statement I made yesterday.' That is the resort of ministers in trouble. When a minister is too scared to utter another word on the topic, we know we have a minister who is worried about something. All they can ever say is, 'I refer to the words I said yesterday.' He made that response because what he made yesterday were very carefully scripted remarks that he read from his laptop. They were very carefully scripted remarks from Senator Conroy, and when you read them closely you can drive a truck through them. It is very clear that he left open every possibility and eventualty.

It is quite possible that the legal advice he received actually left open the possibility of finalising the tender that he cancelled on Monday this week. It is quite possible, from what Senator Conroy said, that he was sitting on the successful tender for more than a month. It is quite possible he knew who had been recommended and avoided making an announcement for more than a month, during which time, because of a leak to a newspaper, he was presented with an opportunity and excuse, a pathway, out of the tender process. It is an excuse that he grabbed hold of with both hands to shut the whole thing down.

A dark shadow will hang over Senator Conroy and all those involved in this tawdry process, until Senator Conroy does the decent thing. Resigning would be a good one, Senator Conroy, but perhaps first we will at least ask him to release all the recommendations and documentation associated with the Australia Network tender, specifically those called for in the motion put in my name and that of Senator Ludlam's that was passed earlier in this chamber. The fact that the Greens recognise there is a problem here as well demonstrates just how deep the concerns about this tender process run. Until Senator Conroy supports that and supports calls from the opposition over a long period of time for the Auditor-
General to undertake a thorough investigation into the handling and probity of this tender contract, doubts will hang over his head, clouds will hang over his head.

The ball really is in Senator Conroy's court. Does he want doubts about the probity of this tender to dog him at every turn and in every single decision he makes on media regulation from here on in, or is he game, is he willing, to open himself and the government to some thorough and independent scrutiny? If he continues to refuse reasonable calls to release the documentation, to have an independent inquiry, to open this thing up for a true and thorough probity check, we will all know that he and the government have plenty to hide.

Question agreed to.

**DOCUMENTS**

**Tabling**

The Clerk: Documents are tabled pursuant to statute. Details will be recorded in the *Journals of the Senate* and on the Dynamic Red.

Details of the documents also appear at the end of today's Hansard.

**BILLS**

Native Title Amendment (Reform) Bill 2011

Report of Legislation Committee

Senator CAROL BROWN (Tasmania—Deputy Government Whip in the Senate) (16:54): On behalf of the chair of the Legal and Constitutional Affairs Legislation Committee, Senator Crossin, I present the report of the committee on the Native Title Amendment (Reform) Bill 2011, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

**Australian Renewable Energy Agency Bill 2011**

**Australian Renewable Energy Agency (Consequential Amendments and Transitional Provisions) Bill 2011**

Second Reading

Debate resumed.

Senator BOYCE (Queensland) (16:55): There has been some concern amongst government members that the coalition is supporting the establishment of the agency ARENA. I cannot imagine why. We will always support good policy. The reason that we are constantly not supporting policy around here is that there is very little good policy to support. Before I discuss the Australian Renewable Energy Agency Bill 2011 and the related bill further, I would like to reflect a little on some of the comments from the government's partner in their coalition, the Greens. I noticed with interest that Senator Milne, when this bill was first being debated in the very short debate that has been allowed today, said, 'I announced the Australian Renewable Energy Agency earlier this year.' Because of some of the behaviour yesterday by Senator Milne—who, as I understood it, was the Deputy Leader of the Greens but who spent more time, it would seem, in answering questions and queries relating to the package of clean energy bills than the responsible government minister—you would be forgiven for thinking that Senator Milne is no longer just a member of the Greens but is also a member of the government that is pushing through this legislation.

I was somewhat amused to read in today's press that one of the Labor senators made the point that the Labor government senators had quietly accepted the result of the clean energy package yesterday because they had learnt their lesson from what happened with
kisses and hugs in the government benches in the House of Representatives. This Labor senator went on to say, 'We didn't want to look like we were married to the Greens.'

**Senator Williams:** Too late!

**Senator BOYCE:** As Senator Williams points out, it is too late.

**Senator Boswell:** Like a shotgun!

**Senator BOYCE:** Senator Boswell says it looks like a shotgun, and that is my point: if it is not a marriage already, they are living in very serious sin, according to any context that my grandmother would have put around the relationship that they have. I do not think there would be a Federal Magistrates Court or a Family Court in the country that would not think that the Greens were entitled to their pound of flesh should the relationship break up. But they do not even have to get out of the relationship to get their pound of flesh; they have got their pound of flesh inside the relationship. And it is amusing to note that yet again Senator Milne is taking the lead on what is theoretically some government legislation.

As I pointed out, the opposition is not going to oppose this legislation. When we become the government it will be a useful piece of legislation to put some good governance structures around renewable energy. Renewable energy has been a hallmark of the coalition government. Development and encouragement for innovation and research in the area of renewable energy has been a hallmark of the coalition government for many years. It was a coalition government that introduced the first renewable energy targets, having recognised that there must be action on climate change but that the way to do it was through efficient, sensible, practical and commercially viable action—not through a plethora of dreams and schemes such as we have seen from the current government. So I am very pleased that this legislation has been proposed. I have less hope, as does the coalition in general, that it will actually achieve its aims. But we shall see.

The Australian Centre for Renewable Energy and the Australian Solar Institute are being brought together under the regulatory framework of the Australian Renewable Energy Agency, ARENA. The money currently held by the Australian Solar Institute will become available to ARENA from 2012-13. The amount of money involved is not chickenfeed. ARENA's first maximum yearly payment, made in 2012-13, will be $292.5 million. The amounts vary over time. In 2014-15, it will be $436.6 million and in 2019-20, the last year for which this budget has been worked out, it will be $368 million. We are told this is to be paid out of consolidated revenue. The bill is designed to curtail how ARENA spends that money. So we can have some hope that with good governance this could work.

We do not have the same faith in the workings of the Clean Energy Finance Corporation, which was set up under the legislation passed yesterday. That involves scarier numbers and has been referred to as 'Bob Brown's $40 million slush fund'. We will have to wait and see whether Senator Milne can control that one as well. Senator Milne, I note that one of the directors of the fund who is also a Reserve Bank governor suggests that there will be due diligence done on Clean Energy Finance Corporation projects. Let us hope that that is the case because we still have the very fresh memory of ZeroGen—allegedly one of the Labor government's blue-chip investments. The ZeroGen clean coal project in Queensland came to absolutely nothing.

**Senator Milne interjecting—**

**Senator BOYCE:** The company fell over, Senator Milne, with $40 million of
taxpayers' money having been invested by the Labor government. I think Senator Milne would have to agree that $40 million of taxpayers' money down the drain is a serious problem. One hopes that we will not see the same situation that has bedevilled Labor governments over and over in Western Australia, in South Australia and in Victoria. Every time a Labor government tries to pick winners, all they manage to do is create a great gaping hole and a bonanza for administrators. Let us hope that this will develop far better than what we have seen in the past.

Of course there is very little reason for the coalition to think that under a Labor government ARENA will actually be able to implement good policy. We only have to look at some of their attempts in the area of energy efficiency. Pink batts was a debacle which not only cost a fortune but cost lives. It was a situation where the government refused to listen to warnings given to them over and over again and claimed: 'There is nothing we can do. Industry should be fixing it. We've had reports but it is all okay.'

What concerns me is that we have had yet another example of this in Queensland recently with regard to a company called Cleaner Energy, which has gone into administration owing millions, we suspect, to companies that had installed solar systems and were due to receive renewable energy certificates for having done so. Cleaner Energy was allegedly buying and selling renewable energy certificates. They were a trader. When they fell over, they owed one small Queensland business $1.2 million. We still do not have the full details of how this happened. Queries were made by the shadow minister for climate action, Mr Greg Hunt, and others, including the member for Brisbane, Ms Teresa Gambaro, and we got the typical story from the minister, Mr Combet: 'It really had nothing to do with me. I am just there overseeing the installation program and the administration program, not the certificates program. It is way outside my field of interest.' In fact, Mr Hunt had to write to the Auditor-General to try to get some sense out of this. In my view, what the Auditor-General told us was that once again we have a very poorly structured system and no serious idea of how the real world operates or how to implement commercially acceptable proposals. The Auditor-General pointed out that the regulatory powers relating to the renewable energy certificates under the Solar Credits initiative primarily relate to the creation, transfer and surrender of certificates. The Auditor-General's information indicated that the regulator has no power to intervene in the commercial arrangements between buyers and sellers of certificates.

The Minister for Climate Change and Energy Efficiency had in fact publicly stated—and isn't this a lovely easy out—that issues regarding the marketing of or payment for certificates are referred to the relevant authority in each state and territory. Thank God for the states and territories, because otherwise the government might have to take some responsibility. Does it remind you in any way, Madam Acting Deputy President, of the debacle with the pink batts when initially the then minister, Mr Garrett, tried to suggest that it was somehow the states' fault when buildings were burning down because of poor installation?

Not only do we have the problem where solar systems have been installed and the installers have been left with no money—in fact, in danger of going broke themselves—but we have the dangers that have been created by the importation of hundreds and hundreds of systems from China that do not meet the Australian standard and have broken down in a very short time, leaving Australian taxpayers out of pocket and less
than favourably disposed towards solar energy, which was not the point of the exercise. Let us hope that we will get somewhere with the establishment of this agency in terms of real due diligence.

I would like to put on the record at this stage the coalition's intentions regarding solar energy. We have a target of 20 per cent renewable energy by 2020, and this is in keeping with the work we have been doing in the area of renewable energy, the impetus we have been trying to build in the area, since we were elected to government in 1996. A coalition government will invest $100 million every year so that we can have an extra one million solar energy homes by 2020. We will be setting up a $75 million solar cities program and we will have five solar cities projects. They will be in Adelaide, Townsville, Blacktown, Alice Springs and central Victoria. They will use well-established technology; they will not suffer the fate of Cloncurry, which the Bligh government in Queensland trumpeted and then went very quiet about when they realised their cutting edge technology actually did not work.

There will be practical benefits for all these solar city communities. There will be over 3½ thousand photovoltaic panel installations on private and public housing and commercial buildings, over 4,000 solar hot water installations in private and public housing and over 15,000 smart meters—and I would counsel this government to have another look at the way they are handling that issue right now—to give customers real-time information. We will also be funding 125 midscale solar projects in schools and communities and we will be working with the Productivity Commission on how to genuinely and effectively introduce proper feed-in tariffs for solar power. Energex, in my home town of Brisbane and throughout South-East Queensland, are currently at the stage where they are having to say: 'Sorry, we can't take your solar energy. We've got too much solar energy feeding into the system now. The current system will only take 30 per cent. We need an upgrade. Would you like to pay for the upgrade of your grid so you can feed in your solar power to the sector of Australia with the fastest growing population?'

The other point on which we need to be very careful is that we back sensible and efficient programs. Unlike the record of this government so far in so many areas related to energy efficiency and renewable energy, we need to look at programs that actually work. I was interested to see a report produced by KPMG in Britain this week which says that the cheapest, most effective way for Britain to reach their 2020 target is to use new gas powered stations and nuclear reactors. They could save more than £34 billion if they cut back on their use of wind energy and others and just do what is possible by using gas powered stations and nuclear reactors. Neither of these would suit the Greens and, in the case of nuclear, would not suit this government. I personally do not know why we do not have another look at the most reliable form of energy in the world.

Senator Milne: Does Fukushima mean anything to you?

Senator BOYCE: We do not have to accept that older style installations in other countries are somehow the big problem they are made out to be, as though something which happened 30 or 40 years ago, or even 12 months ago, is somehow going to affect us now. Let us look also at the number of people who die in car accidents every year. The number is 1,000 times the number of people who are affected by nuclear accidents. Of course nuclear accidents are a problem but not having any energy to run
our world would be a bigger problem and we cannot afford to join some of the airy-fairy ideas of Europe and others. We must remain practical and focused on efficient, sensible solutions.

The coalition supports the development of this agency, which I am proud and pleased that the Greens could announce for as. We will certainly be using it to best effect when we resume government.

Senator BOSWELL (Queensland) (17:15): by leave—When I was speaking before, I was talking about the disaster of rooftop photovoltaic cells, how the scheme had gone wrong and how the government had botched the whole program. Before I get into that, we need to go back a bit.

In the last Howard government budget $150 million was allocated over five years for cash subsidies for rooftop solar. It blew out by over half a billion in 18 months before Garrett finally pulled the pin. The $150 million allocation over five years under the coalition became $700 million of spending in 18 months under Labor. However, having belatedly pulled the pin on the subsidy they had a political problem. They had created a monster; they had created demand. They had to replace that subsidy but they did not want to pay for it.

What they came up with is one of the most tortured bits of algebra you could possibly imagine. They would provide a renewable energy certificate for every megawatt of power a rooftop system would generate over a life of 15 years and then multiply that by five. This was to get the subsidy somewhere near the $8,000 value of the cash subsidy they were replacing and they got a fair way towards that goal.

The price of RECs at the time was close to $50. That meant that householders would pick up over $7,000—not what they had been getting but still pretty generous and it was stimulatory. These RECs would then go on the open market where the big electricity suppliers and consumers—the so-called liable entities who had to meet the 2020 target of 20 per cent renewables through acquittal of RECs—would buy them. But so many were produced, as the gold rush for rebates continued to gather momentum, that the market was swamped. There were so many RECs being created—albeit 'phantom' RECs—that the price collapsed.

That points to one crucial aspect of the huge policy snafu in renewables. The only way the government was ever going to get wind farms going—and wind farms are or were the government's only hope of meeting its target—was with a very high REC price of $60 plus. Only a REC at that price would enable would-be wind farmers to raise the funds they needed to get their turbines up. Instead, the government, chasing the popular vote via rooftops, put in place a policy which totally undermined the REC price. Working that out was not rocket science. It was pretty much an inevitable outcome but, clearly, they could not see it coming.

Meanwhile, the states were not helping by instituting ridiculously high feed-in tariff arrangements for the power generated on rooftops, and, in some cases, direct subsidies. The New South Wales Labor government put in place a 60c per kilowatt hour gross feed-in tariff. They gave people 60c for every kilowatt hour of power their system produced, even if it was consumed in their own house. The ACT did the same. Victoria had a 60c feed-in, but only for power in excess of what was used in the house. These tariffs were more than four times the average price of mains power.

All states except Tasmania ultimately ended up with some sort of feed-in tariff, and this was despite the fact that since 1997 there had been discussion at COAG to try to get a
uniform approach. Despite the fact that at the time every state except WA was a Labor state, they could not get that agreement. We had a free-for-all to see who could be the silliest in terms of subsidies, with taxpayers footing the bill through increased power prices. The effect of the combination of subsidies—state and federal—sent the whole thing into overdrive. Demand for systems went crazy, which collapsed the REC price even further and led to a decision to again fundamentally change the system.

The new idea, to operate from the beginning of this year but announced in mid-2010, was that the liable entities, the people responsible for meeting the 20 per cent target, would no longer be able to use the RECs created on rooftops to set against their target. From the beginning of this year they would only be able to use RECs from the likes of wind farms—large scale renewables projects—but they would also have to buy all the small stuff. They would not be able to use them to meet their targets, but they had to buy them.

Again, the totally predictable result was that, in the second half of 2010 especially, the liable entities bought up every cheap rooftop REC they could before the boom dropped. Most were able to bank enough RECs in that time to get them through to 2014 without going back onto the market. The result is that the government, by mismanaging the rooftop issue, has totally sabotaged its target. Wind farm projects have, for the most part, stalled. Rooftops may be a source of votes but they are also a source of only miniscule abatement.

The former Secretary to the Department of Climate Change and Energy Efficiency, Dr Martin Parkinson, once famously projected that if you spent the $200 billion or so that it would cost to put a solar panel array on every rooftop in Australia, you would save about 13 million tonnes of greenhouse gas—that is, the abatement would cost about $7,000 a tonne. And that is just the absolute bare bones of the renewables disaster, which is unfolding still and has more problems ahead. What it boils down to is the same sort of decision making we have become accustomed to from this government. It has all the classic hallmarks. It is as though, before this government embarks on any major policy initiative, it asks itself: how do we completely stuff this one up? They follow a pretty typical, standard issue, stuff-up route on renewables. First, blindly overspend—massively: they have achieved that. Flag big changes months ahead of making them to create maximum negative outcomes: achieved. Outsource the problem, and the cost: achieved. Use extremely bad, misleading modelling: achieved in spades. Be blind to all and any warnings, especially if they are from industry: diligently achieved. And then, of course, declare it a brilliant, blinding, top-to-bottom success that will save the Great Barrier Reef, the Murray-Darling, and, in due course and the fullness of time, humankind and the planet: achieved. Typical.

These are the people who are about to engage in the most complex policy implementation process in the history of the country. I confidently predict it will be like everything else they touch—a disaster. The problem is that, this time, it could be a disaster that fundamentally undermines the long-term future of this country.

Senator IAN MACDONALD (Queensland) (17:23): I am very pleased to participate in this debate on the Australian Renewable Energy Agency Bill 2011 and a related bill. It is indeed an honour to follow two of my distinguished colleagues—Senator Boyce and Senator Boswell—both Queenslanders and both of whom have a very good understanding not only of clean
energy but of the impact that the Labor government's administration of any energy portfolio has on our home state of Queensland.

Senator Boyce mentioned ZeroGen as an example of how the Labor Party simply cannot manage anything at all. Whilst the examples of the inability of Labor to manage any program are fairly obvious, ZeroGen is a classic example. Over $100 million of taxpayers' money was put into this company, set up by the former Queensland Labor Premier, Mr Peter Beattie, and enthusiastically carried on by the current Queensland Labor Premier, Anna Bligh, with all sorts of promises. They even included as its chairman, as I understand it, a former Labor state government minister to be a chief of corporate Australia. Of course, we all know that it has gone into liquidation—another testament to Labor's inability to manage anything related to renewable energy.

The coalition are supporting these bills because we certainly hope that this agency may be able to administer all commercial and other operations around renewable energy in a better way than we have seen Labor manage anything at all since the advent of the Rudd and Gillard governments. The agency, to be known as ARENA when this bill is passed, is designed to centralise the administration of $3.2 billion in existing federal government support to the renewable energy industry, currently managed by the Australian government and by Australian government funded bodies such as the Australian Centre for Renewable Energy and the Australian Solar Institute. ARENA will also assume the work of the Australian Centre for Renewable Energy in establishing and maintaining links with state and territory governments in fostering and developing collaborative research partnerships, both domestically and internationally. As I said, if this were being done by the government, by the minister, by cabinet, I would be worried; but let us hope the agency, when it is set up, will have a much better record of administering millions and millions of dollars of taxpayers' money than the Gillard government has shown itself to be capable of.

I do hope, and I urge the minister to ensure, that the board members of ARENA are appropriate, that they have real commercial experience, not like the case with ZeroGen—you just put in a Labor hack, a former Labor minister who had lost his job—making it another avenue for jobs for the boys.

Senator Milne: You supported ZeroGen.

Senator IAN MACDONALD: And we support ARENA, Senator Milne, but I am saying let us hope that when it is set up the Labor government minister will appoint appropriate people, people with commercial experience and not just some Labor hacks or some former state or federal Labor ministers who need a job paying a couple of hundred thousand dollars a year. Let us hope that when the board is appointed it will be an appropriate board with the required experience.

The coalition is a great supporter, as I think Senator Milne has just acknowledged, of renewable energies. I remind the Senate that the Mandatory Renewable Energy Target—the first such proposal, scheme, project anywhere in the world—was established by a Liberal and National Party federal government. It was also a federal coalition government that established photovoltaic industries in Australia. The first wind projects in Australia were established by a coalition government. It was also a federal coalition government that established photovoltaic industries in Australia. The first wind projects in Australia were established by a coalition government. It was also a coalition government that funded the first large-scale photovoltaic generation programs. Indeed, it was a coalition government that put money into the first
solar thermal projects. It was a coalition government that continued to ensure that we had projects that actually worked, and I am proud of that.

I think we do have to move, hand in hand with the coal industry, into clean energy options. I do think that the time will come when Australia will be required to take the cheapest and the cleanest form of energy—that is, nuclear energy. If we are worried about carbon emissions, we know that you do not get any carbon emissions out of nuclear. Why the Greens continue to oppose it, I cannot—*(Time expired)*

**The ACTING DEPUTY PRESIDENT (Senator Stephens):** The time allotted for consideration of the remaining stages of these bills has expired.

Question agreed to.

Bills read a second time.

**Third Reading**

The ACTING DEPUTY PRESIDENT: No amendments to the bills have been circulated. Before I call the minister to move the third reading, does any senator wish to have a committee stage on the bills to ask further questions or clarify further issues? If not, I call the minister.

Senator CHRIS EVANS: I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

**QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS**

**Mining**

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (17:31): by leave—I will make a short statement correcting something I said at question time. In answer to a question from Senator Sterle during question time I referred to Fortescue Metals Group as having a gross market capitalisation of around $50 billion. That was an error. I misspoke. I did not read my notes properly. I have been advised that their actual gross market capitalisation is around $20 billion. I just wanted to correct the record.

**BILLS**

**Tobacco Plain Packaging Bill 2011**

**Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011**

**Second Reading**

Debate resumed on the motion:

That these bills be now read a second time.

Senator FIERRAVANTI-WELLS (New South Wales) (17:31): I was going to continue my remarks about counterfeit and illicit tobacco, the various inquiries and the reasons we will be opposing the Trade Marks Amendment (Tobacco Plain Packaging) Bill, but I will leave that to other speakers because I need to correct the record and place on the record the conduct of Minister Roxon, who has behaved like a spoilt and petulant child over the Senate's consideration of these bills. On 12 October she contacted me directly. She rang me to discuss this legislation and whether we could look at shortening the debating times; otherwise we could not get back to this legislation for another month. I agreed with the minister. I was happy to consult with my colleagues and to speak to the relevant shadow minister. Indeed, I have my notes here. I also have notes of my discussions with my colleagues and the various attempts that I made to discuss shortening those times with them. Before I could get back to the minister she issued this press release blaming 'Senate stalls world's first tobacco legislation'. It blames the coalition for tactics ensuring that the
legislation would not pass that week. Her press release says:

For the second sitting week in succession, the Senate has failed to vote on the Government’s world first plain packaging tobacco legislation …

She goes on to say that the opposition have ‘ensured that the legislation will not pass this week’ and that she again ‘calls into question our commitment to this landmark public health reform’. This was after I had declared in this chamber that we would be supporting the legislation. Then she said:

The Opposition has twice chosen to stall the Bill by choosing to debate procedural, administrative issues, playing into the hands of the tobacco companies … It is disappointing that Senate tactical shenanigans have today stood in the way of an important piece of public health legislation becoming law.

Senate shenanigans! That is what she calls the orderly processes of the Senate brought on by the Manager of Government Business in the Senate. It is the government, in concert with its alliance partners, that dictates what happens in this chamber. I would have thought that Minister Roxon would have worked that out. She has been here long enough. So do not come in here and blame the opposition for procedural matters that your manager dictates in this place. The hypocrisy of this minister is absolutely breathtaking. Here she is, accusing us again. On that very day, it was Minister Ludwig who called for a debate on changing the hours and varying the business for the morning of 12 October.

In the end, we should not be accused of playing games. We have seen that this week in relation to the carbon tax, and of course the minister herself was elected on a lie. Instead of giving us four days of debate on the carbon tax, the government and the Greens guillotined the debate. Today we learnt that this was done because the Prime Minister turned up at the Carbon Expo this morning. There she was on Sky News, lauding the fact that they have passed this toxic tax.

But let me go back to Minister Roxon. The minister issued her press release even before I had made any attempt to contact her office. I was so incensed by this that I wrote to her. I need to put this letter on the record. I wrote:

Dear Minister,

This morning you called me about passage of this legislation. I note you said you spoke to Peter Dutton yesterday. I undertook to make inquiries in relation to speakers and a possible shortening of debating times. Given the list of speakers from the coalition side, I have made efforts to speak to all of them since your call. I spoke to the last of those on the list at the end of question time. I was about to speak to Mr Dutton about the matter when I became aware of your press release shortly after 3 pm. I also understand that the shadow minister, Peter Dutton, made bona fide inquiries of the opposition leader in the Senate last night regarding passage of this legislation after your office indicated it feared there might not be time to deal with the legislation, given the volume of government legislation yet to be dealt with by the Senate. In light of your media release, I would assume my efforts have been in vain. Indeed, I question the bona fides of your call to me this morning.

She is blaming the coalition when it was the government of which she is a member that had deemed it had other priorities. Of course, that was not good enough for Minister Roxon. On 2 November, she issued another press release implying that the coalition was to be blamed for the delays. She said:

The plain packaging legislation passed the House of Representatives in August 2011 but has yet to pass the Senate. Therefore the Government has revised the implementation timeframes to give industry enough time to make the changes required.

Of course, the legislation passed the House of Representatives and we supported it in the
House of Representatives. I would ask Senator Ludwig: could you please explain to Minister Roxon—give her a book about the standing orders in the Senate—that it is up to the manager of government business in this place to order the priorities. It is not the role of the opposition to order and dictate what happens in this place. So I would beg Senator Ludwig, for goodness sake, tell this woman that it is not our fault.

Once and for all, can I place on the record that we support this legislation. We will be supporting the amendments to the Tobacco Plain Packaging Bill moved by the government. We will be supporting the Tobacco Plain Packaging Bill as amended. But we will be opposing the Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011. Indeed, the trade marks amendment legislation has been canvassed very closely by various inquiries into this matter. Certainly, the House of Representatives inquiry was given a wide-ranging brief to avoid multiple committees having to review this bill.

The coalition supports the government's objectives to reduce harm from smoking but that should not be an excuse for overriding principles of good legislative practice, as noted by coalition senators in the report of the Legal and Constitutional Affairs Legislation Committee into the Trade Marks Amendment (Tobacco Plain Packaging) Bill. The first that anyone saw of the trade marks amendment legislation was when the minister introduced it into the other place on 6 July. It was not flagged or issued as part of the government's exposure draft or consultation paper, which was released in April 2011. The trade marks amendment bill was referred to the Senate committee.

The committee considered the specific provisions within this bill and any issues that they create and, ultimately, their constitutionality. This bill contains what is known as a Henry VIII clause, and that clause is contained in clause 231A of the amendment. This clause allows for regulations made by the minister under an act of parliament to override the act itself. In this situation, regulations made by the minister under the Trade Marks Act could override the Trade Marks Act itself. This is exceptionally uncommon. This goes against the basic legal principle that an act trumps regulations. As I said, these clauses are exceptionally rare and only used when there is no other alternative.

In the case of the trade marks amendment legislation, the minister did have an alternative. The minister could have drafted her original legislation properly. The coalition does not believe that this bill is necessary for the government to continue to implement their plain packaging agenda. If the minister had taken time to draft the bill properly, the trade marks amendment would not be needed and, therefore, we will be opposing the trade marks bill.

**Senator DI NATALE** (Victoria) (17:40): I rise today to speak in favour of the Tobacco Plain Packaging Bill 2011. In this building, we have many disagreements. We saw only very, very recently, in fact earlier today, an hour of bile, of nasty invective, from people on that side of the chamber. But I am sure that there is one thing which we can all agree on, and that is the importance of improving the health of Australian citizens. The Greens believe that this bill will improve people's health. It will mean that fewer people smoke. For that reason, we are very, very pleased to support the government on this important reform, and we stand behind it.

I am also very pleased to have the opportunity to speak to this bill because I know what it will mean for the lives of ordinary Australians. Before entering politics, I spent my professional life as a GP
and later as a public health specialist. As a former clinician, I understand very well the impact that this bill will have on the lives of ordinary people. I have been with patients as they struggle to come to terms with being given a fatal diagnosis of lung cancer. I have seen the look in their eyes as it dawns on them that they have days or months left on this planet. I have been with them as they lose weight, as they struggle for breath and as they lie in excruciating pain. It is a death you would not wish on your worst enemy. Sadly, it is an experience that is all too common. Indeed, I suspect there are many people here in this chamber who have lost friends and family to tobacco related illnesses. With every life lost there are many other lives that are affected—parents leave behind young kids, adults leave behind grieving partners and families are shattered. If we can spare them this misery then nothing should stand in our way.

I am also aware of the impact that the damage from tobacco has at a population level, and the statistics on this are alarming. Almost a third of adult males still smoke worldwide, and we know that smoking will kill half of them. Around the world, 150 people will die from smoking while I deliver this speech. More than half a million non-smokers will die this year just from the exposure to other people's smoke. Smoking globally is on the rise and every week enough young people around the world start smoking to fill the city of Canberra twice over. In our own part of the world, a quarter of the young people in the western Pacific region will die from tobacco use.

Despite some progress here at home, the situation is still very, very serious. One in six Australians still smoke, and each year around 15,000 Australians die from tobacco related illnesses. Improving the health of the Australian community is reason enough to act but reducing the consumption of tobacco, which this bill will do, makes sense also for our bottom line. The economic costs of tobacco addiction are estimated at over $31 billion each year, which is more than half of the total health budget and 50 per cent more than the entire defence budget. It is a staggering sum of money. If we could divert just a fraction of those costs to the economy we could inject billions more in funding into schools and hospitals—and we would still have money to spare. As it is, we currently pay for 750,000 hospital bed days each year and $600 million is spent by our hospitals directly on treatment of these diseases. It is one bill we should not have to pay. Tobacco is the leading cause of preventable death and illness. The costs are huge and an enormous burden on our nation’s health system, and no government should sit on its hands on this issue.

Thankfully, the debate around tobacco has shifted considerably since the 1940s, when three out of every four adults smoked. During the war, charities sent cigarettes to the front line and people actually apologised for not smoking. My partner, Lucy, told me a story about her grandmother, who would blow smoke up all the kids' sleeves and they would laugh at it. Since the US Surgeon General's landmark report in 1964, however, the global debate around smoking has changed, and it has changed for the better. We have seen changes around the world, including government funded anti-smoking campaigns. We have seen price used as a mechanism, with higher taxes on cigarettes to provide an incentive to help people quit. In many countries we have seen smoking phased out of work places. We have seen it phased out of cinemas, planes and restaurants and, most recently, we have seen the introduction, particularly here in Australia, of graphic warning labels. And now we are looking at outdoor smoking bans in many places.
While we do have many disagreements in this place, it is important to put on the record that the Greens give credit to the current government for taking significant and courageous action to combat this problem. The national partnership agreement on preventative health at COAG, the Preventative Health Taskforce and the establishment of the Australian National Preventive Health Agency have all been very positive initiatives. Not surprisingly, each of them has tobacco control at the top of their agenda. The target of reducing tobacco addiction to 10 per cent by 2018 is to be supported.

Unfortunately, there is a profitable transnational industry that stands in the way of this reform. The few multinational tobacco conglomerates that control this deadly trade sell more than 10 million cigarettes a minute around the world. While sales might be declining here, they are booming in many low-income countries. Tobacco companies are now aggressively targeting emerging markets around the world in order to compensate for their declining sales in countries such as Australia. Unfortunately, while the people who use its products suffer, the industry itself is in very good shape. Its deep pockets mean that the industry has been able to spend millions fighting advances in tobacco control over recent decades. They might not be able to hide from the gruesome body count that their industry extracts, but they delay, obfuscate and lie.

We know from past reforms that any effort to control tobacco will be attacked from all conceivable directions. The industry has a track record of burying evidence and shredding documents that highlight the dangers of smoking. We see public relations campaigns designed to outrage the smoking public. We get so-called experts produced on demand. They manufacture controversy; they muddy the evidence. It does not matter how clear the facts are, they will stop at nothing to prevent tobacco reform. We see front groups springing up in order to support their agenda. For example, the Alliance of Australian Retailers has been telling the Australian public that this is a bill that will hurt small retailers. This is despite the fact that clear evidence published in the British Medical Journal shows very elegantly that plain packaging:

… will, if anything, modestly decrease transaction times and selection errors.

We are now seeing Philip Morris exploit a free trade agreement between Hong Kong and Australia in its new front on fighting this important reform.

The industry does not stop there. It has another weapon in its arsenal, and that is its donations to political parties. Unfortunately, the tobacco industry still does have some clout in this country. The Australian Greens do not support donations from big tobacco. Albeit belatedly, in 2004 the Australian Labor Party stopped accepting such donations. However, the Liberal and National parties continue to accept hundreds of thousands of dollars in industry donations each year. I heard Senator Fierravanti-Wells recently criticise the Minister for Health and Ageing for her past dealings with big tobacco, but that criticism rings hollow while the coalition continue to benefit from the largesse of this obnoxious and despicable industry.

There is an area where the current government does merit some criticism. That is in the area of the Future Fund. The Future Fund has $150 million of Australian taxpayer funds invested in big tobacco—$46 million in British American Tobacco, $36 million in New York based Philip Morris and $26 million in Lorillard as of the end of last year. All of this is at a time when we are
trying to break the hold of big tobacco. It is remarkable that the federal government has not stepped in to ensure that its own important reforms on tobacco control are matched by its policy on the Future Fund. Moving to the details of the legislation, this bill is the latest strike in the fight against tobacco related illness. We in Australia are at the forefront of reform when it comes to tobacco control in this area. We have strict regulation which prevents the advertising of tobacco products to new customers, but the one frontier that has remained open to the tobacco industry is the packets themselves. They are little billboards of nastiness, advertising their wares to passers-by—from pockets, from kitchen tables, on dashboards of cars—all round the country. Smokers do see the branding on the packets potentially dozens of times a day. This bill will remove those opportunities for tobacco companies to compete on the grounds of brand awareness and image.

When the Tobacco Plain Packaging Bill 2011 comes into law it will remove the ability of tobacco manufacturers to display logos, images and promotional text on their packs and it will replace all that with a plain brown packet. Current health warnings will be enlarged and accentuated. All that will remain to the would-be tobacco marketer will be the brand name and the variant, placed on the packet in a standard position and in standard font. Under the act it will be an offence to sell a noncompliant product, with potential penalties in excess of $1 million for a wilful breach of the act by a body corporate. Under the act the packets will be tightly controlled. Packs will have to be made of cardboard, be rectangular, contain no embossing and be a drab dark brown in colour, and no trademarks will be allowed. The location and orientation of the brand and variant name will be strictly prescribed and the graphic warning will be enlarged to 70 per cent of the front of the packet.

In short, this bill aims to ensure that the packet of cigarettes is as ugly as the product itself. And it is not just action for the sake of acting; there is very good evidence that this bill will save lives. While it is true that Australia will be leading the world with this initiative, studies from around the world indicate that this reform will work. There are dozens of scientific papers that support this proposal. They indicate that plain packaging will work because it reduces the attractiveness of the product, especially to young people. It also erodes brand loyalty and makes it more difficult for tobacco companies to mislead consumers by pretending that one type of cigarette is less deadly than another. In addition, studies have found that plain packaging significantly improves the recall of the health warnings on packets. Just that one little extra reminder that smoking could kill you will be enough to help many Australians over the line to a tobacco-free life.

I am glad to say that support from the public health community has been overwhelming, as it should be. The National Preventative Health Taskforce was unequivocal in its endorsement of plain packaging. The World Health Organisation Framework Convention on Tobacco Control also recommends this reform as an aspect on tobacco advertising bans. As the first signatory to the framework, it is appropriate that we are the first parliament in the world to tackle this issue. We are at the forefront of change here. It is a change that is necessary and long overdue. Again, the government should be congratulated for its bravery on this issue.

We have one more reason to know that this reform will work, and that is the hysterical reaction of the industry itself. We
know that they too are aware of the evidence, even as they seek to dismiss it. If they genuinely believed that this reform would not cost them customers, they would be more relaxed about it. Instead, they are fighting this war on all fronts, including with the threat of action in the High Court. I am not a lawyer. Many of the objections are of the legal and constitutional nature and I will not pretend to be able to give thorough legal advice. But I will say that a number of disinterested legal scholars have been very clear in their view that the claims made by the tobacco industry are not valid.

The industry also claims that plain packaging will create an explosion in the illicit and counterfeit tobacco smuggling market. According to the industry, more people are going to smoke lower quality products, we are going to lose excise and customs revenue and it is going to be a huge threat to the Australian community. Illicit tobacco is something we should take seriously. Users of these products do undermine the controls that we have in place. But, as with many of the warnings of the tobacco industry, we should have a degree of scepticism about these claims. We know that there are ways of dealing with these claims, and in any case they have been debunked by experts in many different areas.

Another threat by the industry is deep discounting of cigarettes, because once plain packaging has removed their ability to compete on the basis of trademarks they will therefore compete on the basis of price. But, under questioning at Senate committee hearings, the industry have already admitted that this could easily be dealt with by administering a minimum price on tobacco products. I think it is a hollow threat but, in any case, we would welcome that fight.

This bill is not the end of the road in tobacco control. There is much more to be done. We can do more in raising awareness. We can do more in regulating the contents of cigarettes. As I said earlier, we can do more in terms of our investment in the tobacco industry through the Future Fund. The Greens are also calling for an end to duty-free cigarettes at airports.

The reality is that tomorrow, and the next day, and the day after that, a young person will be offered a cigarette for the first time. Whether they refuse it or they reach for that first cigarette might determine the course of their life. It could mean they do not live to see their child graduate from university. It could be the difference between enjoying a well-deserved retirement with their family or spending the last days of their life gasping for breath in a hospital bed at the age of 50. There are many factors that influence that decision: what a child sees at home; what their friends will think; how their body responds to the first puff of their first cigarette. We know that legislation might not be able to change some of those factors.

But one important factor remains, and that is how a young person perceives that product. Is it cool? Is it dangerous? The fact that branding legitimises cigarette smoking means that a lot of people earn a great deal of money maximising that impact. There is an entire branch of psychology devoted to studying it, and marketers do their best to exploit it. So, in that split second, the difference between a recognisable blue logo and a plain drab brown pack of cigarettes adorned with a photo of a diseased organ could be crucial in a person's decision about whether or not to smoke. That, on its own, is reason enough to support this bill. Once again, I am very pleased to support this bill and I commend it to the Senate.

Senator Faulkner (New South Wales) (18:00): I have heard the claims that there is 'no argument' in support of the
Tobacco Plain Packaging Bill 2011 and the Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011. In fact, there are over 15,000 good reasons. The Cancer Council of Australia and the Heart Foundation have advised that tobacco kills over 15,000 Australians each year. It is widely recognised that smoking is the single largest preventable cause of illness and premature death in Australia.

Experts advise and common sense suggests that plain packaging of cigarettes will reduce the attractiveness of cigarettes and smoking, particularly for teenagers. Simply put, plain cigarette packets will promote better health. These bills are an unambiguous public health measure. The explanatory memorandum to the Tobacco Plain Packaging Bill 2011 makes very clear the intention of the bill is to reduce the appeal of cigarettes to young people and improve the effectiveness of the health warnings on cigarette packets.

Cigarettes are poisonous. Smoking will damage your health. Smoking is likely to kill you. Cigarette smoke contains over 4,000 chemicals, including tar, nicotine, carbon monoxide, ammonia and arsenic. To put it bluntly, that is a cocktail of chemicals you would find in car exhaust fumes, floor cleaner and rat poison. There is no safe level of smoking. Sixty-nine of the 4,000 chemicals in cigarette smoke cause cancer.

Tobacco smoke causes cancer in the lungs, mouth, throat, stomach, pancreas, kidneys, bladder, cervix and bone marrow. Smoking causes decreased blood flow and can lead to amputation of the legs. Smoking can reduce fertility in both men and women. Every breath of cigarette smoke that is inhaled contains tar. It coats the lungs like soot in a chimney. Smoking leaves fatty deposits in the blood vessels, preventing oxygen from travelling to the heart and brain, which can cause heart disease and strokes—which of course in turn, as we know, can be fatal. There are also a number of eye diseases caused by smoking. These are just some of the appalling health effects suffered by individuals because of smoking.

But we have to recognise that there is a massive social cost as well. It has been estimated by the Cancer Council that the total social cost of smoking is $31 billion each and every year. That includes healthcare costs, subsidies for drugs and, of course, absence from work. These costs are borne by households, by businesses and by government.

I think we ought to be absolutely clear why people smoke. Nicotine is one of the most addictive substances known. Addiction to nicotine occurs quickly—perhaps after just literally a few cigarettes. Research reports published by the Cancer Council show that most smokers become addicted to nicotine as teenagers and that very few people start smoking after their teenage years. Research also shows that the younger a smoker starts the heavier that smoker's habit will be. And the heavier a person smokes the risks of smoking related illnesses increase and, of course, the risk of death increases. Some might say that freedom of choice should prevail here and an individual's right to ingest poison should not be questioned. Well, almost all smokers become addicted when they are young. They are denied the opportunity to have a choice about smoking as an adult. Of course, we hear the criticism that passage of this legislation will do little to lower smoking rates. I think that those critics are just plain wrong. The key objective of this legislation is to stop kids being attracted to cigarettes in the first place. We do not know how many existing smokers will stop smoking as a result of this legislation but I say that if this legislation stops one young Australian from
picking up a shiny coloured packet, and that prevents them becoming addicted to cigarettes, then in my view it will have been worth while.

If this legislation just stops one Australian business from losing an employee as a result of smoking related illness then the legislation will have been worth while. If this legislation means that one less Australian family has to come to terms with the grief and the pain caused by a smoking-related death then it will have been worth while. I am confident, that this legislation will save many lives but, as I said, if it saves only one then I think it is a very worthwhile exercise.

The Tobacco Plain Packaging Bill 2011 will mean that cigarettes are less attractive, particularly to young people. I think it is a very important public health measure. I strongly support it and I hope it receives very strong endorsement in the Senate and the Australian parliament.

Senator HUMPHRIES (Australian Capital Territory) (18:09): It is a pleasure to be able to rise today to speak about this legislation and to indicate, as Senator Fierravanti-Wells has done before me, that the Tobacco Plain Packaging Bill 2011 has the strong support of the coalition. Having said that, I have to express some disappointment at the way in which the legislation has been handled, and in particular the way in which the legislation has been linked to a second, quite late piece of legislation in this package—the Trade Marks Amendment (Tobacco Plain Packaging) Bill 201—and the way that this has been played out so as to permit the minister to attempt to characterise the coalition as being opposed to the measure to introduce plain packaging.

It is clear from the record of the coalition over many years that we fully accept the need for public policy to be strongly couched to defeat the harm done by tobacco in this community. Our record demonstrates very amply that that is the case.

Senator Feeney: So you'll be saying 'no' to those donations!

Senator HUMPHRIES: When you deal with your addiction to donations, Senator Feeney, we will deal with ours.

The coalition has a proven track record with regard to tobacco control and reducing the rate of smoking in Australia. In fact, it was Sir Robert Menzies who first introduced a voluntary tobacco advertising code for television back in 1966. In turn, it was the Fraser Liberal government in 1976 that first implemented a ban on the advertising of tobacco products on TV and radio. That was a mandatory ban. Dr Michael Wooldridge, the health minister in the Howard government in June 1997, announced what was at the time the biggest ever national advertising campaign against smoking. It had a federal government spend of $7 million over two years to limit—

Senator Feeney: An information campaign?

Senator HUMPHRIES: It was an information campaign, that is right, to reduce people's exposure to tobacco and to give people information about how to quit. They were very worthwhile efforts. They obviously did not reach some in this chamber but it was a very important measure to make Australians less likely to stick with the cigarettes.

Senator Feeney: Viciously personal!

Senator HUMPHRIES: Indeed! That's me! The Howard government reformed cigarette taxation from a weight based taxation regime to a per-stick excise in 1999. It was the Howard government, with Tony Abbott as Minister for Health and Ageing, that introduced the graphic health warnings
on tobacco products in 2006. Those are not the actions one might expect of a government and a party that somehow thinks that the actions of the tobacco industry should be protected in the Australian community.

In 2009, from opposition, we proposed an increase in the tobacco excise. That was obviously a good idea, because it was not very long afterwards that the government—I think it was the Rudd government—picked up that very idea and ran with it!

Those measures, over a period of 30 or 40 years, paid dividends to the Australian community. In fact, the coalition, whilst in government, presided over the biggest decline in smoking rates. Under the coalition government the prevalence of smoking declined from 21.8 per cent in 1998 to 16.6 per cent of Australians over the age of 14 by 2007. So, in under 10 years there was a reduction from 21.8 per cent to 16.6 per cent. That is a pretty impressive reduction. This is amongst the lowest smoking rates in the world. The decline in smoking rates in Australia—a fall of 40 per cent for men and 44 per cent for women between 1989 and 2007—was amongst the biggest in the OECD. The fall in smoking rates amongst women, in fact, was the biggest in the OECD. So to suggest that we are soft on tobacco control is just plain nonsense.

I can also say, on a personal level, that in 1990—doesn't that date me?—as ACT Minister for Health, Education and the Arts, I introduced legislation into the ACT parliament to ban all environmental advertising of tobacco in the ACT except at point of sale, and to prevent tobacco companies from providing sponsorships for cultural or sporting events anywhere in the territory. Having said all of that, I think it also needs to be put on the record that, having reduced the smoking rate in Australia to 16.6 per cent, eliminating that last 16.6 per cent will be very difficult indeed.

Senator Feeney: Eliminating! Are you going to kill us?

Senator HUMPHRIES: If that is necessary, Senator Feeney, we might think about that, but it will be very difficult. Short of killing the smokers it will be very difficult to achieve. None of the measures, none of the policy levers, available to government at this point in time, frankly, are easy quick fixes or silver bullets. It is true, I think without doubt, that plain packaging of tobacco products will make a difference. It is also important not to exaggerate the extent to which it will make a difference. Unlike billboards, ads on TV, ads on radio and the sorts of things most of us experienced as children, the penetration of tobacco packets is a much, much smaller part of the once all-prevalent imagery of tobacco products around this nation.

I do not doubt that we will make a difference with this legislation, but I sincerely doubt that with this measure alone there would be a huge reduction in tobacco use in the next decade or so. This is not to in any way suggest that there is anything wrong with this measure. I agree with Senator Faulkner who said that preventing even one child from picking up a packet and lighting the contents is a victory and needs to be pursued. If we can do that, we are doing some good by passing this legislation today.

But let us not work ourselves into a frenzy about how much we achieve. After this legislation is passed there will be a lot more hard work to be done in reducing the deprivation caused by tobacco in this community.

I said that I was concerned about aspects of this legislation. I have to say that I remain concerned. We are in relatively new territory here, as Senator Di Natale said, although
there are studies suggesting that there is a persuasive effect in the way in which tobacco packets are designed. It is also true to say that, to date, no nation has yet adopted the measures that we are embracing today. So, we do not know for sure what the effect of them will be either in terms of users or potential users of tobacco products or in terms of the other implications of this legislation.

For example, it has been suggested by the tobacco industry that the plain packaging regime could constitute the acquisition of property on other than just terms in contravention of section 51 of the Australian Constitution. I personally do not think there is any basis for that criticism. Preventing the use of a trademark in most circumstances is different to taking it from somebody and using it to somebody else's advantage. But I do note that in section 15 of this bill before the parliament the government has taken the precaution of saying that the bill would not apply to the extent that it could cause acquisition of property on other than just terms in the language of section 51 of the Constitution. In other words, they are sure it does not have an implication or a resonance with respect to section 51 but, just in case, they are going to make sure the bill effectively collapses if section 51 comes against it and prevails.

I am also concerned about the extent to which the government has liaised with the small business and retail sectors about the effect of these changes on the process of selling what is still, perhaps regrettably, a legal product in this country. Having made those reservations, I repeat that the coalition supports measures to improve tobacco control, supports measures to discourage the use of tobacco and fully backs the Tobacco Plain Packaging Bill 2011.

When it comes to the Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011 the story is somewhat different. As I said, when the tobacco plain packaging legislation was released in draft or consultation form in April there was no trademarks amendment bill released at the same time. This bill emerged only when the legislation itself was tabled in the parliament and came as a surprise.

The problem with the bill is that it contains what is known as a 'Henry VIII clause', which is a clause that allows a minister, after a law has been passed by the parliament, to come back and unilaterally as an individual make a decision to amend the law passed by the parliament. That is quite an extraordinarily broad power. It is a power that this and every other Western parliament has hesitated long and hard to enact in law. It is a provision which appears in very few laws of this country either at the state, territory or Commonwealth levels. That is because it is generally an anti-democratic provision that allows laws to be made without the proper process of parliamentary scrutiny. That is why it should be avoided.

The government has introduced this Henry VIII clause on the basis that it believes there may be problems with the regime with respect to the use of trademarks, particularly with respect to international agreements to do with trademarks, and wants to protect its plain packaging regime by ensuring it can swiftly reorganise the framework of the Australian trademark law to prevent this occurring. The fact that the government needs to take this precaution may be, itself, an indication of the haste with which this has been done and the lack of full consultation with affected parties. The point to make here is that the generally accepted premise for the use of Henry VIII clauses is that they should be used only when there simply is not a viable alternative if
something drastic, urgent and quite unsatisfactory is about to happen to a section of the community and if such a clause did not exist in legislation to allow significant harm to be avoided that is facing that section of the community. That is not the case here.

If the government discovers that some element of its plain packaging regime falls down because of an international agreement or some other provision of the trademarks regime, it has the option of coming back to this parliament and amending either the plain packaging laws or the trademarks laws to deal with this issue. It has that option. It is a little hard to argue that there is a burning urgency to do this and that it has to be done immediately. We have had the packaging of tobacco products going on for well in excess of 100 years. Another few weeks between parliamentary sittings will be neither here nor there, so the government’s case for needing this Henry VIII clause is very hard to see and it is tempting to conclude, as I think others have in this debate, that what the government is doing here is creating a bit of a wedge—that if the government can create the impression that the coalition is not fully behind this legislation then it somehow gains some small advantage over the coalition because it refuses to support some element of its anti-tobacco package.

That is a pretty unprincipled approach to this issue. It appears that this is a government—

Senator Fierravanti-Wells: What do you expect?

Senator HUMPHRIES: Well, indeed, what would I expect? I suppose Senator Fierravanti-Wells is quite right. That a government as desperate as this government would stoop to using the sacred ground of tobacco control to attempt to score a political point we should not be surprised about, but it is still worth putting on the record that this coalition, particularly this Liberal Party, have always opposed measures which diminish the democratic process and which make it harder for the parliament to scrutinise the laws being made that govern Australians. We have therefore always viewed Henry VIII clauses with great trepidation and concern, and our consistent position on such provisions is not going to change merely because the government has tied its use of a Henry VIII clause into a patent public good in the form of the plain packaging regime.

So let us hope that in a somewhat less non-partisan fashion the government is able to proceed with measures for tobacco control. Let us build some bipartisanship around these things which once existed and which essentially still do exist, I have to say, with respect to this legislation with the exception of the second bill. It is extremely important that we today capitalise on the advantages obtained by this new plain packaging regime. It would be good to monitor its effect. It would be good to confirm that it does make a difference even though, as I have said, I think that some have exaggerated the extent of the difference it will make, and it would be good to use this as a further basis for good, empirical evidence of what tobacco control at the appropriate level and on the appropriate scale can do to wind back rates of smoking in this country and the rest of the world. If this provides a model or template for other countries to follow, Australia will have done something very significant and very worth while. To that extent, I commend the Tobacco Plain Packaging Bill to the House but cannot take the same approach with respect to the trademarks amendment bill.

Senator CAROL BROWN (Tasmania—Deputy Government Whip in the Senate) (18:25): I am very pleased today to make a contribution to the debate on the bills that are currently before us, the Tobacco Plain
Packaging Bill 2011 and the Trademarks Amendment (Tobacco Plain Packaging) Bill 2011. About three million Australians smoke every day. Unlike other legal products, we know that tobacco is lethal. Tobacco cannot be used safely in moderation. It is also incredibly addictive. The fact that smoking kills over 15,000 people in Australia each and every year is a testament to that.

Looking at the problem internationally, recent data released by the World Health Organisation estimates that around six million people worldwide die from tobacco related illnesses each year. Without action, that figure is expected to increase to more than eight million by 2030. This is an alarming number of smoking related deaths. That figure also represents a tragic loss of life which unfortunately rings home to all of us. Some of us in this place, regrettably, have lost someone we know to tobacco related illness. Some of us may be caring for family members and friends who are suffering from smoking related illnesses or have supported the families of someone who has died due to death or disease caused by smoking.

Yet this tragic loss of life is preventable. We know that smoking is the leading cause of preventable death in Australia. What is more, smoking costs the economy over $31.5 billion per year. Notwithstanding all that we know about the dangers of smoking, our young children are still taking up the habit at an alarming rate. As I said in the beginning of my speech, three million of us still smoke every day. To ensure the ongoing health and wellbeing of Australians and to prevent a burden on our health system now and into the future, it is imperative that we take action to tackle smoking.

A key component in our strategy involves taking steps to stop tobacco companies aggressively marketing cigarettes and tobacco products. That is exactly why we are debating this legislation today. The bill makes it an offence to sell, supply, purchase, package or manufacture tobacco products for retail sales other than products and packaging that complies with plain packaging requirements. These offences apply to manufacturers, packagers, wholesalers, distributors and retailers of tobacco products in Australia who fail to comply with the plain packaging requirements.

The effect of the proposed requirement will be that tobacco companies’ branding, logos, symbols and other images that may currently be used to advertise tobacco products will not be able to appear on a tobacco product or its packaging. The only feature permitted to distinguish one brand from another will be the brand and product name in a standard colour, standard position and standard font size and style. The bill enables the development of regulations to specify the plain packaging requirements and conditions for the appearance of tobacco products.

The Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011 is also being debated here today. This has been introduced so, if necessary, the government can quickly remedy any interaction between the Tobacco Plain Packaging Bill 2011 and the Trade Marks Act 1995 that cannot be dealt with under Tobacco Plain Packaging Bill 2011. This bill amends the Trade Marks Act 1995 to allow regulations to be made in relation to the operation of the Tobacco Plain Packaging Bill 2011, including a power to deem conditions to be met and to make regulations that are inconsistent with the Trade Marks Act 1995.

Research suggests that the current packaging of tobacco products glamorises smoking. Therefore, the introduction of the requirements for tobacco to be packaged in a standardised colour, typeface and form will work to reduce the attractiveness and appeal
of tobacco products to consumers, particularly young people, increase the visibility and arguably the effectiveness of mandated health warnings, and reduce the ability of tobacco packaging to obscure or mislead consumers about the harms of smoking. This plain packaging strategy and these expected outcomes are underwritten by significant and compelling evidence. The evidence is continuing to grow, refining research that has accumulated over 20 years across five countries and that has been written up in over 24 peer reviewed journal articles.

The National Preventative Health Taskforce, established by the government in 2008, was tasked to consider tobacco control as a priority. The National Preventative Health Taskforce considered the growing body of evidence on plain packaging and, after examination of the evidence, concluded:

... there is no justification for allowing any form of promotion for this uniquely dangerous and addictive product which it is illegal to sell the children. This includes packaging. The fierce and intense opposition of the tobacco industry to the plain packaging is also evidence that the industry believes that such measures will reduce sales. It follows that our antismoking initiatives and policies must combat the marketing campaigns of tobacco companies if they are in any way to be ineffective.

By adopting this legislation, we will also give effect to our commitment under the World Health Organisation Framework Convention on Tobacco Control adopted by the World Health Assembly in 2003. That convention came into force in February 2005 and is heralded as one of the most rapidly and widely embraced treaties in the history of the United Nations. In 2009, the conference of the parties to the framework convention mooted plain packaging as a part of comprehensive bans on tobacco advertising. I am now proud that out of the 170 countries that have already ratified the convention, Australia will be the first signatory and the first country in the world to commit to implementing the 2009 recommendations on plain packaging.

This bill is our opportunity to lead the way forward in reducing the harm caused by smoking and to bolster Australia's reputation for delivering key preventative health initiatives. The introduction of plain packaging of tobacco products complements a raft of legislative reforms that will help this government alleviate the burden on our health system and prevent tens of thousands of Australians dying each year. We are introducing measures to increase the tobacco excise by 25 per cent above normal CPI adjustments. Additional support has been provided to assist smokers attempting to kick the habit. The government have also provided additional funding for Quitline and in February this year also provided subsidies for nicotine replacement therapies on the Pharmaceutical Benefits Scheme. The latest figures show that almost 100,000 scripts have been issued to people trying to quit, which is an encouraging figure.

The government have also invested a record $87 million in a targeted social marketing campaign to curb smoking among our high-risk and disadvantaged groups. We have also introduced legislation to bring the restrictions on Australian internet advertising of tobacco products into line with those for other retail points of sale. Once the Tobacco Advertising Prohibition Amendment Bill 2010 comes into effect, the marketing of tobacco products will be not only limited in the physical shopfronts or points of sale but also controlled in the online and electronic media.
What we have before us is a multifaceted and comprehensive plan to tackle smoking, one with support from over 260 health professionals and groups, including the Cancer Council of Australia, the Heart Foundation and the Public Health Association of Australia. This reform package is a crucial step towards reaching the COAG National Healthcare Agreement of reducing our national smoking rate to 10 per cent of the population by 2018. The plain-packaging reforms will help the government work to halve the Aboriginal and Torres Strait Islander smoking rate as a fundamental part of the plan to close the gap in life expectancy.

These bills before us today also build on a history of action the government have taken to regulate tobacco use in Australia and to protect the health and wellbeing of our community. In Australia, we have realised early on the dangers associated with cigarettes and tobacco products. We have subsequently taken action to reduce the smoking rate over the past few decades.

The national ban on tobacco advertising in Australia first came into effect in 1973. At that same time, Australia also introduced mandatory health warnings on cigarette packs. In 1989, the government introduced a national ban on tobacco advertising in newspapers and magazines. In 1992, the Commonwealth tightened its approach with the introduction of the Tobacco Advertising Prohibition Act 1992, which we are amending today as part of our overall strategy to continue to promote the health and wellbeing of Australians.

The Commonwealth, state and territory governments and even local governments have consistently worked together to prohibit tobacco advertising, to remove sponsorship, restrict the point-of-sale displays as well as outlaw smoking in restaurants, outside buildings and in public places. It has been thanks to the existing efforts of all levels of government that we have seen a reduction in the rates of Australians aged 14 years and over who smoke each day. In 1988, that figure was 30.5 per cent. Today it is 15.1 per cent and one of the lowest in the world.

Notwithstanding that progress, smoking rates amongst the unemployed, people with mental illness and pregnant teenagers remain unacceptably high. We still have much more to do to fulfil our preventive health agenda, and tobacco control really is a key part of that strategy. Pursuing this vital piece of reform will improve the health and wellbeing of Australians.

The Minister for Health and Ageing has said a number of times that plain-packaging legislation is the most direct way to get the best health return for our nation. It is simple and it is cost-effective. It does not require a new workforce, or a huge investment of government resources, or any new technology. It is the right way forward. In an environment where there is increasing prohibition of tobacco advertising and sponsorship, the cigarette pack remains the last key marketing tool the tobacco industry can rely on to attract and retain customers. It will be through enacting this legislation to introduce plain packaging that Australia will continue to forge a reputation as a world leader on tackling smoking.

As I have outlined before, these bills complete our package of reforms to the way in which tobacco is marketed in Australia. It will be through these measures that we will continue to see healthier Australians, many being supported to kick the habit and others deterred from starting in the first place. Even one child deterred from taking up smoking is an aim that should be applauded.

We cannot afford to be pushed around by big tobacco any longer. The social and
economic costs of inaction are just too high. I congratulate Minister Roxon on her work and her determination to send a clear message: smoking is not glamorous; it is lethal, and tobacco cannot be used safely even in moderation. I urge you all to support these bills and invest in the future wellbeing of Australians. I commend the bills to the Senate.

Senator BOYCE (Queensland) (18:39): I should make two important disclosures before I get going. Firstly, I am currently a smoker. I have been a recovering smoker on a number of occasions but I am currently a smoker. I do not think that is seriously affecting my views on this legislation. I will add, in another disclosure, that quite recently I went to a dressmaker near my office in Brisbane and asked her to copy a top by an Australian designer. But I made the point to her that the top had been designed and made about eight years ago and the company and the designer were no longer in business. I thought that would be sufficient to extinguish the intellectual property held in that design, given that there was no-one left to benefit from sales of the design. I tell this story to demonstrate that I take the topic of intellectual property and trademarks and patents very seriously and certainly would not, as I know a number of people would, buy copies of trademarked goods overseas or anywhere else.

My concerns around this legislation do not relate at all to whether it is tobacco plain packaging, alcohol, sugary drinks or whatever is the next thing on the list of the do-gooders who think they know best. They relate to the potential damage to the trademarks legislation and the potential unintended consequences of this.

I point out that we have before us legislation—the Tobacco Plain Packaging Bill 2011 and the Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011—which has in it a brave new idea that has never been tried before. We have before us legislation that has in it a brave new idea the effect of which no-one knows. We have before us legislation with an idea that has never been legally tried. It may well be challenged and cost the taxpayers of this country millions, if not billions, of dollars and achieve almost no positive outcome—in fact, it would achieve a negative outcome. Does this remind you of any recent legislation that we have had through this parliament? Let's look at the government's Malaysia solution. We have here a version of it, dressed up in different clothes, where the government has had a brave idea to undertake reform of the tobacco industry in a way that has not been tried before anywhere in the world. In fact, in cases where it has been considered and discussed it was decided that it was legally too concerning.

We might all say: 'So what? Someone should be brave and do this.' We already know that British American Tobacco and Philip Morris have clearly stated that they will be going to court if this legislation is passed and introduced—they will take it to court. The compensation that may end up having to be paid following that could run into the billions. Even if the government were to win the case—and certainly we have no idea whatsoever on that; we have competing views—the tobacco companies, which have billions and billions of dollars worth of assets at stake, have employed some very high-powered legal advisers, and their legal advice is that the legislation is not constitutional; it will not stand up in court. And the companies are prepared to use their quite deep pockets to find out.

If the government lose the case, millions and millions of dollars of Australian taxpayers' money will be thrown away in the same way it was with the government's
Malaysia solution legislation. What does it matter whether they have the potential to lose the case? It is only taxpayers' money. Why should we be surprised that this is the way the government intend to conduct themselves?

What concerns me mostly here is the evidence given to the Standing Committee on Legal and Constitutional Affairs, of which I am a member, about what this might mean for trademarks and trademarks legislation all up. We have the possibility that this act could lead to the minister having virtually unlimited power with respect to trademarks, not just to do whatever he likes that is contrary to the Trade Marks Act—as is this piece of legislation—but to make regulations about anything at all to do with trademarks.

Part of the explanatory memorandum, which was circulated by the government, made what I regarded as the completely facetious comment that the government's legal position stands on the basis that they are not acquiring the trademarks because they will not be using the trademarks; that they will just be curtailing the use of the trademarks. The government's explanatory memorandum suggests that there will be no problem whatsoever with tobacco manufacturers using their trademarks on letters or on other correspondence, or on boxes they may use to send out their goods. If that is not meant to be facetious, I do not know what is. If it is meant to be a serious comment, it demonstrates an appalling and abysmal ignorance of the use that trademarks are put to by companies.

As Senator Carol Brown has just pointed out and as has been pointed out numerous times, the packaging of cigarettes is currently one of the few places where, since the end of advertising and other promotions, cigarette manufacturers can advertise their trademarks. If it is considered to be important in selling a particular brand of cigarette, I see it as completely unsurprising that a manufacturer would fight tooth and nail not to lose the ability to distinguish their brand from other brands.

We continue to have the point made that we have no evidence whatsoever that plain packaging will reduce smoking. We have some obscure little syllogisms developed by the Department of Health and Ageing, presumably at the request of the government suggesting, 'It will probably help. Yes, it could, absolutely, because people buy them if they're colourful and if they're not colourful any more, that will help.' There is no research anywhere. In fact, when the government went looking for research in 1995, they were left with the fact that they could only come back to look at legal and constitutional issues. One of the biggest concerns about this piece of legislation is that, despite numerous requests at estimates and in other fora, the government have refused to allow to be made public any of the legal advice they received going back to 1995.

One assumes that, if any of the legal advice— it is a bit like their modelling for the carbon tax, is it not?—was definitive in suggesting that the government's course of action was going to be legally sustainable, it would have been released. But it has not and once again we have to be very concerned about what exactly it is that the government are trying to do here.

Within industry, not just in Australia but internationally, trademarks are understood to be a very valuable property right. Huge amounts of money are spent every year on developing trademarks and on building the assets behind the trademarks, and in defending trademarks from imitation and other misuse which might affect the value of trademarks. If it is considered to be
the property of the company which owns the trademark. This matter is being watched not just by tobacco companies around the world; this is being watched by every patent attorney and every organisation involved in the trademarks sector to see what happens. It could, once again, be the thin end of the wedge in what happens with trademarks.

If this legislation is passed, there is a strong likelihood that it will cause definite ructions within world trade organisations. No-one in this place has any problems with well-thought-out plans to reduce smoking, particularly among the young and other groups who have very high smoking rates such as Aboriginal and Torres Street Island Australians—no problems whatsoever. To embark on yet another sally down a legal pathway where we do not know what the consequences will be, either in terms of cost to the taxpayer or the effect it will have overall on trademarks and the industries which rely so heavily on trademarks, is just crazy stuff. Why would we be surprised about crazy stuff coming out of this government? We cannot be. I encourage the government to think again about this legislation and to be confident in where they are going with it by releasing their legal advice.

The other aspect of this legislation which reminds me a little of the Malaysian migration debacle, which this government tried on, is the fact that the government are somehow trying to blame the coalition for the fact that this legislation has not been passed. They attempted to convince some reporters that it had been stalled in the Senate by the coalition. 'Um, um, um' is my only response to that. I know that Senator Fierravanti-Wells has made several attempts to speak on this legislation. I practically had to brush the cobwebs off the speech that I have had ready since this was first put on the Senate Notice Paper in August this year. Day after day, week after week, this government continued to be unable to organise their own legislative program. It would be on the Notice Paper; it would be off the Notice Paper. This legislation is getting noticed now, under the new guillotine system that the government have introduced, only because of their incompetence and their mismanagement of the legislative program up until what they saw as the death hour. I guess Minister Roxon is not someone who is new to backflips and reorganisations and not knowing what she is doing tomorrow.

Senator Fierravanti-Wells: She blames everyone else; it is never her fault.

Senator BOYCE: That is true. As Senator Fierravanti-Wells points out, Minister Roxon is the past mistress of blaming everybody else for her faults, and this is just another one of her little efforts to do so. Instead of this plain packaging legislation going into effect on 1 July 2012, it will not do so until December 2012. The government, particularly Minister Roxon, have absolutely no-one to blame except themselves for the fact that this has been delayed. They are still fiddling around with the wording in the legislation, worrying about square edges and round edges. Given the time the government have had to do this, you would think that they could have gotten it right—well, as right as they could ever get it. But they cannot even get the detail of the legislation right. They cannot get the introduction of the legislation right.

Once again, I express my very serious concern about the potential unintended consequences on every manufacturer, service industry, organisation and corporation in Australia that has trademarks and makes a profit out of those trademarks. There is nothing wrong or unacceptable about a company making a profit out of holding trademarks. It is quite typical of this
government that there is some sense of attempting to suggest that it is a bit mean and nasty to want to make a profit out of a trademark.

The other issue that has simply been brushed over by the government is the issue raised by the manufacturers regarding illicit tobacco. According to manufacturers, it will be easier to put illicit tobacco into the market because the packaging will be easier to copy. I am honestly not aware of how that will play out, but the amount of illicit tobacco on the Australian market certainly is already a major concern. I note that a survey last year, I think conducted by PricewaterhouseCoopers, showed that in Queensland the electorate with the highest sales of illicit tobacco was the Treasurer's seat of Lilley. That is where most illegal tobacco in Queensland was being sold. I cannot begin to understand that because the government do not like the warning put out by tobacco manufacturers about the potential increase in illegal tobacco they have done absolutely nothing about this potential issue. If they could say they had investigated it and could genuinely tell us that there is no likelihood of an increase in illicit tobacco they have done absolutely nothing about this potential issue. If they could say they had investigated it and could genuinely tell us that there is no likelihood of an increase in illicit tobacco sales, fine, but they cannot. They just want to pretend it cannot happen because they did not think of it when they organised their brave, crazy, new-world legislation.

I would ask the Senate to really consider whether this piece of legislation is in the interests of taxpayers and whether it is in the interests of smokers. It is so flawed in so many ways. The aim of it—to reduce smoking—is something that no-one will disagree with. The way of going about it is probably symptomatic of this government, its ineptness, its ignorance of how the real world works and its folly in not caring about the costs to the Australian taxpayer of the implementation of its legislation.

Senator POLLEY (Tasmania—Deputy Government Whip in the Senate) (18:58): It gives me pleasure to rise tonight to speak on the Tobacco Plain Packaging Bill 2011 and a related bill. I put on record and acknowledge the outstanding contribution that the Minister for Health and Ageing, Nicola Roxon, has made. We just heard some diatribe from Senator Boyce. I remind her that those opposite were in government for very long time—11½ very long years—and they did nothing.

Opposition senators interjecting—

Senator POLLEY: I know I have hit the mark because of these interjections. This bill deals with an important issue. There is no doubt that tobacco is still the single biggest preventable cause of death and disease in Australia. The truth is that more than 15,000 Australians die prematurely each year due to the effects of tobacco. The direct cost of this is $31.5 billion. While that figure is enormous, the real cost—the part that is unacceptable—is the unnecessary premature death of so many Australians year after year.

There are still over 3.3 million Australians who smoke. That is more than 16 per cent of people over 14. Men are slightly more likely to smoke than women. While these figures have been slowly declining over past decades, there is no room for complacency. We all know that the tobacco companies have been targeting the young for decades. One classic example that illustrates how unscrupulous these companies are comes from Taiwan. Remember, these are global companies who see all parts of the world's population as targets. This is just one example. Young people could not purchase tickets to a rock concert unless they could produce two empty cigarette packages. This was not uncommon, especially in Taiwan and Hong Kong. It is standard tobacco company behaviour in many developing
countries—but more about the tobacco companies later.

Men in their 20s, 30s and 40s and women in their 40s are the heaviest smokers. Unfortunately, the smoking rate amongst Indigenous Australians is twice the rate of the general population—close to 40 per cent of those over 14 smoke. Smoking is responsible for 84 per cent of lung cancers in men and 77 per cent in women. Between 20 and 30 per cent of all cancers are the result of smoking, and we know one in five pregnant women smoke.

We have known about the adverse aspects of tobacco since the 1950s. However, if we had to rely on the ethical and caring attitude of the tobacco companies we would still not know how truly harmful tobacco is. To see their dishonest and deceptive behaviour, we only have to look at the process of the adoption of the master settlement agreement.

On 14 April 1994 seven executives of tobacco companies testified that they did not believe that tobacco use was addictive. Remember, this was in 1994. They were: William Campbell, President and CEO of Philip Morris USA; James W Johnston, Chairman and CEO of RJR Tobacco Co.; Joseph Taddeo, President of US Tobacco Co.; Andrew H Tisch, Chairman and CEO of Lorillard Tobacco Co.; Edward A Horrigan, Chairman and CEO of Liggett Group Inc.; Thomas E Sandefur, Chairman and CEO of Brown and Williamson Tobacco Corporation; and Donald S Johnston, President and CEO of American Tobacco Co.

I will refer to four documents that contributed to the preparation of the master settlement agreement and show that tobacco companies had had sound evidence for nearly three decades that tobacco use was addictive and caused cancer in laboratory animals and human beings. From these and many other documents, lawyers in the Medicaid suits had developed various theories to show the tobacco industry committed a fraud against the American public. This legal process occurred in the USA, but the consequences of the behaviour of tobacco companies were not limited to that country. People around the world died due to this deliberate concealment. These documents contributed to the finding that tobacco industry lawyers controlled scientific research in an attempt to hide data that was damaging to the industry. In other words, they covered up evidence that smoking is addictive and causes death and disease.

The first is a document relating to the Auerbach dog study which showed that as early as 1970 cigarette companies had medical evidence that smoking caused lung cancer in animals. Second is the Addison Yeaman memo. This document, written by Brown and Williamson’s general counsel, was critically important because it indicated that tobacco industry executives knew about the dangers of smoking in the early 1960s but continued to deny them for over 30 years. Third is the youth smoking document, a 1981 document from Philip Morris. It clearly shows that Philip Morris knew that teenagers used their product, that the company had studied this rather extensively and that they were worried about the decrease in youth smoking since it would affect their future customers. Lastly, there are the notes from a 1981 meeting of the Committee of Counsel, a group of tobacco industry lawyers who met regularly to discuss legal issues of interest to the tobacco industry. According to a federal prosecutor, the group controlled industry and scientific research. The notes clearly show the group discussed scientific projects—‘special projects’—which were designed to promote the idea that smoking did not cause disease.
I will return to the master tobacco settlement. The master settlement agreement is an agreement originally negotiated between the four largest tobacco companies and 46 US states and six US territories, reached in 1998. The negotiations addressed the potential liability of the tobacco industry for an alleged cover-up of tobacco related health problems. Ultimately the state governments exempted the companies from tort liability in exchange for a combination of yearly payments to the states and voluntary restrictions on advertising and marketing of tobacco products. The agreement was meant to provide state governments with compensation for smoking related medical costs and to help reduce smoking in the United States.

The MSA was originally signed in November 1998 by the four largest tobacco companies: Philip Morris USA, RJ Reynolds Tobacco Co., Brown and Williamson Tobacco Corporation and Lorillard Tobacco Co. The agreement was later joined by more than 40 other tobacco companies. Every US state and six US territories signed that agreement. Florida, Minnesota, Texas and Mississippi had already reached individual agreements with the tobacco industry. At $368.5 billion, MSA was the largest civil settlement in United States history. In 2010 the Cancer Council of Victoria estimated that excise from tobacco in Australia was $5.92 billion, whereas health costs alone were $31.5 billion.

The latest estimates of donations to the coalition parties are $140,000 from British American Tobacco and $158,000 from Philip Morris—near enough to $300,000. There has been $1.7 million in donations since 2004, when the ALP ceased accepting donations from tobacco companies. It is time all donations from tobacco companies were refused. Cigarettes kill people. Accepting donations from companies who sell products that kill people and who have knowingly lied about this issue is immoral. Besides, who needs this real and perceived conflict of interest? The Gillard government is strongly committed to taking action to reduce smoking.

**Senator Fierravanti-Wells:** What about Minister Roxon?

**Senator POLLEY:** Those opposite and the senator interjecting now were part of a government that was in power for 11½ years and did nothing. Once again it is the Gillard Labor government that has made this reform. What a great week it has been for the Australian community, this week in the Senate. The government has set a target of reducing smoking rates to 10 per cent of the population by 2018. The $61 million National Tobacco Campaign is the largest in Australia's history and $27.8 million of that is for the National Tobacco Campaign—More Targeted Approach, which will target hard-to-reach, high-risk audiences and pregnant women. From 1 February, 2011 nicotine patches, Nicorette, Nicobate and Nicotinell were included on the Pharmaceutical Benefits Schedule for all eligible Australians as an aid to assist them in quitting smoking. Also, Champix, another drug to assist with quitting smoking by easing cravings and withdrawal symptoms, has been extended to a second 12-week program.

Another component of the suite of changes that Minister Roxon has introduced is the increase in tobacco excise by 25 per cent and legislation to restrict internet advertising of tobacco products within Australia. The government's proposed plain packaging for tobacco products legislation sends a clear message that the harm caused by tobacco must be dealt with. I would have thought that everyone in this chamber would
be supporting this important piece of legislation.

Senator Fierravanti-Wells: We are! Haven't you been listening?


Senator POLLEY: It was a bit confusing with some of their speeches, particularly Senator Boyce's. She has probably got a vested interest because of all the donations that go to that side of the chamber. There has been a concerted program by the tobacco companies to undermine this legislation. It is why we know that this legislation will help a great deal to reduce people's addiction to tobacco products. If the industry were not so afraid that they were going to miss out on their dollars and on making a financial contribution to the Liberal campaign at the next election, they would not be attacking us in the way that they have been.

Just to get a perspective, let us look back at some of the history of plain packaging. This can only be a very potted history. In June 1986, 25 years ago, a motion put forward by Gerry Kerr at the Annual General Meeting of the Canadian Medical Association in favour of plain packaging for tobacco products was supported. In May 1989, a similar call for 'generic' packaging came from New Zealand. This was followed by calls for the same in Europe and Australia. In January 1994, British American Tobacco told the Australian government that plain packaging was contrary to 'intellectual properties and rights advocated by the General Agreement on Tariffs and Trade'.

By May 1994, this claim had been broadened to contravening the General Agreement on Tariffs and Trade, GATT; the North American Free Trade Agreement, NAFTA; and the Paris Convention for the Protection of Industrial Property. In July 1994, World Intellectual Property Organisations, WIPO, told British American Tobacco that there was no contravention of the Paris convention. Later, WIPO incorrectly reconsidered its position. By 1995, the Australian health minister rejected plain packaging on international trade and legal grounds. This dishonest ploy by the tobacco companies had been successful in Australia and Canada.

So what have we seen this year from the tobacco industry? Not much that is new: claims about trade agreements; intellectual property; the need for the Australian government to pay huge compensation to the tobacco industry; lobbying US congressmen and foreign countries like Malaysia to oppose Australia's plans; claims of an increase in illegal importation of tobacco; an expanded black market; shortages of supplies; and that tobacco prices will drop dramatically.

I will deal with the last point before I respond to the other claims. It is a bizarre statement that the tobacco industry suddenly believes that their products are of minimal value. Give me a break! Adam Smith in his An Inquiry into the Nature and Causes of the Wealth of Nations in which the famous 'invisible hand' appeared also talked about the moral and ethical behaviour necessary for a market to operate satisfactorily and to benefit the community. These obligations seem to have been completely lost on the tobacco companies. But, in fairness, there might be the odd Australian company to whom this could also be applied.

In dealing with the other issues, I will rely heavily on the help of the Victorian Cancer Council. Let us look at some of these issues. It won't work, so why do it? As the number of design elements on cigarette packs decrease, so does the level of positive
perceptions people have about smoking. Research concludes plain packaging is likely to reduce the appeal of smoking to teenagers and adults, make health warning messages on packs more prominent and stop smokers incorrectly believing that some brands of cigarettes are less harmful than others.

Plain packaging was rejected in the UK and Canada. Canada and Britain, along with Australia, have signed an international World Health Organisation, WHO, treaty that recommends its members pursue plain packaging. Canada has actually announced its intention to proceed with plain paper packaging. The British government has stated that it will consult on options to reduce the promotional impact of tobacco packaging, including plain packaging, before the end of 2011. So Australia is again leading the way. Plain packaging is also being considered by the European Union and New Zealand. A plain packaging bill has been introduced in the French National Assembly. Every state in Australia has already moved to make it illegal to have cigarettes on display.

So, if you cannot see them, how will plain packaging make any difference? Both display bans and plain packaging are important elements in reducing avenues for tobacco industry promotion and the recruitment of new smokers. Once out of the store, cigarette packs act as mobile advertising for the brand. Smokers display the pack approximately 10 to 15 times a day as they light up. They often leave them out in social situations where others will see them. Plain packaging will end this form of promotion.

Plain packaging laws will result in the government paying compensation to tobacco companies. It will only be restricting the tobacco companies’ use of their trademarks and packaging. This is not illegal. For this reason, there will be no need to compensate tobacco companies for acquisition of property. Plain packaging will not disadvantage imports or restrict international trade. International trade agreements do not create a right to use trademarks and, in any case, they allow for member countries to implement measures necessary to protect public health.

Plain packaging will make cigarettes easier to counterfeit and increase the trade in illicit tobacco products such as ‘chop chop’. There is no evidence that plain packaging will lead to an increase in illicit trade in tobacco products. Tobacco industry claims about the amount of illicit tobacco purchased in Australia have been found to be exaggerated and misleading. The plain packaging legislation will allow tobacco companies to continue to use covert anti-counterfeit markings on their products. This is the tip of the iceberg and pretty soon public health organisations will be calling for the plain packaging of other consumer products.

Tobacco advertising was banned in Australia in 1976. In 35 years, no other product category has been banned from advertising in Australia. The reason tobacco has been targeted in this way is that it is unlike any other product on the market. It kills half of all long-term users and 15,000 people in Australia every year. Restrictions on the packaging of tobacco products are warranted because of the dangerous nature of tobacco. If the government was actually serious about stopping people smoking, it would ban the sale of tobacco. It will not though because of the tax it brings in. If tobacco was introduced to the retail market today, there is no question it would be banned. Unfortunately, though, the dangers
of smoking only became apparent in the fifties, a time when half of all Australians smoked. Although we have made significant inroads into smoking rates since then, more than three million Australians still regularly smoke, many because they are addicted to nicotine.

Once again, I want to put on the public record congratulations to the minister, along with this government, for taking the initiative of undertaking the reform that was necessary because those opposite failed to take the appropriate action in the 11½ years that they were in government. I commend the bills to the Senate.

Senator CROSSIN (Northern Territory) (19:16): I rise to provide a contribution to this debate on the Tobacco Plain Packaging Bill 2011 and the Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011. I have some introductory remarks I want to make about the plain packaging debate but particularly I will turn my attention to the work that the Senate Legal and Constitutional Affairs Legislation Committee has done in relation to, in particular, the Trade Marks Amendment (Tobacco Plain Packaging) Bill.

I will just begin my contribution by reminding everyone that smoking is the largest preventable cause of disease and death in Australia, killing 15,000 people a year and contributing 7.8 per cent to the total Australian burden of disease. Tobacco smoking affects people of all ages. Tobacco use increases the risk of heart attack, stroke, chronic lung disease, several cancers and diabetes. Smoking during pregnancy, as we heard from Senator Polley, increases the risk of low birth weight in babies. Passive smoking also has its risks. Exposure to second-hand smoke can lead to serious harm, causing lung cancer and cardiovascular disease. Passive smoking can also increase

the risk of onset asthma in children and sudden infant death syndrome.

From a personal point of view, I have a passionate need to support this bill and see it pass through this chamber this evening. My father died in 2008 of mouth cancer as a result of a lifelong addiction to cigarette smoking. I think anyone who has nursed a family member through such a debilitating and destructive disease that leads to the end of their life will put their hands up very readily to support legislation such as this. As an asthmatic I am also very conscious of the effect that passive smoking has on one's ability to breathe freely in this country and that is another reason I am so supportive of this legislation.

Tobacco use also places a huge financial strain on the health sector as well as the broader community. As far back as 1998 and 1999 it was estimated that the costs attributable to tobacco in Australia were over $109 million. That includes medical, hospital, nursing home and pharmaceutical costs. It is now estimated to cost our economy $31.5 billion. Despite all this, and despite all of our efforts, there are still three million Australians who continue to smoke.

In my own electorate of the Northern Territory the situation is even more dire. The rate of smoking in the Northern Territory is the highest in the country. Smoking prevalence data from 2007 reports that one-quarter of non-Indigenous adults in the Northern Territory aged 14 and over smoke tobacco on a daily basis.

Debate interrupted.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Marshall): Order! I propose the question:

That the Senate do now adjourn.
Multicultural Policy

Senator LUNDY (Australian Capital Territory—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Immigration and Multicultural Affairs) (19:20): On Monday of this week I was fortunate enough to be representing the Prime Minister at the annual Ethnic Business Awards ceremony in Sydney. The Ethnic Business Awards recognise the economic contribution of migrants to Australia as well as celebrate the business achievements of Indigenous Australians.

This evening I would like to acknowledge the extraordinary efforts of the founder and chairman of these awards, Mr Joseph Assaf. His own story is articulated in his wonderful book, titled In Someone Else's Shoes. From his own very humble beginnings, Joseph has achieved a considerable amount professionally and created this wonderful business awards event that has been sustained for over 23 years. In fact, his determination has ensured it has become the longest-running event for business awards in Australia. The awards have been broadcast every year for more than two decades, thanks to SBS.

Joseph's vision has created what I think is the appropriately prestigious platform for us to be able to collectively acknowledge and applaud the pioneering spirit, tenacity, drive and entrepreneurialism of so many people who have settled in Australia and contributed enormously to our economy. Joseph has not just created an event. He has been part of a shift in Australian culture to recognise the benefits of immigration and the contribution of migrants right across our society. As you would expect, a central part of any awards program is the time and effort put in by judges. The judges for the Ethnic Business Awards are a group of very esteemed Australians: Don Argus AC AO, Eve Crestani, Joseph Elu AO, Allan Gyngell AO, Dr Ziggy Switkowski, and Carla Zampatti AC AM, who is also the Bulletin-Qantas Businesswoman of the Year and has been a judge for these business awards for the whole 23 years since their inception. I think that is a wonderful recognition of her commitment to the awards program established by Joseph Assaf.

This year's awards are in three categories. There is a small business category, a medium to large business category and, as of last year, an Indigenous business category. This has been enormously successful and generated a huge number of nominations. I would like to run through a brief description of each of the award winners in these categories. Starting with small business, the winner was Micropace and Michael Cejnär. Having fled Czechoslovakia and without English proficiency, Michael was placed into a special needs class, only later to graduate from Royal North Shore Hospital as a doctor specialising in cardiology. After 10 years in his private cardiac clinic, Michael identified a niche market in cardiac stimulators and his devices are now sold to hospitals and medical practices in over 42 countries. This is an extraordinary story of entrepreneurial spirit and incredible success in the area of technology and engineering.

In the medium to large business category, the winner was Ruby Developments and Peter Pulijich. Born and raised in a small village in Croatia, Peter made a living with his parents by selling home-grown produce. At the age of 17, and following a workplace accident that irrecoverably damaged his arm, he decided to leave Croatia to create a better life for himself. He arrived in Sydney in 1968 and began to learn how to plaster. Proving that his disability would not get in the way of his business success, Peter's company has grown to develop some of Australia's most significant over-50s lifestyle resorts. So his investment in his trade of
plastering has led to a very successful career in property development, servicing that wonderful market for the over-50s.

In the Indigenous business category, the winner was Complete Workwear Services and Robert and Nicole Stewart. Their business is located in Victoria. Robert started the cleaning business with no assets at all, servicing customers from the boot of his car. Supported by his daughter Nicole, Complete Workwear Services Pty Ltd has become industrial laundry specialists in the niche area of the airline industry and has proven to be a business success that operates 24 hours a day, seven days a week.

These three stories are indicative of the enormously fascinating and high-quality nominations amongst the finalists, and I cannot begin to imagine how tough the job of the judges was. I would like to congratulate all the winners, all of the finalists, in fact all of the nominees, as well as the judging panel and everyone involved in what was a wonderful evening in Sydney. The awards present the appropriate opportunity to recognise the economic contribution of migrants and refugees. This fact is acknowledged and recognised in the Labor government's multicultural policy and will be a focus of the new Australian Multicultural Council. The council has now met twice and will meet once more before the end of the year and the work and activities of the AMC will be available on their website, www.amc.gov.au.

One of the tasks of the Australian Multicultural Council is to implement the People of Australia Ambassadors Program. I know many colleagues will remember that, at the launch of the AMC on 22 August, the Prime Minister, Julia Gillard, encouraged Australians to nominate possible ambassadors for the program. It will see up to 40 local ambassadors selected from across the country. These individuals will likely be outstanding community leaders who have encouraged participation within their own communities. People of Australia ambassadors will champion inclusion and provide advice to the new Australian Multicultural Council and the government about ideas and initiatives to help promote belonging and leverage the benefits of cultural diversity in our communities.

The ambassadors will be appointed for a 12-month period and have key roles in annual community events and celebrations including, importantly, Harmony Day on 21 March. Nominations closed on 7 October and I am advised that the AMC have received over 350 applications. This is marvellous, of course, but it means that not everyone will be successful. I think it demonstrates the strength and enthusiasm of multiculturalism in Australia and reinforces the importance Australians place on ensuring our culturally diverse communities are harmonious and cohesive. I know the AMC are considering the applications and are looking to finalise the ambassadors by the end of this year or early in the new year.

As part of the multicultural policy, the government is also implementing an inquiry into the responsiveness of Australian government services to the needs of Australians from culturally and linguistically diverse backgrounds. I look forward to making a further announcement around this inquiry shortly.

In another initiative, in August the Attorney-General, Robert McClelland, and I announced Dr Helen Szoke's appointment as Race Discrimination Commissioner. For the first time in 13 years, Australia now has a full-time Race Discrimination Commissioner. Dr Szoke will steer the National Anti-Racism Partnership and Strategy. This partnership and strategy was announced as a
key initiative of the People of Australia: Australia's Multicultural Policy. It comes with $1.7 million in funding and brings together expertise across three government departments: the Attorney-General's Department, the Department of Immigration and Citizenship and the Department of Families, Housing, Community Services and Indigenous Affairs. It also involves, of course, the Australian Multicultural Council and the Australian Human Rights Commission. The Federation of Ethnic Communities Councils of Australia, or FECCA, and the National Congress of Australia's First Peoples will also be participating in partnership meetings as non-government representatives.

The partnership is currently developing an extensive consultation schedule. A draft strategy is expected to be launched around July 2012, with implementation of the strategy rolled out over the following three years. FECCA and the Australian Human Rights Commission will be co-hosting the first public consultation of this strategy next week, on 16 November, in Adelaide as part of the preconference proceedings for FECCA's biennial conference. This year the FECCA conference theme is 'Advancing Multiculturalism'. I would like to congratulate the team at FECCA for assembling a fantastic program of activity. This year's conference will be looking at many key areas, including issues surrounding CALD communities, mental health, carers, youth, education, rural and regional settlement, new and emerging communities and how to promote engagement and diversity in our society. It is being held in conjunction with the Multicultural Communities Council of South Australia. I would like to conclude by acknowledging the leadership of Pino Migliorino as chair of FECCA. (Time expired)

**Media**

**Senator IAN MACDONALD**

(Queensland) (19:30): Tonight I want to pursue further a matter that I have questioned during recent question times, and that is the so-called independent inquiry into the media. Senators will recall that that inquiry is currently being conducted at the behest of the Greens political party, primarily as a payback to News Ltd for its scrutiny of Senator Brown and his political party.

Another aspect of this inquiry which came to light recently was its examination of whether there should be support for independent journalism and how this should be provided. The issue of support for independent journalism certainly was not explicit in the inquiry's terms of reference issued by Senator Conroy on 14 September this year. But two weeks later the independent media inquiry released a discussion paper which, under the heading 'Support', asked these questions:

- Is there need for additional support to:
  - (a) assist independent journalism
  - (b) assist the media to cater for minority audiences
  - (c) remove obstacles that may hinder small-scale publications
  - (d) promote ease of entry to the media market
  - (e) foster other aspects of the media’s operations?

What are the best methods for providing that support?

So I ask this question: where did these propositions come from? According to the minister, Senator Conroy—in answer to a question—he first saw the issues paper when the inquiry supplied it to him 'very shortly before they publicly released it'.

Interestingly, on 17 August 2011 six journalism academics wrote to the leader of the Greens political party, Senator Brown,
and also to Senator Conroy, and possibly others, proposing that not-for-profit journalism enterprises be given tax deductible status. These academics included Dr Matthew Ricketson, Professor of Journalism at the University of Canberra. As has been reported, in something of a coincidence no doubt, several weeks afterwards Dr Ricketson was appointed to assist the independent media inquiry—two weeks after this the inquiry's discussion paper was released, canvassing the issue of support for independent journalism. Then, some weeks after this, Senator Brown forwarded on to the inquiry the suggestion by Dr Ricketson and other academics of tax deductibility for not-for-profit journalism. That is, he sent on to Dr Ricketson and the inquiry the letter that had come to him from Dr Ricketson and others. This all looks a bit too incestuous to me. Senator Brown's submission to the independent media inquiry says:

The Australian Greens support the proposal for tax deductible status for not-for-profit journalism enterprises.

Surprisingly, this proposal is not in the Greens' media and communications policy on the Greens website. Perhaps this was decided just of late.

More interestingly, five weeks before the six academics wrote to Senator Brown with their proposal for tax deductibility of not-for-profit journalism enterprises, *Crikey* broke the story that Wotif multimillionaire Graeme Wood was backing former ABC reporter, Monica Attard, in a new independent journalism enterprise—*The Global Mail*—estimated to cost $2 million to $3 million a year. So, Senator Brown's submission to the independent inquiry into the media would benefit the interests of the person who donated $1.6 million in advertising to the Greens political party at the last federal election. According to *Crikey*, Mr Graeme Wood said 'he's happy to cop ongoing losses' and that he also said, 'I think eventually there will be a financial business model for this sort of thing, but it ain't there yet.'

When this issue was raised in the Senate last week Senator Brown could have provided a straight rebuttal; instead, he chose to impute motives of envy to the coalition. Might I say that it does not trouble me that the Greens might receive a large donation; what disturbs me, though, is the Greens' hypocrisy in accepting Mr Wood's donation after years and years of railing about the evils of accepting corporate donations. And what continues to disturb me even more—in relation to Gunns' sale of the Triabunna woodchip mill—is that Senator Brown and the Greens sought to push Mr Wood's commercial interests and damage those of Mr Wood's competitor.

I believe that, rather than resorting to furphies, Senator Brown needs to explain his advocacy of tax deductibility for not-for-profit journalism enterprises, which would benefit the Greens' major donor—all very, very interesting. Senator Brown should say whether or not he has had any discussions with Mr Graeme Wood, or anyone else connected to his venture, about the need for such a journalism venture and/or the need for such ventures to receive tax deductibility status. And, importantly, he should say what, if anything, he knows of the genesis of the letter to him from the six academics, and whether it was just something out of the blue and whether he had any discussions about it before or after its receipt and, if so, with whom. It may be that this letter to Senator Brown was serendipitous, but an understanding of how and why it came into existence would clear the air. This whole issue of the so-called independent inquiry into the media, Senator Brown's part in the issues surrounding it, and the involvement of Mr Graeme Wood, does seem murky. I
suggest to Senator Brown that it might be time for him to make a statement, clear the air, and explain exactly what his part in this whole, what seems to be, increasingly murky mess is all about.

Coal Seam Gas

Senator WATERS (Queensland) (19:37):
I rise to speak about coal seam gas. It is particularly appropriate, given that today we saw all parties, bar the Greens, vote against the need for coal seam gas to be safe for our environment before we proceed with it. It was particularly peculiar, I thought, that the Nationals were not even in the chamber for this vote, because after my last motion, which called for a moratorium on coal seam gas until we know that it is safe for our water, was voted down by all parties a month ago, I thought, 'Maybe I have the words wrong; why don't I try again?'

I am going to talk a bit about the policy that the Nationals released on the weekend. There was one good point in it, and that was the basis of my motion today. Yet given a chance to vote for their own policy they did not even bother to put their bums on the seats in the chamber. They all came in about five seconds later, which was very telling, I thought. I find it incredibly disappointing that clearly this policy has only lasted 72 hours; it has already been abandoned.

Was it the Liberals that caused the Nationals to quash this policy? Did they wimp out on standing up to the Liberals or were they really just not that committed to the policy anyway? I think the folk of the bush—in fact, anyone who likes to eat Australian produced food and who is worried about our water resources and our reef—would be incredibly disappointed at the stance that the Nationals took today. They could rightly feel very ripped off that their representatives are not representing them at all.

I want to talk a little bit more about some of the statements that the Leader of the Nationals, Mr Warren Truss, made the other day on Radio National—again, about this issue of coal seam gas. It seems that on the weekend the Nationals released a blueprint. They also call it a policy but it is all of 1½ pages long. The blueprint has some points in it and concludes with a reference to the fact that they will launch a discussion paper soon. So we have a blueprint, which is 1½ pages, and a forthcoming discussion paper. Then we had today's vote, when they would not even back their own blueprint. It is very curious and one wonders what on earth the Nationals are thinking on this matter.

There were two good points in their policy. They said that coal seam gas should not proceed where it poses a significant risk to groundwater and should not proceed unless it is safe for the environment. The other good point is the recognition that prime agricultural land is crucial. Yet we saw in this place the Nationals speak against both of my bills, which would, in fact, have delivered on their own policy commitments.

As the chamber would know, I have a bill to give landholders the right to say no to coal seam gas projects on their land—a right which they lack at the moment in all jurisdictions bar certain land tenure in WA. My other bill is to give the federal government power to regulate mining where it would have an impact on water. Yet we have seen the Nationals—and, of course, all other parties except the Greens—speak against these bills.

I fail to understand why that is. Clearly, this chamber needs to be reminded of the importance of groundwater and our surface water systems on this driest inhabited continent on the planet. This chamber needs to be reminded and of the fact that we only have four per cent good-quality, food-
producing land in this nation and that we have a precious Great Barrier Reef. Anyone who saw Four Corners on Monday night would know that the reef is under threat from coal seam gas port development and the dredging that is entailed in that. Yet we have all the folk in this place, bar the Greens, putting their heads in the sand and saying, 'No, we'd rather keep taking the company tax revenue. We'd rather keep taking the political donations. We'd rather put our heads in the sand and vote for short-term fossil fuel greed than long-term environmental sustainability.'

So the Greens are greatly disappointed that they are again alone on this important issue.

As I said, we saw the Nationals release a policy on the weekend that they have now voted against.

I want to correct the record on a few points that Mr Truss made to Fran Kelly on her program on Monday morning of this week. Unfortunately, the reason I want to correct the record is that he misconstrued my bill. He might like to have a read of my bill because he might discover that he actually likes it and would prefer to support it. He made the claims that both Mr Windsor's bill and, by extension, my bill—the two are similar, although they differ in one important matter that I will not bore the chamber with at this point—would mean that the green police are going to be trawling around farm properties and looking at various issues, not just coal seam gas but inevitably at what else happens on farms. He said, 'Now, I don't think farmers are going to be very keen about that.'

No, Mr Truss, that is not what the bills do. You would be advised to have a good read of them. They are clearly focused on mining and the impacts mining would have on water resources. I can assure Mr Truss—I hope to gain his support by clarifying this for him—that neither Mr Windsor's bill nor mine will have any effect on farm operations. That is one important point that I hope the Nationals are now considering.

The other point Mr Truss made was that the Commonwealth already has all the powers, and that all of the projects in Queensland have been approved. Well, actually they have not—there are a few outstanding—but that is not the point I want to make. Mr Truss said that the Commonwealth has the capacity to intervene and therefore Mr Windsor's legislation is simply going to be a 'burden rather than an advancement'. I am afraid that Mr Truss is, again, wrong. We are in the federal parliament; it really would do well for people to be across what our federal laws say on an issue that they profess to be concerned about in an area that covers most of their electorates.

The legislation does not allow the minister to consider the water impacts of coal seam gas. The only reason the minister was able to consider water impacts in those three Queensland projects that have been approved—not four, nor five but three—was that there was a particular endangered ecological community entitled 'the community of native species dependent on the natural discharge of groundwater from the Great Artesian Basin'. To put that simply for folk who are interested, the only reason the federal minister could even consider the water impacts of coal seam gas was that there were some endangered critters that were dependent on that water.

That is great. That is all well and good. It meant that water could be considered in that instance, but there is not always going to be an endangered ecological community dependent on groundwater. Unless there is, the federal government will not be able to consider the water impacts of coal seam gas. When we have folk like the National Water Commission, the CSIRO, other expert
hydrologists that I have spoken to, farmers and worried members of the community saying that we simply do not know enough about our groundwater systems to know what is connected and what is not, and that we cannot be sure that punching a great big hole to get to coal seam gas is not going to do some damage, then maybe we should press 'pause' and do those studies. We should get that research and base our policies and our decisions on science. Is it such an outlandish notion that we should have science based policies? On this topic, whatever happened to the precautionary principle? It is actually enshrined in our law and the federal minister is not meant to make a decision where there is the threat of extreme damage to the environment and when there is any uncertainty surrounding that.

There is uncertainty surrounding the impacts of coal seam gas and they primarily relate to water, so it is about time the federal minister was empowered to consider those water impacts. I think members of the Australian community would be flabbergasted that our environmental laws shelter the minister so much and preclude him from considering what is the key concern with coal seam gas. Of course another key concern is climate change, but I do not think I will have time to address that. That will be for another night.

In the Nationals blueprint they also said that federal leadership is demanded, yet they then speak against my bill and speak against Tony Windsor's bill, and they do not support giving the federal government the power to assess the water impacts of coal seam gas. So, I am a bit perplexed as to what federal leadership they are demanding if they refuse to support the amendments to the laws that would enable that federal leadership to be taken. I am a bit confused and I suspect that they are a bit confused too.

I will now go back to the moratorium point. I put a motion in this place in the middle of September calling on the government to implement a moratorium on coal seam gas until we have had the time to do the science and really understand what the impacts on our groundwater, our food security, our reef and our communities are going to be. When we have that understanding, then we need to have the conversation with the Australian community about whether that is the sort of the future that we want. It is so incredibly premature that industry has barrelled ahead. Key approvals have been issued in Queensland already and ticked off by the federal minister, with a few more in the pipeline to come. We have seen the disastrous impact on the reef already from just 1½ million cubic metres of dredging from Gladstone Harbour when 46 million has been approved.

It is about time that this chamber concerned itself with coal seam gas and took an interest in the fact that our key advisory bodies are telling us that we do not have enough information to know that this industry is safe. It is about time that all parties, including the Nationals, took the Australian community seriously enough to turn their minds to this issue and, frankly, to support the Greens' bills that will help fix up this mess.

Alzheimer's Disease

Senator BILYK (Tasmania) (19:47):
Tonight I rise to speak about the most common form of dementia, Alzheimer's disease. It is a disease that has a significant impact on many Australians. Not only do people with Alzheimer's suffer but it also affects their families, friends and carers. In raising awareness about Alzheimer's disease, I would also like to highlight the excellent work done by Alzheimer's Australia, which provides advocacy and support to
Australians living with dementia. I know my colleague present here tonight, Senator Carol Brown, would also bear witness to the hard work they do.

Alzheimer's disease is a physical condition which attacks the brain and results in impaired memory, thinking and behaviour. It falls into two categories. The first category is sporadic Alzheimer's disease which affects adults at any age but most commonly occurs in people over the age of 65. Sporadic Alzheimer's disease is by far the most common form. It is quite often known as late onset Alzheimer's and is not thought to occur through direct inheritance. However, if people have relatives with Alzheimer's disease, they have a greater chance of developing it themselves.

The gene is carried by 25 per cent of the Australian population and is known to be associated with an increased risk of late onset Alzheimer's disease. That said, approximately half the people carrying the gene who live to be 85 do not have the disease at that age. Researchers are trying to find other genes and environmental factors that make Alzheimer's disease more or less likely but, to date, the only clear risk factor for developing the condition appears to be a history of a severe head injury earlier in life.

The second form of the disease is known as familial Alzheimer's disease. This is a less common form and involves the disease being passed from one generation to the next. A child of a person carrying the mutated gene will have a 50 per cent chance of their children inheriting the disease. If people with this gene develop Alzheimer's disease, it usually occurs when the person is in their 40s or 50s. Familial Alzheimer's disease affects a very small number of Australians—thankfully.

In the early stages the symptoms of Alzheimer's disease can be very subtle. The first signs are often lapses in memory and difficulty in finding the right words for everyday objects. Other symptoms experienced may include: persistent and frequent memory difficulties especially of recent events; vagueness in everyday conversation; apparent loss of enthusiasm for previously enjoyed activities; taking longer to undertake routine tasks; forgetting well-known people or places; an inability to process questions and instructions; deterioration of social skills; and emotional unpredictability. Symptoms can vary from person to person and the disease progresses at different rates. How fast the disease progresses is dependent on the area of the brain affected. A person's abilities may fluctuate from day to day or even throughout the course of a single day. The disease can become worse in times of stress, fatigue or ill health. It is progressive and degenerative and it is, unfortunately, currently irreversible.

Researchers are rapidly learning more about the chemical changes that damage brain cells in Alzheimer's disease but, apart from the few individuals with familial Alzheimer's disease, it is not known why one individual develops Alzheimer's and another does not. A variety of suspected causes are being investigated including environmental factors, biochemical disturbances and immune processes. Any person can develop Alzheimer's disease but it is much more common after the age of 65 years. The prevalence rate for dementia rises with age. For females aged 65 to 69 years dementia affects one person in 80 compared to one person in 60 for men. In the 85 and over age group, the rate is approximately one person in four for both males and females.

Currently there is no single test to identify Alzheimer's disease. The diagnosis is made after a thorough evaluation of the patient's health, usually including a detailed medical history, a thorough physical and neurological
examination, a test of intellectual function, a psychiatric assessment and a neuropsychological test. Sometimes blood and urine tests may also be taken. Conducting a wide range of tests and examinations helps doctors to eliminate other possible conditions that have similar symptoms, such as nutritional deficiencies or depression.

Once other conditions have been eliminated, a diagnosis of Alzheimer's disease can be made with about 80 to 90 per cent accuracy. Unfortunately, the disease leads to complete dependence and eventually death. At present there is no cure for Alzheimer's disease. However, some drugs can be used to assist to stabilise a patient's condition. Doctors may also prescribe medication to help with secondary symptoms. Those symptoms may include restlessness, inability to sleep and depression.

There is now good evidence that we can reduce our risk of dementia by taking control of alcohol use, blood pressure, body weight, cholesterol, depression, diabetes, diet, head injury, mental activity, physical activity, smoking and social activity. It is also estimated that significant numbers of dementia cases could be prevented by addressing risk factors. For example, around 100,000 fewer Australians would have dementia in 2050 if physical inactivity rates were reduced by five percent every five years.

I have just spoken a bit about the actual disease, and I would like to look at some statistics for my home state of Tasmania. The report *Dementia across Australia: 2011-2050* by Deloitte Access Economics indicates that in 2011 there are 6,732 known Tasmanians suffering from dementia. That number is expected to rise to 7,818 in 2015 and to 20,653 by 2050. If the onset could be delayed by five years, the number of people with dementia would be halved between 2000 and 2040. Dementia will become the third greatest source of health and residential aged-care spending within the next two decades. Australia-wide, there are thought to be over 266,500 people living with dementia this year and this is expected to rise to 565,000 in 2030 and 942,600, give or take, by 2050.

As with any serious medical condition, a strong support network is obviously important. Alzheimer's Australia can provide support not only to the patient but to their families and carers as well. The organisation provides support, information, education and counselling for people affected by dementia and can also provide up-to-date information about drug treatments. This support can make a positive difference to managing the condition. Alzheimer's Australia Tasmania has an administration centre in Hobart as well as another office in Devonport. Hobart also has a training facility and the Old Vicarage Respite facility.

The Old Vicarage provides overnight respite for patients for up to five nights and the individual's carer is welcome to stay if needed. While staying at the Old Vicarage, people have access to a day club. People can attend the day club to give their normal carer a break, and up to 10 people can attend at any one time. Activities at day club focus on improving wellbeing, offering cognitive stimulation and also encouraging participants to socialise. Day clubs are offered in Hobart, Launceston and in Woodbridge, south of Hobart.

In Launceston, there is a dementia and memory centre, and the Commonwealth government funded dementia and memory community centre offers a range of services to the general public, including those with memory loss, their carers, family and friends. Services include access to computers and the internet to learn about the disease, a library...
and the opportunity to learn about the 'seven signposts' of the Mind your Mind program. There are also an art therapy program, which I have spoken about previously, and community information sessions.

A qualified counsellor, psychologist or social worker is available to talk confidentially, face-to-face, with people. There is also in-home respite, which means a care worker visits the home to give the primary carer a break. This service also allows for the respite carer to take the client on outings, which can of course be of great benefit to the people at home caring for the person suffering. In-home respite is usually used if a person is reluctant to attend a day club or if they are unable to attend because of issues with mobility, continence or behaviour.

Both Hobart and Launceston have a mobility sensory van that offers multisensory therapy for people living with dementia. The van operates throughout the state, visiting rural and remote areas to promote the Mind your Mind program and to ensure that people who do not live in the main cities have access to assistance. There are also a number of other support groups which operate in rural areas for people with dementia and their carers. With our ageing population and the associated increase in dementia, it is important that the community is educated about the signs, symptoms, treatment and support available to them and those that are suffering from this disease.

Senate adjourned at 19:58

DOCUMENTS

Order for the Production of Documents

Documents were tabled pursuant to the order of the Senate of September 2011 for the production of documents relating to the National Police Remembrance day.

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.]


Customs Act—

Tariff Concession Orders—

1100247 [F2011L02259].
1106208 [F2011L02258].
1106302 [F2011L02261].
1107491 [F2011L02263].
1108058 [F2011L02250].
1108392 [F2011L02251].
1108393 [F2011L02254].
1108416 [F2011L02256].
1108417 [F2011L02262].
1108451 [F2011L02264].
1108504 [F2011L02265].
1108786 [F2011L02249].
1108980 [F2011L02268].
1109273 [F2011L02255].
1109648 [F2011L02253].
1110479 [F2011L02271].
1110728 [F2011L02252].
1111524 [F2011L02257].

Tariff Concession Revocation Instruments—

144/2011 [F2011L02280].
164/2011 [F2011L02282].
166/2011 [F2011L02281].
Environment Protection and Biodiversity Conservation Act—Amendments of lists of exempt native specimens—

Financial Management and Accountability Act—Financial Management and Accountability Determination 2011/18 – Section 32 (Transfer of Functions from AGD to ITSA) [F2011L02272].

Fisheries Management Act—
Eastern Tuna and Billfish Fishery Management Plan 2010—
Eastern Tuna and Billfish Fishery Overcatch and Undercatch (2011 Fishing Season) Determination [F2011L02269].

National Consumer Credit Protection Act—
Select Legislative Instrument 2011 No. 201—National Consumer Credit Protection Amendment Regulations 2011 (No. 6) [F2011L02260].


Tabling
The following government documents were tabled:
Australian Fisheries Management Authority—Report for 2010-11.
Sydney Airport Demand Management Act 1997—Quarterly report on the maximum movement limit for Sydney Airport for the period 1 July to 30 September 2011.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Immigration and Citizenship
(Question No. 1166)

Senator Abetz  asked the Minister representing the Minister for Immigration and Citizenship, upon notice, on 13 September 2011:

(1) What was the total cost of allowances for government employees or contractors working at sea for the 2010-11 financial year.
(2) What is the daily allowance for working at sea.
(3) How many days in total were spent at sea in the 2010-11 financial year.

Senator Carr: The Minister for Immigration and Citizenship has provided the following answer to the honourable senator's question:

(1) Nil. The Department of Immigration and Citizenship did not have any employees or contractors working at sea during the 2010-11 financial year.
(2) Not applicable.
(3) Not applicable.

Agriculture, Fisheries and Forestry
(Question No. 1175 amended)

Senator Abetz  asked the Minister for Agriculture, Fisheries and Forestry, upon notice, on 13 September 2011:

With reference to the department and all agencies within the Minister's portfolio:

(1) What was the total cost of allowances for government employees or contractors working at sea for the 2010-11 financial year.
(2) What is the daily allowance for working at sea.
(3) How many days in total were spent at sea in the 2010-11 financial year.

Senator Ludwig: The amended answer to the honourable senator's question is as follows:

The total cost of allowances for government employee's or contractors working at sea for 2010-11 financial year is $787,748.

The daily allowance for working at sea is:

Land Based Officers
$114.64 per day At Sea Allowance.
$40.23 after 24 hours and $20.12 for every completed 12 hours thereafter.

Marine Travel Allowance (MTA) is non taxable

Fisheries Compliance Officers
$196.16 per day At Sea Allowance
$40.23 after 24 hours and $20.12 for every completed 12 hours thereafter.

Marine Travel Allowance (MTA) is non taxable

Observers
$172.80 per day At Sea Allowance

The total number of days that have been spent at sea 2010-11 financial year were 4010.
**Tertiary Education, Skills, Jobs and Workplace Relations**  
(*Question No. 1204*)

**Senator Scullion** asked the Minister for Tertiary Education, Skills, Jobs and Workplace Relations, upon notice, on 15 September 2011:

How many students are in receipt of ABSTUDY payments, broken down by:
(a) category or type of payment; and
(b) residential location of recipient by state/territory, urban, regional or remote.

**Senator Chris Evans:** The answer to the honourable senator's question is as follows:

The following tables provide the information on ABSTUDY recipients, that is students and Australian Apprentices, by payment category and residential location by state/territory and regional classification.

Data on Living Allowance comprises individual recipients of fortnightly ABSTUDY payments who may also be receiving non-Living Allowance payments. Data on non-Living Allowance payments includes recipients of School Term Allowance, School Fees Allowance, Incidental Allowances, Lawful Custody Allowance, Under 16 Boarding Supplement, Residential Costs Option, supplementary payments for Masters and Doctorate students, Fares Allowance and away from base assistance where the payments are not made to recipients of fortnightly Living Allowance payments. The number of recipients of ABSTUDY Pensioner Education Supplement is also provided.

**ABSTUDY Recipients by Home State/Territory by ABSTUDY Payment Type as at 26 August 2011**

<table>
<thead>
<tr>
<th>Regional Classification (Home Address)</th>
<th>ABSTUDY Living Allowance</th>
<th>ABSTUDY Non-Living Allowance Payments</th>
<th>ABSTUDY Pensioner Education Supplement</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
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<tr>
<td>Total</td>
<td>12797</td>
<td>23525</td>
<td>1857</td>
</tr>
</tbody>
</table>

**ABSTUDY Recipients by Regional Classification by ABSTUDY Payment Type as at 26 August 2011**

<table>
<thead>
<tr>
<th>Regional Classification (Home Address)</th>
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<th>ABSTUDY Non-Living Allowance Payments</th>
<th>ABSTUDY Pensioner Education Supplement</th>
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<tbody>
<tr>
<td>Major Cities</td>
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<tr>
<td>Total</td>
<td>12797</td>
<td>23525</td>
<td>1857</td>
</tr>
</tbody>
</table>

Centrelink Administrative Data