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SITTING DAYS—2012

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FORTY-THIRD PARLIAMENT
FIRST SESSION—FIFTH 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, Scott Ludlam, Gavin Mark Marshall, Claire Mary Moore, 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
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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.

(3) Chosen by the Parliament of New South Wales to fill a casual vacancy to be filled (Hon M. Arbib, resigned 5.3.12), pursuant to section 15 of the Constitution.

**PARTY ABBREVIATIONS**


**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing

Clerk of the House of Representatives—B Wright

Acting Secretary, Department of Parliamentary Services—R Grove
<table>
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<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon Julia Gillard MP</td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister on Digital Productivity</strong></td>
<td>Senator the Hon Stephen Conroy</td>
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<tr>
<td><strong>Minister for Social Inclusion</strong></td>
<td>The Hon Mark Butler MP</td>
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<tr>
<td><strong>Minister Assisting the Prime Minister on Mental Health Reform</strong></td>
<td>The Hon Mark Butler MP</td>
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<tr>
<td><strong>Minister for the Public Service and Integrity</strong></td>
<td>The Hon Gary Gray AO MP</td>
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<tr>
<td><strong>Minister Assisting the Prime Minister on the Centenary of ANZAC</strong></td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td><strong>Cabinet Secretary</strong></td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>Senator the Hon Jan McLucas</td>
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<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon Wayne Swan MP</td>
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<tr>
<td>(Deputy Prime Minister)</td>
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<tr>
<td><strong>Minister for Financial Services and Superannuation</strong></td>
<td>The Hon Bill Shorten MP</td>
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<tr>
<td><strong>Assistant Treasurer</strong></td>
<td>The Hon David Bradbury MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Treasurer</strong></td>
<td>The Hon Bernie Ripoll MP</td>
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<td><strong>Minister for Small Business</strong></td>
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<tr>
<td><strong>Parliamentary Secretary for Industry and Innovation</strong></td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td><strong>Parliamentary Secretary for Higher Education and Skills</strong></td>
<td>The Hon Sharon Bird MP</td>
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<td>Senator the Hon Stephen Conroy</td>
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<td>(Deputy Leader of the House)</td>
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<td>Senator the Hon Bob Carr</td>
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<td>Minister for Trade and Competitiveness</td>
<td>The Hon Dr Craig Emerson MP</td>
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<td>The Hon Justine Elliot MP</td>
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<td>Parliamentary Secretary for Pacific Island Affairs</td>
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<td>Minister for Sustainability, Environment, Water, Population and</td>
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<tr>
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<td>Senator the Hon Penny Wong</td>
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<td>Senator Fiona Nash</td>
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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.

MOTIONS

Palmer, Mr Clive

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (09:31): I move:

That so much of standing orders be suspended as would prevent me from moving a motion, namely:

That the Senate calls on the Liberals and Nationals to condemn the defamatory comments regarding the Greens, Mr Drew Hutton, Greenpeace and others of their major supplicant, Mr Clive Palmer.

Senator Bernardi interjecting—

Senator BOB BROWN: Senator Bernardi says this is a joke. Well, it is—on them.

Senator Bernardi: Mr Deputy President, I rise on a point of order. I did not say this is a joke; I said Bob Brown is a joke.

The DEPUTY PRESIDENT: That is not a point of order.

Senator BOB BROWN: He did say that this is a joke, then changed it. But I am not here to discuss what he has to say.

Senator Joyce: Mr Deputy President, I rise on a point of order. That is misleading. I am sitting right next to Senator Bernardi. He did not say, 'This is a joke'; he said, 'Bob Brown is a joke.'

The DEPUTY PRESIDENT: That is not a point of order. That is a debating point.

Senator BOB BROWN: Well, aren't the Nationals on the back foot too? And so they should be. We had their major backer, Clive Palmer, this multibillionaire from Queensland, who is also a major backer of the Liberal National Party in Queensland, of Mr Campbell Newman—

Senator Abetz: Mr Deputy President, I rise on a point of order. I was wondering whether Senator Brown could do us the courtesy of actually circulating the motion so we know what we are discussing.

The DEPUTY PRESIDENT: It is a suspension of standing orders, and that is not required under the standing orders.

Senator BOB BROWN: However, I would be quite happy if the attendant would circulate the motion, which says:

That the Senate calls on the Liberals and Nationals to condemn—

Senator Ian Macdonald: Mr Deputy President, I rise on a point of order. Senator Brown started when people were leaving the chamber. Perhaps I am premature, but I have not heard what he was talking about. I am terribly interested, because I have not had a good laugh for a while! Perhaps he could start again.

The DEPUTY PRESIDENT: That is not a point of order. Senator Brown is in order.

Senator BOB BROWN: The Queensland senator was leaving the chamber when he should have been here attending to his business. The motion I propose to move says:

That the Senate calls on the Liberals—

Senator Cormann: Mr Deputy President, I rise on a point of order. The Greens, together with the government, voted to gag debate on some important legislation, and the Greens are now preventing us from debating—

The DEPUTY PRESIDENT: That is not a point of order; that is a debating point.

Senator BOB BROWN: Mr Deputy President, thank you for sitting down another one of them. But they are in defence mode
here this morning, and so they should be. They are on the back foot, because Clive Palmer, who I am told is just starting to withdraw parts of his statement—no doubt under pressure from them—yesterday went out and said:

We’ve just distributed, I’m sure you’ve seen it, ‘How to stop Queensland coal’ report—

That is a Greenpeace document—

which probably came out of Langley in the United States with the CIA.

He went on to say:

I think this is wrong. I think Drew Hutton should be ashamed that his document’s in there.

And so on. Let me tell you this, Mr Deputy President: here is the power behind the Campbell Newman Liberal National Party in Queensland—

Opposition senators interjecting—

Senator Milne: Mr Deputy President, here is the power behind the Campbell Newman Liberal National Party in Queensland—

Opposition senators interjecting—

Senator Milne: Even on the point of order they cannot be quiet.

The DEPUTY PRESIDENT: Thank you, Senator Milne. Before I call Senator Brown, could senators on my left, in particular, come to order. Senator Brown has the right to be heard.

Senator BOB BROWN: Yes, they are braying like a lot of donkeys in retreat, and they have been made to look donkeys by their major supplicant, Mr Clive Palmer. But there is no repudiation from this lot. They stand by what Clive Palmer had to say, even as he withdraws at least part of it—and, of course, so he should. I have no doubt he has had overnight legal advice on some of the things he said. But let me say this in response to them and to Mr Clive Palmer, who is part of them. There will be no Greens candidates withdrawing from this election campaign. Why? Because Clive Palmer is right about one thing: the Greens are the real value option rising for the Queensland voters this Saturday.

Senator Brandis: Mr Deputy President, I rise on a point of order. I know a lot of latitude is allowed for a motion to suspend standing orders, but, when—as is plainly the case now—it is evident that Senator Brown is abusing the process as well as wasting the time of the Senate by making silly debating points, you really ought to call him to order on the question of relevance.

The DEPUTY PRESIDENT: I thank you, Senator Brandis. There has been a lot of latitude allowed in suspension of standing order debates, and that will continue. Senator Brown, you have the call.

Senator BOB BROWN: You are absolutely right yet again, Deputy President. At three days out from an election, this multibillionaire—no doubt after consultations with the Liberal National Party—is injecting himself into an election campaign to try and stymie the Greens. Why is that? He at least recognises that the Greens are the best value for the voters of Queensland this Saturday. Yesterday I said: ‘Well, Mr Palmer, speaking for the Liberal National Party and for Campbell Newman—

Opposition senators interjecting—

The DEPUTY PRESIDENT: Order on my left!

Senator BOB BROWN: The fact is that Mr Palmer has not taken on the star Greens candidate, Mr Adam Stone, who is standing in Mount Coot-tha. Why not? Because the Liberal National Party cannot match the policy suite of the Greens, let alone the influence that they are having put on them by Mr Clive Palmer, Gina Rinehart and this whole suite of foreign backers of the massive coal industry which is sucking jobs out of the
Queensland economy. Mr Palmer's own consultants show that just one of his coalmines in the Galilee Basin—and I was up there with Senator Larissa Waters after talking with Mr Adam Stone, the candidate for Mount Coot-tha, just a fortnight ago—that single coalmine promoted by this Liberal National Party—because why wouldn't they: they're in bed with Mr Clive Palmer—will suck 2,000 jobs out of the Queensland—

Senator Joyce: Mr Deputy President, on a point of order: I really have to pull him up on that. It is interesting to hear him talk about Mr Palmer, but I am certainly not in bed with Clive Palmer.

The DEPUTY PRESIDENT: Senator Joyce, that is not a point of order. Senators, I want to indicate that, whilst points of order will be tolerated, continuous frivolous points of order will not be. A point of order is a serious matter to raise in the chamber, so I would ask senators to consider the nature of the point of order before they raise it.

Senator Bob Brown: Thank you for pointing out how frivolous Senator Barnaby Joyce, National Party, Queensland, is in this place—not just on this occasion but right down the line. The Greens will be offering the voters of Queensland this best alternative, and Clive Palmer knows it. His accusations are of course totally— (Time expired)

Opposition senators interjecting—

Senator Bob Brown: There is no point of order.

The DEPUTY PRESIDENT: Senator Brown, I will determine what is a point of order and what is not a point of order. Senator Macdonald, did you want to raise a point of order?
The Senate divided. [09:45]

(The Deputy President—Senator Parry)

Ayes.............................44
Noes..............................9
Majority.........................35

AYES
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Bernardi, C
Boswell, RLD
Brandis, GH
Bushby, DC
Carr, RJ
Collins, JMA
Cormann, M
Fawcett, DJ
Fifield, MP
Gallacher, AM
Joyce, B
Lundy, KA
Madigan, JJ
McKenzie, B
Moore, CM
Parry, S
Pratt, LC
Ryan, SM
Sherry, NJ
Stephens, U
Thistlethwaite, M
Back, CJ
Boyce, SK
Brown, CL
Cameron, DN
Cash, MC
Conroy, SM
Edwards, S
Feeney, D
Furner, ML
Johnston, D
Kroger, H (teller)
Macdonald, ID
McEwen, A
McLucas, J
Nash, P
Polley, H
Ronaldson, M
Scullion, NG
Sinodinos, A
Sterle, G
Urquhart, AE

NOES
Brown, RJ
Hanson-Young, SC
Milne, C
Siewert, R (teller)
Wright, PL
Di Natale, R
Ludlam, S
Rhiannon, L
Waters, LJ

Question agreed to.

BILLS

Indirect Tax Laws Amendment (Assessment) Bill 2012
Second Reading

Debate resumed on the motion:
That this bill be now read a second time.

Senator CORMANN (Western Australia) (09:52): Courtesy of the Labor Party and the Greens, debate on this important piece of legislation will be gagged at 10 o'clock this morning. Courtesy of the Greens' suspension of standing orders this morning, we will have 7½ minutes to debate this whole bill about indirect taxation. I can well understand that neither the Labor Party nor the Greens want to spend too much time in the Senate talking about indirect taxation, because they are high-spending and high-taxing parties. I say
to the people of Queensland, to whom Senator Brown was trying to send some vague message: if you want to vote against the carbon tax and if you want to vote against death duties, you should support Campbell Newman and the LNP in Queensland.

The Indirect Tax Laws Amendment (Assessment) Bill 2012 is about going down the path of self-assessment by extending the self-assessment arrangements to indirect taxation. It follows a Board of Taxation review into the administration of the GST, which made a series of recommendations for the harmonisation of the self-assessment system across a range of indirect taxes—including the GST, luxury car tax, wine equalisation tax and fuel tax credits. The bill also allows the commissioner to make a determination allowing taxpayers to correct errors in their assessments of GST and fuel tax assessments in the subsequent assessment year.

The coalition support this bill. However, what the coalition do not support is the high-spending and high-taxing agenda from this Labor-Greens administration. It is this Labor-Greens administration which has given us 20 new or increased taxes. Remember the increase in the alcopops tax? Remember the increase in the luxury car tax? Remember the new condensate tax, the $2½ billion tax grab at the expense of the North West Shelf gas project in my home state of Western Australia? Remember the flood tax? Wherever there is a tax to be increased, the Labor Party and the Greens will find it. Of course, since then we have had the carbon tax and the mining tax. If Labor are re-elected at the next election, no doubt there will be another 20 new tax grabs. And guess what? Having introduced 20 new or increased taxes, they still cannot balance the books. This Labor-Greens administration—which is desperate to limit debate on this bill to 7½ minutes—despite 20 new or increased taxes, many of them indirect taxes, still cannot balance the books.

Despite all of that, under this government we have had $167 billion of accumulated deficits. Despite 20 new or increased taxes from this Labor-Greens administration and despite inheriting a $22 billion surplus and a $70 billion net asset position for the Commonwealth, they have been able to turn that around to $167 billion of accumulated deficits, and are now heading for $133 billion of government net debt.

After the last election, the Labor Party and the Greens signed an agreement to form government. It was a highly publicised agreement; it is what gave us the carbon tax. The Greens want us to expand the mining tax. The Greens want to go down the path of death duties. The people of Queensland should be very aware of what will come their way if the Greens are successful in any way at the next election. There is really only one message to be sent to Queensland on Saturday—that is, a message against the high-spending, high-taxing and fiscally reckless agenda of Labor-Greens administrations around the country.

Ever since the Labor Party and the Greens signed an agreement to form government, our fiscal situation in Australia has gone from bad to worse. Before the election in the FIFO statement that had to be released by Treasury and Finance, we were told that the deficit this financial year would be about $10.4 billion. By the time the Mid-Year Economic and Fiscal Outlook came along in December 2010, three months later, that had gone up to $12.3 billion. So in just three or four months, it had blown out by more nearly $2 billion. But guess what? By the time of the budget in May 2011, we were told that the deficit this financial year would be $22.6 billion. That means that from the time of the
election to the time of the budget, which was less than a year, the budget deficit had blown out by more than $12 billion. What happened after that—because, as you know, the government then releases a Mid-Year Economic and Fiscal Outlook in December 2011? Do you know what the deficit now is for this financial year? It is $37.1 billion. The deficit has blown out by more than $26 billion since Treasury and Finance released the pre-election fiscal outlook.

That is why this government is such a high-taxing government. This is why this government has had to go for 20 new or increased taxes. Even though it comes up with one ad hoc tax grab after another, it still cannot balance the books. This is a government that does not know how to live within its means. This is a government that forever casts around for new ad hoc tax grabs. This is a government that tells us that it will give us root and branch tax reform to make our tax system simpler and fairer, and all it does is just whack on another tax. Rather than going through a proper process to make our tax system more efficient, to make our economy more competitive and to improve our productivity, this government just always chases more cash so it can use it for its reckless and wasteful spending here out of Canberra. This is a terrible government. This is a government that has seriously mismanaged our public finances.

People across Australia instinctively know that whenever the Labor Party get hold of the treasury benches they stuff up our public finances. People across Australia instinctively know that whenever the Labor Party have been in government—and it is even worse when they are in government with the Greens—it takes the coalition to come back to restore good financial management, to put the budget back into balance and to not only pay off Labor's debt but deliver income tax cut after income tax cut.

It is quite disgraceful that the Labor Party and the Greens would conspire to gag debate on this very important piece of legislation and then, on the day we were always just going to have half an hour to debate this bill, the Greens jump up to cut down that part of the debate that was available, to the point where this legislation will now only have 7½ minutes for debate. Clearly, the Labor Party and the Greens hate the scrutiny that comes when we talk about taxes. They do not want people to know what their secret tax agenda is.

**The DEPUTY PRESIDENT:** Order! The time for the debate has expired. The question is that this bill be now read a second time.

Question agreed to.

Bill read a second time.

**Third Reading**

**The DEPUTY PRESIDENT** (10:00): The question now is that the remaining stages of the bill be agreed to and the bill be now passed.

Question agreed to.

Bill read a third time.

**Fair Work Amendment (Textile, Clothing and Footwear Industry) Bill 2011 [2012]**

**Second Reading**

Debate resumed on the motion:

That this bill be now read a second time.

**Senator ABETZ** (Tasmania—Leader of the Opposition in the Senate) (10:00): Australia's fashion and clothing manufacturing sector is doing it tough. Be it the enterprises or the workers and contractors engaged in that sector, they are doing it tough. But this bill, the so-called Fair Work Amendment (Textile, Clothing
and Footwear Industry) Bill 2011 [2012], which we are debating, will make this tough situation even worse for the 8,600 enterprises and 22,000 workers engaged in the sector.

Regrettably, the Senate committee inquiry into this bill was cut short—as is this debate today—courtesy of the Greens-ALP alliance majority in the Senate, ruthlessly and recklessly using their numbers to avoid scrutiny. The chief industry body in relation to this sector was denied a hearing by the committee because the hearing was so truncated courtesy of the Greens-ALP majority. But you got it right: the union got a hearing, as it should have done, so I have no criticism of that. I will turn to the union later. But the industry body that deals specifically with textiles, clothing and footwear was denied a hearing. This is now just another example in a very long list of the Greens-ALP majority in this place deliberately truncating Senate inquiries and debates on bills to ensure that they are not put under the sort of scrutiny that the Australian people expect of us. The reason the Greens-ALP majority do not want this scrutiny is that they know their legislation is only designed to enhance trade union bosses' powers rather than enhancing the economic wellbeing of our nation or enhancing the benefits to individual workers and enterprises.

Let us be clear: there has been exploitation in this sector. That is why the coalition always had special protections in our legislation for outworkers. I pay tribute to former senator Judith Troeth, from my side, who as a distinguished former chair of the Senate Standing Committee on Education, Employment and Workplace Relations ensured that we got the balance right. I regrettably was unable to sit in on the Senate hearing, and no wonder because, if you blinked, you would have missed it—it was that short. As a result of my inability to attend, I did avail myself of a briefing by the TCF Union and I congratulate Ms O'Neill and her colleagues from the union on giving me a well-presented and professional briefing. They did their membership proud. However, we do disagree on the best way forward.

One of the things that have always struck me about the TCF sector and those that are exploited in it is that those who are vulnerable are those who do not have English language skills. That is why I repeat, as I do on a regular basis, the importance of government in ensuring that new entrants to this country are properly supported with language skills. Having proper English language skills is the fundamental ticket to ride to social justice, to social integration and to personal empowerment. If you cannot read a bus timetable, you cannot get around. If you do not know what the product labels tell you, you do not know what you are buying. If you cannot read the language, you do not know what the award entitles you to. As a result, English is a very fundamental prerequisite for our fellow Australians, albeit new arrivals, to be able to actively and equitably engage within our community.

The sad fact is that these people with poor language skills are often exploited by their former fellow countrymen, and that is also a matter of great regret. They seem to do a disservice to people from countries that they themselves came from. I say that as an aside in this debate, because it is vital to recognise that those who are exploited are often those who have very poor language skills. To those who say that we should be celebrating multiculturalism and those things, I say simply: don't forget the vital need to encourage people to learn the English language, because without it they cannot engage in Australian society.

Having accepted and acknowledged that there is exploitation in the sector does not
mean that you therefore have to treat every single person in that sector on the same basis and force everybody into an employer-employee relationship. Indeed, in doing so we will do a huge disservice to the young, the vibrant and the innovative. I will talk about that later.

In the meantime, let us have a look at the government's justification for this bill. The government's justification, as presented by the then minister, Senator Chris Evans, was based on a reference to a 2007 report by the Brotherhood of St Laurence and a 1996 Senate Economics References Committee inquiry. It is interesting to note that it is both those reports, from which the Labor Party must have finally wiped the dust, which have motivated them, but both those reports were there before the Fair Work Bill was presented to this parliament and passed. The government knew about these reports. The government knew about the assertions made in those reports and the government deliberately dismissed the matters in those reports as they drafted and enacted the Fair Work Bill.

So one has to ask: why is it that these two reports have bubbled to the surface? Indeed, a number of people who I understand assisted in negotiating the Fair Work Act—indeed, Ms Gillard told us that she negotiated the Fair Work Act—got the balance right. In getting the balance right, from time to time you have to dismiss the assertion of certain trade union bosses—that comes with the territory. That is what Labor did to get the sign-on of certain businesspeople.

Having got the legislation through with the sign-on of certain businesspeople, what do Labor do? They have that locked away; they then move the amendments which they were not prepared to put into the original bill. Talk about a sell-out; talk about deception; talk about the Labor government, because that is the hallmark of the Labor government. They say one thing and do another straight after the event, be it the carbon tax, be it private health insurance, be it the definition of 'marriage' or be it the treatment of textile, clothing and footwear workers in the workplace relations regime of this country. They do a deal, they sign it off with somebody, they say, 'This is a great balance; well done,' they get that locked away and then, with a Greens-ALP majority in this place, they force through this legislation in breach of that which has previously been agreed, relying on reports that were in existence at the time and were deliberately dismissed. No wonder the government want a truncated debate. No wonder the government wanted a very truncated Senate committee inquiry into this bill, because they would have been embarrassed in trying to justify why these two reports, which allegedly underpin this legislation, all of a sudden have become so important.

They also need to justify the 12 amendments which were put into the Senate late yesterday. They were not part of the Senate inquiry or any of the analysis but they are now part of this truncated debate. Clearly we will not have time for any proper committee stage, if we are lucky enough to have a committee stage. We will not get explanations as to why we have these last-minute amendments. Exactly the same approach was taken by Mr Shorten, the Minister for Employment and Workplace Relations, in relation to the Office of the Australian Building and Construction Commissioner legislation. Make sure the Senate inquiry is finished, make sure you have a truncated debate in the Senate and then whack in the amendments, which are far-reaching and devastating, to ensure there
is no proper public analysis of the government's changes.

This government is abusing the parliamentary process because it can gain a majority in this place courtesy of the Australian Greens, who, under the Howard government, were the champions of every single clause of every single bill, which had to be analysed for every comma and full stop. It is not so now under the Greens-ALP alliance. They want everything swept through without any consideration and it happens not only in this place.

Remember the so-called 'new paradigm' we were going to experience when Ms Gillard signed up the country Independents, Mr Windsor and Mr Oakeshott? What a disgraceful turn out that has been. They are complicit in this as well. Never once have we heard them complain that the government is guillotining legislation through the Senate, that the government and the Greens are disallowing proper analysis of bills. We were promised all this under the new paradigm. There was going to be new transparency, greater accountability. All of that has been thrown out the window by this government with the complicity of those so-called country Independents.

I said earlier in my contribution that this bill will stifle the young, the innovative and the entrepreneur. Allow me to read a letter I received recently:

I am an emerging Australian Fashion Designer starting a label from home. I would like to draw your attention to the Fair Work Act and the Textile, Clothing, Footwear and Associated Industries 2010 (the TCFAI Award) Modern Award regime which defines me as an outworker, despite my 4 year degree in fashion from Ultimo TAFE. The current TCFAI Modern Award definition has a "catch all" definition where anyone working from home in the fashion industry is an OUTWORKER ... yes, I can be considered an OUTWORKER if I sell to a boutique or department store, because of the deeming provisions of the award. Most graduating & emerging Australian Fashion Designers starting out, establish a trading relationship with a fashion boutiques on “indent”. In the eyes of the law, MA000017- Schedule F that would mean boutique owners are required to pay me as an employee, including all benefits and entitlements under the National Employment Standards and unfair dismissal laws. This is unfair and an unworkable regime that disadvantages me and other graduating & emerging Australian Fashion Designers, and is making it very difficult starting up a new business, as no boutique owner will agree to employ me, and I don’t want to be employed by them either.

Beyond that as a fashion student/designer, if I hand out work to a "maker/outworker" to sample a design I am obliged by law to employ them with full benefits and entitlements, and that is against the law for me to employ them casually. Further I am aware that in the final form of the Fair Work Amendment (Textile, Clothing and Footwear Industry) Bill 2011 (the Bill) currently before parliament, deems all outworkers to be employees for most purposes of the Fair Work Act 2009 (Clth) (the FW Act) including the National Employment Standards, Superannuation and unfair dismissal laws. As a start-up business, in the beginning it will be challenging to pay myself, never mind employ a 'maker/outworker' on a regular basis, and pay all these entitlements. Again this is unworkable and in trading in such an environment, I face prosecution in breach of the TCFAI Modern Award 2010. The risks are too great.

I would like you and your government to consider this letter and make the necessary changes to allow me and other graduating & emerging Australian Fashion Designers making samples and small orders (with business turning over less than $100,000 per year) to apply for exemption to this onerous and impractical regime, as part of the Modern Awards Review 2012.

There you have it: a young, innovative individual who will be stifled. Is this really what we want for our modern economy in the 21st century, that the young and the
innovative are so stifled that they cannot do that which they want to do? We have heard it firsthand and it makes sense. That is what happens when you try the one size fits all. But we know this government has a severe dislike for independent contractors. They see independent contractors as potential union members and employees. As we have seen from the Health Services Union, we know how some of the union bosses behave with union members' moneys.

Back to the issue at hand. We also have from designers and makers in Australia their very real concern. One such letter I got says: I am writing to you today in great distress … We have developed this brand over the last two years with the soul of the brand being an Australian made product.

… … …

Over our journey so far we have met many wonderful people in the fashion industry. From designers to stylists, to garment makers we have a wonderful and colourful collection of talent here in the fashion industry in Australia. By introducing changes to the Fair Work Act that doesn’t allow the fashion industry to employ the use of outworkers in the production of garments you will be forcibly restricting the amount of garments that can be produced in Australia. Not only by the way manufacturing companies will be forced to employ but also by the increase in production costs that will result from this. Making an already expensive process even further out of reach for the average Australian.

We … are proud Australians and who have seen over our generation many great brands including iconic Victorian names such as Rip Curl and Quiksilver send all there production off shore and even more recently Pacific Brands was forced to do the same in a whole other manner.

The plea in this letter is:

… I implore you to severely look at any changes you make that would effect a great industry that is trying to put the "Aussie" back in "Aussie made!!!

This bill will stop putting Aussie back into Aussie made. This bill will unfortunately adversely impact the 8,600 enterprises and the 22,000 workers in the textile sector. It is a matter of regret that this legislation is in breach of the deal that was struck when the Fair Work Act was originally implemented. Whilst it disappoints it does not surprise, because we know that this is a government whose word cannot be trusted in any area of endeavour that it engages in. Having said that, the coalition does believe there is a better way forward in looking after the needs of exploited workers, and we have put that on the record in the past.

Senator URQUHART (Tasmania) (10:20): Home based workers have always been a feature of the clothing industry and I recognise some of these workers in the gallery today. Since import tariffs were reduced, beginning in 1992, Australian manufacturers have been cutting their labour costs to compete with cheap imported clothing from low-wage countries. As a result there has been a substantial increase in subcontracting to sweatshop factories and home based outworkers. While the closure or downsizing of large companies creates the impression that clothing production is moving offshore, a sizeable industry slips under the radar here in Australia, hidden and largely unregulated in small sweatshop factories and private homes.

A major issue for most home based clothing workers is their status with their employer as a contractor not a worker. It is not a technically legal status but one pushed upon them just because they work at home. It is a status used by employers to try and cheat them out of the wages and benefits that a worker in a factory would receive. Under current legislation, TCF outworkers are entitled to most of the key protections and benefits of workers in a factory—namely, payment no less than the minimum wage and
hourly rate for the clothing industry, superannuation, WorkCover insurance, annual and long service leave and severance pay if they are made redundant. But even though outworkers have a legal right to these and other entitlements that does not mean they actually receive these entitlements. In fact, outworkers are usually only paid a piece rate payment—a payment equal to as little as $4 or $5 an hour—while the legal minimum wage is almost $16 an hour. This payment does not reflect their skill, their effort or their investment—just their circumstances. These circumstances are exemplified for most by being from a non-English-speaking background, by having poor English language skills, a lack of knowledge about the Australian legal system and low levels of union awareness and therefore membership.

The payment of $4 or $5 an hour does not include superannuation, does not make provision for workers compensation insurance or severance pay and certainly does not reflect the casual nature of their industry. This payment might barely cover their electricity bills and their repayments on their industrial-strength sewing machine, let alone repairs to the machine if needed or any pleasures in life for them.

A sad tale is one of outworkers being gathered together and the work being auctioned off to whoever will accept the lowest payment. That is why I stand here and applaud the work of the Textile, Clothing and Footwear Union of Australia—with whom one of my staff worked in Darwin many years ago—to assist TCF workers to receive a fair day's pay for a fair day's work. The TCFUA have been there supporting outworkers in successful claims for unpaid wages and entitlements from their employers for many years. But, like all good unions, the TCFUA have also supported educational and community-building activities for outworkers such as information sessions on work rights, leadership training for outworker activists, free English language and literacy classes and a Vietnamese language radio program. The TCFUA’s principal aim is to organise and educate clothing outworkers, and they have been effective in campaigning for legislative changes.

A number of inquiries have been conducted and reports published examining outwork in the TCF industry in Australia over many years. No less than five parliamentary committee inquiries have been held over the past 15 years. These inquiries go back to the Senate Economics References Committee's inquiry into outworkers in the garment industry in 1996 which found problems with payments and hours of work as well as confusion and misinformation in relation to rights and responsibilities. More recently, a report by the Brotherhood of St Laurence in 2007 found that outworkers experience poor working conditions and are frequently underpaid—sometimes as little as $2 or $3 an hour.

These reviews have found, and the government accepts, that outworkers in the TCF industry suffer from unique vulnerabilities as a result of their engagement or employment in non-business premises. As I stated earlier, these vulnerabilities are made worse by the fact that outworkers are often migrants with poor English language skills, a lack of knowledge about the Australian legal system and low levels of union awareness and therefore membership to support them. Currently, the Fair Work Act contains a number of important protections for TCF outworkers, including scope for awards to include targeted outworker terms and enhanced right of entry arrangements. There are additional entitlements and protections for outworkers contained in the Textile, Clothing, Footwear and Associated Industries Award.
Further, most states have legislation that provides protection for TCF workers. However, there are differences in the approaches that they take. For example, in New South Wales, Queensland and my home state of Tasmania legislation deems contract outworkers to be employees, while more limiting deeming applies in Victoria and South Australia. There is provision for the recovery of unpaid amounts up the supply chain in most states but not all states. There is a mandatory code of practice in place in New South Wales, Queensland and South Australia and there is no relevant legislation in Western Australia. In other words, most jurisdictions have recognised that special measures for outworkers are required but there has not been a uniform approach, meaning that outworkers do not have the same level of protection in all jurisdictions. Where outworkers are entitled to fair minimum conditions they can have difficulty accessing them. Even the Fair Work Ombudsman faces difficulties in identifying and assisting outworkers because outwork is, by definition, not performed in traditional workplaces and it can be difficult to identify for whom work is being performed.

The ongoing vulnerability of outworkers in the TCF industry, along with the lack of a consistent approach across the country, has led the Gillard government to conclude that federal legislation is necessary to ensure equitable and consistent protection for all these workers. These changes will promote fairness and ensure a consistent approach to workplace entitlements and protections for a class of workers that is widely recognised as being uniquely vulnerable to exploitation.

Of course, it is today the view of those opposite—as it was when they were in government—that it is too hard, that government is unable to do any more than stand by and hope that the TCF industry will voluntarily improve working conditions for outworkers. This is just not good enough. I know I am here because I believe in a fair go for all Australians. The track record of those opposite is that, together with voting against this important reform today, in 2006 they implemented measures worth hundreds of millions of dollars to support the TCF industry but did not see the need to include any specific measures to address the challenges faced by outworkers.

In comparison, the Gillard Labor government is again getting the balance right. We are assisting both the industry and its most vulnerable workers. Yesterday the Minister Assisting for Industry and Innovation, Minister Lundy, announced that businesses in the textile, clothing and footwear industry can partner dollar for dollar with the Gillard government and apply for a grant of $250,000 or more to support manufacturers who have a vision for their industry based on smart ideas, strategic thinking and technical excellence.

The measures in this bill will go some way to fixing the problems outlined before. It will extend the operations of most provisions of the Fair Work Act to contract outworkers in the TCF industry so that they are recognised as employees and not—unfairly—as contractors. The bill will provide a mechanism to enable outworkers to recover unpaid amounts up the supply chain if they go unpaid by the person responsible for paying them, because everyone deserves a fair day's pay for a fair day's work. The bill will enhance right of entry rules for the TCF industry to allow a permit holder to better target sweatshops. This ends the current limitation that exists in relation to right of entry into conventional business premises in the TCF industry operating under sweatshop conditions—another protection for these vulnerable workers. Further, the bill will extend outworker-specific right of entry rules to all
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premises in the TCF industry, to enhance protection for employees working under sweatshop conditions. There will be an exception for the principal place of business of a person with appropriate accreditation. In such cases, the standard right of entry rules will continue to apply. This means that permit holders will now be able to enter sweatshops to check relevant documents before businesses can be closed and moved to another location to avoid scrutiny.

A TCF outwork code will be issued to deal with standards of conduct and practice to be complied with by parties in the supply chain—holding all parties to account for their actions. The existing power of Fair Work Australia to include outworker terms in awards will not be limited. Additional protection for outworker terms will be provided by ensuring that these important industry-wide standards cannot be undercut by use of flexibility terms in enterprise agreements. This is a true Labor reform, helping the most vulnerable in our community access a fair day's pay for a fair day's work. I commend the bill to the Senate.

Senator CASH (Western Australia) (10:31): I rise to speak on the Fair Work Amendment (Textile, Clothing and Footwear Industry Bill) 2011 [2012]. It would be a furphy for those on the other side to say that the coalition does not support provisions and protections for those in the clothing, textile and footwear industry. When in government, the coalition was faced with some very compelling evidence of endemic and inappropriate conduct in workplaces in this industry. We acknowledged that protections were needed for people in this industry. And, faced with this evidence of the need for additional protections in the textile, clothing and footwear industry, we took the appropriate legislative action. The coalition, throughout its time in government, maintained protections for outworkers in the textile, clothing and footwear industry in the various iterations of workplace relations legislation between 1996 and 2007. It was on this same basis that the coalition implemented workplace legislation specific to the building and construction industry. Again, we recognised that specific protections were needed for people within a certain industry. And, in considering the need for the bill before us today, the coalition notes, as has been put forward by those speaking on the government side, that there continue to be specific provisions in the Fair Work Act to protect outworkers, as there should be, as well as varying equivalent provisions in state and territory legislation.

The question that the chamber needs to ask itself is this: why are we faced this week with yet another bill that seeks to change the industrial relations landscape in this country, given in particular that no commitment was taken to the previous federal election by the government in relation to introducing amendments dealing with industrial relations? I do qualify that comment by saying that commitments in the Labor government do not mean a lot; they promise one thing before the election and as soon as they are elected they do an entirely different thing. In relation to industrial relations commitments, one would think that, given the fact that we are this week debating a number of bills that are all of an industrial relations nature, the government may have flagged with the people of Australia that when they were elected they did intend to make changes to the industrial relations landscape. They did not do that.

But the answer, when it comes to commitments from the Labor Party, is quite simple. It would appear, based on everything that we have heard to date, that yet again, as with the abolition of the ABCC, the government's motivation for this amendment
is more about giving something to its friends in the union movement in the lead-up to the next federal election. The government's modus operandi has been, since its election, to ensure that it appeases the unions, and for a very good reason—because it needs to do something to offset the acute pain employees will feel and are feeling as a result of the passing of the carbon tax legislation. The unions have for some time now made it very clear that they are not happy with this government and the impact the carbon tax legislation will have on their employees—pain that has been deliberately inflicted on them by their own Labor government.

These very real concerns in relation to the impact of the carbon tax have been exacerbated in light of a new study, produced by the Energy Users Association of Australia, which has found that Australia's electricity prices are very near to the highest in the developed world and seemingly set to actually become the highest. The study found that electricity prices in Australia have risen by 40 per cent in real terms since 2007. And the reality for Australians and for all the unions and for the employees within the union movement is that from the 1 July, in 101 days, Australian households and businesses will pay the world's biggest carbon tax, which will increase electricity prices by more than 10 per cent in the first year alone. In subsequent years prices will go up and up.

Hence the bill we have before us today. The unions know that this is the worst time in history to introduce a carbon tax. It is also the worst place in the world to introduce a carbon tax that will see electricity prices that are already at global record highs go even further. This bill represents a very small gesture by the Gillard Labor government to appease the very real fears the unions have for employees because of actions taken by the Labor government.

One of the interesting facets of this debate is that the government's justification for the protections that are required for this industry is at odds with its justification for the abolition of the Australian building and construction commission. One of the government's core arguments in support of the abolition of the ABCC was that the ABCC discriminated against certain workers and that the industrial relations regime in this country should take a one-size-fits-all approach. That was the government's justification—which was actually elucidated yesterday in this place—for the abolition of the ABCC. The government said that the industrial relations landscape in this country should take a one-size-fits-all approach. But, a mere 24 hours later, the government comes into this place with another bill, a bill that is intended to change the industrial relations regime in this country, and the reasons that it puts forward for supporting this bill are in complete contradiction to the reasons it gave for the abolition of the ABCC. The government is saying that we have to pass the bill before the Senate because a one-size-fits-all approach to the industrial relations regime does not work.

One of the other issues of concern to the coalition in examining the justification for this bill is that the government continues to suggest that the measures proposed by this legislation are required because, as set out in the committee report on the bill, government members were struck by comments made by a deputy president of the Australian Conciliation and Arbitration Commission that related to the remuneration and treatment of outworkers. I too was struck by those comments. But the comments were made in 1987, some 25 years ago. Over the last 25 years appropriate changes have been made in legislation to ensure that workers in this industry are afforded the protections that they need. If they had not been made, those
on that side of the chamber, quite frankly, are to blame. I would suggest that the government's comments, therefore, are a little disingenuous, to say the least.

An additional justification for this bill, as proposed in 2011 by the then Minister Chris Evans, was based on a reference to a 2007 report by the Brotherhood of St Laurence and a 1996 report of a Senate Economics References Committee inquiry. The government knows that both of these reports were completed prior to the passage of the Fair Work Bill. Therein lies a problem for the government, because if these reports constitute such a strong case for the bill that we have before us today, why has it taken the government so long to act? Why is it that on 21 March 2012, we are suddenly debating this legislation? If the government's concerns are so real, why didn't it address those concerns as soon as it had the first legislative opportunity to do so? That was, namely, the introduction and the subsequent passage of the Fair Work Bill.

In relation to the bill before us, the Australian Chamber of Commerce and Industry, in its submission to the Senate Standing Committee on Education, Employment and Workplace Relations, has also expressed concerns about the evidence supporting this legislation. It said:

Apart from references in the Minister's second reading speech to a November 2011 Channel 9 story in a Melbourne TCF “sweatshop” and a July 2011 Sunday Herald Sun report on “sweatshops and outworkers producing school uniforms for Victorian families for as little as $7 an hour”, there are no examples provided in the extraneous materials as to the precise deficiencies of the existing legal framework, what recommendations these proposals are based on (such as from the Productivity Commission or a dedicated independent inquiry by the Federal Government) and how the proposed measures will reduce possible exploitation of workers in the TCF industry.

There is no evidence that actually supports that these measures will reduce exploitation.

Then we have the evidence of the Council of Textile and Fashion Industries of Australia, who expressed similar concerns:

The arguments for introducing the legislation are based on research conducted nearly 5 years ago not current evidence and fail to acknowledge the gains made in the 10 years of existing legislation and the 4 years of investment by the Federal Government in Ethical Clothing Australia.

Indeed, in support of those concerns are statements made by the current Prime Minister when she was the Minister for Education and the Minister for Employment and Workplace Relations. Ms Gillard said at the time: 'I believe the fair work system is right. We worked hard to get the balance right and I believe that the Fair Work Act is right.' During the passage of the Fair Work legislation, when confronted with all of this evidence, Ms Gillard said, 'I believe that the Fair Work Act is right.'

There appears to be a problem with that statement because if there is, as we are now told by the government, such a strong case for change in the industrial relations landscape in this country, then clearly the balance was not right when now Prime Minister Julia Gillard made that statement. In fact, the very nature of this bill and the comments that Ms Gillard made to workers in this country, in particular to workers in this industry, actually shows that the government had not got the balance right.

Despite everything the government said at the time, that they were going in to bat for the workers and that they were making these fundamental changes to the industrial relations landscape in the country, and despite the Labor Party going on record as saying to the people of Australia, 'We got the balance right,' the mere fact that we are in here today debating this legislation shows
that that was yet another Labor Party lie. They deliberately misled some of the most vulnerable people in Australia; hence the bill we have before us today. But, as with so much of the legislation that is currently being debated or, should I say, not being debated because, as we all know, we are not getting the opportunity to properly investigate this legislation by way of a proper committee process, we are also subject to the unholy alliance of the Labor Party and the Greens, which will, at 12 o'clock today, guillotine debate on what is acknowledged to be a very important piece of legislation.

We suspect that the government's motivation for this amending legislation is more about cleaning up a very big mess that it has made in passing the carbon tax and the economic pain that the government knows is currently being felt by those who are most vulnerable in this country. What is worse is that that pain will be further exacerbated on 1 July, when the carbon tax legislation commences.

If the government were dinkum about giving further protections to people within this industry, they would wait for the outcome of the Fair Work Act, the debate of which is currently underway. This is an industrial relations bill. The provisions of this bill should be considered as part of a total review of the Fair Work Act, along with any other changes proposed in any final and publicly available report resulting from that review.

The *Bills Digest* for this bill sets out concerns of the major interest groups about this legislation. As set out in the *Bills Digest*:

The National Retailers Association ... states that there has been no consultation with industry about the changes included in the proposed legislation and has criticised the timing of the Bill's release which coincided with the peak trading season for retailers, inhibiting the ability for the organisation to consult with its members.

And remember that this government was all about consultation—but consultation on its own terms, not consultation where you have a major industry group, faced with a major change of legislation, not being given the opportunity to actually consult with the industry.

Then there are the comments of Heather Ridout, Chief Executive of the Australian Industry Group, who voiced employer concerns about the bill. In November 2011, Ms Ridout commented in a National Press Club address that the bill:

... will add another 30 pages to the Fair Work Act to increase union entry rights and protections for workers in the Textile Clothing and Footwear industry.

Ms Ridout listed a raft of government measures, such as the Road Safety Regulation Tribunal Bill 2011, funding award wage increases for social and community workers et cetera, including the bill to abolish the Australian building and construction commission, as evidence that this bill is indicative of the government not acting in the national interest, not acting in the interests of workers but agreeing to an extraordinary series of union claims. This is what Ms Ridout said.

The (TCF) Bill implements longstanding TCFUA claims which were opposed by Ai Group and other employer groups when the Fair Work Act was being developed and rejected by the Government at that time.

In relation to the legislation before us today we are presented with a government that told the people of Australia that it had got the balance right when it passed the Fair Work Act. The mere fact that we are debating the legislation today clearly shows that that was a lie.

We have a government that has failed to identify and present sufficient evidence that the measures contained in this legislation are justified. We have a government that has
failed to justify the need for this legislation, based on the consistency of its approach to other legislation, namely, the abolition of the Australian building and construction commission. We are faced with a government that is yet again delivering a suite of measures that are designed to appease the union movement in the light of the devastating impact of Labor's toxic carbon tax on the most vulnerable people in Australia.

Senator THISTLETHWAITE (New South Wales) (10:51): I am pleased to support the Fair Work Amendment (Textile, Clothing and Footwear Industry) Bill 2011 [2012], which amends the Fair Work Act to deliver greater fairness, justice and safety for one of the most vulnerable groups, if not the most vulnerable group, of workers in our country—outworkers in the textile, clothing and footwear industry. This industry has undergone significant structural change in Australia over recent decades. As with many other industries in the manufacturing sector, changes to our systems of tariffs and industry support have seen the makeup, scale and nature of the TCF industry change substantially.

One of the most striking elements of the textile, clothing and footwear industry today is the huge proportion of outworkers—that is, people who perform work from their homes on a contract basis for suppliers in a supply chain. Outworkers within this industry are effectively employees who are engaged to work from home. Often they are migrants from non-English-speaking backgrounds, and some of them unfortunately have very poor communication skills. Sadly, as a result of that, they often have very little concept of their rights or a knowledge of the Australian industrial relations and legal systems. A large proportion of these workers are women from South-East Asia and are essentially exploited for the gain of fashion houses and retail outlets that require cheap and easy labour for their production lines. These workers are often paid much less than the relevant award rate—sometimes $3 to $5 an hour.

Outworkers typically receive no superannuation, annual leave or workers compensation, and usually have to pay for their own machinery, tools and sewing supplies. Some of these workers have openly told their stories as part of the Fair Wear campaign. They have bravely put their case for reform in this industry through a campaign which seeks to end Australian sweatshops and assist workers in the clothing industry secure a living wage. Take Dung, for example, who says:

I migrated to Australia in 1999, and I live in Sydney. In Vietnam, I was a garment factory worker. I started sewing from home a few months after I arrived in Australia. At first, I was making only parts of a garment. I was paid per piece. I was earning—roughly, an average of $6 an hour. I had to work very long hours and had very little sleep.

Then there is the story of Ms Nguyen, who says:

I came to Australia in the early 1980s as a refugee from the Vietnam War. At the time I had two young children and had another one on the way. We were very poor. We would often eat rice mixed with tea and dried fish. We slept on old mattresses that were found on the side of the road. Life was tough.

My partner and I soon invested in an industrial sewing machine so I could start sewing from home.

Back then if you worked in the factory you could earn about $5 an hour cash-in-hand. Working from home, payment was calculated per garment and you could earn about $3-5 per garment.

Unfortunately, in this day and age in Australia, some of these situations persist, with circumstances such as these still occurring in the textile, clothing and
footwear industry. Surely these stories have no place in a modern Australia.

The Fair Work Act currently allows for special provisions relating to outworkers, allowing specific terms to be included in the Textile, Clothing, Footwear and Associated Industries Award. Most states have legislation that provides for TCF outworkers. However, unfortunately there is an inconsistent approach across the states. For example, in my home state of New South Wales we have specific legislation which means that outworkers are regarded as employees, while Victoria takes a more limited approach. Queensland also deems outworkers to be employees, while Western Australia has no legislation relating to outworkers. This bill provides for a uniform approach at a national level. It ensures that outworker provisions contained in the TCF award are enshrined in law to guarantee fairness and ensure consistency across jurisdictions.

This bill means that the provisions of the Fair Work Act will apply to all outworkers as if they were employees in a regular workplace anywhere in Australia. This will mean that outworkers will have the same rights and entitlements as workers who are engaged directly. Outworkers will be treated as an employee of the person or firm who directly engages them. Simply put, being an outworker does not mean you should be at a disadvantage in this industry; you should have the same rights and entitlements as ordinary employees throughout Australia.

This bill will provide a mechanism to ensure that those rights are protected and to ensure that outworkers can recover unpaid amounts up the supply chain when breaches occur. This means that outworkers who are owed money can recover payment from the firm or person who directly engaged them. Where an indirect entity pays an unpaid amount, they will be able to recover the payment from the person who was responsible up the supply chain. For an outworker in the TCF industry this means that wages, commissions and superannuation are protected and are unquestionable rights, no matter where they work.

The amendments in the bill allow for the creation of an outwork code of practice to be issued that deals with standards and conduct in the TCF industry. The code may impose reporting or other requirements on employers to ensure transparency in supply chains and make arrangements for the monitoring of the supply chain. The bill also seeks to extend the Fair Work Act's right of entry provisions into outworker arrangements and into exploitative segments of the industry, such as sweatshops. The amendments within the bill will mean that the 24-hour notice period that normally applies to right of entry into workplaces will not apply to sweatshops. There is good reason for that. The evidence that was presented to the Senate inquiry and many other inquiries into this bill is that, once an official of the Textile, Clothing and Footwear Union of Australia identifies a sweatshop and gives the required notice under the Fair Work Act, it is not uncommon for that sweatshop to disappear overnight, particularly when we are talking about circumstances where these facilities are set up in someone's garage. Under amendments contained in the bill, the problem should not persist, creating a new level of fairness and equity in this industry. This provision will mean that sweatshops can be located and that rights can be enforced but, importantly, also explained to workers in these exploitative situations. Unfortunately, those opposite are opposing these provisions—and I do take issue with the claim made by Senator Cash that there is no connection between these provisions and improving the rights of outworkers in this country. I take heart in the
fact that those opposite do recognise that there is a significant issue in Australia at this point in time in terms of the working conditions of outworkers. They recognise that there is a level of exploitation in this industry. However, they are wrong when they say that there is no connection between the implementation of these provisions and improving the conditions, working rights and safety of workers in these industries.

The Textile, Clothing and Footwear Union of Australia have, over decades, conducted studies and investigations into the effect of these laws, and the evidence is irrefutable that, when workers have protections and can make claims up the supply chain, the rights, entitlements and safety of workers in these industries are improved. One need look no further than New South Wales to see the evidence of that claim. I think it is instructive that Senator Cash was the one making these allegations, because the one state in Australia where provisions that protect outworkers such as these do not exist is Western Australia—which, of course, is the state from which Senator Cash hails.

I can say to the Senate that in New South Wales these provisions have made a big difference to the lives and working interests of workers in the textile, clothing and footwear industry. And these provisions have been in place since the 1990s. These are not revolutionary reforms. These are not new provisions. These are not unwarranted amendments to the Fair Work Act—as those opposite claim. They are basic protections that all workers in Australia should have the right to enjoy.

I want to close with some remarks from Anna. Anna was a child of parents working as outworkers while she was growing up. She says:

In order to make enough money to keep up with rent, my family started taking sewing work home. We had two home machines, so often my father and mother would sew until after midnight each weekday, and all day on the weekend, while I would cut the threads between the fabricated pieces. We would break for meals, school and work. This was our daily home life. I was twelve years old.

No child should have to be brought up in those circumstances in modern Australia. I am a big believer in free markets, but I am not a believer in free markets where they produce unjust, unfair and unsafe outcomes. What we have currently in the textile, clothing and footwear industry is exactly that: unjust, unfair and unsafe outcomes.

On that basis, we as legislators and leaders of this country have an obligation to regulate this industry to ensure that those unsafe, unjust and unfair work practices are eliminated from this industry and from this country. We go about our daily lives and sometimes we are often wearing the clothes produced by people who have been exploited in Australia. The time has come for that exploitation to end.

I congratulate the Textile, Clothing and Footwear Union and all concerned with the Fair Wear campaign and for their decades of hard work and advocacy on behalf of one of the most vulnerable groups within society. Their hard work and their efforts are commendable—and hopefully in a few hours time that work will be justified and the bill will pass the Senate. I commend the bill to the Senate.
the textile and clothing industry. And they are so struck, that somehow that is now a basis for this bill, the Fair Work Amendment (Textile, Clothing and Footwear Industry) Bill 2011, which is presented to the parliament after a very much-truncated Senate committee inquiry, allowed less than one day, where particular witnesses who wanted to appear before that committee were denied the opportunity to do so by the Labor dominated committee. In particular I am talking, for example, about the Council of Textile and Fashion Industries of Australia. So members opposite are struck by the comments of a learned person made some 25 years ago and for that reason we are presented with a bill which is subject to inadequate inquiry, which is not going to be able to go to committee in the inadequate time that we have before the chamber today and for which there is zero mandate.

It has all happened so quickly that I forget which bill Senator Thistlethwaite was speaking about, but I think it was the building and construction industry bill. In that speech he placed much importance on the mandate that he claimed the government had for the building and construction industry bill. Fanny that he was conspicuous by his silence as to the mandate that the government has for this bill—because, of course, it does not have one. If it was so compelling, why did the government not say that it would be changing the protections that already existed, which were put in place by the Howard government in the late 1990s to protect textile and clothing industry workers? If they wanted to say they had a mandate, why didn't they promise something then?

The Howard government and the coalition have long recognised that there is exploitation in this industry and have tried to do something about it. There has been some criticism of the adequacy of those provisions, but the trouble with the government's bill is that we are struck by the lack of evidence that it will work. I note the presence in the gallery today of Ms O'Neil and her colleagues. I do want to pay tribute to the tireless work that she and others have done to help workers in this industry. I do not for one minute want to take away from the good intentions of the union and Ms O'Neil, and I am not trying to be condescending in saying that. This bill will pass. I hope that it will do what the government says it will do. I fervently hope that it will, because some of the evidence with which the committee was presented at its recent hearing is heartbreaking. And it is heartbreaking to think that those sorts of experiences continue to occur despite the length of time for which there have been provisions in the federal laws and also in state laws. It is absolutely heartbreaking.

Senator Thistlethwaite said that workers in this industry are more often than not immigrants, that they have poor English skills and that they have little concept of their rights. I would suggest that unfortunately they also have little concept of what this bill is about in its detail and whether or not it will actually help them. I do not want to be condescending and I do not want it to be taken that I am trying to take away from the very good efforts and the very good campaign that was being run long before I came to this place. My problem is that I am not convinced that this bill will do the job that the government is telling everybody—including the very vulnerable workers in this industry—that it will do. I think this is a snatch-and-grab job by the government, a kitchen-sink job. Throw anything at it to see if it will fix the problem, because nothing else has worked. If the government really has the confidence that this bill would work, why is the government not allowing the bill the proper scrutiny that this chamber would normally give—
particularly when the government did not say, prior to any of the recent elections, that it intended to do this?

In the lead-up to the last two elections, this government talked about abolishing the Australian Building and Construction Commission on the basis that it discriminates against one set of workers and because there should be one set of workplace relations laws for all. The coalition has always acknowledged that where there is compelling evidence of ongoing and systemic issues in any industry then we are prepared to consider industry-specific legislation for those industries. Take, for example, exhibit A: the special provisions attached to the then Workplace Relations Act about the textile and clothing industries; and exhibit B, the Australian Building and Construction Commission. But not this government. This government, up until now, has said, 'The ABCC discriminates. There ought to be one set of laws for all.' To find evidence of that you do not need to look much further than the comments of government members when talking about the need to abolish the ABCC. Mr Neumann said in the House of Representatives on 13 August 2009:

The truth is that the Cole Royal Commission into the Building and Construction Industry was … to ensure that the salary and conditions of those hardworking men and women in the building and construction industry would find themselves subject to a different rule of law than any other worker in any other industry.

I have a fundamental belief that, whether you live in Palm Beach, Perth, the Torres Strait or Tasmania, there should be one law for all.

There are no qualifications on that from Mr Neumann and no qualifications on that from any other member of the government, and the comments were of course echoed by the cheer squad for the government, the ACTU, on 28 September 2010 when talking about the Building and Construction Commission: 'There should be one set of laws for all workers, regardless of the industry they work in.' No qualifications at all. Yet, when we got to the recent sitting of parliament, the government realised, 'Oopsie! We'd better change the hymn sheet, because we're going to want to wind back the Australian Building and Construction Commission at the same time as we build upon specific provisions for textile and clothing industry workers, at the same time as introducing completely new workplace relations laws’—because that is what they really are—for the trucking and road transport industries in the form of the so-called safe rates legislation.

Senator Conroy: 'So-called safe rates?'

Senator FISHER: So-called safe rates, because, just like this bill, there has been no opportunity for the coalition to obtain answers to questions like safe rates: if the establishment of the remuneration tribunal in the road transport industry is about safer roads, then at what precise pay point will all truck drivers across Australia decide to get more sleep rather than work more hours? There is no answer to that question, no evidence forthcoming from the government that the law which establishes the Road Safety Remuneration Tribunal will in fact make our roads safer. It is the same deal here, yet the government wants the vulnerable workers in this industry to believe that the something—anything—bill which we now have before us will do the job.

As for the bill itself, Ms O'Neil was at pains to say to the Senate committee that she considered that the provisions in the bill were not radical. She quite rightly pointed to, for example, the deeming provisions that already deem outworkers to be employees in various state jurisdictions like New South Wales, Queensland, South Australia, Victoria and Tasmania. That is five out of the potential seven. Four out of the six states
allow recovery of underpaid entitlements. Three of them—New South Wales, Queensland and South Australia—also have a code. So in Ms O’Neil’s view this bill is not radical; it will just achieve national consistency.

That, of course, begs a couple of questions. First, if this bill is not radical and it just ensures some consistency, then I think we are entitled to see the evidence that surely must exist that the provisions that have been operating in various states for some time actually work. If the national legislation, which is this bill, is going to do the job the government says it will do, then where is the evidence that the state and territory based provisions from which it is drawn have done the job? We are not able to see that evidence.

But the flipside of that argument applies. Critics of our position are able to say, ‘Why are you opposing something that already exists when it is simply about making it national?’ That is a fair question, but I think it is more than adequately answered by the fact that we have not been presented with any evidence that shows that the state provisions upon which this bill is based have actually done the job that the government says this bill will now do.

This bill goes beyond what you could call traditional workplace relations principles. In fact, in some respects it turns them on their heads. I guess that is why the government is proposing with this bill to have provisions very specific to this industry. The trouble is that that turning on its head arguably creates precedent for other industries. It creates precedent for other circumstances in which this government might consider, in the words of former Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Chris Evans:

The government has only ever intervened to protect vulnerable workers at the risk of exploitation. TCF outworkers and owner-drivers are the two groups that meet this test.

He was reported saying this in the Financial Review on 23 November 2011. What other workers in what other industries is this government going to say suddenly meet this test so we can have a series of separate industries subject to separate and special workplace relations laws? We will not necessarily be told about it by this government before an election, because they do not bother to seek a mandate for laws like the ones we are considering right now. So there is every prospect that turning the workplace relations laws on their heads, as this bill does in some respects, will be used by this government as precedent for workers in other industries which this government subsequently decides are vulnerable and deserving of protection.

Some examples of the way in which this bill turns traditional workplace relations on its head is that it deems any outworker in the textile industry to be an employee. As the Senate committee heard in the evidence before it, this has caused great concern, for example, to those who do not consider themselves vulnerable, who do not consider themselves exploited or in need of any sort of protection offered by this government in its workplace relations regime. This legislation will essentially deem someone with a university degree setting up a garment designing business to be an outworker. So it is offering the same sort of so-called protections to those workers as it is to vulnerable and arguably exploited workers who cannot speak English. University qualified designers are given the same treatment as, in many cases, immigrants who cannot speak English. It is a sledgehammer to crack a walnut.

This bill also arguably makes independent contractors and those genuinely so, despite the hot gospelling paraded by many mem-
bers opposite about the so-called proliferation of this dreadful sham contracting. There is the circumstance where it is proper in commercial circumstances for there to be independent contractors who are not employees, but this bill will say it is simply no longer possible for there to be an independent contractor. It is simply no longer possible to be treated as an independent contractor in the textile industry if this bill becomes law, and that is wrong. This bill also singles out outworkers in the textile industry as not being able to enter into individual flexibility arrangements. These things which the Gillard government think are so cool—they were their creatures—for all other workers are barred as an option for workers in the textile, clothing and footwear sector.

This bill has not been properly thought through by the government. The government itself is not convinced that this bill will do the job that it promises it will do. That is why members opposite have not offered any evidence that it will do so. They properly talk about the very distressing situations and experiences we have seen in this industry and then they simply say, 'This bill will fix it.' They do not join the dots—pretty much, as the Greens have discovered to their horror, as the government has not joined the dots with all the cycleways across country, that little dirty side deal to get the support of the Greens for the stimulus package. Oops, the government has not managed to join the dots on all the cycleways either. This bill does not join the dots.

This bill is a sledgehammer to crack a walnut, and probably one of the most concerning aspects of this bill is that it is supposedly designed to protect and intended to protect workers. The design falls down. It is intended to protect workers who are usually immigrants and cannot understand English. Yet the industry is concerned because this bill overreaches and Labor, in its desperation, has not bothered to do its homework. It has had plenty of time with Ms O'Neill and her colleagues' long and sustained—and proper—campaign for a solution in this industry. It has had plenty of time to make sure it got its detail right.

Businesses in this industry fear that, because this bill overreaches, it will lead to job losses. So the very people who this bill is supposedly designed to protect and intended to protect may well lose their jobs. You may say, 'What good is an exploited job?' In some cases, workers who are being exploited will continue to be exploited if this bill goes through, because there are rogues in every gallery. These workers today have the option to not have the jobs, exploited as they are, yet they are unfortunately continuing to work in those circumstances. The coalition is not convinced that this bill will fix the problems the government says it is designed to fix, and we look forward to seeing the proof over time since, unfortunately, this bill is going to go through this chamber.

Senator POLLEY (Tasmania—Deputy Government Whip in the Senate) (11:24): I rise today to speak about the Fair Work Amendment (Textile, Clothing and Footwear Industry) Bill 2011. When I came to this place just over six years ago, one of the first issues I confronted as a senator was to visit some sweatshops in South Australia, talking to very vulnerable women—mostly women—who have been exploited for too many years in this country.

We have sat here and listened to Senator Fisher's contribution. We in this chamber remember, and I am sure many others listening to this broadcast remember, that Senator Fisher was a former adviser to Peter Reith. We know what happened on the waterfront. We know the history of those people on the other side of the chamber when it comes to Work Choices. We know
what you are all about, and that is bringing back Work Choices mark 2. That is your agenda. Today in this chamber, we are talking to a bill that illustrates again the complete lack of regard for Australian workers by those opposite.

Opposition senators interjecting—

Senator POLLEY: At least you are consistent, Senator Fisher. Of Senator Cash's contribution, I am not sure that she has actually ever met a worker, let alone someone who has worked in a sweatshop in this country.

This bill aims to address the abuse of the most vulnerable workers and disadvantaged Australians. All the coalition are interested in is the big end of town. They are interested in protecting their mates. They have a record of not speaking up for Australian workers. These changes will promote fairness and ensure a consistent approach to workplace entitlements and protections for a class of workers that is widely recognised as being one of the most vulnerable and exploited in this country.

Let us have a quick look at the history.

The most recent large-scale review of the TCF industry found that at May 2008 there were approximately 48,500 direct manufacturing jobs. That figure is not indicative of the significant numbers of additional workers engaged as outworkers within the clothing industry. Given the acknowledged difficulty of finding outworkers within the TCF supply chains, and then quantifying the volume of work they produce, it is impossible to state with precision an accurate total number of persons employed or engaged in the TCF industry. However, based on its knowledge of the industry and its compliance and education work, the Textile, Clothing and Footwear Union of Australia estimates that the ratio of factory based workers to outworkers within the clothing industry currently varies between 1:4 and 1:10, depending on a particular supply chain.

Exploitation has been a persistent feature of the TCF industry for many decades. Workers in the TCF industry, both in the formal and home based sectors, are some of the most vulnerable workers in Australia. A significant percentage of TCF workers are from a non-English-speaking background and have poor English language and literacy skills. If people in this chamber had bothered to go to the media conference that the union organised yesterday and had met those women who actually work in that industry, I am sure even you, Senator Fisher, would have had a heart and recognised that these people have been taken advantage of. Many of these people have worked in the industry for a significant amount of time. In the formal, factory based sector the great majority of workers are dependent on the minimum safety net—the modern award and the NES—and have limited economic power to negotiate enhanced conditions through enterprise bargaining. Even within the formal TCF sector, noncompliance with
award and other legal obligations is widespread. Many factories operate under substantially substandard health and safety conditions.

The phenomenon of sweatshops within the TCF industry is not new, but they are increasingly adaptive to the needs of the TCF supply chains. These sweatshops may be considered to be part of the formal TCF sector in one sense but they exist in a type of parallel economy with extremely low levels of scrutiny and transparency of operation. Some sweatshops operate entirely on a cash-in-hand basis, others operate with a mix of workers on the books and those who do not officially exist in time and wage records. Even where a sweatshop operates formally, many employees on the books will be engaged on a casual or periodic basis, which will mirror the surge or drop in orders. So there is no consistency in the amount of money that these people earn.

We know that many of these workers are being ripped off by the contractors. That should not be happening in Australia. Workers in the sweatshops rarely have any say in how they are engaged and how they seek to make a living, and we know that the employment is inconsistent.

As I indicated earlier, sweatshop workers are almost uniformly from a non-English-speaking background and are often unaware of, or feel unable to enforce, their legal rights and entitlements. Many are migrants or refugees who have had no experience of independent unions or the role of government in enforcing minimum conditions of employment. Some have been subjected to imprisonment and oppression in their home countries. Fear of government and authorities is commonplace.

Now, let us have a closer look at a series of studies that have provided a history—evidence that the Howard government ignored. Remember, the Howard government was in power for 11½ years and did nothing. Sorry, it was not nothing; they brought in Work Choices. In July to November 1994, the Textile, Clothing and Footwear Union of Australia conducted a national outwork information campaign targeted at outworkers, their employers and ethnic communities to gather information about the largely hidden outwork sector of the Australian workforce. Over the eight weeks of the campaign, bilingual workers employed by the TCFUA received a total of 3,000 calls from outworkers—an average of 375 calls per week. The campaign found, amongst other things, that (a) the numbers of outworkers in the clothing industry was much larger than the union had realised; (b) outworkers' working conditions had deteriorated; (c) when outworkers did get work, a typical working week involved 12 to 18 hours per day, seven days per week at about one-third of the award rate of pay; (d) outworkers had virtually no access to the minimum conditions enjoyed by factory workers; and (e) abuse and harassment from employers was widespread and had become daily occurrences in some outworkers' lives.

One of the findings of a University of Melbourne study of outworkers in 2001 was that outworkers reported earning an average hourly rate of pay of $3.60. So how those opposite can come into this place and vote down this bill is beyond belief. In that study 75 per cent of outworkers said that they had experienced not receiving wages on time whilst 46 per cent had experienced not receiving wages at all for work performed and 89 per cent said that their family could not manage without their wages.

The study found that the average number of hours worked per day was more than 12 hours; 74 per cent reported working in the range of 12 to 19 hours per day; and 62 per cent reported working seven days per week,
with a further 26 per cent working six days per week. Only a small minority worked less than this.

Of those in the study, 65 per cent said that they did not like their work. Most were resigned to working because ‘I just have to do it’. The main reasons that were given for doing this type of work were that they could not get a job outside the home—70 per cent of them—and that their English was not good enough to get other work—63 per cent.

Of those surveyed, 68 per cent reported relying on family members to help complete work orders. The vast majority—93 per cent—reported that they worked routinely during the school holidays, 91 per cent worked on Saturdays and 87 per cent worked on Sundays and public holidays.

Senator Fisher: Tell us something we don’t know.

Senator POLLEY: We know where you stand, Senator Fisher, on superannuation. That is on the public record: you vote against it each and every time.

The survey found that employees were not being identified as employees for the purposes of WorkCover, companies were not keeping transparent and correct work records, and companies who give out work are not registered with the Board of Reference.

A subsequent report by the Brotherhood of St Laurence in 2007 found that outworkers interviewed for the research indicated that conditions for outworkers had actually worsened in the previous five years. That was in 2007, for the previous five years. Guess who was in power? John Howard and the coalition. I want to quote from this report:

A shortage of work had left them with very little bargaining power with contractors. One group said that they were paid $2.50 for a detailed shirt which took one hour to sew. Another group said they were paid between $2 and $3 an hour. When asked about hours worked, most indicated that they often went weeks without a job but when the work was available they worked long hours.

These outworkers also said that compared with ten years ago, companies increasingly demanded quicker turnaround times. The scarcity of work and precarious nature of employment leave outworkers with little choice but to accept the job.

and footwear industry. Despite the existing provisions in the Fair Work Act, the relevant modern award and state legislation, outworkers continue to experience poor working conditions. This bill is intended to ensure equitable and consistent protection for these workers—and I make no apology for that, like the rest of my colleagues, who unfortunately will not get an opportunity to speak in this debate today.

The bill will also address a limitation that currently exists in relation to right of entry into premises in the TCF industry operating under 'sweatshop' conditions. The bill will extend the operation of most provisions of the FW Act to contract outworkers in the TCF industry; provide a mechanism to ensure that TCF outworkers recover unpaid amounts up the supply chain; and extend specific right of entry rules that apply to suspected breaches affecting outworkers—which allow entry without 24 hours notice—to the industry more broadly, with an exception for the principal place of business of a person with appropriate accreditation to which the standard right of entry rules would apply.

I would like to turn to another element of this industry, one which should not be left without having a comment made on it. It is the fashion industry, not only here in Australia but worldwide, because they also have a responsibility to ensure that their workers, the ones that make the garments that we all wear, are not exploited. Not only do they have a responsibility to those workers; as I have talked about in this place on many occasions, they also have a responsibility to ensure our young men and women have a healthy outlook on their body image. They take profits out of this industry, but they particularly do so at the expense of these workers that have been exploited for far too long and whose rights should be taken into account on this issue.

I would also like to place on record my appreciation and thanks for the people that have opened my eyes to how these vulnerable people have been exploited in this country for far too long, going back to Steve Brennan, a former official of the South Australian branch of the Textile, Clothing and Footwear Union of Australia, to Barry Tubner, to Tony Woolgar. I note those three people in particular because when I came to this place they educated me on this important issue. You should be aware of at least some of these people, Senator Fisher.

**Senator Fisher:** I know Mr Brennan.

**Senator POLLEY:** I mention Michele O'Neil and the other officials and, more particularly, their organisers, being those people who have gone out into the sweatshops and out into people's homes to bring this to our attention. They should be commended for their effort and I apologise that it has taken us so long to address this very, very important issue.

As I said earlier, these changes will promote fairness and ensure a consistent approach to workplaces to ensure that entitlements are protected for the class of workers that we on this side of the chamber all know have been exploited. I return to the people that I met yesterday. There has been only a handful of such people that I have met over the years that I have been in this place. There is not one of those people in my mind at least—and I know those people opposite have a different view—that should not enjoy the same rights and protections held by every other worker in this country. I know those opposite will get up after I finish and babble on about how they are protecting their mates. I think this of those people opposite: we know whom they protect; it is the big end of town. When it comes to workers' rights, we know what their agenda is. What they ought to be doing is coming out and saying now.
what their Work Choices mark 2 version, which they will take to the next election, is going to be about. We know what their view was when it came to the mining resource tax. We know what it was when we were talking last night about the transport industry and protecting that industry. We know their history when it comes to protecting workers. Well, we on this side of the chamber make no apology and while we are in government we will continue—as I will certainly do while I am in this chamber and beyond—to ensure that Australian workers are not exploited by the likes of those opposite. So I take great delight in standing up in here today on this and once again I commend the union, their membership and, in particular, those workers who have been exploited for having the guts to stand up and make sure that they are heard. I commend the bill.

Senator EDWARDS (South Australia) (11:42): I rise to talk about the Fair Work Amendment (Textile, Clothing and Footwear Industry) Bill 2011. I cannot let the moment pass without reminding Senator Polley that we actually took our policies to all of our elections, unlike this current government, which seems to backflip.

This bill extends the operation of most provisions of the Fair Work Act 2009 to all of those contract outworkers in the textile, clothing and footwear industry—which I will refer to as the TCF industry—by deeming contract outworkers to be employees. It will provide a mechanism to enable TCF outworkers to recover unpaid amounts including those from contractors along the supply chain. It will facilitate a TCF outwork code. Not surprisingly, this bill will give additional powers to unions by extending specific rights of entry rules. Once again the Labor-Greens government have forced their way into another section of the community's homes. This creeping Orwellian government culture is consuming Australians.

Like other manufacturing industries the TCF industry has undergone transformation and structural adjustment. This is a consequence of tariff and industry assistance reforms beginning in the 1970s. With the Australian dollar currently so high in the TCF industry, whose export is now worth $1.7 billion a year, they need flexibility now more than ever. These businesses include new start-ups. As has often been the case in this industry, there are a lot of cottage start-ups coming through all the time—lots of imagination, lots of endeavour and lots of entrepreneurship. This kind of legislation that we see here in this bill will discourage the very entrepreneurship that I talk about and the risk-taking that is necessary for the industry to survive in this country.

Like many of Labor's policy forays, there has been limited consultation on this bill with those who are actually directly involved. This bill is another piece of legislation Labor are rushing through the parliament in order to satisfy their union cronies in their haste to gain more power in the Australian workplace in case this government collapses. There is a growing dominance by Labor of rushing legislation through this parliament, as we will see in just 14 minutes when they again guillotine another piece of legislation which has not been properly scrutinised.

Honourable senators interjecting—

The ACTING DEPUTY PRESIDENT (Senator Cameron): Order! Senator Edwards, address your remarks through the chair.

Senator EDWARDS: This bill extends the operation of most provisions of the Fair Work Act 2009 to all of those contract outworkers in the textile, clothing and footwear industry—which I will refer to as the TCF industry—by deeming contract outworkers to be employees. It will provide a mechanism to enable TCF outworkers to recover unpaid amounts including those from contractors along the supply chain. It will facilitate a TCF outwork code. Not surprisingly, this bill will give additional powers to unions by extending specific rights of entry rules. Once again the Labor-Greens government have forced their way into another section of the community's homes. This creeping Orwellian government culture is consuming Australians.

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Senator Jacinta Collins: Oh, it's been 15 years!

Senator EDWARDS: The National Retailers Association is also particularly concerned, Senator Collins, with this bill.
Echoing their concern, the Australian Chamber of Commerce and Industry, representing some 350,000 businesses nationwide, noted how this bill will make changes and the results of those changes:

The Bill makes complex and technical amendments to the Fair Work Act there 2009, some of which appears to result in changes which are not practical, will add costs throughout the supply chain and create uncertainty in existing commercial arrangements. We also find it extraordinary that the Government is proposing such changes without consulting key industry stakeholders and seemingly without regard for their impact on an industry already struggling to maintain a presence in Australia.

Senator Bilyk: And they won't be able to be ripped off anymore!

Senator EDWARDS: Similarly, The Ark Clothing Co. claims, and I quote, Senator Bilyk:—

We have serious concerns that the amendments will inadvertently harm the very workers they seek to protect by restricting their ability to operate as independent and autonomous businesses. We believe that these amendments are responding to an outdated view of the industry, and that most of the workers this Bill seeks to protect do not see themselves as outworkers or employees, but as independent contractors working from home businesses.

Likewise, the Australian Industry Group states that the bill would:

… create a complicated web of laws for those in the textile, clothing and footwear (TCF) sector but furthermore the Bill is unbalanced and unfair on business.

I am drawn to repeat the phrase which Senator Fisher used earlier and say: what is it with Labor, that you take to industry with the vigour of a 'sledgehammer to a walnut'?

The Productivity Commission, in its final report on the review of the TCF assistance in June 2003, estimated that in 2003 not more than 25,000 people were working as outworkers in the TCF industry. For the same period, ABS data cited in the final report showed that around 58,000 people were directly employed in the industry. Using this data, the Productivity Commission came to the conclusion that outworker employment was about 40 per cent of total factory-based employment in the sector and exceeded factory-based clothing employment by about 25 per cent.

From this we can see that outworkers make up a significant proportion of those undertaking manufacturing work in the TCF sector. Ai Group goes on to state:

In circumstances where any business that operates in a supply chain which contains outworkers will find themselves legally liable for unpaid monies owed to those outworkers, it is conceivable that businesses will find this risk too great and either contractually prohibit the use of outworkers or cease manufacturing within Australia. Either scenario would be harmful to the Australian economy and the TCF sector.

This will export this country's jobs in conjunction with those jobs set to be lost due to the reckless and mindless carbon and mining taxes. The Labor Party has never seen an Australian success story that it does not want to tax, regulate or levy.

Under Labor's bill, union bully bosses will be able to come once again and extend their antiproduction agenda into the Australian industry scene. The union movement is flexing its muscle here in parliament and forcing their backward vision upon the Australian economy. This bill comes at the same time that Labor has fundamentally undermined the construction industry by approving yesterday the abolition of the Australian Building and Construction Commission. This legislation appeases the left of the Labor Party in their ideological crusade that only damages Australia's productivity.

One of our most serious worries with Labor's bill is that the fair work agency will
struggle to control the bullying union bosses when addressing complex issues in industries such as this. The Cole royal commission stands testament to what can happen when they take their eye off these union bullies. We must maintain our vigilance in the textile, clothing and footwear industry. This bill has the potential to enable the resurrection of misplaced union power and it will stifle Australian innovation and productivity gains in this highly competitive sector. True labour reform? Yes it is, with no view to the longer term sustainability of the clothing, textile and footwear industry.

When the coalition was in government we recognised the need for additional protections in the TCF industry and provided additional protections and safeguards. At the same time, the coalition also recognised the need for protections in the building and construction sector, leading to the establishment of the Australian Building and Construction Commission. Ah—but it is now all back to the future with this dysfunctional Gillard-Brown Labor government!

At present, one of the core arguments of the government in abolishing the ABCC is that it discriminates against certain workers and that the industrial relations regime should take a one-size-fits-all approach. This bill clearly defies Labor's view in relation to the ABCC. Convincing evidence of endemic and inappropriate conduct within workplaces in this industry has been presented in submissions to this inquiry. The coalition has had a strong track record of maintaining protections for outworkers in the textile, clothing and footwear industry in the various forms of workplace relations legislation between 1996 and 2007. With this reality central in our minds the coalition suspects that the government's central motivation for this amendment is to appease the trade union movement in the lead-up to the next federal election. The review of the Fair Work Act currently underway provides the best forum in which the provisions of this bill should be considered.

The coalition has received representations from many young and upcoming designers concerned about this bill. We support individual enterprise and innovation by those willing to take a risk to realise their potential. That is why we are concerned that genuine independent contractors or others could be unjustifiably covered and disadvantaged by this bill. The Council of Textile and Fashion Industries of Australia has outlined such examples, and we worry that independent innovators in this industry will be held back.

The Fair Work Act allows for individual flexibility arrangements—IFAs, as they are known to us—to be made, which they say meet the genuine needs of the employee and the employer subject to complying with certain requirements. These include that the employee must be better off overall under the IFA. This bill appears to deny access to IFAs for outworkers whether they be in the TCF industry or not—the term 'flexibility' must not allow the effect of those outworker terms to be varied. This is also despite the better-off-overall test which ensures that IFAs cannot undercut outworker terms.

There are serious concerns from textile suppliers that business and jobs in garment construction may continue to disappear offshore as the textiles and accessories are outsourced in the locations where the work is undertaken. This bill claims to be for the benefit of the TCF industry and all that work in it but it may, in fact, end up shipping their jobs offshore. This bill represents another piece of policy failure from the Labor government. It is another burden on enterprise, just as the carbon tax, mining tax and the Fair Work Act have made it harder to do business in Australia and to provide jobs for the broader Australian public. Labor is hell-
bent on driving Australia's competitiveness into the ground. The party that is meant to represent working Australians is implementing policy that will destroy the jobs it is meant to be championing. It is for these reasons I cannot support the bill.

Senator BILYK (Tasmania) (11:56): In the few minutes I have left to speak today on the Fair Work Amendment (Textile, Clothing and Footwear Industry) Bill 2011 I note that all we have heard this week with regard to any legislation we have put up is the antiworker and anti-union comments from those on the other side. We have heard about the union thugs and the union bullies but I have not ever heard from that side of the employers who hold the power as being employer thugs or employer bullies, and as most of us know there are certainly a lot of them out there. Their comments on the union movement throughout the week have been very disrespectful and a gross injustice to all those many fine men and women who are out there every day—union delegates, union officials and the ACTU—working to improve the rights of everyday Australians in the workforce.

I offer my congratulations and commendations to the TCFUA and the ACTU for succeeding in helping us get this bill to this place today. It has been a long struggle. They have been working on it for over 15 years; there have been a number of Senate inquiries and the Brotherhood of St Laurence has done reports. All those reports show that outworkers in the textile, clothing and footwear industry are vulnerable and do not get paid the right amount of wages. Some of them work for as low as $2 or $3 an hour and they work really long hours just to try to make ends meet. They are often non-English-speaking migrants and so are a vulnerable group in our community that is taken advantage of.

It does not matter how many people on the other side stand up, as a number of senators opposite have done, and say that this is not going to improve anything—this will improve the working rights for people. To be quite honest, if it improves the working rights for one person then I think that lot should be supporting it! But oh, no! They come in and say: 'No, no, no, no. We're not going to support this because the unions are behind it. We hate the unions. The only people we like are those rich mining people.' They have no logical arguments. I listened to those arguments and I did not think the previous speaker was talking about the same bill for half of his contribution.

Senator Furner: Very confused.

Senator BILYK: And I was confused, Senator Furner, not because I do not understand the bill but because I could not relate what was being said to the bill that we are discussing. But those union people have worked hard not just over the past year but for decades—15 years or so. The first Senate inquiry went back to 1996, I think, and there may well have been some earlier. Senator Collins participated in that. Those opposite were in government for 11½ years and they did nothing. They just want to move back to Work Choices. We know that is what it is all about. Your problem is that you know that the people of Australia know that is what you want to do, so you come in here and run fatuous arguments and disingenuous comments about unions, union officials and those everyday working people who are members of those unions. You all ought to be ashamed of yourselves. You need to get your policies together. You need to get them funded, and tell the people—(Time expired)

The DEPUTY PRESIDENT: Order! The time allotted for consideration of this bill has expired. The question is that the Fair Work Amendment (Textile, Clothing and
Footwear Industry) Bill 2011 be now read a second time.

The Senate divided. [12:04]

(The President—Senator Hogg)

Ayes........................38
Noes........................30

Majority......................8

AYES

Bilyk, CL
Brown, CL (teller)
Cameron, DN
Collins, JMA
Crossin, P
Farrell, D
Feeney, D
Gallacher, AM
Hogg, JJ
Lundy, KA
Marshall, GM
McLachlan, J
Moore, CM
Pratt, LC
Sherry, AM
Wright, PL

Bishop, TM
Brown, RJ
Carr, RJ
Conroy, SM
Di Natale, R
Faulkner, J
Furner, ML
Hanson-Young, SC
Ludlam, S
Madiagan, JJ
McEwen, A
Milne, C
Polley, H
Rhiannon, L
Siewert, R
Sterle, G
Waters, LJ

Xenophon, N

NOES

Abetz, E
Bernardi, C
Boswell, RLD
Brandis, GH
Cash, MC
 Cormann, M
 Eggleston, A
 Fifield, MP
 Heffernan, W
 Johnston, D
 Macdonald, ID
 McKenzie, B
 Parry, S
 Ronaldson, M
 Sinodinos, A

Back, CJ
Birmingham, SJ
Boyce, SK
Bushby, DC
Colbeck, R
Edwards, S
Fawcett, DJ
Fisher, M
Humphries, G
Kroger, H
Mason, B
Nash, F
Payne, MA
Ryan, SM
Williams, JR (teller)

PAIRS

Joyce, B
Fierravanti-Wells, C
Scullion, NG

Wong, P
Adams, J

Question agreed to.

Bill read a second time.

Senator JACINTA COLLINS
(Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (12:07): I table a supplementary explanatory memorandum relating to the government amendments to be moved in this bill. The memorandum was circulated in the chamber on 20 March 2012.

The PRESIDENT: The question now is that the amendments on sheets 7214 and 7218, circulated by the opposition, be agreed to:

(1) Clause 2, page 2 (table item 2), omit the table item, substitute:

2. Schedule 1
1 January 2013.

(1) Schedule 1, item 61, page 25 (after line 12), at the end of Division 5 of Part 6.4A, add:

789EB  TCF outworkers not to be worse off

(1) This Part applies in relation to a TCF outworker only to the extent to which, in a particular respect, the outworker would not be worse off.

(2) A reference in subsection (1) to this Part includes a reference to any regulations made for the purposes of this Part.

(3) The regulations may prescribe:

(a) what a particular respect is for the purposes of subsection (1); or

(b) the circumstances in which a TCF outworker would or would not be worse off for the purposes of subsection (1).

Senator Abetz: Mr President, I rise on a brief point of order. It is usual that you put all the coalition amendments together, so I do not quibble with that, but one of those amendments is to ensure that nobody would be worse off as a result of the passage of this
legislation. It may be possible, and I do not know if this is the case, that certain senators might wish to vote for that amendment but not the other one. That is all that I put to you, Mr President: they should be dealt with separately on that basis.

The PRESIDENT: It is available to senators to make that request, if senators feel that way. Otherwise, the question now is that the amendments on sheets 7214 and 7218, circulated by the opposition, be agreed to.

Question negatived.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (12:09): by leave—I very briefly indicate the coalition's disappointment, but we will not seek to divide, given the next gag motion which will limit debate on the next bill.

The PRESIDENT: The question now is that the amendments on sheet CA223, circulated by the government, be agreed to:

(1) Schedule 1, page 3 (after line 25), after item 4, insert:

4A Section 12

Insert:

apparent indirectly responsible entity: see subsection 789CC(2).

(2) Schedule 1, item 61, page 14 (line 15), omit "engaged", substitute "engages".

(3) Schedule 1, item 61, page 14 (lines 25 and 26), omit "for the purpose of a contract for the provision of services (rather than as an employee)", substitute "other than as an employee".

(4) Schedule 1, item 61, page 16 (line 19), omit "instrument; and", substitute "instrument.".

(5) Schedule 1, item 61, page 16 (lines 20 and 21), omit paragraph 789CA(1)(d).

(6) Schedule 1, item 61, page 17 (line 27), omit "Subject to subsection (2), each", substitute "Each".

(7) Schedule 1, item 61, page 17 (lines 30 to 33), omit subsection 789CB(2).

(8) Schedule 1, item 61, page 18 (line 4), omit "subsection (5)", substitute "subsection 789CE(1A)".

(9) Schedule 1, item 61, page 18 (lines 6 to 14), omit subsection 789CB(5).

(10) Schedule 1, item 61, page 18 (line 15) to page 20 (line 3), omit sections 789CC and 789CD, substitute:

789CC Demand for payment from an apparent indirectly responsible entity

(1) The TCF outworker, or a person acting on behalf of the outworker, may give an apparent indirectly responsible entity a written demand for payment of the amount that the outworker reasonably believes the entity is liable for under section 789CB.

(2) An entity is an apparent indirectly responsible entity in relation to the TCF work if the TCF outworker reasonably believes that the entity is an indirectly responsible entity in relation to the TCF work.

(3) The demand must:

(a) specify the amount, and identify the responsible person; and

(b) include particulars of the TCF work to which the amount relates, and why the amount is payable by the entity to which the demand is given; and

(c) state that if the specified amount is not paid by a specified time, proceedings may be commenced against the entity under section 789CD.

(4) The time specified for the purpose of paragraph (3)(c) must not be less than 14 days after the demand is given to the indirectly responsible entity.

789CD Court order for entity to pay amount demanded

(1) If:

(a) in accordance with section 789CC, an apparent indirectly responsible entity has been given a demand for payment of a specified amount; and

(b) the amount has not been paid in full by the time specified in the demand;
a person or organisation specified in subsection (2) (the applicant) may commence proceedings for an order requiring the entity to pay the specified amount.

(2) The proceedings may be commenced:
(a) by the TCF outworker; or
(b) on the TCF outworker's behalf, by:
(i) an organisation that is entitled to represent the industrial interests of the outworker; or
(ii) an inspector.

(3) The proceedings may be commenced in:
(a) the Federal Court; or
(b) the Federal Magistrates Court; or
(c) an eligible State or Territory court.

(4) Subject only to subsections (5) and (6), the court may make an order requiring the entity to pay, to the outworker or to another person on the outworker's behalf, the specified amount (or so much of that amount as the applicant alleges is still owing).

(5) The court must not make an order under subsection (4) if the entity satisfies the court that the entity is not liable under section 789CB to pay any of the specified amount.

(6) If the entity satisfies the court that the amount of the entity's liability under section 789CB is less than the specified amount (or is less than so much of that amount as the applicant alleges is still owing), the court must not make an order under subsection (4) requiring the entity to pay more than that lesser amount.

(7) In making the order, the court must, on application, include an amount of interest in the sum ordered, unless good cause is shown to the contrary.

(8) Without limiting subsection (7), in determining the amount of interest, the court must take into account the period between the day when the unpaid amount was due for payment by the responsible person and the day when the order is made.

(9) Proceedings cannot be commenced under this section more than 6 years after the time when the unpaid amount became due for payment by the responsible person.

(11) Schedule 1, item 61, page 20 (lines 4 and 5), omit the heading to section 789CE, substitute:
789CE Effect of payment by entity (including entity's right to recover from responsible person)

(12) Schedule 1, item 61, page 20 (lines 6 to 9), omit subsection 789CE(1), substitute:
(1) This section applies if an entity pays an amount in discharge of a liability of the entity under section 789CB, or pursuant to an order under section 789CD.

(1A) The payment discharges the liability of the responsible person for the unpaid amount, to the extent of the payment. This does not affect any right that the entity has to recover an equivalent amount from the responsible person (under this section or otherwise) or from another person, or to be otherwise indemnified in relation to the making of the payment.

Question agreed to.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (12:10): by leave—I very briefly make a similar statement: to save the time of the Senate and given that the next bill will now only have four minutes for debate, we will not divide.

Third Reading

The PRESIDENT (12:10): The question now is that the remaining stages of this bill be agreed to and that this bill, as amended, be now passed.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (12:10): by leave—Once again, Mr President, I indicate the coalition's opposition to this bill for the reasons outlined: given the time constraints foisted upon the Senate by the Green-ALP majority, we have no option but not to divide to at least allow three minutes on the next bill.

Question agreed to.

Bill read a third time.
Broadcasting Services Amendment (Regional Commercial Radio) Bill 2011 [2012]
Second Reading
Debate resumed on the motion:
That this bill be now read a second time.

Senator BIRMINGHAM (South Australia) (12:11): What an utter mockery of parliamentary democracy we have here. I rise to speak on the Broadcasting Services Amendment (Regional Commercial Radio) Bill 2011 [2012]. I am the first speaker on this piece of legislation and I have fewer than 3½ minutes to make my contribution, which of course will leave absolutely no time for any other senator in this place to make any contribution whatsoever. I know full well that on this side many senators are interested and concerned about regional radio services. I know that Senator Fisher wanted to speak on this bill; I know that Senator Macdonald wanted to speak on this bill; I know that Senator Eggleston wanted to speak on this bill; I know that Senator McKenzie wanted to speak on this bill. We have a number of senators who care about regional radio who wanted to have their say.

Senator Conroy interjecting—

Senator BIRMINGHAM: Senator Conroy interjects that we are supporting this bill. We may well be supporting this bill, but that does not mean that it is unworthy of proper consideration in this chamber. That does not mean that it is unworthy of proper debate. It is an utter mockery to come into this place and be told: 'You've got three minutes to debate an entire piece of legislation.' It is a piece of legislation that has been on the Notice Paper since 2011 and the government has several amendments to it. The government itself is deleting several pages of its own bill. Again, we support that and we welcome the fact that the government has made that gesture and has done that in response to concerns that we raised, but it would have been nice to have had the opportunity in this place to examine the implications and the reasons for the changes to this legislation.

Senator Conroy: That's sad and tragic.

Senator BIRMINGHAM: What is tragic, Senator Conroy, is the way in which you and the Labor Party manage proceedings in this place. What is tragic, Senator Conroy, is that you cannot manage to run your own legislative agenda in a sensible way. What is tragic is that you cancelled sitting days last year, and then we come in here this year and we are told that we have three minutes to debate legislation. That is what is tragic, Senator Conroy. What is tragic is that you do not accept that people want to have sensible debates in this place and that people on this side want to talk about issues about regional radio. On this side we have many senators who know that regional radio services are a lifeblood to regional communities. Regional radio services are the way people get local news, the way they hear about local sports results, the way local communities get to stay together and the way local communities get all of the information they deserve to hear. We think it is important that regional radio functions in a viable and sensible way. We have approached this legislation in a constructive sense. We have engaged in negotiations with the government. We have done this in a way to make sure that we get a good outcome for regional radio—one that preserves local content and regional radio stations but helps with their commercial viability. I welcome that. I only wish that we had had the opportunity to examine just what this would really achieve and just what the impacts would be and to have a proper conversation about this legislation rather than the debacle that is taking place.
The PRESIDENT: Order! The time allotted for the consideration of this bill has expired. The question is that this bill be now read a second time.

Question agreed to.

Bill read a second time.

The PRESIDENT: The question now is that amendments (1) to (3) on revised sheet BL249, circulated by the government, be agreed to:

(1) Schedule 1, page 3 (line 4), omit the heading.

(2) Schedule 1, item 1, page 3 (lines 5 to 17), omit the item.

(3) Schedule 1, items 10 to 12, page 6 (line 30) to page 8 (line 9), omit the item.

Question agreed to.

Third Reading

The PRESIDENT (12:15): The question now is that the remaining stages of this bill be agreed to and the bill, as amended, be now passed.

Question agreed to.

Bill read a third time.

Insurance Contracts Amendment Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator CORMANN (Western Australia) (12:16): The Insurance Contracts Amendment Bill 2012 introduces two changes, in particular, to the legislation: it introduces a standard definition of 'flood' in insurance contracts and it introduces a key fact sheet that is required to be provided for home building and home contents insurance policies. While the coalition will support the bill, we do have a number of concerns. The concerns are that, when it comes to flood insurance or to appropriate cover to deal with circumstances of floods, you would remember that, in the wake of the tragic events in Queensland early last year, Minister Shorten raised significant expectations. He was going to fix everything. He was going to make sure that every single person was not going to be left out of pocket as a result of the tragic flood events in Queensland. People across Queensland were left with the impression that he was going to solve it all. But all we have had from the minister so far, after all of the expectations he raised when he commissioned the Natural Disaster Insurance Review, is legislation which still does not even include a standard definition of 'flood' even though there has now been a consensus for many years that it is very important for us to have a standard definition of 'flood'. The government are going to say that they are going to put the standard definition of 'flood' into regulations. But, as I understand it, even to this day the government still have not been able to settle on a final definition of what a flood actually constitutes.

Following the major incidents of flooding in 2010-11 in parts of Queensland, New South Wales and Victoria, the issue of inadequate flood insurance cover and confusion as to what was covered in insurance policies became a very important and prominent issue. There were seriously damaged households with no or inadequate insurance coverage. There were wide variations in the definition of 'flood' between insurance policies and a lack of understanding of what was covered by a policy, which contributed to these gaps in insurance coverage. The Natural Disaster Insurance Review was commissioned in response to this problem on 4 March 2011, and the review recommendations were received by the government back on 30 September 2011 but then were not released until the middle of November. The report contained 47 recommendations, providing...
independent review of issues relating to insurance in light of the natural disasters. Despite having six weeks to consider those recommendations, true to form Minister Shorten deferred decisions on 39 of the report's 47 recommendations. Again, true to form from this minister for reviews, indecision, further consultation and more discussion papers, the biggest decision he made was to commit to further reviews.

This bill makes two changes to insurance contracts law following on from the review, as I have said: it provides for a standard definition of 'flood' in insurance contracts and requires that consumers are provided with a key fact sheet outlining key information about their home building and home contents insurance policies. However, this is enabling legislation only. Both the standard definition of 'flood' and the specific content of the key fact sheet will be made in regulations through changes to the Insurance Contracts Regulations 1985. Industry support the changes that are being proposed, but they do have some concerns about the final version of the regulations. However, in general there has been a consensus for some time now that this is an appropriate way forward, particularly in the wake of the confusion and uncertainty that surrounded the issue of insurance coverage in the wake of the 2010-11 floods.

We will be watching the final regulations closely to ensure that they provide adequate certainty to all parties to insurance contracts, because the government does not have a very good track record when it comes to this. What we have to remember is that the standard definition of 'flood' was on the table as far back as 2006-07. The government had a specific proposal in front of them in 2008. At the time this whole proposition of a standard definition of 'flood' was covered by the ACCC, and the government never had the fortitude, strength of character, persistence and determination to deal with it then. If they had dealt with it then, it would all have been in place by the time of the January 2011 floods in Queensland. But this government—because of indecision, because of delay, because of characteristic incompetence, because of their general dysfunction and because they were not able to make a decision and get past the first barrier and the first bit of resistance—sat on their hands.

Then we had Minister Shorten, after the events in Queensland in early 2011, trying to big-note himself, making himself look as if he could solve everything and raising expectations significantly—and the only response we are getting is to tell us that we need to do something that it has been agreed for five or six years now needs to be done. But still, to this day, it is not being done. We just have here an empty vessel that is before us saying, 'One day in the future we will agree to a common definition of 'flood' and might be able to reach some sort of consensus around how the regulations should be amended, but we can't tell you when that is going to be.' A standard definition of 'flood' is a very good idea. A standard definition of 'flood' will mean that every time the word 'flood' appears in an insurance contract it will be taken to mean the definition as outlined in the regulation—if only we knew what it was. The legislation also restricts contracts including compound phrases containing the word 'flood', such as 'flash flood' or 'accidental flooding'. The legislation does not require that all insurance policies insure against flooding.

If I can just pause here on this point to say that at some point the impression was created by the government that, somehow, an answer to this problem faced by people that were either underinsured or not insured at all in Queensland would be to impose compulsory insurance across the board. That would be a
very bad policy approach for the government to take. We have seen bad policy approaches by this government before so, who knows, they might well have been sincere when they created the impression that they wanted to impose compulsory insurance across the board.

What we need to remember here is that, as tragic as the events around the flood are when they occurred, 90 per cent of Australians live in areas not affected by flood, 10 per cent of Australians live in areas affected by flood and some of them in areas of extreme risk. But if you impose compulsory flood insurance across the board, irrespective of whether or not people face that risk, then that is no longer insurance. Insurance is a transfer of risk. Insurance is paying a premium so that somebody else takes on the risk for you, and you can join a pool and spread the risk across that pool. If you force somebody to pay a premium, if you force somebody to pay to transfer a risk that they do not face in order to cross-subsidise across the board, that then becomes taxation rather than insurance.

It was never going to happen. As much as Minister Shorten was trying to make it look as if he was going to do something, as much as Minister Shorten was trying to make people believe that he had all the answers, when it was all said and done, all he came up with were these two proposals in this legislation which have been on the table for a very, very long time. They are two proposals which are completely non-contentious. Even with the non-contentious proposals, he still has not been able to bring them to a final conclusion.

The coalition has consistently supported efforts to develop a single standard definition for 'flood' across the entire country and across every insurance company. After the floods in New South Wales in mid-2007 and in Queensland in 2008 the common definition of 'flood' was put forward as an important change by the industry at the time. The federal Labor government did nothing to progress a common definition of 'flood' after the ACCC scuttled the previous attempts to introduce such a definition back in 2008. It took the disastrous floods of 2011 for Labor to finally consider this matter again.

The coalition supports recommendation 36 of the Natural Disaster Insurance Review that the government introduce a standard definition of 'flood' so as to avoid any consumer confusion surrounding flood coverage within insurance policies. The final report recommends the definition of 'flood' as proposed within the Reforming flood insurance: clearing the waters consultation paper which states:

Flood means the covering of normally dry land by water that has escaped or been released from the normal confines of:

(a) Any lake, or any river, creek or other natural water course, whether or not altered or modified or

(b) Any reservoir, canal or dam.

It needs to be noted here that, as far as I am aware, the government has still not settled on that definition or on any other definition. As far as I am aware, the government is still dithering, the government still is being indecisive, the government still is not able to cut through and make a decision. Probably it will take another flood before we finally get some action. Probably it will take another disaster before another minister—probably one of Minister Shorten's successors—will finally be able to bring this whole issue to a conclusion. It is completely unacceptable that, for more than 12 months after the tragic events in Queensland in early 2011 and for more than five years after the insurance industry first put the proposal of a common, standard definition of 'flood' on the table, we still have not got a decision from the
government on what definition they want to proceed with.

So to come to this chamber with an empty vessel, with a piece of legislation that has nothing in it other than a promise that 'at some point in the future we will do something', is just not good enough. We have this empty vessel here. Enabling legislation is a technical term where the government tells us: 'We want to have, one day, a common definition of 'flood'. We want to have, one day, a key facts sheet, but we will give you all the detail that we haven't agreed to yet in regulations.'

Senator Jacinta Collins interjecting—

Senator CORMANN: I can see that the senator representing the government in this chamber is getting fidgety. She is getting fidgety because she is, clearly, not entirely in agreement with the things that I am saying. I would be very pleased to engage in a thorough and comprehensive debate about the many flaws in this legislation and in a comprehensive debate about the many flaws in the government's approach when it comes to the issue of flood insurance. But, of course, the Labor-Greens government, again, on as important and critical an issue as this—what have they done? They have moved to gag debate, to guillotine debate, on this.

There is a state election in Queensland on the weekend, and the people of Queensland need to know that this Labor-Greens administration does not want to have a proper debate about the issue of flood insurance in this chamber today. We were given 15 minutes for the whole debate on the issue of flood insurance. This is all that this Labor-Greens administration thinks the discussion about flood insurance deserves. After all of the expectation that Minister Shorten raised with people in Queensland about what he would do and what he could do to address the issue of flood insurance, after he went to Queensland and raised a lot of expectations with people in Queensland, all he has delivered is an empty vessel and a promise that at some point in the future he will do a little bit. Out of all the recommendations that came out of the Natural Disaster Insurance Review his biggest action so far is to commission another review into the review. This is a minister for reviews and indecision. This is a minister that, after he receives a review, commissions a review into the review, followed by a further inquiry into the review into the review. Perhaps after that we could have a public discussion paper. That is the track record of this minister. The approach by the Labor-Greens administration to cut short debate on this very important issue on how we can improve flood insurance is just completely disgraceful.

The DEPUTY PRESIDENT: Order! The time allotted for the consideration of this bill has now expired. The question now is that this bill be read a second time.

Question agreed to.

Bill read a second time.

Third Reading

The PRESIDENT (12:31): The question now is that the remaining stages of the bill be agreed to and the bill be now passed.

Question agreed to.

Bill read a third time.

Excise Amendment (Reducing Business Compliance Burden) Bill 2011

Customs Amendment (Reducing Business Compliance Burden) Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.
Senator CORMANN (Western Australia) (12:31): The Excise Amendment (Reducing Business Compliance Burden) Bill 2011 and the Customs Amendment (Reducing Business Compliance Burden) Bill 2011 establish a seven-day cycle for returns and the payment of customs duty. They allow for eligible small business entities to apply for permission to defer their customs duty settlement to a monthly reporting cycle from a weekly cycle. These bills also make changes which seek to reduce the excise compliance burden for eligible small businesses. The coalition supports these bills.

Excise is a tax on certain goods produced in Australia, including alcohol, other than wine; tobacco; fuel; crude oil; condensate; and lubricants. Where such goods are imported into Australia they are subject to excise equivalent customs duty. Under excise and customs law, taxpayers are required to lodge an entry and pay the applicable excise or excise-equivalent customs duty prior to the goods entering the domestic market. However, section 61C of the Excise Act and section 69 of the Customs Act establish a weekly accounting period, allowing the lodgement to occur after the good has entered the domestic market.

In practice, this has been on a weekly reporting cycle beginning Monday and ending Sunday. The amendments allow for the taxpayer to apply for a new weekly period to begin on their preferred day. The bills allow for a seven-day cycle that suits the business and should reduce administration costs of the duty. The amendments also allow for small businesses to apply for permission to defer their excise settlement to a monthly reporting cycle. The bills also give these small businesses a further 21 days from the end of the month to remit their tax liability. This will reduce lodgement paperwork from 52 to 12 returns per year, which is a good thing.

The amendments also allow businesses selling gaseous fuel on a seven-day reporting cycle to give the commissioner a return on or before the sixth business day following the end of each seven-day period. This legislation confirms the existing monthly settlement arrangement for stabilised crude oil and condensate. These changes represent a sensible, if minor, reform to excise and customs duty and are supported by the coalition.

While the coalition supports these particular bills, I take the opportunity to note that this government has been an absolute failure when it comes to reducing the burden from overregulation. You might remember, Mr Deputy President, that both the then Leader of the Opposition, Kevin Rudd, and one of the then senior shadow ministers, Dr Emerson, in the lead-up to the 2007 election made much of the promise of 'one in for one out'. They made this promise that somehow for every new regulation there had to be one regulation taken off the books. Of course, when it comes to lowering the burden of regulation, as the government says it tries to do in these bills—which is a good thing—there is much, much more to do.

This government has introduced more than 12,500 new regulations—and how many of them have gone? Fewer than 60. So much for the promise before the 2007 election that the government would get rid of one regulation in exchange for every new regulation it puts on the books. This government has put more than 12,500 new regulations on the books. Just imagine the amount of additional red tape faced by business as a result of the actions of this government. Just imagine the impact on productivity. Just imagine the impact on the competitiveness of business in Australia compared to the competitiveness of business in other parts of the world. This is a
government that, across the board, is choking business in red tape.

There needs to be way more action to do the sorts of things that the government is trying to do in a minor way in the bills that the Senate is debating at the moment—to ensure that we increase productivity more rapidly; that we become the most competitive internationally that we can be; that we can maximise our trade; that we can grow our economy. If we do all of that—if we grow our economy based on increased productivity and being as competitive internationally as we possibly can be—we can not only spread more economic wealth and prosperity across the nation but also increase revenue for the government. And we would increase revenue for the government without the need to impose all these new taxes that this government has been imposing on the Australian people.

This is a government that comes in with 20 new or increased taxes. This is a government that comes in with 12,500-plus new regulations. This is a government that chokes businesses in red tape, that chokes them in more tax. What we need is a government that is focused on taking Australia forward, on making sure that we are the most competitive and the most productive that we can be. Obviously this is a very competitive world, and a lot of the changes that this government has been pursuing seriously undermine the international competitiveness of Australian business—whether it is the tax and regulatory burden that comes from the carbon tax; whether it is the tax burden that comes from the 20 new or increased taxes the government has put forward, or whether it is the 12,500-plus new regulations that this government has imposed on Australian business. The focus in the past and in the future under a coalition government has always been and will be on economic reform that increases the international competitiveness of the Australian economy. This government has been a very bad government in the sense that it has actually pursued changes that reduce our international competitiveness and make Australia less productive than we could be. This is a government with a combination of new or increased taxes and massive increases in regulatory burdens that have actually undermined our efforts to make us more productive, to make us more competitive and to grow our economy more strongly.

While we support the small effort that the government is making through these two bills that the Senate is currently debating, we think that there is much, much more that the government needs to do. Of course, on the coalition side we have a deregulation task force which is chaired by Senator Arthur Sinodinos, who is doing a fine job in that role and in many other roles he has taken on on behalf of the coalition, injecting his undoubted and very significant talent and experience across senior levels of government and across economic and financial affairs. He will be ably assisted in the task of trying to cut red tape and providing $1 billion worth of savings for business across Australia by Senator David Bushby and by Kelly O'Dwyer, the member for Higgins. That committee is consulting with business across Australia right now on how we can cut red tape, how we can make sure that we increase productivity, and how we can make sure that we make our economy more competitive internationally, because that is the way we grow the economy and ultimately grow government revenue without the need for all of these new ad hoc Labor Party taxes—like the mining tax, the carbon tax, the flood tax, the alcopops tax, the increase in luxury car tax and the new condensate tax. If I had to go through a list of 12,538 new regulations the
government had introduced, we would be here for a couple of weeks. But the government's guillotine in terms of this legislation does not allow me to get anywhere near the increased number of regulations this government has imposed on the Australian people. That will have to be a debate for another day. But I am sure that people across Australia share the coalition's view that we need to seriously cut red tape and make our economy more competitive.

The DEPUTY PRESIDENT: Order! The time allocated for consideration of these bills has expired.

Question agreed to.

Bills read a second time.

Third Reading

The DEPUTY PRESIDENT (12:40): The question now is that the remaining stages of these bills be agreed to and that these bill now be passed.

Question agreed to.

Bills read a third time.

Telecommunications Universal Service Management Agency Bill 2011

Returned from the House of Representatives

The DEPUTY PRESIDENT (12:40): A message has been received from the House of Representatives returning the Telecommunications Universal Service Management Agency Bill 2011, and informing the Senate that the House has made the amendments requested by the Senate to the bill.

Senator Farrell: I move:

That this bill be now read a third time.

Question agreed to.

MATTERS OF PUBLIC INTEREST

The DEPUTY PRESIDENT (12:41): Order! It being 12.44 pm, I call on matters of public interest. I inform the Senate that informal arrangements have been made in relation to matters of public interest and understand that these arrangements have been agreed to. The clerks will set the clocks accordingly.

(Quorum formed)

Superannuation

Senator SHERRY (Tasmania) (12:44): During this matter of public importance I wish to speak on the current debate concerning the investment strategy of our $1.3 trillion superannuation sector. This debate has been occurring vigorously, particularly since the global financial crisis, and has crystallised over the last week as a result of commentary by the former Treasury secretary, Dr Ken Henry, in a speech to an Association of Superannuation Funds of Australia event last Friday, with further commentary from a range of participants including supporting comments for Dr Henry from Mr Jeremy Cooper, former chair of the review into the operation of our superannuation system, and outgoing Future Fund chair, Mr David Murray.

It is a matter of great public importance not least because the underlying investment strategy substantially impacts on both the final retirement savings for millions of Australians—it is a major social policy—and, critically, on the Australian economy, with a savings investment pool of some $1.3 trillion and almost $1.4 trillion if the Future Fund assets are included. As I am sure many senators are aware, my interest in this issue has been longstanding. My 25 years involvement in superannuation, first as a founding trustee of two funds between 1986 and 1990 and then, on entering the Senate, as chair of the Senate Select Committee on Superannuation overseeing development and passage of the superannuation guarantee, the SI(S) Act, and other inquiries, including on
investment. I was shadow minister for superannuation for most of the period 1996 to 2007 and then Australia's first superannuation minister from 2007 to 2009.

It is important to note that earlier this week the parliament also passed two major superannuation measures: an increase in the superannuation guarantee, which will go from nine to 12 per cent by 2020, and a rebate of the 15 per cent contributions tax for low- and middle-income earners earning less than $37,000. Combined, this will see superannuation assets grow from the current approximate $1.3 trillion to approximately $3.3 trillion by 2026 and $6 trillion to $7 trillion by 2035. To put this into perspective, $1.3 trillion is approximately the size of the Australian economy.

Responsibility for the investment of these assets is placed with trustees. This was confirmed by statute in the Superannuation Industry (Supervision) Act 1993—the S(S) Act—which codified the prudent person principle: invest the assets diversified for the long term as if they were your own to maximise the return to the member. In Australia government does not direct superannuation investment in any way. It is delegated at arms length to independent trustees. This is almost unique in the world for a system of such size. There has been reference to examples of other countries with pension fund assets with a significantly greater percentage in fixed income. I think it is important to note that in some of these cases this is a consequence of government direction. Indeed, some governments go even further, with direction for investment in housing and infrastructure and a range of restrictions, including on overseas investment.

According to the Australian Prudential Regulatory Authority data, as at June 2011 the asset allocation of the default investment strategy—that is where the trustees make the decision for members who fail to make one—was approximately 43 per cent of total assets. This was composed of 29 per cent in Australian shares, 24 per cent in international shares, 10 per cent in listed and unlisted property, 16 per cent in Australian and international fixed interest, eight per cent in cash and 14 per cent in other assets. Despite the GFC, which has led to the proportion of investments in shares moving down and that in fixed interest and cash going up, the primary investment is still in shares. Dr Henry and others' argument is that, given recent losses and market volatility, trustees and their advisers—fund managers and asset managers—have tended to invest too heavily in shares and not enough in bonds and that shares are too risky and volatile.

According to media reports:

… Dr Henry said a strong "average" performance of shares over time had not prevented many fund members from losing out when markets tanked. "Depending upon when they enter the system and when they retire, some fund members will benefit enormously from a portfolio weighted heavily toward equities while others will lose big time," … "And nobody knows, in advance, who will win and who will lose."

I have the greatest respect for Dr Henry, Jeremy Cooper and David Murray. I have had many positive interactions with them over many years and agree with them on many of their policy observations. However, on this issue I fundamentally disagree, and strongly so. Where they have identified some weaknesses—and I will refer to these—there are alternative solutions.

Fundamentally it would be a serious mistake for government and/or trustees and fund managers to shift the base investment away from diversified shares, because over the long term that strategy provides the highest rate of return. Over the 20-year period to 2010, returns per annum were 11
per cent for shares, 8.2 per cent for the bond market index and 4.3 per cent for cash. In a defined contribution system, which is what we have in Australia, contributions minus tax, fees and charges, plus returns from underlying investments determine the final outcome. Effectively, the member carries the risk of that outcome. Given that we know on the evidence of diversification—and the SIS Act requires diversification—that shares outperform bonds and cash over the long term, this should remain the fundamental asset class that the superannuation system should be based on. Yes, we know on the evidence that there is a risk of greater volatility in equities; however, the even greater risk for members is a lower return over the long term if those assets were invested in bonds and cash rather than equities. This would result in a lower level of final savings. So, yes, there is greater volatility from shares, but we know on the available evidence that the final outcome will be higher.

There is one important caveat to this outcome and where it is possible for bonds to outperform equities, and that is if fees and charges are excessive and/or if a fund has insufficient fund scale to purchase a mandate with the lowest possible fees. To the extent this is an issue, and it is for some—and I applaud and support Jeremy Cooper for the vast majority of his recommendations; indeed, I appointed him as chair of the review into superannuation—higher than reasonable fees and charges are resulting in a lower outcome for investments in equities than bonds or cash.

The government has initiated important reforms, MySuper, SuperStream and related FoFA reforms—it is a subject for debate on another day in the Senate—and these will reduce the costs and fees and charges in the long term. That set of issues is being dealt with by government. Mr Murray, the outgoing Chair of the Future Fund, gave some supporting comments to Dr Henry. As Mr David Murray knows and has explained on many occasions that, if the underlying assets of the Future Fund were predominantly in bonds and cash, the Future Fund would be unlikely to achieve its targeted rate of returns and certainly less likely than with a predominance in equities and shares.

Australians will be in the superannuation system for an average of 40 years pre retirement and an average of 15 to 20 years post retirement. During that time there will be a number of market peaks and troughs—volatility. This is unavoidable in a capitalist market economy. The example Dr Henry gave—which he admitted was extreme—was of a 59-year-old in 2007 planning to retire at 60, seeing perhaps a 25 per cent plus decline in their account balance because of the GFC. Presumably this individual, given their age, would have been in the system since at least 1987, the date of the introduction of the initial three per cent compulsory superannuation, then added to by the SG. Their account would have experienced strong positive growth in all but one year up to 2007. So what we have to do, in looking at this debate, is to take into account the long-term positive growth from equities year on year as well as the negative down years.

I illustrate this with my own experience. I have a defined contribution account. I have had it since 1990 when I entered the Senate. It is invested predominantly in equities. The account peaked on 30 June 2007. Every dollar was then worth $8. Then at 31 December 2008 the dollar value went from $8 down to $6 and, as of 31 December last year, it had gone back up to having a value of $7. If that had been invested in bonds, it would not be worth the $7 as of December last year; it would be worth $6 at that date.
I do accept that it is difficult, particularly for those who are older and value predictability and certainty, to explain the concept of long-term returns. I had to do this when I was Minister for Superannuation and Corporate Law during the GFC to hundreds of people who engaged me in conversation about their super account going significantly backwards, often for the first time. It is possible to minimise volatility with a share base if funds adopt a reserving strategy, putting aside some of the positive returns in good years to offset the negative in bad years in order to smooth returns. Indeed, some funds did take that approach in the past. Choice of Fund ended this approach. Funds could no longer continue to adopt the smoothing strategy.

A major defect in our system is the lack of focus and highlighting consistently, in an understandable way, the long-term return and its value. Most funds in the lead-up to the GFC enjoyed double-digit rates of return each year they highlighted and, indeed, many boasted, with front-page headlines, increases of 10, 12, 15 and 18 per cent. This was a serious error. Funds should highlight the long-term rate of return. Further, it is possible with robust actuarial standards to provide a projection on contributions or a forecast to not just retirement age but also average life expectancy. However, as I have mentioned, many elderly Australians dislike volatility and prefer a predictable income stream. That is understandable. This highlights a major gap in our superannuation system, the lack of post-retirement annuity pension take-up. This is the last major policy reform gap in our system.

The superannuation sector is keen to find an effective solution. In a well-designed retirement income system, rather than a lump sum savings system, which is what Australia has—and that is in contrast to most other countries with a defined contribution system—a well-designed post-retirement annuity pension is a vital necessity. Any effective solution in this area almost certainly will lead to a higher investment in bond assets. The need to design a much more effective annuity pension post-retirement system has been recognised by both the Treasurer, Mr Swan, and the Minister for Financial Services and Superannuation, Mr Shorten. They have appointed a panel of experts to a superannuation roundtable charged with finding solutions in this area.

Notwithstanding my arguments about preferring an equity base for superannuation, it is very necessary to strengthen and deepen the public and private bond market. I agree with Mr Johnson, the chair of a committee who made recommendations to assist developing a local bond market, that it is an urgent issue. These reforms are necessary to remove operational and structural impediments that he identified. They need to be acted on and, indeed, the government has commenced work in this regard. Whatever the arguments and conclusions reached on the equities versus bonds debate, a more effective bond market will be an absolute necessity, not only given the necessity to support an effective post-retirement system but in order to help deal with the strong growth in savings that I highlighted earlier—$1.4 trillion at the present, including the Future Fund, forecast to reach $3.3 trillion by 2026 and $6.7 trillion by 2035. But, whatever the concerns are about the operation of our superannuation system, unlike most comparable advanced economies, Australia has a modest sustainable defined benefit base—the age pension—supplemented by a funded, income related, compulsory defined contribution system. (Time expired)
World Down Syndrome Day

Senator BOYCE (Queensland) (13:00): Today, 21 March, is World Down Syndrome Day. It was a specially chosen day because Down syndrome is caused by the triplication of—having three; not the usual two—chromosome 21. It is the seventh anniversary of World Down Syndrome Day but it is the first time that it has been a formally UN auspiced day. The UN is today holding a seminar in New York with the theme 'Building our future'. One of the speakers at that seminar is a young Australian woman with Down syndrome called Shona Robertson. Shona is in her early thirties and her conversation will be on 'My life, my education'. It is not a coincidence that her mother is a well-recognised special education teacher and a fierce advocate for educational inclusion.

A lot of people said to me last year, when we were advocating to have World Down Syndrome Day recognised as a UN day, 'What do we need another day for?' They might very well ask that—today we are all wearing orange ribbons because it is also Harmony Day—but the World Down Syndrome Day resolution moved in the United Nations was put forward by 78 countries. There are 192 countries in the UN. We need to get to those other 120 countries which were not involved in the development of the day—a suggestion first put by Brazil. The UN auspice of this means that it is truly a day, now, for global awareness of Down syndrome. It means that in some countries there will now be funding and recognition of Down syndrome that has not existed in the past.

It is estimated that there are about seven million people worldwide with Down syndrome. Certainly in Australia, people with Down syndrome live comparatively good lives—well-recognised, socially integrated lives. I would like to recognise Miss Ruth Faragher, who is in the gallery this afternoon, who is one of those people. Ruth and her parents and some other people from the Down Syndrome Association of the ACT have come along, including David from the Confident Speakers Group with the DSA ACT. Ruth is one of the members of the Confident Speakers Group and I can tell you that she is a very confident speaker.

I am quite pleased also that others were not able to come because they are at work. This is something that would not have happened many years ago. We still have a lot of work to do in Australia in terms of inclusive education and recognising the particular health needs of people with intellectual disability, and in terms of the number of illegal and forced sterilizations that appear to be continuing to happen. Mr Graeme Innes from the Human Rights Commission is working on that area.

The other area that I think we need to pause and think about is genetic testing. Certainly it is the view of the Down Syndrome Association of Queensland, of which I am a proud member, that the diagnosis of Down syndrome is not, in itself, a reason to terminate a pregnancy. It is interesting that research done in Wales, Britain, titled Wrongful deaths and rightful lives, shows that genetic testing and the resultant termination of foetuses with Down syndrome probably reduces the annual live births of babies with Down syndrome by about 660 a year but it also leads to the loss of 400 babies without Down syndrome. We certainly do not have the tests right, and to assume that an intellectual disability is a reason to terminate a pregnancy is not, in my view, a rational way to go about genetic testing.

These are the issues that we face in Australia. In many countries around the
world there are still people with Down syndrome who are hidden away in the way that perhaps some people remember happening 50 or 60 years ago in Australia. There are still families that feel shame because of the existence of a child with Down syndrome. I remember, at an international conference in Singapore, the number of local parents who were so grateful to the people from other countries who were there going about publicly and behaving like families with their children with Down syndrome, when these local families were cautious about the public exposure that they allowed their children to have because of the stigma around it.

There are also people with Down syndrome, particularly women, who are being sold into slavery and sex trafficking around the world. If you have a country that has a low view of women—a country that puts that sort of value on them—then you can see that a woman with a disability is at an even greater disadvantage.

I would like to conclude by pointing out that whilst it is Harmony Day we do not have any ribbons for Down Syndrome Day. I would like to encourage the state Down syndrome organisations to revisit the idea of developing a national organisation so that they have a national voice here and elsewhere. There was a national organisation that failed some years ago—back in the nineties—and I think it is time that the state organisations moved past that and worked at truly developing a national organisation so that they can develop national awareness of Down syndrome. I would like to wish everybody associated with the disability sector a happy World Down Syndrome Day.

Walsh, Mr David
Gibson, Ms Miranda

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (13:07): I want to begin by acknowledging that speech from my fellow senator Senator Boyce, to endorse it, to also acknowledge the great times I have had with people with Down syndrome throughout my life and, not least, to endorse Senator Boyce's concluding comments, where she put forward some very constructive ideas for the people in our community with Down syndrome, who are such an important part of the Australian community.

I want to talk about two very special Tasmanians. The first is Mr David Walsh who, in 2011, opened his privately funded and constructed Museum of Old and New Art in Hobart, MONA, at the Moorilla Estate on the headland of the Derwent River, just outside Hobart. This $80 million museum houses David Walsh's $100 million private art collection. David Walsh grew up in Glenorchy, a suburb of Hobart, and then made his fortune by developing mathematical models for gambling. I well remember him getting underway in the 1980s when the casino in Hobart tried to eject him and friends for winning, of all things, and was found, legally, to have no such right.

The 6,000 square metres of the exhibition at MONA spreads over three subterranean floors and was designed by Melbourne architect Nonda Katsalidis. It showcases the Walsh collection of antiquities, Australian modernist painters and international contemporary art. Mr Walsh describes this as a 'subversive adult Disneyland' and a 'temple to secularism'. Well, whatever—it is a triumph of personal philanthropy, and it is the first of its kind and dimensions in Australia.

The United States has a long tradition of private philanthropy in the art world. More broadly, this source of funding has remained relatively untapped in Australia, although
there are other great examples of philanthropy in the arts around Australia and that is something that I think is growing. Such investments are a boon for Australia.

MONA is likely to stimulate competition and to attract larger and more frequent major art exhibitions to Australia. It will also support, of course, the artists themselves. During its first year, 2011, this Museum of Old and New Art attracted more than 350,000 visitors, 46 per cent of them from interstate. I was one of the 54 per cent who came from Tasmania.

MONA was named Tasmania's best new tourism development of 2011 and it won the new tourism development category in the recent 2012 Australian Tourism Awards. Overall, Tasmania won five national awards. The 2013 awards will now be held in Hobart, the second time in four years that the state has been chosen. That reinforces Tasmania's reputation as a top tourist destination—and, I might add, as being more thickly populated with artists than anywhere else in Australia. The 2013 awards will be held partly at MONA and at the revamped Princes Wharf No. 1 beside the Derwent in downtown Hobart. MONA is already the No. 1 tourist attraction in Tasmania according to the Tourism Industry Council Tasmania and is generating the most interstate media coverage, especially for a tourism development, since the opening of Wrest Point Casino back in 1973.

MONA has put Hobart, beyond that, on the world map, attracting really significant international coverage. In fact, this Museum of Old and New Art was named 'the best experience in the world' for 2011 by luxury magazine Gourmet Traveller. It can be described as the face of the new Tasmania, heralding a new era of economic growth, philanthropy, internationally acclaimed attractions and culture, as well as, of course, its internationally renowned wilderness tourism. MONA is luring cashed-up and culture-seeking interstate and international tourists. I do not know if you have been there yet, Acting Deputy President Ludlam, but you, along with everybody else here, are very welcome. According to Hobart's five-star boutique Islington Hotel, MONA has boosted the bookings there by 15 per cent, and there has been a barrage of upmarket restaurants opening. And I can tell members that, when I first went to Salamanca Place, there were no restaurant seats; now there are 1,200, and it is just one of the great places in Australia to be. David Walsh was the Mercury newspaper's Newsmaker of the Year in 2011, and was named 2011's most culturally powerful person by the Australian Financial Review Magazine.

MONA is more than just a museum, however. There is a vineyard, and this was established by Claudio and Lesley Alcorso in the 1950s. Claudio Alcorso is a great doyen of the arts. He was on the Sydney Opera House trust and was there when the opera house design by Jorn Utzon was taken out of an early series of rejects. This wonderful man, who was born in Italy, came to Australia and has so enlivened Australia's cultural face as well as its business milieu. He brought in the new age of winegrowing in Tasmania. There is also a brewery, a restaurant, luxury accommodation and frequent events and functions, including markets and the celebrated annual MONA FOMA festival.

The museum is free for Tasmanian residents—more recently, interstate visitors have been charged $20; well, what a bargain that is—making art accessible for the general public and diversifying the audience for contemporary art. Brand Tasmania reports that Tasmanians make more visits to art galleries, museums, libraries, popular music events and dance performances than do other
Australians, and MONA has been described as a magnet for Hobart's art school graduates—a source of employment that stops them from leaving for the mainland. And, I might add, it draws many, many other artists and budding artists to Tasmania. I frequently meet them on the flights crossing Bass Strait.

The success of MONA has prompted, in turn, the Tasmanian Museum and Art Gallery—and this is just such a wonderful attraction and place to be in itself—to update its image and capitalise on the increased tourism potential for Tasmania. So the museum is undergoing a $30 million redevelopment, thanks to the government of Lara Giddings, and will open early next year. So, catch the ferry and go up to MONA and have a good glass of Tasmanian red while you are there. The world will seem a source of great thought, because MONA, let's face it, is a very big thought provoker. In some ways it is a little confronting. For myself—looking at the mummy cases there, they are thousands of years old and look as if they were painted yesterday. They are just remarkable. And in amongst that there is this creativity of Tasmanian and international artists. Everybody comes away saying, I think, that it is not all everybody's cup of tea, but you cannot come away without having been made to think.

My second Tasmanian is quite different. She is currently sitting 60 metres up in a tree in the central Tasmanian forests. Her name is Miranda Gibson. I had a note from her mother the other day saying, in amongst other things, how supportive she was of her daughter. Miranda is a spokesperson for Still Wild Still Threatened. Just last week they launched a campaign in Japan to help draw international attention to the plight of Tasmania's forests, which are still being bulldozed and chainsawed in a reckless way by Forestry Tasmania, against the signature of Premier Lara Giddings and the Prime Minister. On 7 October last year they made a commitment through their intergovernmental agreement to halt immediately the logging of high-conservation value forests in Tasmania.

They have not, but I think that, temporarily at least, Miranda has. Since Christmas the loggers have not so far gone back in to complete the destruction of this wild forest in which she sits high on the ridge under Mount Mueller which, in turn, is to the east of the great mountain of the south, Mount Anne. It will be getting a fresh coat of snow in the next 24 hours as a cold front moves through Tasmania. Miranda will be there, snow, hail, rain or shine, because she loves the planet and because she is concerned about its wildlife, our own human heritage and our own bond with the wild nature that Tasmania has in such abundance but which—like the forests of Sarawak, of the Amazon Basin, of Central Africa and elsewhere around the world—are being destroyed at such an unnecessary and profligate rate by people who simply want to make money out of converting these grand, ancient ecosystems into an advantage for themselves. They know that it is an extraordinary loss to all future generations of human beings on this planet.

Miranda has a blog site; it is observertree.org. I am not such a blogger, but I know many people are. Here is one Australian citizen who has given up her potential—she is a very intelligent, articulate and wonderful young woman—her comforts, her career and her ability to be doing all things, like visiting MONA that I have just spoken about, that many of us would take for granted. She is there through rain, snow, hail and storm. If you are 60 metres up in a 80-metre or so tree and you are hit by one of those squalls from the south-west—these great trees are the biggest living things on earth, along with the redwoods—the tree...
responds to those storms not just by bending and swaying but by twisting and turning. The experience of being up there during such a tempest can only be thought about, but Miranda stays there. She is with that tree.

One of her blogs is written to the tree, to explain why it is that this human being has set up a platform high up in that tree to defend what would have been its destruction already if she were not there. And it will be its destruction by Forestry Tasmania, and the needs of this giant Sarawak company, Ta Ann, which is the biggest modern recipient of the heartland wood taken from these World Heritage value forests such as the forest in which Miranda has made her courageous, defiant, selfless, far-sighted and thoughtful stand.

I would appeal to the Prime Minister, I would appeal to the Premier, and I would appeal to every one of my fellow senators and fellow parliamentarians to visit Miranda. If you cannot go there and have a cup of tea, then visit her blog site and see what this marvellous citizen of the planet is doing in defence of the planet and in respect of our own humankind species and its future. If we cannot protect these forests in wealthy, democratic Australia, how can we ask the people of Sarawak to—the marauded state of Malaysia from which this multibillion-dollar backed company, Ta Ann, comes to maraud in the forests of Tasmania?

Ta Ann has just announced that it is taking aboard a former head of Forestry Tasmania as its PR and media spin consultant into the future. Sure, that might advantage that man; he might make a lot more money than Miranda is making sitting out there. But I can tell you where the decency, the heart, the commitment and the real honour of being a human being lies. That is with Miranda. She sleeps at night alone, isolated and taking a stand for all of us through glory knows what, out there in the wild forests of Tasmania. She knows that just down the road the bulldozers and chainsaws are ready, authorised and coming to get her and her tree.

I hope that Australians who get to know about this will not just spare a thought for Miranda but will write to the Prime Minister and to the Premier of Tasmania and say, ‘For goodness sake, take a stand with Miranda.’

**Transport Industry**

Senator **STERLE** (Western Australia) (13:21): Before I make my remarks to this matter of public interest I formally and warmly—from the bottom of my heart as part of a trucking family—pass on my sincere thank you to Senator Brown and my respect for the Greens party. I wish you all the very best. You have delivered last night an absolutely wonderful result for Australia's trucking community, for Australian families and, as importantly, for other road users. I thank Senator Brown and you too, Mr Acting Deputy President Ludlam, as the transport spokesperson for the Greens.

I rise today on a matter of public interest on the transport industry. Some in this chamber will know of my long history with the transport industry. They will know that I hold the men and women of the industry very close to my heart regardless of where in the world they may ply their trade. Some of you may also remember that late last year I rose to speak on a matter of great concern to me, that being the behaviour of a major Australian trucking company, the Toll Group, and this company's continued very poor treatment of its workers in the United States. I was very critical of the way that Toll was taking advantage of the very poor industrial relations laws in the USA to undermine the wages and working conditions of its drivers, especially those working in the Los Angeles port area. I am glad that I was able to provide some support to these
hardworking drivers who can only imagine a workplace with the types of protections that this and previous Labor governments have provided Australian transport workers with. This commitment has been shown again, as I said earlier, with the recent passage through this chamber—that is, as recently as last night—of the Road Safety Remuneration Bill.

I believe that Australian companies should behave in a manner that Australian people would expect regardless of where around the world they might be operating. Overseas operating companies like the Toll Group represent not only their brand but also the country where they first prospered. That is why I am greatly concerned at the incidents that have recently received a lot of news coverage in the USA; that is, the results of a union-busting campaign against Toll's drivers in Los Angeles and Greater California.

Even more concerning is the report of a female driver who was sacked by Toll for simply using a restaurant toilet. Xiomara Perez is a 46-year-old mother of three who has worked for seven years at the nation's busiest trade hub in the ports of Los Angeles and Long Beach, which together handle over 40 per cent of all US imports. I have met many of Xiomara's colleagues during recent trips to the USA. The workforce is largely made up of immigrant workers who endure very long shifts and extremely low pay as they strive to create a better life for their families.

For the past two years Xiomara has hauled fashion apparel for the Melbourne based Toll Group, which counts popular brands like Guess, Polo and Under Armour as its customers. As we know, Toll employees in Australia are protected by the industrial relations laws of successive Labor governments. Without the same requirements under the US system, Toll unfortunately denies its US workers the same legal rights it is forced to extend to its Australian workforce.

Xiomara is well respected by her co-workers, who describe her as intelligent, kind and jovial. As one of only two female employees out of the roughly 75 who drive trucks for Toll in Southern California, you can imagine that she has had to work very hard to get ahead in this very tough industry. An immigrant from Nicaragua, she is proud that her children are now enrolled in college in the US and have a shot at a better life, a story I am sure a lot of Australians can identify with. Before she got behind the wheel, Xiomara cared for others at local hospitals as a nursing assistant. She loves being a port truck driver but has spoken out against the mistreatment and has specifically voiced concerns about the unsafe and unsanitary conditions. I note here that the US health and safety watchdog recently hit Toll Group with $25,000 in fines for health and safety violations in their LA facilities. Of great concern to Xiomara is the lack of clean indoor toilets with running water at her primary worksite—conditions that Australian drivers and, for that matter, all Australian workers take for granted.

On Tuesday, 6 March, Xiomara was delivering a load of cargo and began to feel slightly ill. She thought she might throw up and thus made an emergency detour. As a professional driver, Xiomara adheres to the US Department of Transportation regulations that require any haulier to pull over if they feel faint, fatigued et cetera. In other words, truckies must use their best judgment to protect their own safety, the public and the load they carry. She found a McDonald's and stopped in to use the toilet and get herself a sandwich to settle her stomach so she could continue her work day. She instantly felt better and got back on the road. The safety
diversion took roughly 10 minutes at the most, and I am sure many of us would have had similar experiences. However, here is the sting: one of her managers got on the radio that runs across the company network and barked at her for an explanation as to why she was at McDonald's. She instantly knew that in a city as large as Los Angeles the only way that management would know she had stopped would be if she was under management surveillance, despite the fact that spying on workers is illegal under the USA's National Labor Relations Act.

Since Xiomara is among the strong majority of Toll drivers who have petitioned for the freedom to form a union, she was already feeling intimidated. Reluctant to discuss the incident with the male manager she made an excuse in order to instead contact the female human resources supervisor. She reported her situation to the human resources supervisor, noting that she felt too embarrassed to discuss a personal matter with her manager and that she was now able to safely perform her job. Appealing to the supervisor unfortunately failed to invoke compassion. That same afternoon when she returned to Toll after dropping off her cargo, the cab of her truck and her clothing—you have to listen to this, I am not making it up—were inspected for evidence of vomit. I cannot believe it: that is actually what happened. She was not formally written up but was further made to feel ashamed and humiliated by the entire experience.

Thankfully, in Australia such an incident would result in a Transport Workers Union being on the site almost immediately. I can assure you that during my days as a TWU organiser representing drivers I would never have tolerated such action, not that I would even think that an Australian employer would go down that despicable path. Three days after the incident, on 9 March, Toll fired Xiomara citing an unreasonably restrictive work policy prohibiting employees from stopping even to use a toilet when delivering a load. That is right. Companies operating in the US, like the Toll Group, can institute workplace policies that could not even be contemplated here in Australia let alone implemented.

I want to reinforce here that this is an Australian company that is behaving in this manner. Xiomara had asked for the policy in writing but was denied. Many of her co-workers say it is common practice to stop to use the toilet. Nature calls when it calls, not according to whether they are carrying cargo or not, and holding on can result in vehicle accidents, physical infections and other risks. I cannot believe I am having this conversation to deal with a sacked worker who was employed by an Australian company. Unfortunately, I am. I would like to think that I am going to wake in a minute and that it was a bad dream. No—I am still here. It is, unfortunately, what has happened. Her dismissal notice included a laundry list of accusations dating back to last year, for which she had never been disciplined.

I am glad to acknowledge that here in Australia the TWU and the labour movement have fought for decades to ensure the rights of workers in this country. The Road Safety Remuneration Bill brought forward by this great Labor government last night will now ensure that truck drivers in Australia will never be exposed to the disgraceful work practices that Toll institutes in the USA. The passage of this bill will ensure that all Australians can and will enjoy a safer experience on our roads.

But Toll's behaviour is part of a larger disturbing pattern at its California operations. Managers have repeatedly engaged in a range of unethical and illegal tactics to undermine a free, fair and fast
pathway to union representation, as most notably evidenced by a formal complaint recently issued by the National Labor Relations Board which is the top US government agency that oversees and enforces federal workplace law in America. As a result, Toll now faces a federal trial for 'interfering with, restraining and coercing employees in violation to the National Labor Relations Act'.

In the short time I have left I want to get on the record that recently a top Australian executive of the Toll Group, one fellow by the name of Andrew Ethell, who is the General Manager of Group Corporate Affairs, flew across the Pacific Ocean to visit one of Toll's facilities in Southern California on the day that the Toll Group released its latest earnings report. You might have thought that the general manager of corporate affairs would be on board to advise shareholders and other interested parties on the outcomes of the Toll Group's report but, no, Mr Ethell was spending his day actively union-busting at Toll's LA facilities.

Some of my colleagues opposite might remember the name Andrew Ethell because he just happened to be the chief of staff to no fewer than two Nationals Deputy Prime Ministers, John Anderson and Mark Vaile. That could be a coincidence, I do not know. Mr Ethell has gone from destroying the livelihoods of blue collar workers in Australia to union-busting in the USA. I am sure some on that side—not all—are so proud that young Andrew has moved on to bigger and better things—and I do say that tongue in cheek! What was Mr Ethell doing on that particular day when Toll was making such important announcements in Australia? He was dragging LA truck drivers in for mandatory meetings with the company management where he was actively warning them against doing anything reckless—like perhaps getting a union to negotiate their wages and conditions.

That is right, Mr Ethell—the young Nat made good—is now trying to ensure that Toll can continue to provide its US drivers pitiful wages and conditions by pressuring them not to unionise. It is truly a sad day when an Australian company would do so, especially one which, it must be said, treats its Australian workers with respect—I know that. I have had many dealings with Toll over the years and they would not get away with these shenanigans if they tried that in Australia, and I honestly and sincerely in my heart would think that they would never try it. But maybe I am easily misled, because they are doing it in the USA; they are doing it on the ports.

I conclude with a statement from Xiomara, who is now fighting to protect other workers from the type of treatment she received. She said:

They have harassed me time and again and now Toll has really humiliated me. I knew something was going to happen once that big shop man that our local managers take orders from, Andrew Ethell, flew all the way from Melbourne to hold a mandatory meeting to intimidate us for wanting to join the Teamsters. The next thing you know I am fired. Using the toilet, union busting, it is all the same to him. Why is he picking on me? What has this man got against me and my co-workers? We are just a small group of truck drivers who work hard for our company even in horrendous working conditions. We just want to do our jobs in peace and have a better life for our families.

Mr Acting Deputy President, I believe that regardless of your background before entering this place you would find it hard to argue with this statement.

The Toll Group began its operations in Melbourne, Australia. Generations of Australian workers have made this company the success that it is today. The behaviour of its operations in the USA should be a blight
that is unacceptable to senior management here in Australia but, unfortunately, Toll executives like Andrew Ethell believe that the US system is one that they would like to replicate. Until the executive of the Toll Group in this country extends the types of rights that Australian workers expect to the rest of its global operations, I will continue to highlight these disgraceful incidents and continue to hold the Toll Group and the Andrew Ethells of the world to account for their actions.

I say once again, to see the performance from the shadow industrial relations spokesperson on that side of the chamber last night, running the grubby messages from the lower end of the transport industry last night, defending big companies against small companies, defending big companies' profits against Australian trucking families, and to deny that safety and remuneration has no link, makes me fear for the Australia that we may have should that mob on that side, under the leadership of Tony Abbott, ever take the reins of this great country. God help us.

The ACTING DEPUTY PRESIDENT (Senator Ludlam): Is leave granted for the Clerks to set the clocks in accordance with informal arrangements that I believe have been agreed?

Leave granted.

World Forestry Day

Senator COLBECK (Tasmania) (13:37): I rise on a matter of public interest: World Forestry Day. This occurs today, 21 March, which is the 43rd World Forestry Day. World Forestry Day was first observed in November 1971 by the International Food and Agriculture Organisation at the request of the European Confederation of Agriculture. Since then many countries—such as Switzerland, Nigeria, Finland and the United States of America—have supported World Forestry Day and it is something I would like to recognise today.

In preparation for today's event we put together in my office a little Facebook page inviting people to come forward and give information on why they love wood, the product of our forest industry. We titled the site 'Wood—how do I love thee? Let me count the ways', and I must acknowledge the author of the quote we used in doing that, Elizabeth Barrett Browning. It was an opportunity for people to come forward and talk to us about their interaction with wood, timber and the industry that they are involved with. The variances of how people decided to interact with us on that site were quite enlightening.

Clarissa Brandt from Brisbane said to us that she loved her wooden spoons when she was cooking. Kaara Shaw from Queensland said that she recognised electricity poles that brought the power to her home and, as someone on the land, mentioned the split posts and the strainers that were part of their farm environment. I certainly recall a harvesting for split posts and strainers when I was living on the farm but, more strenuously, putting the straining posts into the ground to build the fences. And for something we all take for granted, toilet paper, she wondered whether there was anything that could replace it. It is a good question.

Sally Chandler from Devonport in Tasmania talked about her amazing celery-top pine kitchen. I have seen that kitchen. It is a wonderful place for the family's communal activities. John Clarke talked to us about how he loved sitting at his marri timber table on his jarrah floor, looking at his timber deck, dreaming of the winter to come and the wood fire glowing in the fireplace. Even more, he said, 'I love the fact that all these wood products will be available
forever, provided they're not locked away and all our forests locked up.'

George Harris aka Merlin from Tasmania talked about Cary Lewincamp, at the Salamanca market, playing his semi-acoustic guitar made by Gary Rizzolo. George posted on the website some absolutely magnificent examples of the guitars Gary makes, including one called a Thylacine. It is a magnificent piece of art as well as a wonderful instrument. I have been challenged to play the air guitar here in the chamber this afternoon. It would not come up too well in Hansard. I told George that I might be prepared to have a crack at the thylacine, which he will give me an opportunity to try when I next go to Hobart.

Tamara Campbell talked about how she loved her wooden door, which welcomed her when she came home.

Graham McAlpine from Western Australia said: 'I'm originally a carpenter and joiner by trade and had the fortune to learn my skills from English tradesmen. A deep oneness with wood and timber I have from them. I grew up and now enjoy, in nature, the appreciation for fine timber.' As a carpenter and joiner myself I can very much sympathise with those sentiments.

I took the opportunity to post a few things onto the website myself, including a piece of music I enjoy from the Brothers in Arms performance by Dire Straits. Just imagine Mark Knopfler in that particular circumstance, playing with a brilliant orchestra but having no guitar made of wood. In fact, in that clip there was a violin, a cello, a harp, a tambourine and a piano. Even the conductor's baton was made out of timber. All these things are features of our forest industry. Trevor Brown, who is not always successful as a woodworker, said he cannot throw his failed metalwork projects on the fire but he can keep warm with his failed woodwork projects.

Tim Bartels posted from the Netherlands a quite extraordinary photograph of a bridge called the Moses Bridge, which is made of acetylated wood. It is submerged up to the railings. It is quite an extraordinary picture. I encourage people to go onto the 'Wood—how do I love thee? Let me count the ways' site and have a look at these things. David Houghton talked about eating his breakfast seated on Tasmanian blackwood chairs at a Tasmanian blackwood table and using a wooden pepper grinder 'to add to my lightly poached eggs on toast'. He had a knife with a wooden handle to cut the bread and a wooden handled knife to cut the toast. The cutlery is stored in a Huon pine cabinet along with the paper serviettes—of course, made from wood. John Innes from Vancouver in British Colombia posted an absolutely magnificent series of photographs of the faculty of forestry at the University of British Columbia, which is regarded as one of the coolest places on campus to hang out. Wood is everywhere. It is just magnificent to see.

It was interesting to hear Senator Brown talk earlier about the utilisation of our forests. One of his friends, someone he admires, is currently in a tree-sit in Tasmania. Obviously they have perspectives on this, but I differ very much from those perspectives. Senator Brown talks about these ancient forests that are being destroyed in Tasmania. You could almost, on the back of Senator Brown's description of these forests, describe him as the ancient Senator Brown, because these forests are younger than he is. Many of these forests are regrowth forests. I can recall in the seventies a photograph that was displayed from the Picton Valley, where the landscape had been cleared. According to Senator Brown, that forest had been destroyed forever. That forest is now part of the high-conservation value claim the Greens and the NGOs have
in Tasmania in their attempts to close down the native forest industry.

I need to pull Senator Brown up on one thing: these forests are not destroyed because they are regenerated. They are regenerated with seed that comes from the site of the harvest. The trees are not destroyed; they are transformed. They are transformed into the timber products that people have posted on the website. The magnificent surroundings that we sit in here today in this Parliament House are made out of magnificent Tasmanian and Australian timbers. So they are not destroyed; they are transformed for us all to enjoy.

What we are doing here in Australia, unfortunately, is offshoring our responsibilities with respect to the environment by not being prepared to responsibly and sustainably harvest our forests but push it off to imports from overseas so we have almost a $2 billion deficit in imports for timber coming into this country because we refuse to responsibly use our own timber. As a result of the fires in Victoria, they changed the standards to require hard timbers, solid timbers, to stand up to the potential of fire in the future. The absurdity is that it is difficult to get the local timbers which have those qualities, are grown in those environments and can withstand those environments because we are not allowed to harvest them, so we have to import from rainforests overseas. It just does not stack up.

I would like to acknowledge in the advisers box today my parliamentary intern, Mandi Caldwell. She is here from the United States working with me in the office. I have asked her to do a study of the attitudes and the science in relation to forestry, particularly focusing on biomass—given that was such a topical issue this week—because of the differences that exist between here and other countries, particularly in the Northern Hemisphere.

We have been sadly misled in this country in relation to how we utilise our forests, I think, having travelled to the Northern Hemisphere and having seen how they approach biomass—and we had a significant debate on that in the last few days, particularly in the House. Countries in the Northern Hemisphere are looking to generate up to 50 per cent of their energy from biomass. Yet here we have the government, despite one of their own members chairing a committee that said we should be utilising native forest biomass in the generation of energy, putting a regulation through this place to say it is prohibited. It is completely absurd.

The Greens want to push us towards a plantation based forest industry. If you look at the science and the reality, a native forest based industry is better for carbon storage. It is better for biodiversity. It is better for water quality. It does not use any chemicals. It is better for landscape values. It is better for tourism and it has higher value forest outcomes as well. All of the values that environmental groups claim that they would like to see are best achieved from a native forest based industry, and yet the Greens in Australia want to entirely close down the native forest based industry—that is their stated objective—in favour of a plantation based industry, which pushes forests out of the forests onto our farmlands because that is the only place they can grow.

I will close with a quote from the president of the Institute of Foresters of Australia. It is interesting to note the difference between the attitudes of those who claim to be scientists and these forest professionals. He says:

Public calls for the cessation of harvesting in regrowth native forest ... because they have biodiversity values is actually positive proof that
foresters are creating valuable multiple use forests and not the reverse. This should comfort many in our community who want to know our magnificent forests are sustainably managed. So spare a thought on World Forestry Day for Australia's wonderful forests and the amazing people who have spent their careers not only protecting them but providing us with many valuable and sustainable products. (Time expired)

Member for Dobell

Senator FIERRAVANTI-WELLS (New South Wales) (13:49): Today I will detail how the member for Dobell, Mr Thomson, has pursued a personal and political vendetta at the expense of unemployed young people on the Central Coast. For months now media focus has been on Mr Thomson's alleged crimes and misconduct as former HSU boss. Meanwhile, in the hope that she can make it to the next election, the Prime Minister has clung steadfastly to the line that Mr Thomson is a good local member. Sadly, especially for unemployed young people on the New South Wales Central Coast, this is completely untrue.

Since August last year I have repeatedly raised the sad and story saga of the promised youth skills and employment centre or jobs incubator in Wyong, some of which was traversed on the 7.30 program yesterday evening. This is a grubby tale of broken promises, of personal favours being sought, of threats and political thuggery, with young job seekers being the pawns.

Last August, using the FOI Act, I sought copies of documents regarding the jobs incubator, including representations by Mr Thomson. Eventually, I received 44 folios, mostly of blank pages. Key parts were deemed conditionally exempt because they traversed business or professional affairs. Pertinently, the decision maker noted that certain such sections contained unsubstantiated allegations of misconduct or unlawful, negligent or improper conduct but ruled that there was more public interest in nondisclosure than disclosure.

The FOI documents showed that on 20 May 2009 Mr Thomson wrote to Minister O'Connor supporting Central Coast Training Group's proposal for a new centre. I also have a copy of a glowing 'To whom it may concern' letter of support dated 20 May 2009, outlining the escalating trends of youth unemployment—22 per cent in 2000 to 2008 but now 36 per cent, Mr Thomson says—and that this was an innovative proposal by CCGT that had the support of Wyong council.

An ALP statement during the 2010 federal election campaign by Minister Albanese and Mr Thomson dated 20 July promised: The Gillard Labor Government will provide $2.7 million to build a new Youth Skills and Employment Centre in Wyong on the Central Coast.

The event was recorded by the local media, complete with a cake and smiles all round, at the offices of CCGT but then comes the rub: in March 2011, at the same time as CCGT were seeking the federal funding for the promised centre, Mr Thomson lobbied them for a job for his ex-wife. An email to CCGT from his aph account reads:

Hi Alison, here is Christa's resume as discussed. I will get her to call you on … Regards, Craig Thomson.

When things did not go his way, he got nasty and started making threats. On 13 July 2011 there was a motion before Wyong council about the Warnervale GP Superclinic and criticisms that after four years the project had become a fiasco. Not only was it delayed but also it would now only be a quarter of what was originally promised. Councillor Greg Best, who is also the CEO of CCGT, spoke about the motion on local radio on 15 July. Following his interview, at 06:10 that morning, Councillor Best received the
following threatening text message: 'bye-bye jobs incubator'. Councillor Best replied, 'Craig, this morning's radio grabs on the GP super clinic were not attacking you. You have got it wrong and to take it out on CCGT's incubator is plain unfair. You know how much work we have put into it for the kids. Am happy to discuss, Greg.'

Lo and behold, we know now that a few days later Mr Thomson wrote to Minister Garrett. A short extract from one of the otherwise blank folios provided under FOI states that on 20 July 2011:

Mr Craig Thomson MP wrote to Minister Garrett raising concerns about interaction between … and DEEWR.

I have no doubt that Mr Thomson's alleged concerns were the unsubstantiated allegations of unlawful, negligent or improper conduct, which were exempted from my FOI request, which he made against CCGT out of sheer spite. Strangely, DEEWR then extended the deadline twice for applications, and Wyong council lodged its own application. How did these extensions occur? Was there any interference with proper processes? Of course there was. Why? So that Wyong council could lodge its own application, independent of CCGT, which it did on 22 August at 10:20 pm, hours after the closing time. This application of some 10 pages did not comply with the guidelines, but was also rejected as noncompliant, principally, because it did not involve CCGT as per the government's election promise.

Undeterred, Mr Thomson has now again taken matters into his own hands. An audio recording which I obtained from Wyong council of its meeting the 22 February 2012 reveals that Mr Thomson had rung his mate Wyong Mayor, Bob Graham, and also contacted ALP councillors urging them to reject DEEWR's position that the jobs incubator should be a joint project. Extraordinarily, the audio reveals Mr Thomson told them he would meet with two ministers in Canberra the following week and get the guidelines changed to allow Wyong council to proceed alone and not in partnership with CCGT as per the election commitment. In a briefing earlier that day, ALP councillor Matthews apparently outlined Mr Thomson's proposition that would also enable council to get a five-month extension to resubmit its application and get the $2.7 million, a process described by the general manager at that meeting as 'highly irregular'. We do not know if those meetings with ministers occurred. If they did, there are certainly some serious questions this government has to answer. It is clearly an interference with proper processes.

Then, on 9 March 2012, Mr Thomson cynically issued a press release professing to support the joint CCGT-council proposal publicly, trying to fool people that he was supporting it while behind the scenes for months and months he had been trying to kill it off. Despite council staff recommending the go-ahead, the ALP-Greens majority with Mayor Graham in tow voted down the partnership between Wyong council and CCGT at its meeting on 14 March with ALP Councillor Matthews telling all about her phone call the night before with Mr Thomson. This was clearly an attempt to interfere with proper processes. A recision motion has been lodged and I would urge Wyong council to cut the scheming member for Dobell loose, to think about the high youth unemployment on the Central Coast and to get on with doing something about it.

On 15 March I lodged an order for the production of documents, which is returnable today. I am seeking all documents pertaining to the unsubstantiated allegations made by Mr Thomson to Minister Garrett or to Minister O'Connor regarding CCGT. Given the stench that surrounds this matter, clearly
the balance of public interest demands that these documents be released immediately and be released in an unredacted form. In the interests of transparency and proper conduct by parliamentarians, the full record of Mr Thomson's conduct should be available on the public record. If this government has got nothing to hide, then this government will release those documents and stop protecting the member for Dobell.

Small Business

Senator RYAN (Victoria) (13:58): I would like to draw the chamber and the public's attention to a couple of facts that will be uncomfortable for the government as it conducts its war on the small business community in Australia. I would like to start with a quote from the former leader of the Labor Party in July 2000 on 6PR radio in Perth where Mr Kim Beazley, leader at the time, said:

... we have never pretended to be a small business party, the Labor Party, we have never pretended that.

They do not need to pretend, because the facts speak for themselves. Since Labor was elected in 2007, over 300,000 jobs have been lost in the small business sector. Operating costs are at a 10-year high. The number of small businesses going bankrupt jumped by 48 per cent in the last 12 months.

What we heard on radio this morning in Melbourne was one of the great frauds that is propagated by this government about the superannuation increase. They like to allege that the mining tax is somehow going to pay for a superannuation increase for small businesses and all workers in Australia. The truth is that it does not. Every employer is going to pay that. As we found out at the doors and as we found out from Minister Shorten on radio 3AW this morning, it means lower wages and higher operating costs. But, even more importantly, something that the Labor Party does not want to tell small business is that only one in nine small businesses will ever see this so called tax cut. Out of 2.7 million small businesses, only 720,000 operate as companies and under 300,000 pay company tax. This particular fraud is immediately apparent to the small business community of Australia, and they will not buy Labor's fraudulent policies.

Debate interrupted.

MINISTERIAL ARRANGEMENTS

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Science and Research and Leader of the Government in the Senate) (13:59): I inform the Senate that Senator Ludwig will be absent from question time today and tomorrow. Senator Lundy will be representing him in respect of his responsibilities as Minister for Agriculture, Fisheries and Forestry. His other representative responsibilities have been distributed among other ministers as circulated to leaders and Independents.

QUESTIONS WITHOUT NOTICE

Carbon Pricing

Senator CORMANN (Western Australia) (14:00): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency and the Treasurer, Senator Wong. Is the minister aware of research by the Energy Users Association of Australia that shows that Australian businesses currently pay 130 per cent more for electricity than their competitors in Canada? Is the minister also aware that Australian businesses will have to pay 250 per cent more than their competitors in Canada after the introduction of the carbon tax and other locked-in price increases? In light of this new evidence, does the minister now concede that the Gillard government's
decision to impose the world's biggest carbon tax on Australia will hurt our international competitiveness?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:01): I thank Senator Cormann for the question and for his new-found interest in climate policy. The first point I would make is that it is the case that electricity prices in this nation have been going up. As the senator would know, that has been because of the substantial investments that have been required in our networks as a result of underinvestment by state governments. I make the point that even Mr Macfarlane has previously said, 'Power prices are set to double over the next five to seven years irrespective of who is in government.'

Opposition senators interjecting—

Senator WONG: Irrespective of who is in government. You do not like it, do you, when someone tells the truth. Someone on your side says, 'Irrespective of who is in government'—these are not my words but someone on your side's words. And lack of planning has led to an investment drought. Mr McFarlane has also said, 'Australians in all states are feeling the impacts of rising power prices, in large part due to the neglect and mismanagement of state governments.' This government understands also that where you want to provide a stable framework for investment what you do need to provide is policy certainty. The fact is that the opposition's plan—their blood oath, as Mr Abbott calls it—to remove the carbon tax will result in further investment uncertainty in an area—

Senator Brandis: That is right. That is as certain a commitment as you will get.

Senator WONG: Senator Brandis says that is wrong, because changing the policy framework does not change the policy certainty at all, does it, Senator?
package gets 94.5 per cent of assistance in free permits. That is about $1.30 for every tonne of carbon. (Time expired)

Senator CORMANN (Western Australia) (14:05): Mr President, I ask a further supplementary question. Given the significant increases in the cost of electricity as a direct result of Labor's carbon tax, does the minister now concede that Australian businesses will be worse off under Labor because any small cut in company tax to the very few will be more than wiped out by the significant increases in the cost of electricity to everyone as a direct result of the world's biggest carbon tax?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:05): The answer to the question is no. And the answer to the question is also this: those opposite might like to come in here and say: 'Please don't look at the fact we are opposing tax breaks for small business. Let's just talk about the carbon tax.' But everyone knows that the party of small business in this place, the people who come in here and say that it is part of their core constituency, are voting against the company tax cut, with a head start for small business, and are voting against tax breaks for small business through the instant asset write-off, which they have opposed. They consistently come in here and say, 'We champion small business, but we are going to oppose tax breaks for small business.'

Opposition senators interjecting—

The PRESIDENT: Order! When there is silence we will proceed. The time to debate it is after question time.

Senator Cormann interjecting—

The PRESIDENT: Order! Order! Order! (Time expired)

Senator Brandis: Mr President, it was not unparliamentary. I did not reflect on any individual.

The PRESIDENT: If there had been silence on my right it would have helped.

Senator Brandis: Mr President, I accept your ruling, but I think calling members of this chamber 'corrupt' is not appropriate. Senator Brandis ought to have the good grace to withdraw.

The PRESIDENT: Order! It does help me to hear things if there are not other interjections in the chamber.

Broadband

Senator SINGH (Tasmania) (14:08): My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. Can the minister inform the Senate if he is aware of any recent research that looks at the impact of the internet on the digital economy in Australia?

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) (14:08): I thank the senator for her question. As it happens, the Boston
Consulting Group released a report earlier this week which looked at the internet economy in the G20 group of nations. The report, aptly titled *The $4.2 trillion opportunity*, shows that the internet economies of the G20 nations, which includes Australia, will grow at an annual rate of eight per cent over the next five years. This growth will:

... far outpace just about every traditional economic sector producing wealth and jobs. No one, not individuals, businesses or governments, can afford to ignore the ability of the internet to deliver more value and wealth to more consumers and citizens more broadly than any economic developments since the Industrial Revolution.

That is why the Gillard government is absolutely committed to investing in Australia's biggest infrastructure project, the NBN. The NBN will be a vital platform for Australia's economic prosperity well into the 21st century. It will have the reach to provide every business and every family access to world-class technology. The Gillard government's approach is in stark contrast with the opposition, who have now had 20 failed broadband plans. I strongly urge the coalition— *(Time expired)*

**Senator SINGH** (Tasmania) *(14:11)*: Mr President, I ask a supplementary question. Can the minister advise whether he is aware of any other research that points to the importance of the National Broadband Network to Australian businesses?

**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) *(14:11)*: It may surprise you that I can. Last June the Cisco visual networking report, which I referred to in the Press Club in December, made it clear that global internet traffic increased eightfold over the past five years and will increase fourfold over the next five years. Earlier this week the chairman of the ICT Global Agenda Council at the World Economic Forum referred to this research, when he said:

If there's one thing that we know about the massive increase in the demand for broadband, it is that demand for communications infrastructure is set to grow exponentially over the next five years.

The National Broadband Network will position the Australian economy to continue to expand as part of the fast-growing Asian region.

Only the Gillard government— *(Time expired)*

**Senator SINGH** (Tasmania) *(14:12)*: Mr President, I ask a further supplementary question. Given the economic significance of broadband, is there any research on the importance to regional Australia?

**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)* *(14:12)*: I have referred previously in this place to the Page Research Centre report, authored by two good senators: Senator Nash and Senator Joyce. That report noted:

A sound telecommunications infrastructure can ... assist in the economic development of non-metropolitan communities.

The report recommended a fibre solution for regional Australia and, while the current National Party policy calls for fibre to be rolled out to a majority of consumers in regional Australia, the actual coalition policy does no such thing. What is the coalition policy, you might ask? Is it a commitment to abolish the cross-subsidy? Worst still is the latest coalition broadband plan, which does not articulate any fibre delivery to regional Australia. *(Time expired)*
Carbon Pricing

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (14:13): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Wong. I refer the minister to the report released by the Energy Users Association of Australia, which shows that Australians are paying some of the highest electricity prices in the world. Is the minister aware that a recent Galaxy poll showed that rising energy prices ranked as the No. 1 cost-of-living concern for Queenslanders? I remind the minister that Queensland also currently has the highest unemployment rate in mainland Australia. Why is the Labor government, in its various guises, adding to Queensland's concern over the cost of living and job security by introducing the world's biggest carbon tax, which, according to the Queensland government modelling—your own Labor Party modelling—will increase electricity prices by at least 10 per cent and cost 41,000 Queensland jobs?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:14): The government are acutely aware of cost-of-living pressures on Australian families in Queensland and across Australia, which is why we have designed a carbon policy which is economically effective and which ensures that we deliver tax cuts, increases in family tax benefits and increases in pensions to enable Australian consumers to be provided with assistance. If the senator does care so much about families, he should explain why his leader's blood-oath pledge to roll back the carbon price would need to be accompanied by an increase in taxation for working people and a reduction in pensions. Those opposite cannot afford the sort of tax reform and tax relief we are providing. If the senator cares so much about Queensland, he should explain to all Queenslanders who will benefit from increased superannuation and those low-income Australians and low-income Queenslanders who will benefit from the tax breaks for low-income earners in superannuation why he is opposed to those benefits. He should explain to Queensland's small businesses why he is opposed to tax cuts for small business.

The senator can come in here and seek to run an aspect of the Queensland state election campaign in the Senate chamber. But the real issue is why Senator Joyce believes that small businesses should pay more tax, why he believes Australians earning under $80,000 should pay more tax and why he believes Australian pensioners should get less. All of those measures are measures a Labor government is implementing that he and his leader are pledging to pull back.

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (14:16): Mr President, I ask a supplementary question. I refer the minister to the fact that Queenslanders have had an average $700 added to their household power bills despite Labor's promise that nobody would be worse off under the Bligh government's electricity privatisation. Given that the carbon tax will increase the power bills of Queenslanders by an additional 10 per cent, can the minister explain how a big increase in electricity prices in Queensland, which is not matched anywhere else in the world, will provide any specific environmental benefit to Queenslanders apart from making them stone motherless broke?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:17): If the senator wants to discuss privatisation, he can have a chat to his neighbour Senator Bernardi and Senator Bernardi can talk to him about the privatisation of electricity in South Australia under a Liberal state government. Since that
time we have seen significant increases in electricity prices not connected with the carbon price. If the senator is concerned about the impost on Australian families, could he please explain why he supports a policy which will require additional tax of $1,300 a year being paid by Australian households? There will be $1,300 a year more tax from households across this country, including Queensland, to pay for Senator Joyce's policy, which is a policy that everybody knows will not work, will be expensive and needs taxpayer funding to be delivered. Why has Senator Joyce signed up to Mr Hunt's crazy policy, which requires more tax being paid by the people who sent Senator Joyce here?

**Senator Joyce** (Queensland—Leader of The Nationals in the Senate) (14:18): Mr President, it is interesting that I am being asked questions, rather than getting answers.

**The President:** Senator Joyce, come to the question.

**Senator Joyce:** I ask a further supplementary question. I refer the minister to the government's carbon tax modelling, which shows that high electricity prices will cut economic growth in Queensland disproportionately compared to other states. Given Queensland's reliance on coal fired power stations and heavy industry, particularly in the Mackay, Rockhampton and Gladstone areas, does the minister dispute that the carbon tax will hit Queensland the hardest?

**Senator Wong** (South Australia—Minister for Finance and Deregulation) (14:18): The federal Treasury modelling showed we could grow the Australian economy and we could increase incomes and jobs. I am advised that the modelling projects the economy of Queensland to grow by 42 per cent to 2020 alone and by 212 per cent by 2050, with employment also increasing by around 460,000 jobs by 2020—with a carbon price. The modelling shows that Queensland maintains strong growth under a carbon price, with mining, construction and services growing by many multiples out to 2050.

The facts get in the way of the fear campaign yet again. The thing that Senator Joyce can never explain and no-one on that side can ever explain is why they are going to whack households with more tax and somehow $1,300 more tax will be good for the economy. Why is it that the senator continues to oppose sensible tax cuts for small business?

**DISTINGUISHED VISITORS**

The President (14:20): I draw to the attention of honourable senators the presence in the gallery of a delegation from New Caledonia, led by the Hon. Rock Wamytan, President of the Congress of New Caledonia. On behalf of all senators I wish you a warm welcome to Australia and, in particular, to the Senate.

Honourable senators: Hear, hear!

**QUESTIONS WITHOUT NOTICE**

**Defence Exercises**

**Senator Ludlam** (Western Australia) (14:20): My question is to the Minister for Foreign Affairs, Senator Carr. Minister, have you been briefed on, and what can you tell the Senate about, the foreign affairs implications of the biggest operational addition to the Australia-US alliance since the 1980s, the stationing of 2½ thousand US Marines at Robertson Barracks in Darwin on permanent rotation for joint training and military exercises, a deployment which I understand will commence within a matter of weeks?

**Senator Bob Carr** (New South Wales—Minister for Foreign Affairs) (14:20): The senator is correct. The initial
rotation of up to 250 US Marine Corps personnel is scheduled to arrive in Northern Australia in early April. Over a six-month period that initial rotation is expected to undertake bilateral training in Australia with the Australian Defence Force and to engage with countries in the region.

I have to say that the response from our neighbours has been muted or supportive. The Senate would be aware of comments by the Indonesian President, who expressed sympathy with the proposal and even ventured the suggestion that the training exercises be expanded to include other nations in the region; I think he nominated China. You might recall that at the 2 + 2 meeting last week it was an Indonesian suggestion that the US presence and our own forces be used in disaster management exercises, again with a suggestion that other nations in the region—Indonesia, China—be involved in that. I remember the response to the announcement in November last year. I was not here then. I was not the minister then. I was, as the House might recall, an idle blogger, posting my comments—

Senator Abetz interjecting—

Senator BOB CARR: I was very attentive to the question of my colleague Senator Ludlam. I think my colleagues would confirm that. Again, regional responses to the announcement of the initiative have been measured. There has been interest in the scope of the initiatives, as one would expect. I was recalling, before the excitement emanated from the opposition benches—(Time expired)

Senator LUDLAM (Western Australia) (14:23): Mr President, I ask a supplementary question. Given that the legal status of US forces stationed in Australia is covered by an agreement with treaty status and Foreign Affairs has carriage of treaties, are there amendments foreshadowed or proposed for re-negotiation of the 1963 agreement concerning the status of US forces in Australia arising from this announcement?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:24): Not to my knowledge. Since Australia's Federation it has been a matter for the executive of the government of the day to make judgements about Australian national security and foreign policy interests. That has been the case for over a century and that is how it should continue. I would think the Australian people have been decidedly supportive, and why wouldn't they be? It has been an Australian concern for well over a century to see that our northern approaches and Northern Australia are secured as best we can. We have a treaty relationship with the United States of America which is widely viewed as a cornerstone of our security. When you have a partner—a strategic partner, a treaty partner—you engage in military exercises with that partner. This government stands firmly supportive of this initiative—(Time expired)
Senator LUDLAM (Western Australia) (14:25): Perhaps the foreign minister would like to take on notice, if there is anything further to add to my question, whether the Status of Forces Agreement will require any re-negotiation. Mr President, I ask a further supplementary question. Will the minister clarify the legal status of US military forces stationed in Australia and who the prosecuting authority is in the event of criminal actions being undertaken by forces stationed in Australia?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:25): I am very happy to do that. I might say that the senator is closing in on a very narrow focus here. He is speculating about possible criminal behaviour, a breach of the law. I am happy to explore that, but I am highlighting that this is a major strategic initiative and, we think, an altogether happy one in fulfilment of a traditional Australian security concern. We are not apologetic about it. We expect this to be viewed by Australians, as it gathers force and the first rotating presence arrives next month, as very reassuring to the Australian people.

Carbon Pricing

Senator EDWARDS (South Australia) (14:26): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Wong. I also refer the minister to the report by the Energy Users Association of Australia which shows that, following the implementation of Labor's carbon tax on 1 July this year, people in my home state of South Australia, like Queenslanders, will be paying some of the highest energy prices in the world. Is Labor proud of this achievement, which—

Opposition senators interjecting—

The PRESIDENT: Order! On my right, I am entitled to hear Senator Edwards and Senator Edwards is entitled to be heard in silence.

Honourable senators interjecting—

The PRESIDENT: Order! It would help the chamber if the discussion across the chamber in the front would cease. Senator Edwards.

Senator EDWARDS: Is Labor proud of this achievement, which will not only add to the cost of living concerns of all South Australians but must surely make South Australia one of the least competitive places in the world to do business?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:29): If the good senator cares about the competitiveness of South Australian businesses, or in fact businesses across Australia, he could explain why he opposes tax cuts and tax breaks for businesses, including in South Australia.

Opposition senators interjecting—

Senator WONG: I was asked about competitiveness. Why does he oppose tax breaks for small business and tax cuts across the economy? If he cares about competitiveness, why is he, as a South Australian, lining up behind a coalition policy to take $1.5 billion out of the car sector? If the senator cares so much about competitiveness, why is he lining up behind a policy which is about increasing tax rates for small business from what the government is putting forward?

Senator Ian Macdonald: Mr President on a point of order: question time is for people to ask the minister questions, not for the minister to ask opposition senators why they are doing something else. Could you bring her on to the question she was asked and get an answer from her.

The PRESIDENT: There is no point of order.
Senator WONG: I was asked about competitiveness, and I am making the point that we do believe in competitiveness and in utilising the benefits of the boom to provide tax cuts—something that the senator who asked me a question will be opposing for small business. He can explain to all the small businesses in South Australia why he thinks they should pay more tax and miners should pay less. He can explain how that is good for their competitiveness.

If the senator cares so much about what the ESAA says, I would remind him of the comments that have previously been made about the importance of certainty and how the lack of certainty could lead to higher electricity prices. In fact, last year the industry warned that power prices would rise if the coalition carried out its threat to dismantle the carbon tax, because of uncertainty. I will quote from Ms Savage:

We're concerned that if there is any uncertainty around a future price of carbon it will affect the ability for electricity generators to invest and that it will also impact on their ability to offer fixed price electricity contracts—(Time expired)

Senator EDWARDS (South Australia) (14:31): Mr President, I ask a supplementary question. I note that the minister has highlighted the pre-existing high level of electricity prices in South Australia in her previous representations. Does the minister agree that, with electricity prices in South Australia already being amongst the highest in the world, there is already a strong incentive for people to be careful and judicious in their use of electricity? Will the minister inform the Senate why, if there is already a strong price incentive to reduce electricity—(Time expired)

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:32): Those of us who are very aware of high electricity prices support things such as increases to family tax benefits, increases to pensions and tax breaks for people earning under $80,000 a year. That is what this side of politics supports. What that side of politics supports is a policy that would add to cost-of-living pressures by increasing the tax that Australian households would have to pay by $1,300 a year.

What I was trying to describe before is this simple proposition that, if you have investment uncertainty, that can lead, on the basis of what the industry itself says, to higher prices. I would remind senators of this quote:

... it—referring to the uncertainty—will also impact on their ability to offer fixed price electricity contracts which could put up prices for households.

That is a reference to your policy's effect on uncertainty and investment uncertainty, which manifests as—(Time expired)

Senator EDWARDS (South Australia) (14:34): Mr President, I ask a further supplementary question. Will the minister advise the Senate of how it is consistent with Labor's promise to do no more and no less than the rest of the world in terms of carbon pricing for it to actually impose a carbon tax that leaves Australians with, incredibly, the highest electricity prices in the world?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:34): The highest effective carbon price is the one that those opposite would impose were they elected, and it would effectively cost $1,300 a year for every household in this country. It would require bureaucracies to dole out money to big polluters and would have little environmental gain, and it would not provide the sort of investment certainty which is required not only across the economy but particularly in the electricity...
generation sector, where you are looking at investment in long-lived assets. These are the same policy reasons why John Howard agreed to put forward a price on carbon and went to the 2007 election promising to do so.

Senator Abetz interjecting—

Senator WONG: I invite you, Senator Abetz, to actually read your policy, because that is not what Malcolm Turnbull got you to say. The reality is that those opposite have no policy credibility. (Time expired)

Infrastructure

Senator STERLE (Western Australia) (14:35): My question is to the Minister representing the Minister for Infrastructure and Transport, Senator Kim Carr. Can the minister inform the Senate of what the government is doing to help regional communities meet the massive infrastructure demands of the resource sector?

Senator KIM CARR (Victoria—Minister for Human Services) (14:36): I thank Senator Sterle for his question. All senators here would be aware that this generation is living through the biggest resources boom in Australian history. In the last financial year our resources sector attracted some $47 billion in new investment, and out to the next year the figure is likely to rise to $120 billion. All of this, of course, puts extraordinary strain on the infrastructure that actually underpins the boom itself. Such a level of development calls for better roads and better rail connections. It calls for us as a government to act to reduce the bottlenecks around our airfields and our ports. Across the country, regions are crying out for major upgrades to their infrastructure. Failure to do so, in fact, represents a real threat to this country's long-term prosperity. Of course, we need to be able to work with industry to ensure that we have high-wage jobs in mining and all the other industries that support it. That is why the government is putting the proceeds of the boom back into the regions. There is $5.6 billion in revenue available from the resources rent tax to go back into the Regional Infrastructure Fund.

Senator Joyce interjecting—

Senator KIM CARR: I am sure, Senator Joyce, that even you would be interested to know that this is a fund that is designed to help this country build its economic capacity. All the projects under the fund are of a clear, national economic benefit. It is a pity the National Party did not actually support actions to defend jobs and to defend the living standards of working people in this country. These funds are available to assist with job creation not just in the resources sector itself but in industries that underpin the resources sector. It is about removing the bottlenecks that undermine our capacity to export. It is about splitting the cost and, of course, the benefits—(Time expired)

Senator STERLE (Western Australia) (14:38): I thank the minister for that answer. Mr President, I ask a supplementary question. Can the minister advise the Senate what sorts of projects the fund will support?

Senator KIM CARR (Victoria—Minister for Human Services) (14:38): Senator Sterle, these are major projects that will be able to transform entire communities in Queensland and in Western Australia—for example, the upgrade to the intersection of the Bruce and Capricornia highways in Queensland. That will be a project that will reduce congestion and travel times around Rockhampton, the Stanwell industrial corridor, the Port of Gladstone and the mining areas around Emerald. And the $120 million investment in the Peak Downs Highway will enhance the productivity of mining operations in the Bowen and Galilee basins.

Senator Ian Macdonald interjecting—

Senator KIM CARR: Senator Macdonald, I would have thought that, as a
Queenslander, you would have supported these measures. But you are not. Your hypocrisy is becoming quite clear. If we look at Western Australia, Senator Sterle, $480 million will go to Gateway Western Australia, Perth Airport and the freight access project. It will reduce traffic congestion and freight costs and will improve safety for workers at the same time. *(Time expired)*

**Senator STERLE** (Western Australia) *(14:39)*: Mr President, I ask a further supplementary question. Can the minister advise whether the government has budgeted for this major expenditure?

**Senator KIM CARR** (Victoria—Minister for Human Services) *(14:39)*: Senator Sterle, this is funding that is made available because the resources rent tax has now been locked into legislation. It is part of our commitment to ensure full employment and to ensure that we are able to transform our economy.

**Senator Joyce interjecting**—

**Senator KIM CARR**: That stands in very sharp contrast, Senator Joyce, with the approach that is taken opposite. An Abbott opposition, of course, is not about making these hard choices, these real choices, that this country has to make to ensure we are able to maintain living standards. We see on the other side an opposition that claims they will have to find $70 billion worth of expenditure, $70 billion of cuts. These are the sorts of projects that will not be funded as a result of the economic policies that you on the other side of this chamber are pursuing. That is the sort of approach that undermines living standards, the economic capacity of this country and our ability— *(Time expired)*

**Member for Dobell**

**Senator FIERRAVANTI-WELLS** (New South Wales) *(14:40)*: My question is to the Minister representing the Minister for School Education, Early Childhood and Youth, Senator Kim Carr. Did the member for Dobell write to Minister Garrett on 20 July 2011 making allegations about the interaction between Central Coast Group Training and the Department of Education, Employment and Workplace Relations and did the member for Dobell recently request of Mr Garrett or his office that DEEWR change their program guidelines and allow for an extension of time so that the Wyong council could prepare its own application for the Youth Skills and Employment Centre without Central Coast Group Training?

**Senator KIM CARR** (Victoria—Minister for Human Services) *(14:41)*: I thank Senator Fierravanti-Wells for her questions. I can indicate that there will be a meeting held at four o’clock today at the Wyong council to discuss whether or not it will be putting forward further applications in regard to the centre that the senator has asked me about. We do know that the usual communications have occurred between local members of parliament and ministers in regard to progress on projects in their electorates. However, I can assure the senator that the applications have been assessed independently by the department and the capital works program management firm that has been engaged by the department in accordance with the guidelines and, of course, the provisions of the Commonwealth financial framework act. There has been no suggestion to the contrary that I can see. I repeat, the Wyong Shire Council is calling a meeting at four o’clock today, as I understand it, to decide whether or not work on the Central Coast Group Training joint submission for the establishment of a youth centre will proceed. The government takes the view that parties involved in this matter ought to be able to work together in the interests of young people in the region.
The PRESIDENT: Order! Senator Carr, resume your seat. Senator Fierravanti-Wells.

Senator Fierravanti-Wells: Mr President I rise on a point of order on relevance. I gave notice to Minister Carr that I would be asking questions on this matter. I asked him two specific questions: did the member for Dobell write to Minister Garrett on 20 July making allegations about the interaction between Central Coast Group Training and DEEWR and did the member for Dobell recently request of Mr Garrett or his office that DEEWR change their program guidelines and allow for an extension of time so that the council could prepare its own application? They were very specific questions, Mr President, and I would ask you to direct the minister to answer them.

The PRESIDENT: I cannot direct.

Senator Chris Evans: Mr President, on the point of order, I make the point that Senator Fierravanti-Wells sending the minister her question before question time does not in any way change his responsibilities to the Senate. His responsibility is to provide information available to him that is relevant to the question. Senator Carr has been absolutely relevant to the questions asked of him. Senator Fierravanti-Wells may be trying to prosecute a case by abusing a member of the other place but that does not mean Senator Carr has to do anything other than meet his normal responsibilities.

Senator Brandis: On the point of order, Mr President: Senator Evans is correct that advance notice does not change the minister's responsibilities in answering the question. But it does make it less excusable for a minister to give a vague and blustering answer to a very specific question when he has been given advance notice of the specific question. It could not have been more specific: were one or other of two communications sent?

Senator KIM CARR: I rise on the point of order, Mr President, because I have more to say on the substantive question. It has been stated here on two occasions now, as it was yesterday, that advance notice was given on the specifics of a question. That is untrue—totally untrue. I want to indicate that, if the opposition seek to provide advice to the government about a question, they are entitled to do that, but it is untrue and it is misleading the Senate to make the assertions they have made.

The PRESIDENT: That is now debate. The Senate knows that I cannot direct a minister how to answer the question. The minister, I believe, was answering the question, and the minister has 40 seconds remaining.

Senator KIM CARR: Mr President, I have been answering the question directly with respect to the specifics. Has the member for Dobell written to the minister? I indicated yes and I have indicated that routine correspondence had been entered into. I have also indicated that, in terms of the application itself, further developments are occurring today—which might be of interest to Senator Fierravanti-Wells if she were actually interested in the project as distinct from pursuing her own personal vendetta against the member for Dobell. I make the point that the vendetta that is being pursued here is by the opposition against the member for Dobell. (Time expired)

Senator FIERRAVANTI-WELLS (New South Wales) (14:46): Ah, dear Minister Carr! Mr President, I ask a supplementary question. Is it not the case, Minister, that the member for Dobell in his communications with Minister Garrett has been attempting to scuttle Central Coast Group Training's
involvement in this youth skills and employment centre?

Senator KIM CARR (Victoria—Minister for Human Services) (14:47): As to the specifics of your attacks on the member for Dobell, I notice that you were able to get quite a substantial covering on the 7.30 program last night. You of course failed to point out the political interests that are being pursued in this matter by other parties associated with this particular—

Opposition senators interjecting—

The PRESIDENT: Order! Come to the question, Minister.

Senator KIM CARR: The member for Dobell has indicated—

Opposition senators interjecting—

The PRESIDENT: Order! Minister, continue.

Senator KIM CARR: This project arose as a result of an election commitment by this government. The government is in the process of delivering on it. The application is being assessed in accordance with the proper procedures of the guidelines. Further developments are occurring with regard to the two bodies that have sought application for this particular project. The local member has supported the project publicly and in many other ways. (Time expired)

Senator FIERRAVANTI-WELLS (New South Wales) (14:48): Mr President, I ask a further supplementary question. What is the minister's message to the young people on the Central Coast, where youth unemployment is as high as 40 per cent, who remain out of work as a result of their local ALP member's interference in this grant process?

Senator KIM CARR (Victoria—Minister for Human Services) (14:48): I thank Senator Fierravanti-Wells for her question. The message is very simple. It is that this is a government that is actually committed to full employment. This is a government that is committed to working with local communities to ensure that economic opportunities are spread throughout our economy. The Community Infrastructure Grants Program—from which this youth centre is seeking support—is an example of that commitment. This is a government that launched the national strategy for young Australians, which actually aims to empower young Australians to be able to participate in our economy and our society. This is a government that is totally committed to ensuring people get a fair go.

And what is the message I will also give? It is that those opposite are not interested in that message. They are not interested in support for people in this country to get a fair go. They are not interested in ensuring a full-employment economy. They are not interested in social justice. They are interested in pursuing political vendettas. (Time expired)

Murray-Darling Basin

Senator XENOPHON (South Australia) (14:50): My question is to Senator Conroy, representing the Minister for Sustainability, Environment, Water, Population and Communities, Mr Burke. This morning, the Adelaide Advertiser held an event on the lawns of Parliament House urging politicians not to overlook South Australia in the plan to return the Murray River to health. At this event, lower Murray pistachio grower David Peake held up a Murray-Darling Basin Commission graph from 2009 that represented clearly that South Australian irrigators have stuck to the diversion caps since they were established in 1968, largely by investing in many self-financed water efficiency measures. I seek leave to table a copy of that graph.

Leave granted.
Senator XENOPHON: The graph also clearly indicates that other states have continued to extract more and more water from the system—some over 3,000 gigalitres since the late 1960s. Will the minister acknowledge that South Australia has stuck to the extraction caps where other states have not?

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) (14:51): I thank Senator Xenophon for the courtesy. Minister Burke is aware of these points and saw the powerful information presented by David Peake on the lawns in front of Parliament House today.

Pressure on the Murray-Darling Basin for more than a century is why we now face tough decisions about how we manage our most precious water resource in the future. The Murray-Darling Basin has been dealt with as a tug-of-war between the states for more than a century. What you have described is one of the ways in which this tug-of-war has worked to the disadvantage of South Australia. By moving to a national plan for the Murray-Darling Basin, this year we can finally end the tug-of-war between the states that has always resulted in less water for South Australia.

Senator XENOPHON (South Australia) (14:52): Mr President, I ask a supplementary question. I thank the minister for not answering the question. Does he acknowledge that South Australia has stuck to the extraction cap since 1968, whereas other states have not? And can he indicate whether the current draft Basin Plan provides any financial or environmental credit to South Australia, which has stuck to those extraction caps since 1968?

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) (14:53): The Basin Plan takes account of all water use and environmental initiatives up to 2009. This includes the work of South Australian irrigators. The Australian government is committed to developing a Basin Plan which supports healthy rivers, strong communities and sustainable food production.

Senator XENOPHON (South Australia) (14:53): Mr President, I ask a further supplementary question. I again ask the minister: does the minister acknowledge that South Australia has stuck to extraction caps since 1968 whereas other states have not? And, at a recent public meeting into the draft Basin Plan in Renmark in South Australia, Minister Burke indicated that he accepted the criticism that many South Australian irrigators were unable to access a $5.8 billion federal fund for water-saving measures because they were already too efficient to qualify. The minister said the issue was being addressed. How is that issue being addressed?

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) (14:54): Minister Burke acknowledged that it has been the case for water programs targeted at irrigators in South Australia that the percentage of applications received has been lower than in other parts of the country. Whenever this has occurred, the money earmarked for South Australia has remained available to South Australia. The Australian government is currently working with the South Australian...
government on how best to use these funds that will best deliver a healthy river.

**Military Justice**

Senator JOHNSTON (Western Australia) (14:54): My question is to the Minister representing the Minister for Defence, Senator Evans. I refer the minister to comments made by the then Minister for Defence, Senator Faulkner, on 26 August 2009, when he announced that a priority for the government was to establish a new federal court, the Military Court of Australia, under chapter III of the Australian Constitution. Why has the government let this important matter sit on the backburner since Minister Smith unfortunately assumed the role as Minister for Defence?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Science and Research and Leader of the Government in the Senate) (14:55): I thank Senator Johnston for the question. I acknowledge that he shares my interest in the question of military justice, as we served together on the Senate committee that, in a sense, kicked off the debate about the appropriate arrangements for managing and prosecuting offences in the Australian military. I do not have an up-to-date brief on these matters as to the progress on the changes to the court structures. As the senator is aware, the Howard government did not accept the recommendations of the Senate committee but went down a different path and then found that that was overturned in the courts. As a result, this government set about establishing a system much more closely aligned with the recommendations of the Senate committee. But I do not have an update with me. The staff may be able to hand me something that may assist me to deal with your supplementary question. If so, I might be able to give you some more specific information. If not, I suspect you will get the same answer for the supp. If I get something, I might be able to help you.

Senator JOHNSTON (Western Australia) (14:56): Mr President, I ask a supplementary question. I refer the minister to the fact that then Attorney-General Robert McClelland and then Minister for Defence Senator Faulkner announced on 25 May 2010 that it was anticipated that the new court would commence operation in late 2011. Has the relationship between the Minister for Defence and the Defence hierarchy broken down to such an extent that this minister is incapable of even getting this legislation onto the Notice Paper and into the parliament?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Science and Research and Leader of the Government in the Senate) (14:57): Not only is honesty the best policy but it also allows the staff to respond quickly. I can provide the Senate with some more information although I reject the inappropriate assertion in his supplementary question. It is the case that the issue has been delayed. It is a significant and complex task. I understand that the minister has been working closely with the Attorney-General to resolve a number of difficult policy issues to enable the military court to best serve the military justice needs of the ADF, and I understand that the bills are planned to be introduced in the autumn sittings this year. Once the Military Court of Australia legislation has passed, it is the case that we think an implementation period of up to 10 months may be required to allow for court procedures, rules and judicial appointments to be made. But the government remains committed to the reforms that—  

(Time expired)

Senator JOHNSTON (Western Australia) (14:58): Mr President, I ask a
further supplementary question. Will the minister confirm that the autumn session this year is the projected time for the entry of the legislation for an Australian military court into this parliament?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Science and Research and Leader of the Government in the Senate) (14:58): I will take the question on notice and get back to the senator if this is not correct, but the latest advice I have is that the bills are planned to be introduced in the autumn sittings. As I said, they had been delayed because of some complex policy issues that were being worked on by the Attorney-General and the Minister for Defence in seeking to make sure that we get it right. As you know, the previous Howard government's legislation was not successful and this government has sought to implement the Military Court of Australia Bill and the Military Court of Australia (Transitional Provisions) Bill as an important step towards improving the military justice system in Australia. As I say, if that advice needs to be updated I will get back to the senator quickly.

Harmony Day

Senator FURNER (Queensland) (14:59): My question is to the Minister for Multicultural Affairs, Senator Lundy, and I congratulate her on a very successful Harmony Day event this morning. Can the minister inform the Senate about Harmony Day?

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:00): Harmony Day is celebrated around Australia every year on 21 March. It is a day to celebrate our cultural diversity, and its overriding message is 'Everyone belongs'. It is a uniquely Australian day and it builds on international recognition of the need to promote inclusion. Harmony Day marks the United Nations International Day for the Elimination of Racial Discrimination, and I am proud to represent a government committed not only to eliminating discrimination but also to the promotion of a truly inclusive society.

Today hundreds of thousands of Australians will show their support for cultural diversity in Australia. At some 4,300 Harmony Day events around our childcare centres, our schools, our sports groups, our arts organisations, our community groups, our churches, our businesses, and our federal, state and local government agencies and councils throughout Australia, we will be celebrating. Businesses in particular will celebrate through the Scanlon Foundation's Taste of Harmony, a campaign that was built around Harmony Day with workplaces across Australia celebrating over their favourite meals. I want to thank all the participants on all sides of politics for their attendance at our morning tea at our workplace here in Parliament House this morning. I thank the Ottoman Cuisine restaurant and the Migrant and Refugee Settlement Service of the ACT for their involvement in our event this morning. Last year more than 175,000 Australians experienced the joy of sharing food and stories from their backgrounds through the Taste of Harmony program. As I said, this year we had an opportunity to as well.

Harmony Day is a day where we can all, through activities and celebrations, learn about our cultural diversity, where our neighbours and friends have come from and what their background experiences have been. (Time expired)

Senator FURNER (Queensland) (15:02): Mr President, I ask a supplementary
question. Can the minister update the Senate on the implementation of the People of Australia, the Australian government's multicultural policy?

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:02): Multiculturalism is about ensuring that everyone has a chance to participate in this great country of ours. The People of Australia, Australia's multicultural policy, was launched on 16 February 2011 by Minister Chris Bowen, the Minister for Immigration and Citizenship, and this policy reaffirms the importance of a culturally diverse and socially cohesive nation. At the launch Mr Bowen reflected on the unique model of multiculturalism that Australia has developed over many generations. Our brand of multiculturalism is underpinned by practical settlement strategies including migrant resource centres, multicultural youth organisations, English tuition training and cultural orientation programs, but at its heart Australia's multiculturalism is about citizenship—building a shared sense of nationhood with common values.

Since announcing the policy, the government has done a range of initiatives over the last 12 months. (Time expired)

Senator FURNER (Queensland) (15:03): Mr President, I ask a further supplementary question. Can the minister advise the Senate how the elevation of multicultural affairs to the ministry reflects the government's commitment to multiculturalism?

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (15:03): At the launch of the Australian Multicultural Council, an outcome of the People of Australia multicultural policy, the Prime Minister reflected on our diversity and spoke of an Australia well poised with the coming Asian century. Australia has a great asset in its people, and this government is committed to ensuring that we draw on the skills and benefits that migration brings to Australia. We recognise the competitive advantages that diverse communities provide in terms of both language skills and cultural understanding. The importance of this cannot be underestimated in an increasingly globalised world. Our multicultural nation means we are uniquely connected to every part of this world. These connections support trade relations and create incentives to invest in our economy and our country.

Multiculturalism is about leveraging these benefits but creating a nation where everyone genuinely belongs. (Time expired)

Senator Chris Evans: I ask that further questions be placed on the Notice Paper.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

National Heritage Strategy

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) (15:05): I have some additional answers to a question without notice from Senator Waters. I seek to incorporate the answer in Hansard.

Leave granted.

The answer read as follows—

On 19 March 2012, during question time, Senator Waters asked me a question as Minister representing the Minister for Sustainability, Environment, Water, Population and Communities concerning national heritage listing and wild rivers in Queensland.
RESPONSE

The National Heritage List recognises, celebrates and protects places of outstanding heritage value to the nation.


Anyone can nominate a place for inclusion in the National Heritage List. Each year, the Australian Heritage Council reviews nominations and provides the Minister with advice on which places it considers should be assessed. The Minister approves a finalised priority assessment list.

The Australian Heritage Council undertakes an assessment of each place on the finalised priority assessment list and provides the Minister with a written assessment of whether the place meets any of the national heritage criteria. The Council also provides the Minister with comments received during the assessment process.

After receiving an assessment from the Australian Heritage Council, the Minister decides whether to include a place in the National Heritage List, having regard to Council's assessment and the comments received.

The Minister may include a place in the National Heritage List only if he is satisfied that the place has one or more national heritage values.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS

Carbon Pricing

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (15:05): I move:

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

It has been confirmed today that there is an acknowledgement that the state most affected by a carbon tax will be the state of Queensland—the state of Queensland, which this weekend goes to an election; the state of Queensland, where currently the Labor Party's approach is, 'Feel sorry for us, and that is why you must vote for us.' They have given up trying to win the election. They are basically saying, 'You must feel sorry for us.' You must feel sorry that they have been so totally and utterly incompetent. You would not marry someone you felt sorry for. You certainly would not go to a dentist and say: 'Can you stick that drill in my mouth and have a bit of a scrape around even though you are inherently clumsy and incompetent but you've got a nice smile? I feel sorry for you.' The people of Queensland this weekend will not be voting for somebody they feel sorry for; they will be voting for somebody they believe is competent. That means that the Labor Party are gone. We had this ridiculous position where we had Kate Jones and the member for Toowoomba North running around pretending they are not actually in the Labor Party anymore. But it is the same Labor Party up there that we see down here. We can go through all the manifestations of this, but one of the greatest sets that I have had to campaign against the Australian Labor Party, the Greens and the Independents is the carbon tax. When everything else might be letting you down and you are losing the crowd a bit, you just go back to the carbon tax—talk about the carbon tax because they absolutely hate it; they are pathological in their hatred of it. But you have said that it is your major accomplishment. Unfortunately, it is not going to be the major accomplishment for the people of Mackay, Rockhampton or Gladstone because these are the people who will lose their jobs—41,000 jobs are going. We have also found out that, even by 2050, the effect on the Queensland economy is equivalent to the size of the current Queensland economy.
This is what is happening with this mad tax. Apparently over here we are endowed with the capacity to change the temperature of the globe. They can do it; they can change it. It is not God; it is the Labor Party. They can make it rain, they can make it cold, they can change the temperature of the globe and all they have to do is just bang a new broad based consumption tax on you. It is all so simple. Why didn't we think of that? A new broad based consumption tax that affects the climate is just so logical.

We have seen, up hill and down dale, the Labor Party's total and utter incompetence. One of the other areas of incompetence is their debt. It is always the same—you can always track them down. When they cannot do something, they get in a consultant and borrow the money from somewhere else. That is basically how it works: using consultants, public servants and debt. In Queensland they are currently at $62.3 billion in gross debt. They are heading towards $85.4 billion in gross debt. Down here we are currently at $233 billion in gross debt. We only have another $17 billion left on the overdraft before the cheques start bouncing. That is what is happening. This is what you have.

In the midst of that, when we should be trying to get the economy moving along what are we doing? We are going to cool the planet. We are going to recalibrate our nation and my state's economy with a colourless, odourless gas. We are going to work out how we are going to fix it all. We are going to get something that was formerly free—that is the air you breathe—and we are going to charge people for it. Because we know they might try and get out of that, we will find a very sneaky way to hit them up with this tax. We will make it a consumption tax based primarily on electricity.

What drives Queensland's economy? It is coal. It drives our nation's economy as our biggest export. Coal is carbon, but under the Labor Party carbon is evil. It is evil rock, naughty rock. We cannot have any of that. But, apparently, when it passes over water it becomes righteous, and then it becomes righteous rock, but whilst it is here it is naughty rock and naughty rock must be taxed. We must have a massive tax to stop people using it, stop people staying warm. You cannot be warm anymore—turn off those heaters, turn off those air conditioners and stop cooking toast. This is the message from the Labor Party to you. It is evil to watch television. Stop it. Do not iron the clothes anymore, naughty housewife. Stop it immediately. We must all return to the caves. Let us return to being content hunters and gatherers on the forest floor. There goes the Labor Party.

**Senator FEENEY** (Victoria—Parliamentary Secretary for Defence) (15:10): These are dark days indeed. The air is thick with conspiracy. We heard earlier from the spiritual leader of the Liberal-National Party, Clive Palmer, that the Greens party has in fact become a CIA front. We learnt the extraordinary news that the Greens party has in fact become a CIA front. We learnt the extraordinary news that the Greens are a CIA front that have been engaged to attack the coal industry in this country for the betterment of the US economy. This extraordinary revelation was fresh in the political debate when we also learnt from Laurie Oakes this morning that the US faked the moon landing.

The immediate thought I had upon this extraordinary news was that, if the Greens are a CIA front and not the reservoir of Marxist-Leninist thinking that the Liberal Party tell us they are, where did all the Marxist-Leninists go? Ladies and gentlemen of the Senate, the next conspiracy theory for me to reveal is that the Marxist-Leninists have all gone to Menzies House, where they
are busy writing the Liberal Party's policy. When one looks at the policy proposition that those opposite are putting to the people of Australia, one sees that they have immediately eschewed any notion of using market forces and any notion of using modern economic thinking in their policies. What they are offering to the people of Australia is a command economy model of which North Korea would be proud. So perhaps there we find a hint of where all the Marxist-Leninists we thought were hiding in the Greens have actually migrated to.

Senator Joyce talked to us for the last few moments about the carbon tax. Upon listening to his words—empty of fact but occasionally witty—I thought to myself: 'Goodness gracious me! What a wonderful thing it would be if Senator Joyce were to read his own policy on carbon abatement.' As he mocks the Labor Party's policy, he also mocks his own. Is Senator Joyce aware of the fact that our plan to abate carbon has a target that is the same as that of the coalition policy? Has anybody told Senator Joyce that he himself has signed up to a policy whereby he says carbon should be abated? Has anybody revealed to Senator Joyce that his strategy for reaching the same target as ours is rather than having the cumbersome, dreadful notion of a market of supply and demand—of an emissions based scheme, a cap-and-trade scheme which engages the entrepreneurialism and the incentivisation of the market—instead we have in the Liberal-National Party corner the plan of Chairman Abbott? It is a plan that Castro would be proud of, a plan which is to dispense with these old-fashioned and irritating notions of supply and demand, to get rid of this idea that the private sector can unlock the thinking and the investment that is required. Instead, the plan that Senator Joyce has signed up to, apparently without his own knowledge—the conspiracy deepens—is that the carbon tax will be repealed and $24 billion will be used to refund the big polluters for the carbon permits they have bought. But $3 billion of taxpayers' money will become a giant command economy scheme where Chairman Abbott and his inner circle will nominate those grand plans that they say will abate carbon, perhaps attract a command in the Urals or a five-year plan in the Gobi Desert. Who can imagine what Chairman Abbott and his inner circle will come up with? The point is this: the National Party cannot come into this place and rail about the carbon tax, and denounce and vilify and make nonsense of the fact that carbon pollution is a real danger to this country. They ignore the fact that they have a policy that says those very things.

Somebody on the other side of the chamber desperately needs to introduce Senator Joyce to his own policies. This is not a new problem. This is something the coalition has confronted for many years. Getting poor old Senator Joyce up to the starting point where he has read the policies and is able to talk about them has always been difficult. We on this side of the chamber understand the enormity of your challenge, but you must take it on. You must introduce the National Party to your own policies or else you run the continuing risk of having them and their spiritual leader, Clive Palmer, speaking for you. Personally, I welcome it; I think Clive Palmer brings a refreshing sense of honesty to the nonsense that is the coalition. (Time expired)

Senator IAN MACDONALD (Queensland) (15:15): Senator Feeney, on behalf of the Labor Party, again promotes what a wonderful idea the new carbon tax is for all Australians. I ask Senator Feeney, as I have asked every Labor senator: if the carbon tax is so good why did your leader promise before the last election that there would be no carbon tax under a government
she led? If it is that good why did she promise that?

What concerns me about the Labor Party— we all know that they cannot manage money—is that they cannot manage the truth. The Labor Party president at the time Ms Gillard made that wonderful promise of not introducing a carbon tax was none other than the Queensland Premier, Anna Bligh. Ms Bligh was also the president of the Labor Party nationally when Ms Gillard gave a rock-solid guarantee that she would not do away with the rebate on private health insurance. That is the trouble: whether it be Ms Gillard or Ms Bligh, you simply cannot believe anything leaders of the Labor Party say.

Senators may be aware that we are involved in an election campaign in my state of Queensland at the moment. And I have heard Ms Bligh promising to spend more money on absolutely everything. She has got her lead from her federal leader, Ms Gillard: whatever you want, whatever will buy a vote, promise some money. But we all know that Queensland has lost its AAA credit rating. The Queensland government is broke. It is a state with the most wonderful natural resources for mining, agriculture and tourism, yet the state is broke.

Ms Bligh will, as Ms Gillard did, continue to promise to spend any money to buy a vote or two in a desperate attempt to retain the trappings of power. We know that, typical of any Labor leader, anything Ms Bligh promises cannot be believed. Whatever she promises today you can be assured that, like Ms Gillard, in a couple of months time, should she win government again, she will ignore that promise completely.

I ask the people of my state of Queensland: can you believe anything the Labor Party tells you? Ms Bligh certainly cannot go on her record. She cannot go on the sagacity of her cabinet; that would just be a joke. What does her campaign involve? She has made up lies about the leader of the Liberal National Party Campbell Newman—’Can-do Campbell Newman’—who will be next premier of Queensland. Ms Bligh's only campaign is to make up lies about Mr Newman—lies which the Crime and Misconduct Commission have dismissed summarily.

We talked today in question time about the carbon tax. I would like to ask a question of any Labor member—I would particularly like to ask the Labor candidates from the Central Queensland area in the state election of Queensland. I noticed that Senator Kim Carr was being very particular about Central Queensland, obviously because he has seen the polls. The miners who work in the mines in Central Queensland—the mines that the Greens and the Labor Party want to shut down—are big-money earners. They know that their jobs and their mortgages are on the line because of Labor's carbon tax and because of Labor's mining tax. It does not matter what the heavies and apparatchiks in the unions say, the workers in the mines know what it is about. That is why the Queensland Premier is running a mile away from anything to do with the carbon tax although as state premier she did nothing to oppose it and as president of the Labor Party she was privy to the breach of promise made by Ms Gillard when she said that she would not introduce that tax but did so immediately she was elected. You simply cannot trust Labor with money or the truth. (Time expired)

Senator CAMERON (New South Wales) (15:20): After listening to Senator Joyce and Senator Macdonald you have to wonder how you could ever get the coalition to develop a proper policy on climate change. It is clear that the National Party and the North Queenslanders are actually promoting
climate change denial within the coalition and ensuring that the coalition do not do anything appropriate about climate change.

Senator Macdonald could not even last two minutes talking about climate change before he wandered all over the place. Senator Joyce is the clown prince of the Senate in terms of one-liners but does not deal with any of the scientific funds or any of the economic issues that are important for this country.

I want to briefly go to a couple of areas. I want to briefly go to a couple of areas. I am not usually one who quotes the pontiff or the Pontifical Academy of Sciences in Rome, but the Pontifical Academy of Sciences said this:

We call on all people and nations to recognise the serious and potentially irreversible impacts of global warming caused by the anthropogenic emissions of greenhouse gases …

This is not the Labor Party; it is not some socialist group that are saying you have to deal with climate change; it is not the Greens. This is a commission of scientists reporting to the Pope who say we must treat this seriously. So that is one area.

And then there are our own scientific advisers the CSIRO and the Bureau of Meteorology. They have only just put out a booklet called State of the climate 2012. And what do they say in that? They say that temperatures are rising. They say that rainfall is becoming intermittent in some areas and very, very strong in other areas. They say the global average mean sea level is rising. They say that the ocean heat content is rising. They say that carbon dioxide is rising. And this has got serious economic and environmental implications for Australia.

You see, the coalition used to treat this seriously; they actually used to say we have to deal with this. And they set up a task group headed by Dr Peter Shergold, a key adviser to John Howard. What that group's report said was this:

Australia has a vital interest in the form of any emerging global response. Given our exposure to the impacts of climate change we want an approach that is effective.

They then went on to say:

However, waiting until a truly global response emerges before imposing an emissions cap will place costs on Australia by increasing business uncertainty and delaying or losing investment. Already there is evidence that investment in key emissions-intensive industries and energy infrastructure is being deferred.

They come in here and they argue that, under Labor, there is a problem with energy infrastructure. But in 2007, the year the public threw them out of office, they were getting reports saying energy infrastructure is a problem, that investment in energy infrastructure has not taken place. And what is the big cost in electricity increases? It is not a carbon price; it is energy infrastructure. Dr Peter Shergold recognised that. John Howard was told about this in 2007 but did nothing about it.

George Megalogenis has just written a book about politics in this country and he says John Howard introduced what he calls a 'chameleon approach' to climate change: one minute you are for it, the next minute you are against it. And Tony Abbott is the chief coalition chameleon on climate change. He is for it one minute and against it the next. He is an absolute disgrace. The coalition is a disgrace. Think of the future of this country. Do something about climate change. Stop denying. (Time expired)

Senator BOYCE (Queensland) (15:26): As my coalition colleagues have pointed out, there is an election taking place in Queensland on Saturday. One might normally expect in the course of the political toing and froing in this chamber that there would be Queensland Labor senators in this
place supporting, defending and encouraging votes for the Bligh Labor government come Saturday. But there is not one here at the moment. There is not one of them to support—

Senator Cameron: Mr Deputy President, I rise on a point of order. I do not understand how what the senator is now putting to this chamber has got any relevance to the issues that we are debating. It has absolutely no relevance whatsoever and she is out of order.

The DEPUTY PRESIDENT: Thank you, Senator Cameron. I will draw your attention, Senator Boyce, to the motion before the chair, which is to take note of the answers of Senator Wong.

Senator BOYCE: Let me come to that, because time to take note of answers given in question time would generally be given to members of the government who have something relevant to say on the subject. Clearly, there is no-one here who can say a relevant thing, not one Queensland senator who can speak on the record of the Queensland Bligh government. That just follows on from—

Senator Cameron: Mr Deputy President, I rise on a point of order. I have to indicate that this senator has got five minutes; she has spoken for more than one minute and she has not for one second dealt with the issues before the chamber. You must draw her attention to the issues before the chamber.

Opposition senators interjecting—

The DEPUTY PRESIDENT: Order on my left! Senator Cameron, thank you. There was some leniency shown to Senator Feeney, who commenced his contribution in exactly the same manner. Senator Boyce, I draw your attention to the question before the chair. You have three minutes and 42 seconds remaining.

Senator BOYCE: Could I point out, Mr Deputy President, that the clock only just stopped at the end of the point of order, not at the beginning; there was some time missed there. I certainly want to speak about the answers given on carbon tax. The evil twins of tax—carbon tax and mining tax—will hurt my state of Queensland worse than any other state or territory in the country. There is a Treasury analysis by the Bligh Labor government which found that Queensland's gross state product will be 0.4 per cent lower by 2019-20 than it would be without the carbon price. The net cost over the forward estimates period to the Queensland economy and, therefore, the Queensland people will be between $351 million and $360 million a year. That is what it will cost our economy to have a carbon tax. And heaven forbid that the Bligh Labor government or any shade of Labor government should still be in power in Queensland with the evil taxes in place by 2049-50, when gross state product in Queensland would be 3½ per cent lower than it currently is. And these are figures from the Queensland Labor managed Treasury. In Queensland it is going to cost everyone an absolute fortune. We have one business owner with a chain of stores across Queensland, South Australia, New South Wales and Victoria who says that it will add $250,000 a year to his costs. That will include an extra $100,000 a year in rent. Lease agreements being drawn up right now for the badly struggling commercial sector and the industrial sector in Queensland all have a new clause in them that allows the landlords to pass on carbon and greenhouse gas emission related charges and to get those back from the lessee. These are people who are already struggling. Retailers know that the carbon tax in Queensland will add thousands of dollars to their annual rent, power and outgoings.
The reason that it will affect Queensland more than any other state—why these evil twins of tax, the carbon and mining taxes, will affect us more—is that we are the highest users of coal fired power. That is where the carbon tax will desperately affect us. In the mining area—nine per cent of the state revenues come from royalties from the mining industry—a growing, developing industry, we still have this government desperately trying to rip as much of that money out of the system as it can, to slow down investment in that area when you already have businesses being very seriously targeted in the other.

There is likely to be a court challenge around the mining tax. Certainly, we would hope that Queensland, with an LNP government in place after Saturday, will join that challenge and will try to stop at least one of those evil taxes. We have referred to these taxes as the 'evil twins of tax'. I would hope that come next Saturday we will get rid of the first of the 'evil twins' of Labor. Ms Bligh will be gone, and one hopes—certainly the mood of the Queensland voters is such—that Ms Gillard will soon follow her.

Question agreed to.

Defence Exercises

Senator LUDLAM (Western Australia) (15:32): I move:

That the Senate take note of the answer given by the Minister for Foreign Affairs (Senator Bob Carr) to a question without notice asked by Senator Ludlam today relating to United States of America marines and training exercises in Australia.

My question was about the effective ambush announcement made by President Obama and Prime Minister Gillard last November that a contingent of 2½ thousand US Marines will be rotated through an Australian base in Darwin—in effect, a permanent new military presence. This is starting, as the foreign minister confirmed for us, in April—in a few weeks time—and will be using training facilities and air weapons ranges, including Bradshaw and Delamere, and Robertson Barracks while in Darwin.

I asked the foreign minister about this issue because it does have implications for our foreign relations with countries in the region. Increasing the presence of military troops is a military decision, but it is also a political and diplomatic signal. It impacts the posture of other countries in our region. This issue was raised in quite strong language by the former deputy secretary of Defence, ANU Professor Hugh White, who said:

I think this is a very significant and potentially very risky move for Australia. In the view from Beijing, everything the US is doing in the western Pacific is designed to bolster resistance to the Chinese challenge to US primacy.

In Washington and in Beijing, this will be seen as Australia aligning itself with an American strategy to contain China. Obviously, Professor Hugh White is respected for his views in defence and foreign policy matters. There are others who will probably take a different view, the point being that that debate in Australia is not being had. This is proceeding as though it were a fait accompli.

As senators know, two-thirds of all US Marines are based in the Pacific, with big concentrations at US bases on the Okinawa island chain south of Japan and in Guam. Locals resist their presence through protest, and have for many, many years. The success of some of those demonstrations over many years is resulting in a winding back of the military presence in Okinawa for a multitude of reasons, including the social and economic impacts and, indeed, the severe environmental impacts of that base in Okinawa.
Former US Defence Secretary Robert Gates said last November in Melbourne:

We don’t want to do things that would be politically difficult for the Australian government. We want to enhance the alliance, not create controversy.

These are worthy sentiments. But, of course, controversy has been created, and in part it is because the announcement—despite the leaks shortly before and the drip feed of information that had been seeping out of various places into the media—would have come to the bulk of the Australian people as a surprise.

I was told during the last estimates session that the design and the precise shape of the US rotational presence has not been determined. We do not know what the Australian government has offered and what deals have been done; we do not know what other bases are on the table and which are not. There are persistent rumours going back more than a decade now of an increased naval presence in Western Australia using the Fleet Base West—the submarine base down there—and the Australian Marine Complex maintenance facilities for US vessels.

People in the Northern Territory and people across Australia have a right to know the terms upon which military forces of a foreign government will be operating in their communities. I think it is entirely reasonable for people in Darwin to be calling for a social impact assessment survey to ensure that concerns of locals are heard. When is it going to happen? The first deployment starts in a matter of weeks. When will that occur?

I asked about the agreement between the US and Australia because treaties and agreements come under the foreign affairs portfolio, and it is conceivable that the status of forces agreement signed between the US and Australia would need updating because this is the first time troops will have been stationed here since the Second World War. It is an agreement that was signed in 1963. The new arrangement with the US government has been described by the defence minister as:

… the single biggest change or advancement of alliance relationships since the joint facilities regime was established back in the 1980s.

Under this agreement, if US personnel commit an offence under Australian law while in the course of their duties it is entirely ambiguous whether Australian law will apply.

We had a case in Queensland of a woman killed by a US Navy officer and the Attorney gave the US primary jurisdiction. We need to go into this with open eyes and learn from the experience in other countries of the presence of foreign military bases—not just United States bases but Russian bases and Chinese bases, and wherever they may be. This is something that we should not be simply sleepwalking towards. Some of the minister’s glib assurances left me more worried this afternoon than before I put the questions to him.

We will be hearing a great deal more of these matters. I think we need to deal with things such as foreign military postings with a bit of foresight so that we do not end up dealing with them with regret.

Question agreed to.

PETITIONS

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

Labor Party

To the Honourable President and members of the Senate in Parliament assembled:
The petition of the undersigned acknowledges the failure of the Labor party to provide stable and competent government in Australia.

Your petitioners ask that the Senate call on the Prime Minister to hold a general election so that the people, and not the feuding individuals of the Labor Party, may decide who governs our country.

by Senator Kroger (from 658 citizens).

Petition received.

Stronger Futures Legislation

Senator SIEWERT (Western Australia—Australian Greens Whip) (15:37): by leave—I table a petition of 31,833 signatures requesting the withdrawal of the Stronger Futures legislation that is not a standard petition and which I have circulated to other members through whips.

COMMITTEES

Scrutiny of Bills Committee

Reporting Date

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (15:38): I move:

That the time for the presentation of the report of the Standing Committee for the Scrutiny of Bills on the future direction and role of the committee be extended to 9 May 2012.

Question agreed to.

NOTICES

Presentation

Senator Conroy to move:

That the following bill be introduced: A Bill for an Act to amend the Broadcasting Services Act 1992, and for other purposes. Broadcasting Services Amendment (Anti-siphoning) Bill 2012.

Senator Farrell to move:


Senator Ludlam to move:

That the Senate—

(a) notes:

(i) that a crackdown by over 6 000 police on non-violent anti-nuclear power protestors, including arrests for seditious and the prohibition on people congregating, occurred at the construction site of a nuclear reactor near the fishing village of Koodankulam in south India on 19 March and 20 March 2012,

(ii) that 20 000 people gathered on 20 March 2012 with thousands on an indefinite hunger strike until the non-violent protestors are released,

(iii) a growing mass movement in India opposed to nuclear power includes protests in Jaitapur, Maharashtra and Gorakhpur, Haryana,

(iv) the sale of uranium to India while that country refuses to sign the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) would be illegal under the Treaty of Rarotonga, signed by the Australian Government in 1985,

(v) the 1998 United National Security Council resolution 1172 ‘encourages all States to prevent the export of equipment, materials or technology that could in any way assist programmes in India or Pakistan for nuclear weapons or for ballistic missiles capable of delivering such weapons, and welcomes national policies adopted and declared in this respect’, and

(vi) the Nuclear Security Summit will be held on 26 March and 27 March 2012 in South Korea; and

(b) calls on the Government to utilise all diplomatic channels to:

(i) protest the Indian Government’s unprecedented deployment of police around Koodankulam and the harassment of peaceful protestors as inconsistent with the democratic right to peaceful protest,

(ii) caution the Indian Government against loading uranium fuel rods into the reactor at Koodankulam without conducting any safety or evacuation drills, mandatory exercises under the Indian Atomic Energy Regulatory Board rules,
(iii) promote the independence of nuclear regulators from industry and government as best international practice, and

(iv) not sell uranium to countries that stand outside the NPT and its associated safeguards system.

Senator Singh to move:
That the Senate—
(a) affirms its support for:
(i) the goal of a world free of nuclear weapons, and
(ii) the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) as the essential foundation for the achievement of nuclear disarmament and the cornerstone of the nuclear non-proliferation regime;
(b) notes:
(i) ratification by the United States and Russia of the Treaty on Measures for the Further Reduction and Limitation of Strategic Offensive Arms [New START] on 5 February 2011,
(ii) unilateral nuclear arsenal reductions announced by France and the United Kingdom,
(iii) the strong working relationship between Australia and Japan on issues of non-proliferation and disarmament, including more recently by establishing the Non-Proliferation and Disarmament Initiative to take forward the 2010 NPT Review Conference outcomes, and
(iv) the unanimous views presented by the Joint Standing Committee on Treaties in Report 106: Nuclear Non-Proliferation and Disarmament; and
(c) calls for:
(i) further cuts in all categories of nuclear weapons and a continuing reduction of their roles in national security policies,
(ii) states outside the NPT to join the treaty as non-nuclear weapon states,
(iii) ratification of the Comprehensive Nuclear-Test-Ban Treaty by all states yet to do so,
(iv) the immediate commencement and early conclusion of negotiations for a verifiable treaty banning the production of fissile material for weapons purposes,
(v) stronger international measures to address serious NPT non-compliance issues,
(vi) Iran, Syria and the Democratic People's Republic of Korea to cooperate fully with the International Atomic Energy Agency (IAEA) and to comply with United Nations Security Council resolutions,
(vii) political and financial support for a strengthened IAEA safeguards regime, including universalisation of the Additional Protocol,
(viii) further investigation of the merits and risks of nuclear fuel cycle multilateralisation,
(ix) exploration of legal frameworks for the abolition of nuclear weapons, including the possibility of a nuclear weapons convention, as prospects for multilateral disarmament improve,
(x) efforts to establish a Middle East zone free from weapons of mass destruction and their delivery systems, freely arrived at by all regional states, and
(xi) efforts to reduce the threat of nuclear terrorism within the framework of the IAEA and the Nuclear Security Summits.

Senator Siewert to move:
That the Senate—
(a) notes that in 2008 the Government and the Aboriginal and Torres Strait Islander Peoples of Australia signed the Closing the Gap Statement of Intent; and
(b) acknowledges that it is too early to accurately measure progress but calls on all parties to reaffirm commitment to its objectives:
(i) To developing a comprehensive, long-term plan of action, that is targeted to need, evidence-based and capable of addressing the existing inequities in health services, in order to achieve equality of health status and life expectancy between Aboriginal and Torres Strait Islander peoples and non-Indigenous Australians by 2030.
(ii) To ensuring primary health care services and health infrastructure for Aboriginal and Torres Strait Islander peoples which are capable of bridging the gap in health standards by 2018.
(iii) To ensuring the full participation of Aboriginal and Torres Strait Islander peoples and their representative bodies in all aspects of addressing their health needs.

(iv) To working collectively to systematically address the social determinants that impact on achieving health equality for Aboriginal and Torres Strait Islander peoples.

(v) To building on the evidence base and supporting what works in Aboriginal and Torres Strait Islander health, and relevant international experience.

(vi) To supporting and developing Aboriginal and Torres Strait Islander community-controlled health services in urban, rural and remote areas in order to achieve lasting improvements in Aboriginal and Torres Strait Islander health and wellbeing.

(vii) To achieving improved access to, and outcomes from, mainstream services for Aboriginal and Torres Strait Islander peoples.

(viii) To respect and promote the rights of Aboriginal and Torres Strait Islander peoples, including by ensuring that health services are available, appropriate, accessible, affordable, and of good quality.

(ix) To measure, monitor, and report on our joint efforts, in accordance with benchmarks and targets, to ensure that we are progressively realising our shared ambitions.

Senators Ronaldson and Macdonald to move:

That the Senate—

(a) recognises that Buckingham Palace has issued two official portraits to mark the Diamond Jubilee of the ascension to the throne of Her Majesty Queen Elizabeth II, Queen of Australia;

(b) is concerned that these portraits are not available for members and senators of the Australian Parliament to distribute to organisations in their electorate under the Department of Finance and Deregulation's Constituents' Request Program; and

(c) calls on the Government to expand the Constituents' Request Program to include access to these official portraits of Her Majesty and the Duke of Edinburgh in their Diamond Jubilee year, and to so enable members and senators of the Australian Parliament to share with organisations in their community images of Australia's Head of State.

Senator Wright to move:

That the Senate—

(a) notes that:

(i) up to 90 per cent of marine life within the Great Australian Bight is found nowhere else on Earth,

(ii) the Great Australian Bight is an important feeding and migration area to approximately 30 species of whales and dolphins, including sperm whales, beaked whales, southern right whales and the critically endangered blue whale, and

(iii) less than 1 per cent of this area is protected from oil and gas operations;

(b) recognises that:

(i) over the past 3 years, the Government has progressively opened up more areas in the Great Australian Bight to oil and gas exploration,

(ii) BP holds four oil and gas exploration leases in the Great Australian Bight, the boundaries of which overlap with the Great Australian Bight Marine Park,

(iii) BP is currently conducting seismic testing in marine park areas to explore for oil and gas, and such testing is moving into known whale feeding regions,

(iv) grave concerns have been expressed by a number of environmental groups about the risks associated with seismic testing occurring too close to whales, including organ and lung damage, hearing damage and haemorrhaging, which can result in death, and

(v) the Great Australia Bight is an iconic and globally significant area for marine life and its unique ecology and environment must be protected and preserved for the benefit of future generations; and

(c) calls on the Government to:

(i) prioritise the protection and preservation of marine life in the Great Australian Bight by creating a network of large marine sanctuaries,
(ii) impose a moratorium on the issuing of oil and gas leases in the Great Australian Bight until after final decisions have been made regarding the establishment of marine sanctuaries in the Great Australian Bight through the Commonwealth marine bioregional planning process, and

(iii) prohibit night-time seismic testing and require the mandatory use of passive acoustic technology when conducting such testing in the Great Australian Bight.

Senator Crossin to move:
That the time for the presentation of the report of the Legal and Constitutional Affairs Legislation Committee on the provisions of the Access to Justice (Federal Jurisdiction) Amendment Bill 2011 be extended to 29 March 2012.

Senator Crossin to move:
That the Joint Select Committee on Gambling Reform be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Thursday, 22 March 2012, from 5 pm.

Senator Waters to move:
That the Senate—
(a) notes that in the past 6 months since the Greens motion for a moratorium on coal seam gas mining was first defeated in the Senate, the urgent concerns of farmers, landholders and regional communities regarding the risks posed by the runaway coal seam gas industry have not been addressed;

(b) notes that the recent Senate inquiry into the impacts of coal seam gas mining in the Murray Darling Basin heard compelling evidence that regional communities are suffering many negative impacts from the operations of coal seam gas mining companies; and

(c) calls on the Government to implement an immediate moratorium on any new coal seam gas approvals until the long-term impacts of the industry on groundwater, agriculture, rural communities, threatened species, the climate and the Great Barrier Reef are known.

Senator Waters to move:
That the Senate—
(a) notes that:

(i) a recent Galaxy poll found 88 per cent of Queenslanders oppose offshore dumping of dredge spoil in the Great Barrier Reef World Heritage Area, and

(ii) the Government has approved offshore dumping of over 22 million cubic metres of dredge spoil in the Great Barrier Reef World Heritage Area in the past 5 years; and

(b) calls on the Government to stop approving offshore dumping in the Great Barrier Reef World Heritage Area.

Senator Rhiannon to move:
That the Senate—
(a) notes

(i) 22 March 2012 is World Water Day – a day to acknowledge that the world has now met the Millennium Development Goal target for drinking water, and 2 billion people have gained access to drinking water since 1990,

(ii) around 800 million people still live without access to drinking water and that 2.5 billion people, which is 37 per cent of the world’s population, still live without access to basic sanitation,

(iii) the Millennium Development Goal target for sanitation will not be met,

(iv) 2.5 million children die each year as a result of unclean water and poor sanitation, and that diarrhoea is the leading cause of death in Africa and the second leading cause of child death globally,

(v) access to clean water and sanitation are the foundation for progress on other development outcomes, especially child health and education, and

(vi) the high level meeting of the Sanitation and Water for All partnership will take place on 20 April 2012 in Washington; and

(b) calls on the Government to:

(i) continue and increase aid funding for water and sanitation, with a special emphasis on
in investing in sanitation, in the 2012-13 budget and beyond, and
(ii) support the work of the Sanitation and Water for All partnership and other initiatives to bring an end to this global crisis.

Senator Rhiannon to move:
That the following bill be introduced: A Bill for an Act to amend the Export Control Act 1982 to prohibit the export of live animals for slaughter, and for related purposes. Live Animal Export (Slaughter) Prohibition Bill 2012.

Senators Joyce, Nash, Scullion, Boswell, McKenzie and Williams to move:
That the Senate notes:
(a) Wednesday, 28 March 2012 marks 100 years since the formation of the Farmers’ and Settlers’ Association in Western Australia;
(b) the Farmers’ and Settlers’ Association formed the Country Party, which in turn became the National Party;
(c) the party has served on the Federal Government benches longer than any other political party in Australia’s history;
(d) that the party has produced three Prime Ministers in Sir Earle Page, Sir Arthur Fadden and Sir John McEwen; and
(e) The Nationals have an outstanding record of delivery for regional Australia.

Senator Heffernan to move:
That the time for the presentation of the report of the Rural and Regional Affairs and Transport References Committee on operational issues in export grain networks be extended to 12 April 2012.

Senator Xenophon to move:
That the Senate notes that South Australia has substantially adhered to River Murray extraction caps since 1968, whereas other states in the Murray Darling Basin have increased extractions by at least 3 000 gigalitres.

Senator Joyce and Senator Birmingham to move:
That the Senate—
(a) notes that:
(i) the Murray-Darling Basin Authority (MDBA) has modelled the average annual inflows into the Murray Darling Basin (MDB) at 31 599 gigalitres,
(ii) the modelling of these inflows covers a 114 year period from 1895 to 2009,
(iii) the MDBA has not used the past 2 years of data on inflows in calculating the average inflows into the MDB as listed in the draft basin plan,
(iv) the past 2 years have seen record rainfall in the Murray Darling,
(v) the MDBA has acknowledged that including the 2010-12 river inflow data would change inflow calculations by 0.13 per cent or 32 gigalitres of water, and
(vi) the MDBA has stated that 'long term average inflows do not simply translate into estimates of sustainable diversion limits';
(b) calls on the Government to ensure that the final basin plan is based on the most up to date data and the best available science consistent with the requirements of the Water Act 2007; and
(c) orders that there be laid on the table by 16 April 2012:
(i) annual data on the modelled inflows into the Murray Darling from 1895 to 2011,
(ii) any MDBA advice and assessments about how this data is used to calculate sustainable diversion limits,
(iii) any MDBA advice about how historical usage in different regions has been used to calculate sustainable diversion limits, and
(iv) any other information held by the Government which explains the methodology used in formulating modelled inflows.

Senators Di Natale, Madigan and Xenophon to move:
That the following bill be introduced: A Bill for an Act to provide for the regulation of poker machines to reduce the harm of problem gambling, and for related purposes. Poker Machine Harm Reduction (S$1 Bets and Other Measures) Bill 2012.
Senator Macdonald to move:

That the time for the presentation of the report of the Standing Committee for the Scrutiny of Bills on the future direction and role of the committee be extended to 9 May 2012.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (15:39): I give notice that, on the next day of sitting, I shall move:

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

Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012
Family Assistance and Other Legislation Amendment Bill 2012
Family Law Amendment (Validation of Certain Orders and Other Measures) Bill 2012
Social Security and Other Legislation Amendment (Disability Support Pension Participation Reforms) Bill 2012.

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

Leave granted.

The statements read as follows—

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2012 AUTUMN SITTINGS
CLASSIFICATION (PUBLICATIONS, FILMS AND COMPUTER GAMES) AMENDMENT (R 18+ COMPUTER GAMES) BILL 2012

Purpose of the Bill

The bill amends the Classification (Publications, Films and Computer Games) Act 1992 to recognise the introduction of an R 18+ category for computer games.

Reasons for Urgency

The introduction of an R 18+ category for computer games into the National Classification Scheme (NCS) in the Autumn sittings is critical to ensure sufficient time for consequential amendments to State and Territory classification legislation – which hinge on amendments to the Commonwealth legislation – to be passed in 2012. In accordance with the project timeline prepared for the July 2011 Standing Committee of Attorneys-General (SCAG) meeting where in principle agreement to the introduction of an R 18+ category was obtained, the bill requires passage by 31 March 2012.

The NCS is a cooperative scheme between the Commonwealth, States and Territories that requires unanimous agreement of all jurisdictions to effect changes to the National Classification Code and any guidelines determined by Censorship Ministers under section 6 and section 12 respectively of the Act. The agreement to introduce an R 18+ category has been reached after 10 years of complex negotiations, and the Commonwealth should be seen to be taking the lead in implementing this historic agreement.

FAMILY ASSISTANCE AND OTHER LEGISLATION AMENDMENT BILL

Purpose of the Bill

The bill provides better targeting of immunisation incentives by replacing maternity immunisation allowance with an arrangement that makes payment of the family tax benefit Part A supplement conditional on a child being fully immunised, and resets to $5,000 the amount of baby bonus paid per child and pauses indexation of baby bonus for three years. The bill ensures the correct access to relevant benefits for certain customers whose entitlements have been based on an income estimate during the entitlement year and who have had a zero entitlement for two consecutive years at reconciliation. The bill also extends bereavement payments to certain carer allowance recipients caring for a disabled adult, on the death of that adult, and extends carer supplement for certain carers who would...
otherwise lose payment because of employment income during an instalment period that includes 1 July in a year.

Reasons for Urgency

Most measures are to be implemented from 1 July 2012. Passage during the 2012 Autumn sittings is necessary to achieve this because Centrelink would need to write to affected customers after the passage of legislation and in sufficient time before their fortnightly payments are affected from 1 July 2012. Urgent passage of the carer supplement measure would also give carers extra security as they make employment decisions in the period leading up to and beyond 1 July 2012.

FAMILY LAW AMENDMENT (VALIDATION OF CERTAIN ORDERS AND OTHER MEASURES) BILL

Purpose of the Bill

The bill will validate certain orders of the Family Court of Australia and the Federal Magistrates Court made in the absence of Proclamations under subsection 40(2) of the Family Law Act 1975, and make related amendments to that Act.

Reasons for Urgency

The need for this bill arose from the discovery that two Proclamations had not been made, in 2006 and 2009, setting the date from which the Family Court could exercise its appeal jurisdiction in relation to decisions of Family Law Magistrates of Western Australia and the de facto property and maintenance jurisdiction. This has created some uncertainty about the status of orders made by the Family Court, and for the de facto property and maintenance orders, orders made by the Federal Magistrates Court as a consequence of section 40A of the Family Law Act.

As a result, individuals might be unclear about whether they should transfer their interest in the family home to their ex-partner in compliance with an order made before the Proclamation. Until this bill is passed by the Parliament, the only avenue available to address any doubt is to apply to the courts for an order about the status of their particular orders or to apply for new orders.

Passage of this bill in the Autumn 2012 Parliamentary sittings will eliminate that uncertainty for affected persons and avoid the need for them to return to court to seek declarations about the status of their orders or apply to have new orders made.

SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (DISABILITY SUPPORT PENSION PARTICIPATION REFORMS) BILL

Purpose of the Bill

The bill amends the disability support pension provisions from 1 July 2012 to introduce compulsory participation interviews for certain recipients, allow certain recipients to work up to 30 hours a week in open employment without affecting their qualification, and allow recipients in specified circumstances to take their base rate of disability support pension overseas indefinitely.

Reasons for Urgency

It has been announced that the three disability support pension measures will commence on 1 July 2012. Ahead of that date, Centrelink will have to make complex and substantial changes to computer systems, procedures, forms and guidelines. Passage in the 2012 Autumn sittings would also give customers who are affected, and their families and carers, sufficient notice of the changes and time to organise their personal affairs so they can manage the changes. For example, people will have certainty as they consider employment options in the period leading up to the new arrangements.

COMMITTEES

Rural and Regional Affairs and Transport References Committee

Reporting Date

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (15:41): by
leave—On behalf of the Chair of the Rural and Regional Affairs and Transport References Committee, Senator Heffernan, I move:

That the time for the presentation of the report of the Rural and Regional Affairs and Transport References Committee on biosecurity and quarantine arrangements be extended to 4 April 2012.

Question agreed to.

Corporations and Financial Services Committee Meeting

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (15:41): by leave—On behalf of the Deputy Chair of the Parliamentary Joint Committee on Corporations and Financial Services, Senator Boyce, I move:

That the Parliamentary Joint Committee on Corporations and Financial Services be authorised to hold a public meeting during the sitting of the Senate today, from 4.30 pm.

Question agreed to.

NOTICES Postponement

The following items of business were postponed:

Business of the Senate notice of motion no. 1 standing in the name of Senator Cormann for today, proposing a reference to the Economics Legislation Committee, postponed till 22 March 2012.

Business of the Senate notice of motion no. 2 standing in the name of Senator Boswell for today, proposing a reference to the Rural and Regional Affairs and Transport References Committee, postponed till 22 March 2012.

BILLS

Health Insurance (Dental Services) Bill 2012

First Reading

Senator BUSHBY (Tasmania—Deputy Opposition Whip in the Senate) (15:42): I move:

That the following bill be introduced: A Bill for an Act to provide for equity in relation to the provision of certain dental services, and for related purposes.

Question agreed to.

Senator BUSHBY: I present the bill and move:

That this bill may proceed without formalities and be now read a first time.

Question agreed to.

Bill read a first time.

Second Reading

Senator BUSHBY (Tasmania—Deputy Opposition Whip in the Senate) (15:43): I move:

That this bill be now read a second time.

I seek leave to table an explanatory memorandum and to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

HEALTH INSURANCE (DENTAL SERVICES) BILL 2012

I introduce this Bill today to redress an injustice that the Government appears determined to inflict upon the nation’s dental health professionals.

The Bill requires the Minister for Health, in conjunction with such other Ministers as may be necessary, to redress past and future inequities that have arisen from the operation of subsection 10(2) of the Health Insurance (Dental Services) Determination 2007.

The Bill describes the inequities imposed on dental practitioners by the operation of the...
subsection of the Determination and specifies five courses of action which the Minister can take to redress those inequities.

It establishes a timeframe within which action is to be taken and requires a report to be tabled in both Houses of Parliament detailing the actions taken.

I commend the Bill to the Senate.

Senator BUSHBY: I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MOTIONS

World Down Syndrome Day

Senator BOYCE (Queensland) (15:43): I, and also on behalf of Senators Carol Brown, Siewert and Fifield, move:

That the Senate—

(a) notes that 21 March 2012, marks the 7th anniversary of World Down Syndrome Day and the first time that day has been acknowledged under the auspices of the United Nations (UN);

(b) congratulates Down Syndrome International, Down Syndrome associations in Australia and the hundreds of thousands of people who campaigned for World Down Syndrome Day to be officially recognised by the UN;

(c) notes that the UN resolution to recognise World Down Syndrome Day was proposed by Brazil and co-sponsored by 78 UN member states, including Australia;

(d) recognises that Down Syndrome is the most prevalent genetic cause of intellectual disability and that the characteristics of Down Syndrome have been known for centuries;

(e) acknowledges:

(i) that barriers faced by people with Down Syndrome can be overcome through the shared vision for an inclusive Australia society that enables people with disability to fulfil their potential as equal citizens, and

(ii) the multi-partisan support for a national disability insurance scheme and encourages the Australian Government to continue to push forward with the implementation of such a scheme to give Australians with Down Syndrome and other disabilities the opportunity to live fulfilling lives; and

(f) supports the celebration of UN World Down Syndrome Day by people with Down Syndrome, their families, friends and carers, and the wider community.

Question agreed to.

Sri Lankan Lessons Learned and Reconciliation Commission

Senator RHIANNON (New South Wales) (15:44): I, and also on behalf of Senators Humphries and Bob Carr, move:

That the Senate—

(a) notes that:

(i) on 13 February 2012 the then Minister for Foreign Affairs, Mr Rudd, issued a media release in response to the Sri Lankan Lessons Learned and Reconciliation Commission (LLRC) final report, stating 'The LLRC report contains constructive proposals for advancing reconciliation and reconstruction, including through reducing the presence of security forces in the North, care of internally displaced persons and media freedoms',

(ii) the Australian Government has consistently urged Sri Lanka to investigate all allegations of crimes committed by both sides of the conflict, including those raised in the United Nations (UN) Secretary-General's Panel of Experts on Sri Lanka report, and

(iii) in light of the report's failure to comprehensively address such allegations, the Government continues to call on Sri Lanka for all such allegations to be investigated in a transparent and independent manner; and

(b) calls on the Australian Government to, as a minimum, support efforts to secure a United States initiated resolution on Sri Lanka at the 19th Session of the UN Human Rights Council through the Australian permanent representative in Geneva.

Question agreed to.

Chronic Disease Dental Scheme

Senator DI NATALE (Victoria) (15:44): I move:
That the Senate—

(a) notes that:

(i) Medicare has completed audits of 89 dentists who accessed the Chronic Disease Dental Scheme,

(ii) a further 540 audits are still underway,

(iii) of the completed audits, only 12 were found to be for the non-provision of claimed services,

(iv) of the remaining audits found to be non-compliant, non-compliance is in most cases of a technical and administrative nature, whereby the practitioner failed to provide a written quote to the patient or a treatment summary to the referring doctor in a timely fashion, and

(v) claims for full repayment of services delivered under Medicare to the community may result in undue hardship to dental practitioners who acted in good faith; and

(b) calls on the Government to waive its right to the repayment of debts incurred by dental practitioners as a result of a Medicare audit where:

(i) all services claimed were rendered properly and in good faith to eligible patients, and

(ii) the nature of the non-compliance was purely administrative in nature.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (15:45): Mr Deputy President, I seek leave to make a brief statement.

The DEPUTY PRESIDENT: Leave is granted for two minutes.

Senator JACINTA COLLINS: The noncompliance associated with the chronic disease dental scheme involved a clear failure by affected dental practitioners to meet fundamental statutory requirements set out in the Health Insurance (Dental Services) Determination 2007 established by the previous government. The Department of Health and Ageing has no discretion in administering these requirements. In particular these requirements are necessary to ensure that patients are fully informed about the cost of the dental treatment to be undertaken and to assist the GP manage the patients' chronic health condition.

The proposed motion attempts to trivialise some of the non-compliance issues which go to the patients' rights in the provisions of the law. Of the audits conducted, in 12.7 per cent of cases no services were provided. One case has been referred to the Director of Public Prosecutions and two cases involve treatments being undertaken for patients in nursing homes who had not given permission for the treatment to be undertaken. This is why the government is opposing this motion.

Senator DI NATALE (Victoria) (15:46): Mr Deputy President, I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for two minutes.

Senator DI NATALE: I acknowledge that there have been some dentists who have been audited and found to be non-compliant for legitimate reasons. In some cases services were billed but not provided. They are not the subject of this motion.

Many of dentists have provided services to patients in good faith and good clinical outcomes were achieved with both the dentists and the patients being satisfied with the treatment. Unfortunately, due to simple technical and administrative errors, these people have been caught up in audits, in some cases totalling several hundred thousand dollars. Obviously we do not support any behaviour that involves deliberately defrauding the Commonwealth; in those cases the Medicare officers have every right to pursue those dentists. However, we do not support cases where dentists who provided services—and often bulk-billed patients in need and treated...
patients who had not had treatment for many years and required urgent dental care—are forced to repay Medicare when both the patients and dentists are satisfied with the treatment.

It is important to note that the basis for noncompliance in these instances has been not providing a treatment summary to the GP or not providing a written quote. Neither of those things affects the clinical outcome in this situation. It is untenable and unjustifiable for Medicare to be pursuing those dentists, largely and most significantly because they have never supported this scheme and they do not want this scheme to continue. It appears to be an effort to undermine the scheme and tarnish the name of many good dentists. *(Time expired)*

**Senator ABETZ** (Tasmania—Leader of the Opposition in the Senate) (15:48): Mr Deputy President, I seek leave to speak on this matter very briefly.

**The DEPUTY PRESIDENT:** Leave is granted for two minutes.

**Senator ABETZ:** Given that it is Harmony Day, I indicate that the coalition fully endorses the comments of Senator Di Natale on behalf of the Australian Greens. We would refer anybody to the Senate estimates hearing in relation to this issue in which Senator Di Natale and I partook. This hearing exposed the injustice that this motion and the bill that Senator Bushby has just introduced into the Senate try to overcome.

Question agreed to.

**DOCUMENTS**

**Member for Dobell**

**Order for the Production of Documents**

**Senator FIERRAVANTI-WELLS** (New South Wales) (15:49): I move:

That the Senate—

(a) notes:

(i) on 20 May 2009, Mr Craig Thomson MP wrote to the then Minister for Employment Participation (Mr O’Connor) supporting Central Coast Group Training's (CCGT) proposal for the construction of a new Youth Skills and Employment Centre for the Central Coast, New South Wales,

(ii) an Australian Labor Party statement, dated 20 July 2010, by the Minister for Infrastructure and Transport (Mr Albanese) and Mr Thomson concerning funding for the centre,

(iii) on 5 April 2011, the Minister for School Education, Early Childhood and Youth (Mr Garrett) wrote to Mr Thomson stating that the Government was providing $2.7 million in funding towards the centre under the Community Infrastructure Grants Program,

(iv) on 16 June 2011, Wyong Council wrote to the Minister for Infrastructure and Transport, asking about confirmation or progress of the funding for the centre,

(v) on 8 July 2011, the Department of Education, Employment and Workplace Relations (DEEWR) wrote to CCGT regarding the centre,

(vi) an extract from one of the documents provided under freedom of information (FOI) states that, on 20 July 2011 'Mr Craig Thomson wrote to Minister Garrett raising concerns about interaction between…and DEEWR',

(vii) on 25 August 2011, Senator Fierravanti-Wells submitted a FOI request to DEEWR requesting *inter alia* copies of all representations and advice between Mr Thomson and ministers, their offices and departments on applications for funding a jobs incubator (the Youth Skills and Employment Centre) at Wyong proposed by CCGT, including secondary references to such representations or advice,

(viii) that while documents were provided in response to that request, they were almost all in a redacted form with large portions of the documents exempted, and

(ix) that the documents were not disclosed *inter alia* because they contained "unsustained allegations of misconduct or unlawful, negligent or improper conduct"; and

(b) orders that there be laid on the table by the Leader of the Government in the Senate, no
later than 5 pm on Thursday, 22 March 2012, in an unredacted form:

(i) all documents pertaining to "unsubstantiated allegations" made by Mr Thomson to the Minister for School Education, Early Childhood and Youth and the former Minister for Employment Participation regarding CCGT, and

(ii) copies of all representations and advice between Mr Thomson and ministers, their offices and departments on applications for funding a jobs incubator (the Youth Skills and Employment Centre) at Wyong as proposed by CCGT, including secondary references to such representations or advice, including but not limited to the following:

(A) letter from Mr Thomson to the then Minister for Employment Participation dated 20 May 2009 re. CCGT, and

(B) letter from Mr Thomson to the Minister for School Education, Early Childhood and Youth dated 20 July 2011 re. CCGT and attachments thereto.

The DEPUTY PRESIDENT: The question is that the motion be agreed to.

The Senate divided. [15:54]

(The President—Senator Hogg)

Ayes...............31
Noes...............35
Majority............4

AYES

Abetz, E
Bernardi, C
Boswell, RLD
Brandis, GH
Cash, MC
Cormann, M
Eggleston, A
Fierravanti-Wells, C
Johnston, D
Kroger, H (teller)
Madigan, JJ
McKenzie, B
Parry, S
Ronaldson, M
Scullion, NG
Xenophon, N

Back, CJ
Boyce, SK
Bushby, DC
Colbeck, R
Edwards, S
Fawcett, DJ
Fifield, MP
Joyce, B
Macdonald, ID
Mason, B
Nash, F
Payne, MA
Ryan, SM
Williams, JR

NOES

Bishop, TM
Brown, RJ
Carr, RJ
Conroy, SM
Di Natale, R
Faulkner, J
Furner, ML
Hanson-Young, SC
Ludlam, S
Marshall, GM
McLucas, J
Moore, CM
Pratt, LC
Sherry, NJ
Singh, LM
Sterle, G
Urquhart, AE
Wright, PL

Brown, CL
Cameron, DN
Collins, JMA
Crossin, P
Farrell, D
Feeney, D
Gallacher, AM
Hogg, JJ
Lundy, KA
McEwen, A (teller)
Milne, C
Polley, H
Rhiannon, L
Siewert, R
Stephens, U
Thistlethwaite, M
Waters, LJ

PAIRS

Adams, J
Fisher, M
Heffernan, W
Humphries, G
Sinodinos, A

Carr, KJ
Evans, C
Wong, P
Ludwig, JW
Bilyk, CL

Question negatived.

Senator FIERRAVANTI-WELLS (New South Wales) (15:57): Pursuant to contingent notice and at the request of the Leader of the Opposition in the Senate, Senator Abetz, I move:

That so much of the standing orders be suspended as would prevent Senator Abetz moving a motion to provide for the consideration of a matter, namely a motion to give precedence to a motion relating to the Government’s failure to provide documents concerning the construction of a new Youth Skills and Employment Centre for the Central Coast.

This is an absolutely disgraceful move in this sad, sorry and sordid saga in relation to this job centre. The minister in his answer said that there had been ‘usual communications’. If there are only ‘usual communications’, why are the Australian Labor Party and their alliance partners, the Greens, going to so much length to stifle debate on this and not
produce these documents? That is the issue. What is this government hiding? I will tell you what they are hiding: they are protecting the member for Dobell. What hypocrisy! So much for the Greens. They will sit there day after day and prattle about transparency. You are all hypocrites, because today—

The DEPUTY PRESIDENT: Order! Senator Fierravanti-Wells, you will need to withdraw that. That is unparliamentary.

Senator FIERRAVANTI-WELLS: I withdraw that.

Senator Abetz: They apply double standards.

Senator FIERRAVANTI-WELLS: Senator Abetz, they absolutely apply double standards. Yesterday, I was asking legitimate questions. Of course, we have copies of documents. There are all the matters that I have referred to in this chamber about this issue since August last year, and there are lots of documents, but all I got produced from this government was 44 folios, most of which were just blank pages. We know that Minister Garrett received correspondence from the member for Dobell, because on one little line that was unredacted it refers to Mr Thomson raising concerns about interaction between ‘…’ and DEEWR. Who is ‘…’? We know who ‘…’ is: it is CCGT. Of course, because the documents were denied to me because of unsubstantiated allegations, this is only a cover-up.

Debate interrupted.

BILLS

Australian Research Council Amendment Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.
The CHAIRMAN: While we are waiting, I advise the Senate that this debate will cease at 4.15 pm.

Senator JACINTA COLLINS: Senator Mason, I am not sure what you mean by 'the committee'. Do you mean the composition of the council itself?

Senator MASON (Queensland) (16:04): Will there be a representative of the ARC on the Australian Research Committee?

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:05): Officers are still unclear on what you mean by the Australian Research Committee.

Senator Mason: All right—

The CHAIRMAN: Order, Senators! Rather than just go across the chamber, could you wait till I call you, for two reasons: it keeps the debate under a degree of control and it also enables the people in the audio room to switch the microphones on and off.

Senator MASON (Queensland) (16:05): Mr Chairman, you are not implying, are you, that I am speaking too softly? That does not happen very often, but let me raise my voice! I ask, then: can the minister explain why HASS—that is, humanities, arts and social sciences—is gaining greater priority than it once had?

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:06): I take it that what Senator Mason is asking about is that the priority settings from the review give a greater emphasis to humanities, arts and social sciences, and you are interested in how that is reflected with respect to the composition of the council. My advice is that the statistics do not actually show that to be the case.

Senator MASON (Queensland) (16:07): Then what are the current National Research Priorities?

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:07): We do not have the list of those here at the moment. Certainly, on notice, we could get those for you fairly quickly. I am conscious that we will be dealing with this matter fairly quickly too, so I am unsure whether that would be made available to you ahead of the vote.

Senator MASON (Queensland) (16:08): I am learning. What are the current National Innovation Priorities? Could you also make that available to the Senate either now or shortly.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:09): Thank you, Senator Mason. Perhaps you can clarify for me: is that question related to the composition of the committee or is this a separate question about—is it humanities?

Senator MASON (Queensland) (16:08): In what way will priority goals be measured after the implementation of the Focusing Australia's Publicly Funded Research Review?

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:08): Chair, I think I should indicate to Senator Mason that the government will be more than happy to provide him with further information about the priority goals of the review he mentioned, but I am unclear as to how that level of detail at this stage relates to this bill around establishing the Australian Research Council. Certainly they are very meritorious subjects, and matters that interest me also, and we are more than happy to cooperate. But I am sure Senator Mason appreciates that that information is not presently available with these officers with respect to this bill.

Senator MASON (Queensland) (16:09): The reason I ask is that presently the government is considering, in the context of funding research in this country, looking at the role of and trying to divine how to measure the impact of research on our country, both social and economic. Let me just concede that it is a very difficult measure. My question really related to whether this review will assist and whether the impact is being taken into account in the context of this review. I think the government is right to start assessing impact because without it—how do I put this gently?—some taxpayers find it difficult to fund research when they believe that academics are simply writing for each other. They would prefer something with a social and economic impact.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:10): Before I venture to answer that question, perhaps I can backtrack to the National Research Priorities. The first of those is An Environmentally Sustainable Australia; the second is Promoting and Maintaining Good Health; the third is Frontier Technologies for Building and Transforming Australian Industries; and the final one is Safeguarding Australia. In respect to the question that Senator Mason just raised, I need to be confident that a focus on the outcome or the output from research would be a significant element, but I will wait for further information from the officers. Yes, I can assure him the impact is included in all ARC proposals.

Senator MASON (Queensland) (16:11): Thank you for that. I have a technical question. How will the impact be measured? It is a very simple question.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:12): Senator Mason and I have both been around long enough to understand that that is far from a very simple question. How the impact will be measured relates to what it is you are seeking to measure and what the project is. As to where it might fit in terms of any of the National Research Priorities, obviously measuring something in relation to an Environmentally Sustainable Australia is going to be different from how you might measure Frontier Technologies for Building and Transforming Australian Industries. It
would be different on a case-by-case basis for the four projects.

I think the important element is a bit like the debates we have in this place about government addressing particular priorities and family impact assessments. Simply making the output one of the significant factors in assessing the projects focuses those who are putting forward projects and those who are assessing them on that issue and how output might appropriately be measured on a case-by-case basis.

Senator MASON (Queensland) (16:13): Minister, I thank you for detailing the National Research Priorities. The last one you mentioned was Safeguarding Australia. Does it include security and defence issues?

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:13): Officers are working on that point. I think it is a very good question because Safeguarding Australia could relate to quite a broad range of security issues. It could pertain to food security or border security. The answer, Senator Mason, is yes.

Senator MASON (Queensland) (16:14): With respect to environmental sustainability, is that a theme that runs through all the criteria for the Research Council grants these days? Environmental sustainability seems to be an overarching policy perspective of the government. Is that a policy direction that runs right through ARC criteria for grants?

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:14): Off the top of my head, Senator Mason, I could not immediately answer that question. I am not sure it has quite the same status, for instance, as measuring outputs in relation to each project—but bear with me.

The CHAIRMAN: Reluctant as I am to interrupt debate, Senator Collins, time for this debate has concluded. I think we will record 'No' in the Hansard. The question is that the bill stand as printed.

Question agreed to.

Bill reported without amendment; report adopted.

Third Reading

The DEPUTY PRESIDENT (16:15): The question now is that the remaining stages of this bill be agreed to and the bill be now passed.

Question agreed to.

Bill read a third time.

Financial Framework Legislation Amendment Bill (No. 1) 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator CORMANN (Western Australia) (16:16): As a result of the Labor-Greens guillotine that is in place, we now have 15 minutes to talk about an important piece of legislation, the Financial Framework Legislation Amendment Bill (No. 1) 2012. This is really quite disgraceful because we in the coalition do have some concerns about this legislation. Indeed, we have circulated some amendments in relation to it. So, in order for me to be able to get straight to the actual amendments so that we can have a discussion in relation to them, I seek leave of the chamber to incorporate—on behalf of the coalition and as the shadow representing the coalition in this chamber—my speech in the second reading debate on this legislation.

Leave granted.

The speech read as follows—
I rise to speak today on the Financial Framework Legislation Amendment Bill (No.1) 2012.

This Bill seeks to amend four Acts and repeal two Acts across three portfolios.

It is part of an ongoing program of updating and enhancing the Commonwealth's financial framework.

This is the ninth Financial Framework Legislation Amendment Bill since 2004.

These Bills generally seek to correct misdescribed provisions, add clarity where required and enhance Acts to make them consistent with complementary legislation.

They also seek to repeal redundant components of the financial framework such as prior programs that have expired.

Financial Framework Amendment Bills are generally non-controversial in nature but occasionally a provision emerges that could either result in unintended consequences or afford additional power to government that could be misused.

While this Bill is largely of the 'housekeeping' variety, the Coalition has some serious concerns with the debt "set off" provisions which are detailed in Schedule 4.

I will address this in more detail later in my contribution.

Schedule One

Schedule One of the Bill seeks to amend the Auditor General Act 1997 to clarify that the Auditor General may accept an appointment under the Corporations Act 2001 as the auditor of any company that the Commonwealth controls.

This will align the Act with the definitions of Commonwealth control which were made in 2008 to the Commonwealth Authorities and Companies (CAC) Act 2007.

Schedule Two

Schedule Two would amend the CAC Act itself to ensure that directors of Commonwealth authorities and wholly-owned government companies and enterprises prepare budget estimates as directed by the Finance Minister rather than the responsible portfolio minister.

This would make the Act consistent with long-standing actual practice.

The most significant component of Schedule Two is a new obligation on the directors of Commonwealth authorities and wholly-owned companies to notify their responsible minister of "actual decisions" about significant events immediately after a decision has been taken.

Significant events include: forming a company or participating in the formation of a company, acquiring or disposing of a significant shareholding in a company, acquiring or disposing of significant business, or commencing or ceasing a significant business activity.

You would hope this type of communication occurs as a matter of course however this would place a firm obligation for this to happen.

Schedule Three

Schedule Three of this Bill is devoted to correcting two misdescribed provisions in the Financial Framework Legislation Amendment Act 2010, which are contained in section 27A of the Commonwealth Authorities and Companies Act ie replacing references to "at common law and in equity" and "at common law or in equity" with "under the general law".

Schedule Four


This provision applies to Special Account Appropriations which relate to either the COAG Reform Fund Act 2008 or a Special Account established under the Nation-building Funds Act.

Determinations for such appropriations are done by way of disallowable instrument.

As it stands such a Determination takes effect after the five sittings days pass for which the parliament can move to disallow.

Such appropriations may be used by new government agencies once they are established.

For the purpose of practicality this amendment allows the minister to prescribe a date in the instrument for which the appropriation takes effect.
This allows a future date to be set which corresponds with the establishment date of a new agency.

It has no material effect and serves to add clarity to the Act to confirm that such an instrument can come into effect at a nominated date beyond immediately after the expiry of the disallowable instrument.

Off-setting Debt

The most notable feature of Schedule 4 is the provision to give the Finance Minister the discretionary power to off-set debts owed to the Commonwealth by an individual or entity against payments owed to the same individual or entity.

This is defined in Item 10 and Item 13.

As it stands Commonwealth payments must be paid in full regardless of debts owing.

The government makes the point that this new section provides a mechanism for the Commonwealth to recover debts in a cost neutral way and more efficient manner than allowed under current provisions.

On the surface this does seems a sensible measure as observed by the Shadow Finance Minister however after closer examination and consultation the Coalition has some serious concerns about how this power could be applied.

In our view, the Bill as drafted lacks sufficient clarity and definition and is open to misuse.

While the Minister's office has endeavoured to provide some verbal reassurances as well as some departmental advice there is insufficient comfort in the amendments themselves for the Coalition to support this component of the Bill as it stands.

The Bill's digest released by the Parliamentary Library captures our discomfort.

And I quote: "There is concern that this gives the Commonwealth too much power in a relationship with a member of the public. It can assert that a debt is owing, and the person involved may not have the resources to challenge the Commonwealth and may thus lose and entitlement "

There is also insufficient clarity about what happens in the event of a dispute over a debt. For example, can the Minister ignore a dispute and recover a debt regardless; by off-setting it against another form of payment that might be owed by the Commonwealth.

The department provided the following written advice:

"The set-off provisions under proposed section 35 of the Financial Management and Accountability Act 1997 (FMA Act) could not be applied where the amount is not objectively ascertainable, there is a genuine dispute regarding the amount owing or the amount is not capable of being recovered."

Based on this the application of this authority could be very subjectively applied. For example who decides that a dispute is genuine and based on what?

Presumably, it is at the discretion of the minister.

The government says in the Bill's explanatory memorandum that "in the context of a current Budget deficit with a clear policy of returning to surplus, set-off may provide a more cost effective mechanism to preserve public finances."

This suggests the government will be actively looking for opportunities to utilise these discretionary powers. Our concern is it could come at the expense of natural justice and as mentioned earlier harm those who are not in a position to take on the Commonwealth.

Another concern is the prospect that this authority could be used as a means to override agreements or agreements that might be in prospect in relation to repayment arrangements for debts owed.

Tax liabilities come to mind.

The government, verbally, has also said that "it does not intend that this provision be used in relation to a tax liability that may be payable to the Australian Taxation Office."

But again and intention is one thing, what actually occurs is another.

While a subsection 35 (2) specifies that certain Commonwealth payments are exempt from being used for an off-set, on account of being "inalienable" or "absolutely inalienable", explanatory material advises that this only applies to "advance" social security payments or paid parental leave instalments.
There are a number of payments made by the Commonwealth that could be subject to the offset provisions, whether they be grants, payments owed for services or goods provided, regular salaries or allowances, compensation, or tax rebates etc.

Again there is a lack of clarity and definition.

The Definition outlined also state that amounts owing to or by the Commonwealth include those amounts that are "owing but not yet due for payment".

This is a troubling definition as it means that debts, that while not even yet due, could be called in and settled against other amounts payable.

If applied this indicates how this authority could in practice create cash-flow, overdraft or other financial problems for an individual who is subject to the "set off" determination.

The last thing the Coalition wants to see is a power that was perhaps devised with the best intentions abused in a way that could put a taxpayer, a small business, or other entity at an unfair disadvantage against the Commonwealth.

The Coalition has come to the view that this provision is not essential to the functioning of the financial framework and should be omitted.

Schedule Five

This Bill also proposes to repeal two redundant special appropriations to "clean up the statute book".

These include the Appropriation (Development Bank) Act 1975 and the Car Dealership Financing Guarantee Appropriation Act 2009.

In conclusion

I flag that it is my intention to move amendments that have been circulated in my name with the aim of removing items 10 and 13 of Schedule 4 of this Bill, which relate to the proposed section 35.

It should be removed and if the government feels strongly about the importance of the provision it could withdraw it and re-present it in a future Financial Framework Amendment Bill.

With clear definition and with sufficient safeguards in place it is something we could be prepared to re-examine at a future date.

The Coalition will not ultimately support this Bill while this vague, but material provision remains within it.

10 After section 34

Insert:

35 Set off

(1) If:

(a) an amount (the first amount) is owing to the Commonwealth by a person; and

(b) an amount (the second amount) is owing by the Commonwealth to the person; the Finance Minister may, on behalf of the Commonwealth, set off the whole or a part of the first amount against the whole or a part of the second amount.

Exceptions

(2) Paragraph (1)(b) does not apply in relation to a payment if:

(a) a law of the Commonwealth provides that the payment is absolutely inalienable; or

(b) a law of the Commonwealth provides that the payment is inalienable; or (e) a law of the Commonwealth provides that the right to the payment cannot be assigned; or

(d) a law of the Commonwealth provides that the payment cannot be assigned.

Definitions

(3) In this section:

amount owing by the Commonwealth includes an amount that is owing but not yet due for payment.

amount owing to the Commonwealth includes an amount that is owing but not yet due for payment.

Note: See also subparagraph 65(2)(a)(iaa) (which allows regulations to be made about the Finance Minister considering a report from specified persons before setting off under this section, in a case where the amount of the set-off is more than a specified amount).
13 After subparagraph 65(2)(ia)

Insert:

(iiia) the Finance Minister considering a report from specified persons before setting off under section 35, in a case where the amount of the set-off is more than a specified amount;

Senator CORMANN: I thank the Senate. That means that I can go straight to the coalition amendments in relation to the Financial Framework Legislation Amendment Bill (No. 1) 2012. The key purpose of the amendments which have been circulated in my name on behalf of the coalition is to remove the set of provisions in schedule 4 of the bill before the Senate. The government's bill would see a new section 35 inserted into the Financial Management and Accountability Act 1997. This is outlined in item 10, while item 13 is directly related—

The DEPUTY PRESIDENT: Senator Cormann, could I just interrupt for a moment just to get absolute clarity. We are still in the second reading stage of the bill. For the amendments to actually be moved in the committee stage we would need to put the second reading question. I understand that you are alluding to the amendments now in continuation of your speech in the second reading debate.

Senator CORMANN: To assist the chamber I have incorporated my speech in the second reading debate. So it might be better if we deal with the second reading part of the equation and then move into committee so that we can deal with the amendments.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:18): I thank the Senate and those who have contributed to the debate on the Financial Framework Legislation Amendment Bill (No. 1) 2012. The bill would if enacted amend four acts to strengthen and clarify aspects of the Commonwealth's financial framework and repeal two acts that include special appropriations, which are now redundant.

I wish to offer a point of clarification on the proposed provisions for set-out arrangements under item 10 of schedule 4 of the bill, which would introduce a new section 35 to the FMA framework. It is the intention of the government to institute a consultative process around the use of this provision. The minister will consult with members of the parliament on this process. For example, there is regulation-making power linked to the proposed section 35 included in the bill through the proposed amendment to section 65 of the FMA Act which is set out in item 13 of schedule 4 of the bill. Such regulations could potentially use an approach that already exists for an act of grace or debt waiver provisions, such as to specify that a decision maker must have available an advisory committee report where the amount involved exceeds a prescribed limit.

I would like to put on the record some further information in terms of the use of this provision for an amount that the Commonwealth merely asserts as a debt. If Senator Cormann is happy, I am happy to incorporate the rest of my speech.

Leave granted.

The speech read as follows—

The amount in question must be established as a debt owing before the proposed section 35 could be applied.

The set-off provision could not be applied where:

- the amount is not objectively ascertainable;
- there is a genuine dispute regarding the amount owing; or
- the amount is not capable of being recovered.
In general, this Bill will help with the preparation of the Budget, such as through the changes to the Commonwealth Authorities and Companies Act 1997, and make useful clarifications, such as the role of the Auditor-General in auditing companies controlled by the Commonwealth.

I commend the Bill.

The DEPUTY PRESIDENT: The question is that the bill be read a second time.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator CORMANN (Western Australia) (16:20): As I started to say earlier in the second reading debate, the key purpose of the amendments circulated in my name is to remove the set of provisions in schedule 4 of the bill before the Senate. The government's bill would see a new section 35 inserted into the Financial Management and Accountability Act 1997. This is outlined in item 10, while item 13 is directly related to item 10. It is the coalition's view that item 10 is vaguely drafted and lacks definition and clarity in relation to the powers it would afford to the finance minister. I detailed some of our concerns in my second reading contribution, which, of course, has been incorporated—so the Senate might have to consult the written version of that contribution.

The exceptions outlined in subsection 2, in our view, provide insufficient comfort that this authority may not be abused by the Commonwealth. It has the potential to be used to shift the power balance too far in the government's favour in its financial dealings with a person. Subsection 3 states that an amount owing by or to the Commonwealth 'includes an amount that is owing but not yet due for payment'. This means that action could be taken to set off a debt that is not even due to be repaid. If this were imposed, it could have a detrimental impact on the financial affairs of a person who is subject to a set-off action. This could create cash flow problems or worse and override a person's right to hold off on payment until money is actually due. The government has been unable, in our view, to satisfactorily explain how this power will be applied. There is clearly scope to use this authority as a means to bypass potential legal processes associated with a dispute. This could deny a person natural justice or, in other circumstances, deny others the right of a proper negotiation. It would disadvantage those without the resources to fully challenge the Commonwealth, which would be, of course, most taxpayers. It would allow the minister to call in a debt at his or her discretion and offset against another payment which might be due from the Commonwealth. There is insufficient definition about how a legitimate dispute would be defined. It seems it would be a subjective decision for the minister. For example, the minister could decide that there is no legitimate dispute even if there is one based on objective consideration. There is an attempt to define exceptions in relation to inalienable and absolutely inalienable payments—for example, advance welfare payments and paid parental leave payments—but there is not clarity or protection over potentially a number of other payments which the Commonwealth makes. Stakeholders have raised examples of salaries, allowances, grants, payments due to small business and so on.

We have formed the considered view that this section of the bill is unnecessary, it could lend itself to both abuse and unintended consequences, and therefore it should be removed. There is scope for the government to think through this provision more carefully and re-present it in a more lucid form in a future financial framework.
amendment bill with proper and clearly defined safeguards. We urge the Senate—particularly the Greens—to very carefully consider the implications of what the government is proposing to do in its Financial Framework Legislation Amendment Bill in relation to these matters and to consider the implications of significantly increased government power at the expense of the person. Some of the persons who have financial dealings with the Commonwealth can be the most vulnerable members of our community. To give the government the sort of power that is put forward in this bill is, we believe, excessive.

I would be interested to hear the government's response to the very genuinely held concerns of the coalition in relation to the matters I have raised, and then I might have some further questions. The opposition oppose item 10 and 13 in the following terms:

(1) Schedule 4, item 10, page 11 (line 11) to page 12 (line 10).

(2) Schedule 4, item 13, page 12 (lines 23 to 28).

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (16:25): As with Senator Cormann, in incorporating elements of my speech in reply to speed up this process, there were some points that might address his question and assist.

Senator Cormann: It is a very unfortunate gag, isn't it?

Senator JACINTA COLLINS: Senator Cormann, I could focus on your interjection rather than the subject matter that you are seeking, but I am sure you would rather I address the latter than the former. Indeed, I think I have some detailed statistics with respect to the amount of time the Senate has been able to focus on legislation this week that I could spend some time on. But let me respond to the issues raised. Could the proposed section 35 set-off of the FMA Act be used to set off amounts owed by an individual to the Commonwealth, with a social security payment that would be made to that individual? The response on that point is: no. Proposed subsection 35(2) of the FMA Act provides that certain payments are exempt from being used for a set-off action. That is, amounts cannot be set-off against payments by the Commonwealth that would be inalienable or absolutely inalienable—being wording that appears in legislation for entitlements to payments such as section 1061EK of the Social Security Act 1991 or section 66 of the Paid Parental Leave Act 2010, which make an advance social security payment and a paid parental leave instalment absolutely inalienable.

With respect to the point about proposed section 35 being able to be used to override an agreed arrangement between a taxpayer and the tax office, such as a repayment schedule, where an arrangement has been agreed between a taxpayer and the tax office, made pursuant to the Tax Administration Act 1953 or other statutory mechanism, there would be generally no ability to use the set-off provision to override any such arrangement.

On the further points, I would suggest Senator Cormann refer to the further remarks I incorporated.

Senator MILNE (Tasmania—Deputy Leader of the Australian Greens) (16:27): I have only a couple of minutes, I understand, but we did take the concerns seriously that were circulated to us by the coalition and had similar concerns with regard to social security. But we recognise that, in the explanatory memorandum and in the document the government has tabled, that
matter has been dealt with. We had similar concerns with the second matter of significance in relation to offsetting debt, but I understand that, in the document that has now been tabled, the government has been specific in addressing that to our satisfaction. And we do note the government's undertaking in relation to this that the intention is not that this provision be used in relation to a tax liability that may be payable to the tax office in the context of pursuing individuals in the manner which people fear. The tabled document should address those matters.

The CHAIRMAN: The question is that schedule 4, items 10 and 13 stand as printed.

The committee divided. [16:33]
(The Chairman—Senator Parry)

Ayes......................35
Noes......................30
Majority...............5

AYES
Bishop, TM
Brown, CL
Carr, CN
Conroy, SM
Di Natale, R
Faulkner, J
Furner, ML
Hanson-Young, SC
Ludlam, S
Marshall, GM
McLucas, J
Moore, CM
Pratt, LC
Sherry, NJ
Singh, LM
Sterle, G
Urquhart, AE
Wright, PL

NOES
Cormann, M
Eggleston, A
Ferravanti-Wells, C
Fisher, M
Johnston, D
Macdonald, ID
McKenzie, B
Parry, S
Ronaldson, M
Siewert, R

NOES
Edwards, S
Fawcett, DJ
 Fifield, MP
Humphries, G
Joyce, B
Madigan, JJ
Nash, F
Payne, MA
Ryan, SM
Williams, JR (teller)

PAIRS
Bilyk, CL
Carr, KJ
Evans, C
Ludlam, S
Pratt, LC
Rhiannon, L
Sherry, NJ

Question agreed to.
Bill agreed to.
Bill reported without amendments; report adopted.

Third Reading

The DEPUTY PRESIDENT (16:36): The question now is that the remaining stages of this bill be agreed to and the bill be now passed.

The Senate divided. [16:37]
(The President—Senator Hogg)

Ayes .........................35
Noes ........................30
Majority ..................5

AYES
Bishop, TM
Brown, CL
Carr, CN
Conroy, SM
Di Natale, R
Faulkner, J
Furner, ML
Hanson-Young, SC
Ludlam, S
Marshall, GM
McLucas, J
Moore, CM
Pratt, LC
Sherry, NJ
Singh, LM
Sterle, G
Urquhart, AE
Wright, PL

NOES
Back, CJ
Birmingham, SJ
Boyce, SK
Bushby, DC
Colbeck, R

NOES
Edwards, S
Fawcett, DJ
Fifield, MP
Humphries, G
Joyce, B
Madigan, JJ
Nash, F
Payne, MA
Ryan, SM
Williams, JR (teller)

PAIRS
Bilyk, CL
Carr, KJ
Evans, C
Ludlam, S
Pratt, LC
Rhiannon, L
Sherry, NJ

CHAMBER
Senator CORMANN (Western Australia) (16:40): This Labor government is a high-spending, high-taxing government that has left us with record levels of debt. This is a government that has delivered four deficits in a row. This is a government that, even though they have introduced 20 new or increased taxes, have still left us with $167 billion in accumulated deficits. This is a government that inherited a strong budget position. This is a government that inherited a $22 billion surplus. This is a government that inherited $70 billion worth of Commonwealth net assets—and what did they do? They turned that around into a situation where we are heading for $133 billion worth of government net debt, where tax grab after tax grab, one new ad hoc tax grab after another they still cannot live within their means; they still cannot balance the books.

We have the best terms of trade in 140 years, we have 20 new or increased taxes, and still this incompetent, dysfunctional, deeply divided Labor government cannot balance the books. We are talking about the Appropriation Bill (No. 3) and Appropriation Bill (No. 4) where the government is again looking to the parliament to appropriate expenditure. The total appropriations being sought through these bills are $3.1 billion, which includes $2 billion through Appropriations Bill (No. 3) across 19 portfolios and $341.1 million through Appropriations Bill (No. 4) across 13 portfolios.

These bills are part of a cynical fiscal strategy by the government to create an artificial surplus in 2012-13. It is a strategy that includes pushing spending outside 2012-13 and, in several instances, bringing forward that spending into this financial year, 2011-12. In other cases, substantial funds are allocated for programs in 2011-12 and 2013-14 but not in 2012-13. What a coincidence. So they push some spending out into 2013-14, they bring some spending forward, and they use every single accounting trick in the book to make sure that they can protect the political assertion by the Treasurer that, by hook or by crook, he will deliver a surplus. He will never deliver a surplus. He will tell us that there will be a surplus in 2012-13, but I am prepared to
make a prediction here that, when all is said and done and the budget outcomes—not the budget estimates—are delivered after 2012-13, it will be there for all to see that the Labor Party will have delivered yet another budget deficit.

That is what Labor governments have done in Australia since 1989. They have delivered one budget deficit after another. Not being able to live within their means is part of Labor's DNA. Wasteful and reckless spending, spending more than they are getting in, is part of Labor's DNA. Increased taxes are part of Labor's DNA. A big debt and deficit budget is part of Labor's DNA. We have had it for more than 20 years and no doubt there is not going to be any relief in sight any time soon.

Despite all the nonsense about fiscal consolidation, it is very clear that this is a very big spending government. The Minister for Finance and Deregulation, Senator Wong, from time to time tries to tell us how this is a fiscally disciplined government because they are keeping spending in real terms below two per cent, not telling us that in their first two budgets they increased spending by 17 per cent in real terms. In fact, if you look at all the budget papers and all the relevant graphs, those two years have miraculously disappeared from the paperwork. All of the graphs now start as if there is a new era which starts in 2010-11. It is as though 2008-09 or 2009-2010 have been erased from the history books as far as this government is concerned. You cannot tell people the truth. You hide it in small footnotes in the annexes. People have to reach their own conclusions and put their own graphs together.

This government is now spending virtually $100 billion a year more, compared to the last year of the Howard government. That is an increase of some 37 per cent. It is a government that blew out spending by 16 to 17 per cent in real terms over two budgets. Amid all the rhetoric about belt-tightening, spending keeps increasing from this increased base. The Mid-Year Economic and Fiscal Outlook shows that spending under this government as a percentage of GDP has been considerably higher in every year compared to the last two years of the Howard government—and it is projected to stay that way through to 2014-15.

Let me pause here for a moment, because we have had a lot of finger-pointing and a lot of lecturing from the Minister for Finance and Deregulation in this chamber and elsewhere. The Minister for Finance and Deregulation, in her first year in office, presided over a blow-out in the budget deficit this financial year of more than $25 billion. I am sure that you, Acting Deputy President Fisher, like me and all of us on this side of the chamber, would have looked very closely at the pre-election fiscal outlook when it had to be released by Treasury and the finance department.

At a point in time in 2010, we were told that the deficit this financial year would be $10.4 billion, which is a huge deficit. But guess what? A couple of months later, when the Mid-Year Economic and Fiscal Outlook was released, the deficit for 2011-12 had blown out to $12.3 billion. But the government was not going to stop there. By May 2011, when the budget was released, we found that it had blown out by more: it went to $22.6 billion. But this was still not enough. By the time we got to the last MYEFO—the MYEFO that was released after the parliament had risen for the summer so that nobody could ask too many difficult, pesky questions about it at the time—the deficit was going to be $37.1 billion.

So in the first year of Senator Wong being the Minister for Finance and Deregulation
the budget deficit for this financial year went from $10.4 billion to $37.1 billion. And who knows where it is going to end up? And while this government keeps whacking on more new taxes and more new spending, the debt continues to grow.

There is a better way. What we need is a coalition government that sorts out Labor's fiscal mess yet again. People across Australia instinctively know that the Labor Party in government always stuffs up our public finances. People across Australia instinctively know that it always comes down to the coalition to fix up the Labor Party mess. That is again what will have to happen next time around.

Of course, the coalition government will be focused on spending less, on taxing less, on increasing productivity, on growing our trade and on growing our economy. One thing this government does not understand is that when you grow your economy not only is it good for people across Australia as there is more economic wealth and prosperity going around, it is also good for government revenue. If you have an economy that grows strongly you do not need all these additional new taxes to reach revenue targets.

I remember that a couple of weeks ago I made a little interjection—very rarely do I interject—during question time. I suggested to Senator Evans, the Leader of the Government in the Senate, that maybe there is a better approach and that maybe we should grow the cake rather than cut the cake into ever more pieces. He sneered at me because he does not understand what it means to grow the cake.

We have seen the Yosemite Sam of Australian politics, the Treasurer, Wayne Swan, out there attacking mining entrepreneurs because he does not like success, either. We have a Treasurer here in Australia who is opposed to success. Fresh from his attack on former Prime Minister Kevin Rudd, in a completely unprecedented statement—clearly still with a rush of blood—he thought he had to do a bit more shooting around like Yosemite Sam. The Yosemite Sam of Australian politics is Wayne Swan and he went after the 'mining billionaires', as he called them.

Let me just say a few things about Andrew Forrest on the record. Andrew Forrest started Fortescue Metals Group from scratch in 2003. It was nothing; it was a company that did not exist before 2003. He took significant risks along the way. He made significant investments in infrastructure. Andrew Forrest now employs more than 3,500 people. He has created more than 3,500 new jobs and the company has a market capitalisation of about $17 billion.

I think that it is in our national interest and in everybody's interest for people like Andrew Forrest, who is at the pointy end, to take risks and have a go—and, frankly, to be successful, create jobs and contribute to our economic growth and our economic prosperity. But whenever somebody is doing well, whenever somebody is in the fast lane, this government want to slow them down. They talk about the patchwork economy and the two-speed economy. Their answer is: 'If somebody is going fast, we don't want them to be successful. If we have a sector of the economy that happens to be doing well right now, we want to slow them down. We can't possibly have somebody going ahead faster than everybody else.'

I would have thought that, rather than slowing the successful parts of the economy down, we should be getting our policy settings right so that those parts of the economy that find it tougher and more challenging in our current global economic conditions have the best possible chance to catch up. They should be given the best
possible chance to speed up, using their own strength. This, of course, is a government that not only targets success but also wants to make it harder for that part of the economy that is finding it a bit tougher at the moment with the higher Australian dollar and global economic conditions the way they are. They also want to target our manufacturing business and small business with a carbon tax—a carbon tax which, clearly, will make Australian businesses less competitive internationally than even their highest-polluting competitors in other parts of the world. Businesses in Australia will have to pay the world's biggest carbon tax. This Labor government is imposing the world's biggest carbon tax on Australian business and on the Australian people. With businesses in Australia having to pay the world's biggest carbon tax under this government, businesses in other parts of the world—many of them higher emitters than the very environmentally-efficient businesses in Australia—will take market share away from Australian business. As market share and jobs go overseas, emissions will go overseas as well. So Australians are being asked to make sacrifices without it actually doing anything for the environment, and that is the great Labor lie in the middle of all this.

We had the Prime Minister—in a now well-documented broken promise—before the last election mislead the Australian people by saying, 'There will be no carbon tax under the government I lead.' But it is worse than that. The Prime Minister perpetuates the lie today because she wants people to believe that the scheme that is on the table will actually make a difference to the environment. It will not. Shifting emissions overseas, shifting emissions to parts of the world where these emissions are going to be higher for the same amount of economic output, is not fixing climate change. It is not taking action on climate change. It is, as a US congressman described it a few months ago, a unilateral act of economic self-harm.

Not only is this a high-spending, high-taxing government that has delivered record levels of debt; it is also a government that wants to choke small business across Australia in red tape. I encourage you, Madam Acting Deputy President Fisher, to go back to the statements before the 2007 election by the member for Griffith, Mr Rudd, who was then the Leader of the Opposition, and also by Dr Emerson. They made some commitments at that time about what would happen to regulation under a Labor government. They had a little catchphrase. Mr Rudd was pretty good at the four-word slogan. It was 'One in, one out.' That was his slogan around regulation. 'One in, one out,' he said. For every regulation that the government was going to put in, they were going to take one out; that was the promise. But there have been more than 12½ thousand new regulations under this government.

Madam Acting Deputy President, how many regulations do you think went out? Do you think that, as there were 12½ thousand new regulations in, there were 12½ thousand old regulations out? No. There were less than 100. I am not sure what the most recent figures are, but when I last looked, around 58 or 59 had gone. There might be a few more, but I would put it to you, Madam Acting Deputy President, that, under this government, less than 100 regulations have been rescinded or abolished in return for more than 12½ thousand new regulations under this government.

There is, of course, a better way. Tony Abbott, our leader, the leader of the coalition, the alternative Prime Minister, commissioned a task force before Christmas, the coalition deregulation task force. It is chaired by Senator Arthur Sinodinos, a very
distinguished senator from New South Wales with very senior experience in government, in Treasury and in the financial services sector. He will chair a task force which will look for cuts in red tape that will deliver up to $1 billion worth of savings to business per year.

Not to be outdone—because the government know a good idea when they see one—what did we get from the government the other day? We had the Prime Minister out there in front of a small business announcing an effort to cut red tape. She was trying to make it look as if it was her idea, but a couple of months earlier Tony Abbott had long been onto it. If imitation is the best form of flattery then this is it. But the Prime Minister also wanted us to believe that it would be not $1 billion worth of savings but $4 billion worth. She pointed to Productivity Commission research which said that, if only all these recommendations from the Productivity Commission could be implemented, we could save $4 billion per year. But of course she never said that she supported those recommendations from the Productivity Commission; she just pointed to that research. I would be interested to know whether the Prime Minister supports the recommendations, the reform proposals, that have been put forward by the Productivity Commission.

Over the last four years with Labor, we have always had to look at what they do and not listen to what they say. What they say is never what they do. It is like that across many areas of government, including, in particular, their promise to cut regulation. Remember Mr Rudd in the lead-up to the 2007 election describing himself as 'an economic conservative'? Yet since then we have had budget deficit after budget deficit after budget deficit. There have been four budget deficits in a row—$167 billion worth of accumulated deficits. When I criticised Minister Wong for having presided over a $25 billion blow-out in the deficit this financial year alone, the $25 billion Wong black hole, I was told, 'Oh well, the coalition didn't always get their budget estimates right either.' But guess what? When Mr Costello was the Treasurer, the question always was, 'How big is the surplus going to be?' He would be asked, 'Is it going to be $1 billion? Is it going to be $2 billion?' These days the question is, 'How big is the deficit going to be this year?' And that is the question on all our lips now: how big is the deficit going to be this year? I would like to know. In 2010-11 we were told that the deficit was going to be $41.5 billion. When we got to it, it was nearly $50 billion—an $8 billion deterioration in our budget bottom line. Of course, I have already talked about what the circumstances are this year.

This is a high-spending, high-taxing, fiscally reckless and red-tape-imposing government, and it is time for them to go. It is time for this Labor government to go because people across Australia know that they deserve better. They deserve a coalition government led by Tony Abbott.

Debate interrupted.

**FIRST SPEECH**

The PRESIDENT (17:00): Order! Before I call Senator Bob Carr, I remind honourable senators that this is his first speech; therefore, I ask that the usual courtesies be extended to him.

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (17:00): Mr President, I am advised by the Parliamentary Library that I am Senator
number 548. All those senators, of course, are household names, their likenesses hanging like relics on the walls of a thousand schools, their names tripping to the tongue of a grateful nation and their public service celebrated in every corner of Australia. But you might suspect I jest!

In truth, it is a very great honour to be here; to be able to serve our country, a country whose history, geography and people you think you know, in this Senate. In truth, since I was 15 and finished reading Finn Crisp's biography of Ben Chifley, I have been inspired by the honour of representing my 'grand old party' in a parliament.

A friend of mine, John Wheeldon, served in this Senate—the late John Wheeldon, who represented Western Australia in this Senate. I remember listening to the radio as a student and hearing his maiden speech in the Senate in 1965 when he was opposing waterfront legislation introduced by the Menzies government. John Wheeldon once said to me that he was so enamoured of serving in politics that he would rather have been a member of the Legislative Council of British Guinea than editor of the Times. Norman Mailer, the American novelist, who I counted as a friend, said on one occasion that he had an adolescent crush on the profession of writer. I could say that as an adolescent I had a crush on the profession of being a Labor member of parliament.

I am advised by the Parliamentary Library that I am the only premier of New South Wales of any persuasion to serve in the Senate, although there are former premiers—five of them—who served in the House of Representatives. I pay tribute to one of them, a political opponent, John Fahey. I fluked an election win against John Fahey, who was a formidable premier, and someone who the Liberal Party of New South Wales should pay its courtesies and respects to. I have always admired him, and he went on to be a very sound finance minister, although not up to the standard of my colleague, Senator Wong.

If I have to pick another former premier of New South Wales who served in this parliament, it is George Houston Reid. And I wonder if the Senate would pardon me if I dwelt for some minutes or so on a man who, with a drooping moustache, a slipping monocle and a high, pipsqueak voice, served as an opposition leader in New South Wales, as premier from 1894 to 1899, for one year as Prime Minister of Australia and as the first High Commissioner. He was the man who bought Australia House. Then he went on to serve in the House of Commons. This, I might add quickly, is my last territorial claim on the Australian parliament!

Reid was described by Dr Evatt in a beautiful book that captures the flavour of Australian politics over 100 years ago called William Holman: Australian Labor Leader. William Arthur Holman, the second Labor Premier of New South Wales and later a Nationalist member of the House of Representatives, was himself a former New South Wales premier serving in this parliament. Evatt, in this book on Holman, spends a bit of time on George Reid. He says:

Under the average height, weighing over seventeen stone, Reid soon overcame the severe handicap of so rotund a figure. With a piping voice and slow enunciation, he was able to employ his single eyeglass so effectively that, although his audience laughed often, they always laughed with him and not at him. Indeed, he often employed a very keen sense of humour for a very serious purpose ... Reid was one of the greatest platform speakers and one of the ablest parliamentarians in Australia. The critical crowds of the industrial electorates began to realise that Deakin's rhetorical flourishes lacked the substance, the logic and the argument of Reid,
well wrapped up as his speech often was in satire, humour and plain rollicking fun.

Evatt went on to write:

His enemies had confidently expected that Reid's fondness for the pleasures of the club, the theatre, the ballroom and the table would ensure his failure as Premier. These social temptations, it was thought, would frequently divert him from his parliamentary duties, so if the protectionists could not put him out, at least Parkes, Wise or McMillan—

Free Traders like him—

would put him out. But Reid's enemies were profoundly disappointed. Until 1899 he reigned almost supreme in New South Wales.

But when my forebears in the New South Wales Labor Party did vote him out, because they got a better deal on shopping hours reform from his opponent—support in return for concessions—Reid was deprived of the chance to come here as the first Prime Minister of Australia. Leadership of the conservative forces passed to the protectionist, Alfred Deakin, and away from the Free Trader, Reid.

Reid was passionate about free trade because he believed in social justice. He believed that there was something wrong in the colony of New South Wales getting most of its tax revenue from customs duties, because that increased the cost of living of working families. That was why he was a Free Trader. He fought battles to get a reformed budget—a different fiscal policy—through the Legislative Council of New South Wales, going to the people when the upper house rebuffed him. He argued for a tax on land and an income tax to take the place of this total reliance on inequitable customs duties that hurt poor families.

He said in one brilliant speech:
The working classes are spoken of as selfish and grasping, but they have gone on for nearly 40 years bearing nearly twice their share of the taxation of the country without organised opposition to this positive injustice affecting them. Put that alongside the conduct of the Legislative Council and I would like you to tell me which is the narrow, selfish, grasping class in the community.

It is an honour to be making my maiden speech here, years after I thought I had left parliamentary service behind, and to be doing so while serving the country as Minister for Foreign Affairs. I subscribe to the view that Australia is a creative middle power and an activist middle power that defends its interests—which is, after all, the essence of foreign policy—but which sets itself a model of good citizenship. I acknowledge straightaway that large slabs of bipartisanship exist in foreign policy, not least in the treatment by the coalition of our commitment to Afghanistan, and I believe that 1,550 Australian fighting men and women would be grateful for that.

I remember celebrating the end of the Sydney Olympics in October 2000. The closing ceremony was a wry celebration of the Australian character. I remember that as I left the stadium I passed Henry Kissinger, the former US Secretary of State, and because the ceremony had been full of esoteric references to thongs and Hills hoists and other Australian symbolism I thought I should not apologise but explain. I leant over and said to Henry, 'Henry, you've got to understand we are a very funny people.' He had a distant, quite emotional look in his eyes and he said, 'You know, this is the only other country I would consider living in.' I thought that a tribute to what I described three weeks ago as the sweet, funny, brave country we call Australia.

The fact is, the land we call our own—the land owned by these sweet, funny, brave people—is being transformed, as is the rest of the planet. Yes, since the late eighties I have been an unapologetic believer in the grim reality that human activity is changing
the earth's climate. Everything I have looked at in all those years has strengthened my belief that this is the truth. Each decade has been warmer than the previous decade since the 1950s. Australian annual average daily maximum temperatures have increased by 0.75 degrees Celsius since 1910. Average global mean sea level for 2011 was 210 millimetres above the level in 1880. Average global mean sea level rose faster between 1993 and 2011 than during the 20th century as a whole. And so the indicators accumulate, all of them pointing to and all of them confirming the fact that it is human activity that has driven this process.

An article in the *Economist* magazine over a year ago did not question the reality of this phenomenon or the role of humans in driving it but only posited that it was too late to stop and we had to adapt. The *Economist* said this global warming was mankind's 'craziest experiment', and I do not think we could have put it better. Bill Clinton described global warming as nature's weapon of mass destruction and the brilliant author Bill McKibben, in his book *Eaarth: Making a Life on a Tough New Planet*, reminded us that this is the way we live now. This phenomenon is upon us. What was prophecy when I first started reading about it in the late eighties and early nineties is the way we live now. He said in his book:

*Here's all I'm trying to say: the planet on which our civilization evolved no longer exists. The stability that produced that civilization has vanished; epic changes have begun. We may, with commitment and luck, yet be able to maintain a planet that will sustain some kind of civilization, but it won't be the same planet, and hence it can't be the same civilization. The earth that we knew—the only earth that we ever knew—is gone.*

His book plays with the spelling of 'earth'—eaarth—which is his device of reminding us that the earth today is different from the earth of only a decade or two ago. Human activity has changed it. This is how we live now. It is upon us. It is the way we live.

I do not want to waste the time of the Senate by rehearsing arguments. I have here a list of countries that have implemented a price on carbon or an emissions trading scheme and I have a list of those that are applying a tax—implicit or explicit—higher than the one we have. I wish I had been in this house to have participated in the debates on this issue from 2009.

I am proud to stand here as someone who as Premier of New South Wales introduced three things on this subject. First, I introduced the end of broadacre land clearing in 1996. Peter Beattie in the early 2000s was to implement a similar measure in Queensland. Together that ban on broadacre land clearing in these two states enabled Australia to say that we had met—or almost met—our Kyoto obligation. It was state Labor governments fighting with large sections of the primary producer community that produced that outcome.

Second, as Premier I was proud to introduce what I am assured by the World Bank is literally—actually—the world's first carbon trading scheme. The New South Wales Greenhouse Gas Reduction Scheme came in in January 2003. The European scheme did not come in until two years later in January 2005. We applied a limit to the emissions from the power sector and required offsets where those emissions were exceeded.

Third, I was proud to stand with representatives of the house-building industry and the environment movement in 2004 and introduce what I am assured were the toughest standards for new housing in New South Wales on energy and water. Those BASIX standards have stood the test. They have built into houses a requirement
for natural air conditioning to minimise the reliance on air conditioning, for example, producing that 40 per cent reduction on energy use.

I want to share a pessimistic vision with the Senate. What if the shock we have sustained to the planet and to our way of life through changes in the chemical composition of the atmosphere that surrounds the earth is actually a precursor to another huge environmental shock? Bear in mind that global warming has caused, by this crazy experiment, a change in the chemical composition of the atmosphere around this planet. If you had gone up and filled a test tube with air from one of the highest mountains on the planet in, say, 1950 and then did the same thing today, the air you would be trapping in the test tube would be chemically different. It would be a different product. This is the experiment we are engaged in. This is what we are living in. But what if this shock, this chemical experiment with the earth's atmosphere, is only the first of a series of shocks we might sustain?

And what about the oceans? Their chemical composition is changing as they absorb more and more of the carbon that our civilisations have been emitting. According to one measurement, the Southern Ocean, which lies between us and the environment of Antarctica, absorbs about 40 per cent of all the human-driven carbon dioxide released around the world each year. The chemical composition of the oceans is changing—a process known as ocean acidification. Currently about one-quarter of the carbon dioxide released each year by human activities is absorbed by those oceans. As the concentration of carbon dioxide increases, the water becomes more acidic. Its chemical composition changes as that of the atmosphere has been changed, and so many disastrous implications follow. Among other things, there is a change in the exoskeletons of marine animals. They become brittle and frail, introduced to a sort of osteoporosis.

Then there is what is happening to the earth's coral. I spoke a moment ago with a group of ambassadors from all around the world, UN ambassadors brought to Australia to discuss with us our bid for the United Nations Security Council. It was the UN ambassador from Serbia who said that, as a diver—Serbia is now a landlocked country, but the ambassador used to represent Yugoslavia—he cannot find a coral reef that is intact from chemical change. When I told him I was going to give a speech and refer to ocean acidification, he understood implicitly the change that is going on.

We are an island state with the third-largest marine jurisdiction in the world. My parliamentary colleague Senator Feeney tells me that, with our landmass and that of the South Pacific, we occupy 20 per cent of the earth's surface. We have a great issue here. With our partners, the small island states of the South Pacific, there is a lot involved in it. I understand that those small island states are eager to have us make a commitment to the blue economy.

My colleague the Minister for Sustainability, Environment, Water, Population and Communities, who I see in the gallery, is going to go to Rio+20, the UN Conference on Sustainable Development, in June, with bold Australia ideas, a program and a sound record in this country of ocean management. But this is a global challenge.

I want to address another global challenge. One month ago, US soldiers burnt copies of the Koran at Bagram Air Base in Afghanistan. Days later, young people destroyed 238 war graves in Benghazi, Libya. Whether intentional insult or error of judgment, such acts can look like cultures at war. Senators may recall the sense of cultures being at war that was felt on hearing
reports of the terrible dynamiting by the Taliban of the Buddhas of Bamiyan—those statues carved in stone 15 centuries ago. At such times, people might subscribe to the notion that we are being tugged toward the nightmare that the American writer Samuel Huntington predicted in his 1996 book the The Clash of Civilisations and the Remaking of World Order. I remember King Abdullah of Jordan saying at a Davos conference in 2004:

Let us avert the clash of civilisations, and help the overlap of cultures.

I think those were eloquent words. That notion of an overlap of cultures, I think, is inspiring, especially compared to the alternative notion of monochrome monoliths destroying one another's statuary, smashing one another's grave sites and burning one another's books.

There have been in the world's history some marvellous cultures of tolerance, and we should dwell on them. In southern Spain, in medieval times, Moslems, Christians and Jews lived and worked together in the polity known as al-Andalus. Andalusia, of course, springs from that Arabic noun. One of the caliphs, Abd-al-Rahman III, who ruled between 912 and 961—his name has probably not been spoken in this Senate chamber for many years—appointed a devout Jewish scholar, Hasdai ibn Shaprut, as his foreign minister. Why recall this all these centuries later? Simply because of the symbolism. Here was a Moslem ruler who appointed a Jew as his foreign minister. It is what King Abdullah must have had in mind: an overlap of cultures.

In that civilisation, al-Andalus, while Christian Europe's libraries were small, the caliph's library at Cordoba reportedly burst with 400,000 volumes. Jews in this civilisation had their sacred writings translated into Arabic, because they liked the sinuosity of the language. As Maria Rosa Menocal wrote in The Ornament of the World—a beautiful book that I commend to the Senate—this was a society that had the courage to 'live with its own flagrant contradictions'.

I have sometimes asked Chinese politicians as we have talked over dinner, 'What was your favourite dynasty?' More often than not, they nominate the Tang dynasty, ruling between 618 and 907. It was a time, according to many of my Chinese interlocutors, 'when China opened to the world and the world opened to China'. Its sometime capital was Xi'an, a walled city of one million people, with mosques and churches and Buddhist monasteries where ancient texts from India were being translated into Chinese. Persian princes in exile made it their home. The grid-like streets were thronged with tradesmen, horsemen, acrobats and musicians who travelled from central Asia along the silk route. You can see statuettes showing them with their non-Chinese features and dress in the museums of China today. They were staples for Tang dynasty tombs. According to recent research, it seems Chinese civilisation, especially under the Tang and Song dynasties, was more cosmopolitan and diverse than we can imagine from this distance. The empire was full of roving foreigners learning from Chinese civilisation. China opened to the world and the world opened to China.

Sydney businessman John Azarias recently wrote an account, that was published in the Financial Times, of the Greek Alexandrian poet Constantine Cavafy whose: 'constant companions of the mind were the multi-ethnic worlds of the Seleucids, of the Ptolemies, of Byzantium and of the Ottomans'. It was, as Azarias said, 'a quintessentially Alexandrian spirit'. Again, this culture was untidy, overlapping,
contradictory and pluralistic—not a culture demanding conformity to a single religion or language—surely rich enough to fit King Abdullah's ideal of 'an overlap of cultures'. As I remember hearing Bill Clinton say once: 'Our differences make us interesting. Our common humanity is more important.'

We should ask what we Australians can do, in our modest way, to steer the world away from Koran burnings, the bombing of Buddhhas and the despoilation of brave soldiers' graves towards peaceful overlap and pluralism. We can make sure that our multicultural society continues to tick over. I do not think there is a need to fetishise multiculturalism or to give it a capital M but, simply, to relax into our easygoing Australian ethnic and cultural diversity based on tolerance and respect. We can redouble our efforts in the Alliance of Civilisations—and earlier this afternoon I met another UN ambassador who was a member of that alliance—sponsored by the governments of Spain and Turkey. We can enhance our work in the region for interfaith dialogue. We can work with Indonesians, the largest Islamic nation in the world, which continues to spurn extremism.

As Burma democratises we will give it increased aid, of course, to educate and feed its starving children. We will encourage it to resolve complex internal conflicts and to entrench human rights. But we ought to find a bit of extra money, because I understand that in a corner of Rangoon you can find a few streets that include a synagogue, created by Jews from Iraq in the 1890s, sitting next to a 1914 Sunni madrasa, which in turn faces a Hindu temple not far from a Hokkien temple and not far from Methodist, Catholic and Anglican churches—all nearby.

Running foreign policy is about protecting our national interest, although by every tenet of diplomatic doctrine that comes first and foremost. It is also about being an exemplary global citizen when it comes to protecting human rights and protecting the world's oceans. To this I would like to add that in foreign policy we may also promote and defend cultural diversity, the idea of a planet of seven billion that celebrates and does not deny its contradictions.

Mr President, I reflect for a second or two on the vagaries of political life, the planetary alignment of democratic politics that deposited me on this bench. As I said three weeks ago: I am enlisted for the duration. What an honour to serve.

BILLs

Appropriation Bill (No. 3) 2011-2012
Appropriation Bill (No. 4) 2011-2012
Second Reading

Debate resumed on the motion:
That these bills be now read a second time.

Senator RONALDSON (Victoria) (17:28): I am not sure if we have just seen Bob the senator or Bob the historian or Bob the blogger but I do congratulate my new colleague on his first speech. I note with some interest the content of Senator Bob Carr's speech in relation to the environment and I have a question for him: as premier, would he have gone to the people of New South Wales two days before an election and told them a complete untruth on what he was going to do about such an important policy as a carbon tax?

Because I remind Senator Bob Carr that two days before the last election the person who prevailed upon him to come into this place was indeed the very person who told the great lie of Australian politics in the last century, and that was: There will be no carbon tax under a government I lead.' I ask Senator Bob Carr: would he have gone to the New South Wales people and told a complete untruth? That is what I would like
to hear from Senator Carr when he makes his next speech.

I would like to refer Senator Bob Carr to an article in the *Australian* in February of this year written by Graham Lloyd, the environment editor. I will just read it because, with the greatest respect to the new senator, I did not think his Chicken Little approach to what lies ahead was a constructive debate in relation to where we will be in the next 10, 20 or 50 years.

Graham Lloyd, the environment editor, said:

Himalayan glaciers are back on the frontline of climate change controversy, with new research showing the world's greatest snowcapped peaks lost no ice at all over the past 10 years.

Claims the Himalayan ice peaks would disappear by 2035 instead of 2350 cast doubt over the credibility of the UN's Intergovernmental Panel on Climate Change 2009 report. Now even the 2350 estimate of disappearing ice is open to question.

Research published in the scientific journal *Nature* showed satellite measurements of the ice peaks from the Himalayas to Tian Shan on the border of China and Kyrgyzstan have come to an unexpected conclusion.

While lower-altitude glaciers were melting over the past eight years, enough snow was being added …

… … …

In 2010, the head of the IPCC was forced to apologise for including in a 2007 report the claim that there was a 'very high' chance of glaciers disappearing from the Himalayas by 2035.

Rajendra Pachauri, the chairman of the IPCC, conceded in January 2010 that 'the clear and well-established standards of evidence required by the IPCC procedures were not applied properly' when the claim was included.

I do want to talk about some other matters. One is that in 2012 we mark the 70th anniversary of a number of matters that were an indication of the darkest of days in 1942 and the challenges facing this nation. Without an exhaustive list, of course I note the fall of Singapore; the bombing of Darwin—and Natasha Griggs from the other place, the member for Solomon, is responsible for a motion, accepted by both chambers in the end, that we recognise the bombing of Darwin, and full marks to her; the battles of Sunda Strait and Bantam Bay and the sinking of HMAS *Perth*; the bombing of Broome and Wyndham; HMAS *Yarra*, sunk off Java; the battle of Java itself; the battle of the Coral Sea; attacks on Sydney Harbour by Japanese midget submarines; the Queen unveiling Bomber Command Memorial in London this year on 28 June; the sinking of the *Montevideo Maru*; the battle of the Kokoda Track in New Guinea; the battle of Milne Bay in New Guinea; the battle of El Alamein in Egypt; and of course there are others. This is a moment and a year of solemn reflection for this country.

I want to talk about another matter that relates to a function I attended with the Leader of the Opposition, the Hon. Tony Abbott, in Bendigo on 5 March. There the Leader of the Opposition in writing again pledged the coalition to address the DFRDB and the DFRB indexation matter. Again, the Leader of the Opposition has set in stone the commitment of the coalition to address the wrongs that should have been righted many years ago—and I acknowledge it should have been righted by the former government. But I am not here to debate what happened before; I am here to debate and talk about what we need to do now. This chamber should be ashamed that on 16 June last year when the opportunity was there to address this issue of the fair indexation of this superannuation, which we all know is a wrong that should be righted, the Australian Labor Party, the Greens and Senator Xenophon voted it down.

**Senator Edwards:** Shame!
Senator RONALDSON: A unique opportunity—and, as Senator Edwards said, a shame. It was indeed a disgrace. We will index the military superannuation pensions the way they should be. Can anyone in this chamber tell me—I know from our side that they can, they will have the answer; but can anyone from the Australian Labor Party or the Greens tell me how it is appropriate to index age pensions and service pensions differently for these men and women? It is outrageous, it is unfair and it is inequitable, and this chamber had the opportunity to address it in June last year and it did not do so. That is to the eternal shame of this chamber. It is to the eternal shame of the Australian Labor Party and the Greens, and they stand utterly condemned for not addressing fair indexation when presented with the opportunity to do so.

Don’t forget, this was about fair go. This was the opportunity to give 57,000 Australian families a fair go, and a fair go was not given. I know there are many, many Labor members who quite rightly have been inundated with emails and other correspondence from veterans, not just from those on the DFRDB and the DFRB but from many veterans who are absolutely incensed about what has happened.

Senator Edwards: Completely let down.

Senator RONALDSON: Completely and utterly let down, as Senator Edwards said. But the coalition will not let these men and women down, and that pledge is absolutely now written in stone. Another matter of enormous concern is the decision of the government last year to slash $8 million from veterans advocacy funding and the Veteran and Community Grants program. Just to put this into perspective, the state where this will have the biggest impact is Victoria. When the government released its advocacy review there was money set aside, quite rightly, to enable work to be done to include in New South Wales and Queensland the sorts of veterans welfare centres that Victoria had. But, remarkably, it has now removed that money. A reduction in funding was not mentioned or addressed at all by the advocacy funding review. In fact, if you read the review properly there is probably a very good reason to increase funding. So the very welfare centre model that the government was putting money into to spread the centres has been utterly decimated by the government's decision to remove $8 million.

There is a very real chance that the Ballarat Veterans Support Centre will close. The Central Victorian Veterans Support Centre in Bendigo is under enormous strain. The administrator has taken a pay cut so the centre can remain open. It is the same in Geelong. It is the same in the Blue Mountains. Everywhere I go I am confronted with veterans advocates and pensioner welfare officers telling me they wonder why they are doing this work when the government itself refuses to acknowledge the work that they are doing. These are volunteers volunteering their services for the veteran community—some are veterans, a number are not. They believe this role is so important that they volunteer their services. And the government, in that budget decision last year, absolutely ripped the heart and soul of these centres and ripped out of those volunteers to some extent the commitment that they previously had. They themselves are saying, 'If that is the way the government treats us, why should we continue doing this?' I am confident they will because I know the cause is bigger than the incompetence of this government.

Turning to the BEST funding, young veterans and their families are the ones who potentially will lose the most out of these centres not providing potentially the level of service that they were. Those young men and
women are the ones who, if they have got nowhere to go, are more likely to walk away from accessing their entitlements—legitimate entitlements given by the people of this country in recognition of the uniqueness of the military service they have been engaged in. The uniqueness of military service must underpin every decision we as a nation make and underpin every decision that comes from both here and the other place. The uniqueness of military service has not been recognised with the slashing of the BEST funding.

The veterans, quite rightly, are utterly incensed that they must pay for the incompetence of this government. It is not just the DFRDB recipients. It is TPI pensioners and the widows who cannot access the gold card. I can go on and on. I will tell you why these veteran issues cannot be addressed. I will go through some of the reasons. The Home Insulation Program: $2.4 billion was wasted and mismanaged. The Building the Education Revolution: a $1.7 billion blow-out on school halls with a program costing $16.2 billion and estimates of up to $8 billion wasted. The Computers in Schools program: blown out by $1.2 billion, with one million computers promised but only 300,000 delivered. The Broadband Network: promised for $4.7 billion but replaced with a $43 billion plan. There was FuelWatch and GroceryWatch. There was the solar home program: a $150 million blow-out with the program cancelled. Green Loans program: $300 million wasted, with the program cancelled. And, to rub salt into the wounds of those people who served this country, there has been nearly $1 billion spent on consultants by this government since they came to office in 2007. Government advertising is another one: the stimulus advertising, $50 million wasted; climate change advertising, $14 million wasted. There was $81.9 million to implement the ETS that never was. For the 2020 Summit: $2 million wasted. The tax bonus payments: $46 million wasted, with money sent to people overseas, criminals and dead people. It is about time we got our priorities right.

I will raise another matter. The cost of servicing the 'loan' that this government has imposed on the people of this country—every man, woman and child—is an interest bill of $8 billion. Given the appropriate amount of time, I could go through, chapter and verse, every single dollar that could have been spent from that $8 billion on the veterans of this country. That $8 billion would pay for the bulk of the issues that the veteran community, quite rightly, is angry about. If there was some good to have come out of this waste and mismanagement, there might have been an excuse for it. But how can any government turn around a country with budget surpluses and no debt into something now approaching about $130 billion to $140 billion of net debt and borrowing $100 million a day? I thank Senator Edwards and Senator Cash for assisted me with this figure: we are borrowing $100 million a day. It is absolutely outrageous. In the four minutes left I want to raise several other matters. I pay tribute to the outgoing Chairman of the Council of the Australian War Memorial, General Peter Cosgrove. General Cosgrove steered the Australian War Memorial through difficult times. I do not want to politicise these comments, but I will say the government was dragged kicking and screaming into providing the War Memorial with desperately needed funds. On behalf of the coalition and, I am sure, on behalf of this chamber and the Australian people, I thank General Peter Cosgrove most sincerely for his contribution. I do, on behalf of all those aforementioned, welcome Rear Admiral Ken Doolan AO RAN (Ret'd) as Chairman of the
Council of the Australian War Memorial. Admiral Doolan joins a distinguished list of Australians who have served as chairmen of the Australian War Memorial's council. I have every confidence that Admiral Doolan will forthrightly represent the Memorial's views to the government and ensure that projects like the gallery's redevelopment are properly funded and delivered on time.

I turn to some remarkable comments by Councillor Cameron Granger, the Deputy Mayor of Geelong, who, of course, is a member of the ALP right and is in the faction of Richard Marles, the member for Corio. The Geelong Advertiser reports today that Councillor Granger at a Geelong business network breakfast had the gall to attack the Premier of Victoria over Alcoa. He made the quite remarkable comment: 'Mr Premier, we can't wait. Devise a plan to assist and get on a plane to New York.' Well, I have got some advice for Councillor Granger: why doesn't Councillor Granger, the Labor Party lackey Deputy Mayor of the City of Geelong, get on a plane and fly to Canberra and tell the Prime Minister of this country and the right wing of the Labor Party that he does not want a carbon tax, because the carbon tax is the one imposition that will destroy manufacturing jobs in Geelong. So if Councillor Granger gets on the plane and comes here, then let us see what outcome he will get and whether he can address this outrageous attack on Geelong manufacturing and other jobs, and this outrageous attack on Geelong families. When Councillor Granger says we cannot wait, I say to Councillor Granger: I can't and we can't wait for you to start doing your job properly and stop playing cheap partisan politics when the City of Geelong and the region of Geelong is under such enormous threat.

I will finish on this. The coalition has given the government our absolute commitment to bipartisan support for the Centenary of Anzac. It will be an extraordinarily important period in this nation's history. We have the opportunity over the term of that commemoration to provide our children and leave them with a legacy that should be modelled upon the legacy left by a former Labor veterans' affairs minister, Con Sciacca, who in my view left a remarkable legacy to this country with the Australia Remembers program. What we must do is generate in the hearts and minds of our young people ownership of those things that we hold dear. It is our children, and not the current World War II and other older veterans, who oddly have the responsibility to ensure that this country never ever forgets.

Senator CASH (Western Australia) (17:49): I rise to contribute to the debate on Appropriation Bill (No. 3) 2011-2012 and Appropriation Bill (No. 4) 2011-2012. This is a government that, when it comes to spending taxpayers' money and when it comes to robbing the mums and dads of Australia blind, has absolutely no shame whatsoever. Time and time again when faced with a situation where there is no money left in the pot, what does it do? Does it do what an economic conservative would do, which is sit back and take stock of why there is no money in the pot? The answer to that when it comes to the Labor Party is no. The Labor Party has no shame at all. It merely comes into this place with another bill requesting a few more hundred million dollars from the Australian taxpayer and says to the parliament, 'We have run out of money, and we need a bit more.'

Why do I say that? That we are currently debating appropriation bills in the Senate is proof of the fact that this government, consistent with so many Labor governments that have gone before it, when it comes to managing the Australian economy is absolutely reckless. It is not just the coalition
saying that. Let's look at the figures. When the Rudd government came to power in November 2007 a great gift was bequeathed to it, and that was the legacy of the former Howard and Costello government to the tune of $22 billion with zero debt. Let's look at the situation four years on. We have had the execution of Mr Rudd, who now has so many 'formers' before his name it is embarrassing. Let's look at the situation now under the current Labor government. Under Labor, Australians are now bearing the brunt of the four biggest budget deficits in our history—not four budget deficits, but the four biggest budget deficits in Australia's history. Under those who are currently in government, Australia is borrowing $100 million each and every day of the year, and that is merely in interest alone. That's right, the Labor government is currently borrowing $100 million a day. The figure is so big you can hardly get your mind around it. If you equate that back to the average household budget, it would be like the mums and dads of Australia borrowing $1,000 every day to prop up their reckless spending. But the mums and dads of Australia cannot do that because they have to stick to very strict budgets. Unlike the Labor, they do not have the capacity to come back into this place and say, 'We are economically reckless. We have wasted taxpayers' money. We have no shame and we are going to ask for some more.' That is exactly what the Labor Party are doing under the bills we are currently debating.

Under Labor, not only have Australians had the economy destroyed but they have also been hit with no less than 20 increased taxes in just four year. The Labor Party must be the only party which, when they put through a tax in the Senate, open bottles of champagne and congratulate themselves and say, 'Well done. We've just re-robbed the Australian taxpayer blind. We think they're mugs to pay for our reckless spending.' And who pays the price for this government's continued fiscal incompetence? It is the Australian people. It is the mums and dads of Australia. Governments do not have any money of their own. The money the government has comes from the mums and dads of Australia who pay tax. They have a right to expect that the hard-earned taxes they hand over to the government will be expended appropriately. And what do we have under this government? This government have ensured that Australians are now consistently struggling under rising costs of living due solely and utterly to their reckless spending.

I am going to turn to the portfolio that I refer to often in this place, and that is Immigration and Citizenship. What these appropriation bills are doing in relation to Immigration and Citizenship is seeking an additional $330 million. That is right, the government has come here today cap in hand seeking an additional $330 million in that portfolio alone. In typical Labor style, when these bills were debated in the other place they were described by Minister Shorten as: These funds are sought in order to meet requirements that have arisen since the last budget ... What a quaint and innocuous statement which, quite frankly, shows the contempt with which the Labor Party treat Australian taxpayers. Minister Shorten failed to tell Australian taxpayers the real reasons why, in February this year, the Labor government had to come cap in hand to the parliament and ask for an extra $330 million for the Immigration and Citizenship portfolio. Why did they need the money? The additional $330 million is to make up for a further blowout in last year's costs and a further increase for the 2011-12 budget, cost blowouts which, I note, Bill Shorten conveniently did not mention when he introduced the bills into the other place.
Mr Shorten refused to come clean with the Australian people. He refused to be honest with them and tell them why an additional $330 million, on top of what this parliament appropriated in the budget last year, was actually required. If he had any decency at all, if he had any respect for Australian taxpayers, he would at least have said in his speech to the parliament that Labor's decision to abolish the Pacific solution, to abolish temporary protection visas, to abolish the Howard government's proven border protection policies, is the sole reason for what is now a multibillion dollar cost blowout in this particular portfolio area.

Why do I say that is the case? Because the government has now admitted—on Monday, 13 February 2012 in Senate estimates—that Mr Rudd's decision to abolish the Pacific solution and temporary protection visas has increased costs for taxpayers with the budget for the Department of Immigration and Citizenship blowing out by more than $1 billion a year since Labor was elected. In this portfolio they are now looking at a cost blowout in excess of $4 billion. In the Senate estimates I drew attention to the fact that since Labor was elected the cost of running the department of immigration has increased from $1.6 billion in the last year of the Howard government to more than $2.7 billion following the release of the additional estimates figures. When I put this to the department, this is what they said:

**Senator CASH**

Senator CASH: The cost since the 2008-09 budget have increased from less than $500 million over the forward estimates to more than $3 billion based on the current figures. And again I ask you: what was the impact on your department of the changes in policy of the Rudd and Gillard governments? Was it an increase in costs?

**Senator Lundy**: Senator Cash, you are trying to extract from the official some comment on policy. That is inappropriate.
the parliament and asking for additional moneys to cover up the fact that Labor could not get it right.

In just five months since abolishing the Pacific solution and temporary protection visas the Labor government are now spending on boat arrivals what they said they would spend in four years. The result? The result is why we are here today. In relation to this particular portfolio area, the parliament is going to legislate for the government to go and waste a further $330 million to cover what is just another cost blowout. That is on top of when they came back to the parliament last year cap in hand and asked for an additional $295 million, because again they could not get their figures right. There will be $330 million extra this year, on top of $295 million extra last year and $120 million extra the year before. You would think that the government would start to try and properly estimate what this portfolio is going to cost them; $120 million extra, $295 million extra and today we are going to give them another $330 million. That is just for this portfolio area.

The question Australian taxpayers should be asking is: when is this government's insatiable appetite for wasting taxpayers' money going to end? But the sad reality for the Australian taxpayers is that when it comes to border protection the Labor Party only ever had a political strategy—that is, to appease the left of the Labor Party and the Australian Greens. When you enter into an unholy alliance, as the Labor Party have done with the Australian Greens, someone gets to pay for it. In this case the someone is the Australian people, the mums and dads of Australia.

The additional estimates released by the government now show the extent of the current budget blowout in this portfolio area. The actual extent of the blowout is $866 million, or more than 25 per cent of what the government had estimated it was going to spend. I have to say that in May, when the government brings down this alleged surplus, one can only assume that if it has not been able to get its figures right in relation to this portfolio to date—and that is going to translate across a lot more portfolios—it will bring down a magic number, which I believe will be plucked out of the air because it is going to be fake, and the Australian taxpayers will be entitled to think that it is just one great big lie. To date, when it comes to economic credibility, this government has proven time and time again that it has absolutely none.

If we look across the entire immigration portfolio—and this does not include last year's budget blowout—the increase for the four years to 2014-15 is $759 million. This is $559 million, or almost three times, more than the $197 million the Treasurer and Minister Bowen told taxpayers the bill would be for immigration when they released MYEFO for this period last November. In just the two months, between November and February—and I have to say this is quite a good effort—the government has blown out its estimates by more than $560 million. It would be funny if it were not actually true. It would be funny if it were not for the fact that the mums and dads of Australia, who are already struggling under the 20-odd taxes that the Labor Party has so proudly imposed on them in the last four years, will have to foot the bill. It would be funny if it were not for the fact that new reports have been released that show that Australia's electricity prices are at a record high and are only going to get higher as of 1 July when the carbon tax is introduced. But it is not funny. It is not funny because the only people who are going to end up paying for this and, in fact, the only people who are already paying for this, are the Australian taxpayers. They are paying
for it because the government is borrowing $100 million every day due to its inability to manage the economy properly. Under both Mr Rudd and Ms Gillard, the Labor government have presided over disaster after disaster, failure after failure, budget blow-out after budget blow-out, and boat arrival after boat arrival—all at the expense of the Australian people. The strong, robust economy that they inherited from the previous, coalition government has now been well and truly destroyed and is but a distant memory. In fact, a $22 billion surplus has been reduced to what is possibly going to be a $37.1 billion deficit. That is not the worst part. The worst part is this: that figure is actually up from what the government, at the last election, thought it would be. The government thought that their fiscal incompetence was so bad that they would be delivering a $10.4 billion deficit, and yet they have had to revise up that estimate and Australians are now looking at a $37.1 billion deficit.

In relation to this portfolio, on his watch the minister has dismantled the last remaining bricks in John Howard's wall of border protection. His budget has blown out to record levels, the detention network has been set on fire a number of times and the minister has admitted that almost 10,000 people will turn up this year and the government will not be turning any boats back before the next election. This is not an attractive legacy, to say the least.

Senator IAN MACDONALD (Queensland) (18:09): For those listening to this debate—and I know a lot of people do via ABC News Radio—I just want to explain that the appropriations debate is about expenditure of government money. I am sad to see there are not many Labor Party senators listed to speak on this, and there should be because, boy, do they know how to spend other people's money. I make the point first of all that the government itself does not have any money. Anything the government spend is taxpayers' money. All too often the government act as if somehow, when they waste money, they are wasting government money. But, indeed, as I said, the government do not have money. What the government spend is taxpayers' money. It is the money of all those people who have done a hard day's work today and paid taxes on their earnings. It is their money that the government have a history of wasting.

As my colleague Senator Cash said, when we left government just a few short years ago, in 2007, there was about $60 billion in credit, thanks to the hard work of Peter Costello and John Howard and, indeed, the whole of the Howard government over a period of 11 years. We had turned the $96 billion deficit left by the last Labor government into something like $60 billion credit in the bank. In a few short years, this typical, high-spending Labor government has turned that credit into a deficit of something like $130 billion, and it is going up. In spite of promises by the Labor leader to not increase taxes, not bring in a carbon tax and leave the health insurance rebate as it was, we have found that, since the Gillard government has been in power, we have a new carbon tax, a new mining tax and several other new taxes. That just reinforces what I think all Australians now know: talk of Labor and you talk about taxes; talk of Labor and you talk about increased expenditure, usually on projects that are badly administered and money is wasted. This is not new; it is typically brand Labor, whether it be the Gillard government, the Rudd government, the Keating government, the Hawke government, the Bligh government in Queensland or the Beattie government in Queensland. Labor cannot handle money.
I have been in this place for a while and I was here when Labor delivered its last budget, for 1995-96, before the first Rudd budget. Australians were led to believe before the election that the budget was pretty good—that it was almost even. When we took office we found that the deficit in 1995-96 alone was $10.3 billion. An examination of the total debt of the Keating government at the time showed that Labor's total debt had increased to $96 billion. If you look back to the years of Keating and Hawke Labor you will see that a pattern has evolved. Before elections, Mr Hawke and then Mr Keating would promise tax cuts. They would promise that there would be no new taxes. Once they got into power, of course the exact opposite was done. People with a memory for political history might remember that, before the 1993 election, Mr Keating introduced legislation to say there would be a tax cut starting in 1996, following the 1993 election. When he was challenged at the Press Club on 9 February 1993, he said to the unbelieving journalists: 'That tax cut is law—l-a-w law.' It had been legislated, but as soon as Mr Keating won the 1993 election the first thing he did in the next parliament was junk the legislation that had provided for those tax cuts.

I simply make this point: you cannot believe anything any Labor leader says regarding tax cuts or new taxes. I know that in my own state of Queensland the Beattie government and then the Bligh government promised before an election that they would maintain the 8c-a-litre subsidy that Queenslanders—very nicely, thank you—had always had on their fuel. Before the election Ms Bligh promised that would stay, just as she promised, 'We won't be selling any government assets.' But in typical form, regardless of the promises before the election, as soon as Labor got in the first thing they did was remove that 8c-a-litre subsidy, making it much more expensive for all Queenslanders, and particularly those Queenslanders like me and the people I represent in the north—those who live distant from the capital cities and who rely on freight and therefore pay more in fuel costs and the added-on costs. This is just typical Labor: you simply cannot believe promises before an election.

In Queensland, my own state—and, as a senator, I feel justified in talking about my own state in the states house—we used to have a AAA credit rating. Why did we have that? Thanks to good Liberal and National Party governments in the past. You might remember that we were the first state to abolish those insidious death taxes and gift duties. We brought down the very substantial payroll taxes there were, and Queensland was a low-tax state. But it was also one of the wealthiest states, because its financial affairs were well managed by treasurers going back to the year dot—people like Gordon Chalk, going right back into the sixties and seventies. Queensland had a great economic story to tell. But, since Ms Bligh has been there, not only are we now in a position where we cannot pay our nurses in the hospitals because the government has run out of money but we have lost our AAA credit rating. How could that possibly happen with a state as wealthy as Queensland? It is just incredible that any government could mismanage the wealth of Queensland to such an extent that we in Queensland have lost our AAA credit rating.

I laugh to myself as I hear Ms Bligh wandering around Queensland: 'You've got a problem here? Right, we'll throw some money at it. We'll give huge grants. We'll build this road. We'll fix up that bridge. We'll get a new hospital here and a new airport there. Whatever you want, whatever it requires to keep us in power, you can have'—because who cares? It is not her
money. It is not the money of Labor Party politicians that she is throwing around; it is taxpayers' money. But you can be assured that all of Ms Bligh's promises, like all of Ms Gillard's promises, are absolutely worthless. How can any Australian believe at any time any promise made by a Labor Party leader before an election? It distresses me that the affairs of our country and our states are in the hands of people who are just incompetent, dishonest when it comes to dealing with money and certainly dishonest in the promises they make to the Australian public. Again, we are not talking about governments' money; we are talking about taxpayers' money.

One of the taxes that will be borne by all Queenslanders is the tax that Ms Gillard specifically promised would not be introduced. I hear Minister Wong saying: 'Look, this carbon tax is needed to save the world. It's going to be great.' I say to her and to any Labor Party senator who might take part in this debate: if the carbon tax is so great, why did you promise before the last election that you would not be introducing a carbon tax? Why did you do it if you are now telling us it is so good for us all? I know the people of Queensland are asking that very same question.

I represent Queensland as a senator, but I try to look after the north of the state, and on behalf of the opposition I look after northern and remote Australia. It just so happens that with all of the big mining development—the development that has just in the last week been taxed by a Labor government— northern and remote Australia is the area where jobs are being created. People working in the mines in Queensland earn fairly big money, and good luck to them. It is not an easy job, and they are skilled workers—well, many of them are; some of them are unskilled, but they are still earning big money because of the wealth of the mining industry that has been brought on by investment from overseas and from within Australia. Many of those workers fly in and fly out, and there is some controversy on whether that is good or bad; I have views on that, but not for tonight. They live in places like Yeppoon in the state electorate of Keppel, and they buy there because it is a very desirable place. They buy these new houses, but they pay big mortgages. Whilst they are earning big money in the mines and are able to afford these things, that is good, but if they lose their job because of the mining tax or the carbon tax then who is going to pay the mortgage? Who is going to pick up the pieces of that family's life when their life comes to ruin?

The Labor Party, as well as increasing taxes, are about to introduce the quite ridiculous rules on cabotage and coastal shipping. That means that the 800 people living in Gladstone who work in the cement factory there will find that they no longer have a job. Why? Because it will be cheaper to bring cement from South-East Asia into Townsville than to take Gladstone's cement up the coast into Townsville. The shipping will be cheaper. As time goes on the workers in Gladstone will be losing their jobs. I am sure they, as well as the electors of Keppel, will take that into account.

I mention the state electorate of Whitsunday, which takes in the northern beaches of Mackay. They are suburbs that are full of fly-in fly-out or drive-in drive-out workers in the Bowen Basin and the Galilee Basin. They are good citizens and have borrowed big to build very nice houses and build a nice life in those areas. But, if the Labor Party and their mates in the Greens shut down the coal industry, where are those people going to get their jobs? Where are they going to get the money to pay the mortgage? The Greens will tell us that they
will get a job building windmills and putting in solar panels. Big deal!

This, I think, is crucial. I know people in Queensland are thinking about this at the moment. They understand that carbon taxes, mining tax and every other tax which you can be assured this federal Labor government and Ms Bligh and the Queensland state government will impose upon them are bad for their jobs. They know that. The Greens and Graeme Wood, their great benefactor, have destroyed the Tasmanian forest industry and destroyed the jobs of all those very honest workers, members of the CFMEU, who had jobs in Tasmania in the forestry industry. Now, having done that, the Greens want us to put another tick on the board. With the help of their big benefactor they are moving to shut down the coal industry in Queensland.

If I shout, Mr Acting Deputy President Furner, I do it because I want every worker in Queensland to understand and to hear this: if you vote Labor, if you vote Greens—and, effectively, it is the same—you are putting yourself out of a job and you are ensuring that your mortgage will be foreclosed upon by the bank.

Government senators interjecting—

Senator IAN MACDONALD: I hear laughter from the Labor senators, and I hope that when they participate in the debate they will be able to tell me where I am wrong. Where are the jobs coming from—building windmills, building solar panels? Where else are we going to get them—digging hot rocks? Have a look at what is happening in Mackay and Townsville, which are two areas I know well. Mackay is an absolutely booming city. Townsville is doing not too bad either. Why? Because in Townsville we have three mining refineries—copper, zinc and nickel. But, if you keep taxing the mining industry, those factories will shut down. The jobs at Queensland Nickel and the copper refineries at Stuart or at Sun Metals will disappear. Where are those people going to get jobs?

You cannot trust Labor with money and you cannot trust any promise that any Labor politician might make. Ms Bligh in my home state of Queensland is, as I say, running around promising the world. She lied—and I can say this without fear of contradiction—about her only initiative in the Queensland election campaign, and that was to make up lies about Campbell Newman and to make up lies about referring to the CMC. She knew there was nothing in it. She actually admitted she had no evidence. She could not have anyone look at her record. Her total campaign has been about telling lies about a respected and honourable gentleman, Campbell Newman, the son of a former minister in this chamber, former senator Jocelyn Newman. He is a very upright and honest man. All Premier Bligh could do in her campaign was to tell lies about him.

The message I want to leave with senators in this chamber, and with any Queenslanders who might be listening to this broadcast as they drive home from a hard day's work, is that you simply cannot trust Labor with money. What is more important, you cannot trust anything a Labor leader will tell you before an election. I am delighted that Campbell Newman, in understanding the imposition on business of the payroll tax, has committed a new government, a Liberal National Party government, to reducing substantially the payroll tax burden on jobs.

My point is that before the last election Ms Gillard promised no carbon tax and she promised that there was a rock-solid guarantee to maintain the rebate on private health insurance, and what happened? Broken. Before an election a while back Ms Bligh promised that they would retain the 8c
subsidy on fuel and they would not sell off Queensland Rail, and immediately they get into power what do they do? They break their word. You cannot simply believe anything that any Labor Party leader will ever tell you. I think it is important in this debate on the appropriations we all understand that mismanagement of money is Labor's hallmark.

Senator BERNARDI (South Australia) (18:29): I must congratulate Senator Ian Macdonald for that outstanding contribution. Whilst he was referencing the appropriation bills so eloquently, I was taken by his reference to Queensland Premier Mrs Bligh and her lack of integrity and the lack of trust that the Queensland people could have in her. It made me cast my mind back to the last South Australian election when, in a fog or a mist of sleaze and innuendo, there was this promise by the then Premier of South Australia, Mike Rann, that he would serve a full term as Premier. But, of course, we know that that was not true. It reinforces the point that Senator Macdonald has made so well: that you cannot trust Labor in any election environment. What Mrs Bligh has said about Campbell Newman, a very good man, is once again illustrative of that.

But I will take issue with one thing that Senator Macdonald said, because Mrs Bligh actually had the wherewithal to admit that she had no evidence for the smears she was making against Campbell Newman. We have a Prime Minister who did not tell the truth to the Australian people, who muttered these infamous words: 'There will be no carbon tax under a government I lead.' She was then elected, then broke that promise, and then had the temerity to say that she was keeping her commitment to pricing carbon— notwithstanding the fact that she had ruled it out in its entirety. If you have to look for any sort of silver lining or you want to gild the lily with respect to Labor premiers, at least Premier Bligh admitted she had no basis for making her grubby smears, unlike our own Prime Minister who has repeatedly misled the Australian people and refuses to admit that even to herself, which is quite extraordinary.

The reason that I wanted to speak on Appropriation Bill (No.3) 2011-2012 and Appropriation Bill (No. 4) 2011-2012 is that before I came into this place I spent a number of years trying to help individuals with their finances. One of the things that I did was write a short book for children to demonstrate and illustrate to them that they could change their financial future by making a few key habits. One of the important principles I have tried to instil as I have distributed tens of thousands of these books complimentarily across Australia is that you should never spend more than you earn. Yet how can that message sink in with our young people today when we have a government that do not understand anything about spending restraint? They see a problem and they think that a tax will solve that problem.

The government have introduced two taxes most recently—the carbon tax and the mining tax—which, incredibly as it sounds, are going to cost more—due to implementation costs and the payments as a result of them—than they are actually going to raise. So the government are going to have a negative bottom line for the budget. So they introduce new taxes which punish everyday Australians—the mums and dads out there who are already battling with their family budgets—and our budget bottom line nationally is going to be worse off. This should concern all of us.

I have to remind this place and I have to remind the Australian people that you cannot borrow your way to prosperity. In the end, you have to pay back the money. In four
years, we have $169 billion worth of debt—and the repayment obligation of that will fall not to me, as a 42-year-old in this place, but to my children and possibly their grandchildren. This government are clocking up debt at such a rate they are sending us down the path that European nations have found themselves—and still they refuse to confront the problem, which is their inappropriate and wasteful spending. I do not think I have to remind the Australian people that, if you spend a billion dollars putting pink batts into houses—burn a few down, kill a few people along the way—and a billion dollars to pull them out again, it is not a good policy; it is disgrace.

And this is a disgrace too, because they are asking for another $3 billion to mop up the damage from their carbon tax bill—the carbon tax bill that was promised would never be introduced under any government led by Ms Gillard. The only conclusion I can draw out of that is that Ms Gillard is not leading this government; that there are some other people on the grassy knoll getting involved with the conspiracy theory that Senator Bob Brown was on about this morning. This is a government that are desperately clinging to any hope or prospect of retaining their reign, their seat of power, in this country—even though they have no agenda.

Senator Ludlam: Which conspiracy theory?

Senator BERNARDI: Senator Ludlam, it is actually the conspiracy theory about you receiving $1.6 million for your party to push your own propaganda—and you are holding the Australian people to ransom with your idiotic Green policies that are spewing out of your tent over there.

The ACTING DEPUTY PRESIDENT (Senator Back): Order! Senator Bernardi, would you address your comments through the chair and continue on the theme of your—

Senator BERNARDI: Indeed I will. The ridiculous and idiotic policies of the Greens are manifesting themselves in a lacklustre and directionless government led by Ms Gillard. These bills before us are about borrowing $3.1 billion on behalf of the Australian people to mop up the damage done by the government's carbon tax. This carbon tax is going to hurt the hip pocket of every Australian. It is going to damage our international competitiveness. It is going to export jobs. And it is going to make it much harder for the families of Australia to balance their budgets every single week—and they are already struggling. They are already struggling with the rise in utility prices, rising food prices and rising house prices—all this driven by a government that are spending more than they earn. That is the major problem we have.

So we are borrowing $3 billion to fix a problem created by too much wasteful spending on wasteful government policies—policies that have been driven by the Greens. This is not in the national interest; this in the interests of individuals just handing out the Australian taxpayers' money to organisations to further the aims and the ideological agenda of this government and their alliance partners, the Greens. It is not good enough. We are all going to pay the price for this—and not just today. We are going to be paying the price and repaying this debt for decades to come.

It took 10 very good years of coalition government to pay back $96 billion of debt left after the last time the Labor Party were in power. In four years they have ratcheted up $167 billion worth of debt—in four years; it beggars belief—and they do it in the name of saving us from some catastrophe. Well, why are they continuing to borrow money
now? Why are they taxing successful and productive enterprises? They should be incentivising enterprises in this country—and not ridiculous ones like windmills and green energy solutions that will never, ever supply our baseload power requirements in this country. They will not, they cannot, and we all know that. Anyone with an ounce of common sense knows that.

_Senator McEwen interjecting—_

**Senator BERNARDI:** Unfortunately, Senator McEwen, who continues to rudely interject, does not know that. She lives in that fairyland or that nirvana where, like Senator Hanson-Young, they are going to shut down the steel industry in my home town of Whyalla and turn it into the world’s biggest wind farm. What a disaster that would be! That will save plenty of jobs! How many jobs are there in a wind farm? There are not that many, and there is not that much carbon—

**Senator Cash:** Especially when the wind stops blowing.

**Senator BERNARDI:** When the wind stops blowing there are plenty of jobs for people to pull the blades around. Thank you, Senator Cash. There are not that many jobs there and it is not that carbon efficient, if that is what they are worried about when they put those big steel mills up and watch them catch fire and see the birds fly into them—and then there are the health problems that people complain about. It is a fancy. These are people who are living in an idealistic world that will never exist. We have to live in reality and that is in order to stick up for the Australian people. That is what concerns me about this.

How can we suggest to the young people of tomorrow that they need to prepare for their future? That means taking care of the environment, but it means taking practical care of it. It means not spending more than you are earning. It means getting a job—a decent job—and not living on government welfare or sitting back and hoping that the largesse of government will continue to feed, clothe and house you. This is what this government is doing into the community and society. People are now asking themselves: if everyone else is getting a handout, why am I not getting one? There used to be some pride in this country, where people who did not need welfare did not take it. This government is fostering the notion where people feel they are missing out if they are not getting some largesse. We need to stop that, because the country simply cannot afford it.

Whilst this government is borrowing $3 billion to support the notional clean energy future, it is going to try to tax the coalmines out of existence and then subsidise them along the way as well. They are going to be supporting the coalmining abatement technology, which I do not think will ever see the light of day, and they will be doing a whole range of other things. They are selling our nation short and they are selling the Australian people short.

I am short of time tonight, because I know there is at least one more speaker who wants his full allotment of time. But I have to put on the record my concerns for the Australian people about the direction this country is travelling in. It is going down the wrong path. It is a path without any principle. It is a path without boundaries or limits. In fact, I find that there is a complete lack of character in how this government conducts themselves. They will swear that black is white, and then the next day they will say that white is black again. And they call everyone who questions them a fool. They may say that I am a fool or my colleagues are fools. They can call me whatever names they might like to, but in the end someone has to say: the emperor—or the empress—
has no clothes on. What they are doing to this country is a travesty and it is incumbent upon the Australian people to share that with their elected representatives so that when we do have an election they can remove this disgraceful government with their spendthrift ways and replace it with some fiscal prudence.

Senator RYAN (Victoria) (18:41): We have constant promises, streams of words and verbiage from this government and, indeed, from the Labor Party at state and federal level, as my colleagues Senator Bernardi and Senator Macdonald have outlined. But when it comes to balancing the nation's books, when it comes to delivering the long-promised surplus, Labor's promise that they will deliver a budget surplus is up there with 'I'll call in the morning'—and, I might say, it is also up there with 'I'll only be 10 minutes' in Senate estimates committees.

There is a moral issue to running up constant budget deficits. There is an equity issue to running up constant budget deficits. That equity issue is that every dollar borrowed today is merely a dollar of deferred taxation. As well as the interest cost, it is something to be paid back by future taxpayers. So for all the purposes of indulgence today and achieving whatever the government wants in the short term rather than investing for the long term, the truth is that is merely deferring the cost to future taxpayers. That is something I take seriously and it is something that the coalition take seriously, because government debt is a bad thing. We have heard arguments from ministers of this government for months, even years, about how they apparently saved all these jobs during the global financial crisis—which we now know was mainly a North Atlantic and European banking crisis. There is no evidence that those jobs were saved, particularly with the second stimulus package.

We saw the Auditor-Generals report yesterday into the bike paths, that pointed out that there could not be a quantification of the number of jobs produced. Shovelling money out the door and sending cheques of $900—including to dead people and prisoners, I might add—does not protect an economy. What protects an economy is economic reform, productivity-driving reform and a government that is balancing its books in order to take pressure off interest rates and, in this case in particular, to take pressure off the dollar, because 80 per cent of the Commonwealth borrowings are coming from overseas. On top of the massive borrowings being racked up by state Labor governments over the last 10 years, that actually does put Australia in a precarious debt situation.

In order for every company in Australia to be able to borrow money, either through their bank or through their financial markets or through bond holders, we need a situation where the government is not in that market constantly putting pressure on demands for money. Our banks are very dependent upon overseas funding, although that has taken a slight change lately with the increase in savings—which I might say is a good thing, yet the government seems to try to say that it is the reason why retail spending is weak. People saving is something that we spent the 1980s and 1990s trying to encourage. So that in itself is a positive: people investing for their own future. What is a negative about it is why people are doing it. People are doing it because they are scared. People are doing it because at the same time the government is borrowing tens of billions of dollars a year and trumpeting about how strong the economy is, people in the most populous areas of Australia are feeling the pinch. The small business community in particular is feeling the pinch. Retail spending is low. It is all because of a lack of confidence. What we
hear from this government and have heard through the last several budgets delivered by the Deputy Prime Minister is a message that is being delivered with a forked tongue. When we first started back in 2008, the first budget was all about the inflation genie. It had escaped the bottle. The problem was the economy was running too fast—not fast enough for Labor to drive the budget into deficit, mind you—and we had to pull back spending. As the shadow Treasurer has said, we have heard Wayne Swan talk the talk a great deal on tough budgets and tough decisions, but we have never actually seen any action.

After that we had the great crisis that fulfilled the dreams of every member of the Labor Party and the Greens of implementing a statist economic policy that led to massive new taxes, a massive amount of regulation and the fatal conceit that somehow the government could save the economy. In a small, traded economy with a floating exchange rate, the old notion of Keynesian stimulus is not something that has a consensus that it works. The government can quote economists that say it does; there are many who say it does not. But sending out $900 cheques, which we know led to booms in poker machines—and Jerry Harvey said was fantastic for the sale of flatscreen TVs—the whole idea of sending out money like that, when we know a lot of it was saved as well, to somehow save the economy is based on a 30- or 40-year-old notion of an economy.

It surprises me that the present Labor Party is naught but a shadow of the Labor Party that existed in the eighties and which the coalition has previously given credit to. That Labor Party did support policies that opened the economy; it did support policies on competition and did drive difficult but necessary economic reform. Those very changes—the floating of the exchange rate, the removal of tariff barriers and the opening of our economy to much more international trade—actually made the whole notion of Keynesian stimulus, like it was the 1960s and a closed economy, completely superfluous. The government is wrong on that, and that little report yesterday about the bike path in Byron Bay illustrates it in a micro sense. The more we go on, the more we know that the notion of stimulating the economy through simply borrowing money and shovelling it out the door has no place in a modern, liberalised market economy.

But I am not actually sure that that is what the government wants. What we have seen and what these appropriation bills represent is yet another step in the statist approach that this government entails. We have had new taxes; the two big ones which have been debated in recent months are the carbon tax and the mining tax. We have had the attacks on private health insurance. Apparently the Medicare levy should be universal but the rebate should not. I state again that the very reason the rebate was structured as a rebate was to ensure that it was worth more to lower-income earners than high-income earners. If a person on the lowest tax bracket had a tax deduction for private health insurance, they did not get as much benefit as a person on the highest tax bracket. The Howard government intentionally structured the private health insurance rebate as a flat rebate to ensure it meant more to lower-income earners. The millions of Australians earning under $50,000 are going to face higher increases in their private health insurance than they otherwise would because of the policies of those opposite. There is no other way to put it. We know it is going to lead to people dropping out of private health insurance. We know that is going to lead to a reduction in the size of the pool. We know it is also going to impact upon the type of people who purchase private health insurance.
insurance. But the government does not care, because it wants to continue its war against the private health sector even though more than half of all the surgical procedures in this country are performed in private hospitals and even though the Productivity Commission in its substantial report several years ago outlined that in many cases the private sector is cheaper. The dream of Labor and the Greens of a national health service for Australia is going to take precedence over the welfare of Australians. We have seen it in education, where the Gonski review is nothing but a charade and a bail to continue Labor's war on nongovernment and independent schools. When you have in there terms like 'capacity to pay'—

Senator McLucas: You haven't read it, have you?

Senator Ryan: I will take that interjection, Senator McLucas. Labor has just got better at hiding its intention. You do not use the term 'hit list' anymore; you use a term like 'capacity to pay' hidden amongst pages and pages. The point is that the term 'capacity to pay' apparently only matters when we are talking about people at nongovernment schools. That means that those in nongovernment primary schools in particular could face massive increases in their fees. This is because nongovernment primary schools, particularly the Catholic sector, are often at a much lower fee level. So if we are going to start looking at the capacity of parents to pay regardless of what the fees are at the moment, that can only be a vehicle for Labor to force the parents of people sending their children to nongovernment schools—in this case, Catholic primary schools—to pay higher fees. Again it is continuing its statist approach because there is nothing better than a state-run monopoly.

They have done it with tax. The carbon tax is nothing but an internal tariff on our economy. I was interested in the first speech of the foreign minister, Senator Carr, earlier today. He talked about George Reid being a Free Trader. I think he slurred the great Alfred Deakin a bit much. I would like to point out that both of them were implacable opponents of the Labor Party. Both of them might have fought over the Federation of Australia, but it was the Labor Party that opposed the Federation of Australia. It was Liberals, Free Traders and Protectionists who fought for the Federation of Australia. Labor has always had a chip on its shoulder about that. But the foreign minister lauded Mr Reid for his opposition to customs duties and tariffs because they impact on the poorest. We know they are regressive in their effect. We know that tariffs on everything from textiles, clothing and footwear to everything else that Australia had built up by the mid-1980s were highly regressive in their impact. We know, as Senator Carr outlined, that they made the cost of living higher than it needed to be.

What is the carbon tax? The carbon tax is nothing but an internal tariff. If I purchase a television made overseas, there is no carbon tax on that regardless of the myths propagated by those opposite. This is the highest and broadest based carbon tax in the world. If I buy a television from overseas, there is no carbon tax component of that. If I bought one in Australia—if there were to be one made in Australia—then, quite frankly, there would be. You might say, 'There are no TVs made in Australia,' Senator McLucas. Let's go to cars, where the cost of building a car in Australia will be $500 more expensive because of the carbon tax. How on earth are we to take seriously the government's complaint about wanting to maintain a car industry in Australia when they increase the cost of production here that is not faced by
all the Mazdas and Volkswagens rolling off the ships in the Port of Melbourne?

It is nothing short of ludicrous, but it does go to the core of the ideal Labor and Greens economy. We see that in this budget, because what they want is patronage and the ability to tax and to hand out favours.

I will go through a few of the things that are off budget which have a substantial impact on the financial state of the Commonwealth, even though they are not technically in the budget papers. We have $50 billion for the NBN, which I have no doubt will in decades to come be still quoted in this place as one of the greatest misconceived ideas. I have little doubt that in the coming years it will be seen, a bit like the Victorian desalination plant, as a great boondoggle for Labor's favoured mates and particular trade unions.

We have the $10 billion clean energy fund. The price of the Greens to get the carbon tax was $10 billion. The clean energy fund precludes certain technology regardless of whether it is clean. It cannot do anything about coal because coal is inherently evil. It cannot be touched even if someone did make it clean in a way that would satisfy the Greens. Coal is the problem. This is a $10 billion fund that is basically picking losers, because this is for commercial proposals that cannot get private sector funding and that are not viable under the mandatory renewable energy target or many of the other programs that are in place. So we are going to hand over $10 billion for these projects, even though they fail those first two hurdles.

I come from Victoria. My generation is still scarred from Tricontinental and the Victorian Economic Development Corporation of John Cain and Rob Jolly and, subsequently, the Kirner government. It is nothing more than picking losers, but the government has hidden it off the budget. The government has not committed to any of the funding requirements in the Gonski review, which parents should rightly be afraid about. The government are now talking about how apparently the mining tax—which this place debated late last week and early this week—is going to somehow deliver increased superannuation.

I turn to the area of small business because there is a great myth—and the government has tried to conflate the two topics intentionally—that somehow the mining tax will pay for superannuation. Every employer in this country, small and large, knows that the mining tax does not pay a cent of superannuation. That is going to come out of workers' pockets and in the short term it is going to come out of employers' pockets. Mind you, these are employers, particularly in small business, who are already facing the highest costs of doing business in a decade. Today we saw the report, based on more recent data than the government likes to admit, that Australia is one of the most expensive places in the world for electricity.

I note that my home state of Victoria is the fifth most expensive place in the world for electricity out of the 70-odd markets surveyed. This is a state where Sir John Monash built the State Electricity Commission, based on technology from Europe, with our massive deposits of brown coal. I heard my friend the Minister for Energy and Resources in Victoria say today on AM that Victoria has more energy stored in its brown coal reserves than the entire North West Shelf. That is how much brown coal we have—enough for hundreds of years. It used to be cheap to have electricity in Victoria. It was something we aspired to. I think it is something we still should aspire to. But the government seeks to use a carbon tax to force up the cost even higher.
The Minister for Finance and Deregulation, Senator Wong, in answering questions always tries to dodge this key point. The carbon tax is intended to force up the cost of electricity. I do not know about you, Mr Acting Deputy President, but I do not want my grandmother and other people's grandmothers who grew up in a different generation and who value a dollar because of their life experiences—we all know stories of people not turning the heat on in winter and not turning the air conditioner on in summer because they do not want to worry about the power bill—thinking that they should skimp on turning on the air conditioner on a 42-degree Melbourne February day or turning on the heater on a four-degree Melbourne July night. Whether it was Sir John Monash or Henry Bolte or people previously—and I dare say even the Labor Party previously—cheap energy was considered to be something this country should be proud of. It was a competitive advantage, but now we have this delusion that somehow by making energy more expensive we are going to transform our economy. Economics 101: if you make an input cost like energy more expensive, you are going to suffer an economic welfare loss. There is no other way about it.

The delusional Greens in the corner somehow think that simply forcing up the price of electricity that you and I and our parents, friends and relatives pay in our houses to turn on a light will miraculously bring about a new technology. That is flawed logic. There is an old economist saying: the Stone Age did not end because they ran out of stones. I hasten to add that it did not end because they introduced a stone tax either. The Stone Age ended because someone invented bronze. There is no lack of incentive for anyone around the world at the moment to be exploring new technologies. It is the story of humanity. Only a Labor-Greens government suffers from the conceit that somehow a new tax will lead to a new technology—somewhere someone is coming up with a way to make the windmill and the solar panel work better because of a new tax. Does anyone here seriously think that those efforts will be stronger on 2 July this year than they are on 29 June?

That is absolutely untrue. The government says the economy is still going to grow. Of course, it is going to grow, but the truth that this government will not admit is that it will grow by a lot less if only we did not have a carbon tax. The true cost is in the difference between the growth curves, but this government and their Greens allies like to pretend that by forcing up the cost of energy we are miraculously going to transform ourselves into a new economy. We may transform ourselves into a new economy because no-one in the world is doing what we do. We may transform ourselves from what was once a shining beacon of the world with low government debt, high productivity growth and high economic growth to be something like Europe.

Labor and the Greens through budgets like this are doing nothing less than seeking to Europeanise Australia. I notice Senator Ludlam smiling. They are trying to create a highly regulated state, where the government determines how people go about their business by forcing up energy costs and increasing regulation everywhere from the workplace to occupational health and safety. I am reminded of the story about Napoleon dismissing the English before the Battle of Waterloo as nothing but a nation of shopkeepers. What he did not understand was that it was because they were shopkeepers that they won. It was the free market economy of post Scottish enlightenment Britain, the start of the Industrial Revolution. It was the high-street shops and businesses that drove innovation.
It was that market that was so important. What we are seeing in budgets like this is nothing less than an attempt to reregulate our economy in a way that we have not seen since the 1960s. It is going to lead to an economic welfare loss for every Australian as their costs go up. We are seeing GDP growth per capita of less than one per cent. That is why people are feeling the pinch.

It makes no sense to force up the cost of doing business, to force up the cost of buying everyday household goods and—

The ACTING DEPUTY PRESIDENT (Senator Back): Order! The time allocated for the consideration of these bills has expired. The question is that the bills now be read a second time.

Question agreed to.

Bills read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Back) (19:00): The question now is that the remaining stages of these bills be agreed to and these bills be now passed.

Question agreed to.

Bills read a third time.

BILLS

Social Security Legislation Amendment Bill 2011

Stronger Futures in the Northern Territory (Consequential and Transitional Provisions) Bill 2011

Stronger Futures in the Northern Territory Bill 2012

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator MOORE (Queensland) (19:02): It is a very difficult process to talk about this range of bills in this place because we know that there is so much pain and concern out there in the community about what has happened around the Stronger Futures legislation.

I am speaking tonight on behalf of the Senate Community Affairs Legislation Committee that visited a number of communities in the Northern Territory during our look into this bill. We also received a range of evidence from community members, organisations and people who care about the future of Aboriginal communities and Aboriginal people, not just in the Northern Territory. Certainly, the Stronger Futures element of this batch of legislation does refer specifically to the Northern Territory, but we also heard evidence about Aboriginal people, their rights and their futures, across the whole of this country.

One of the core issues that our Senate community affairs committee believes in is ensuring that every person who comes to our committee is treated with respect and their evidence is listened to. We read their submissions and we try our best to ensure that they feel safe and respected and that they know that the committee cares about
their evidence. One of the more distressing parts of this process has been some allegations that because the committee did not respond directly and agree with some of the positions that were put before us we somehow did not have appropriate respect for Aboriginal communities and elders. I assure you that this is not true. In fact, as a government senator I can put on record that we all share a genuine concern that what comes next in the future of the Northern Territory legislation under this title of 'Stronger Futures' will be appropriately discussed and worked on and that together we will be able to come to a future direction.

I make this point because consistently in the evidence we received there was widespread concern about the consultation process used. You would see from our report that we looked at that closely and we answered those concerns. We listened and we cared about the responses that were made. I truly believe that there is no such thing as a perfect consultation process. I also truly believe that the processes that the department has used over the last many years in dealing with Aboriginal people have not been perfect. I believe that there have been genuine efforts made to ensure that, as far as possible, the issues with the Stronger Futures process and what has gone on in the past—it is known as the NT intervention process—have been on the agenda. People from the department as well as ministers and parliamentary secretaries and local parliamentarians have all made great effort to visit communities, to sit down with people on their lands to ensure that there is an exchange of information.

I do not believe that that has been perfect. I think our committee report put that forward. There must be, in the future, ongoing work to ensure that there are appropriate consultation mechanisms to ensure that culturally appropriate consultation is put in place in any discussion about legislation with Aboriginal and Islander people. I also believe that in terms of any government consultation with any community those principles should be in place. In particular, because of the pain, confusion and anger which we found when we visited some of the Aboriginal communities in the Northern Territory, the committee put forward a recommendation that we ensure, in the future, that the departments work effectively with the Human Rights Commission to consider strong and effective protocols and consultation processes.

On this basis, we take some of the comments that were made by people across this country about their concerns about the consultation extraordinarily seriously. We also know—we have it on record—that significant efforts were made by the department to visit communities and talk with people. One of the processes and the problems, of course, is that when you visit communities you often only have some people attend sessions—sometimes people who have a particular view they wish to share. Of course that is their right but, in terms of ensuring that everybody has a say, that is always a problem.

Another point that was brought out consistently in previous evaluations of consultation was the fact that Aboriginal communities, over many years but in particular since 2007, have suffered from consultation overload. One of the clear points that was brought out was that there are perhaps too many visits by too many people who have not effectively prepared the way for that process, and one of the things that is brought out in the Human Rights Commission information is that this needs to be done better. So in any discussion around Stronger Futures we need to ensure that people feel that, whilst every effort can be
made about effective consultation, there must be an effective interchange and also a commitment from all involved that they will engage in the process.

In discussing stronger futures, you cannot move forward unless you effectively deal with the past. One of the most confronting elements of our visit was that there was, clearly, palpable pain, suffering and regret about what had gone on when the original intervention took place. That is probably no news to many people in this place because it has been raised in the past in various debates around Aboriginal policy. But, for the wider community, in talking about where we are going to go with the Stronger Futures legislation it should be understood that there seems to be continuing confusion about what was in place beforehand. Consistently, in evidence from people who are very well informed, there was confusion about what exactly was different in the Stronger Futures legislation from how things had occurred in the past.

We heard quite confronting stories about how disempowered people felt by the way the original intervention took place. And that pain continues to be there, not just in individuals but within whole communities, and while it is not addressed and not acknowledged it is impossible—and I use that term quite deliberately—for us to look effectively at any change in the future. So we acknowledged that as a committee. We said that we must acknowledge the past, and not just what happened at the intervention but also the years of Aboriginal and Islander first peoples’ disadvantage in this country. We know that within the Northern Territory a large percentage of their population have felt this disadvantage and isolation and have felt a lack of respect by the rest of their communities. In terms of the Stronger Futures legislation, we have to work through that process beforehand.

Importantly, the Stronger Futures process addresses that. It says, clearly, what has happened in the intervention, what has changed between 2007 and now, and looks at where we can go. It points out in the legislation exactly what has changed. In particular, we look at the aspects around alcohol management. We look at the aspects around community growth. And we say that there is a genuine responsibility for all parties to play a role and to make sure that they play that role cooperatively with others. So there will not be stronger futures unless there is a genuine engagement, from all parties, in terms of where they are moving and, most particularly, of the funding that is necessary to ensure that the projects that have been put in place will be able to be effectively funded into the future.

There was great debate about the time frame that has been put into the Stronger Futures legislation. The government’s proposition is a 10-year project, and that did cause great discussion. Within the evidence, there were views from all sides saying that 10 years possibly would be an effective time frame on which to move the future legislation because that would give time for an effective settling in of the programs and a chance for people at the local level to engage in and take ownership of the programs. That would give everybody the best chance for an effective future, because that is in fact what the legislation is all about—stronger futures. So there has been debate, and I believe there will be amendments moved while this debate goes on about looking at changing that time frame, because some people—and this was put to us very effectively—felt that that was too long a time frame and that there needed to be a shorter time frame to allow more evolution of what was happening and allow for concerns. So, whilst there must be a clear, independent evaluation of any of the changes that are put forward, the discussion
about how long that will take will be determined by the debate in this forum.

The reason for the 10 years is to ensure that people have the time, and the funding has the time, to really make a difference. We heard in evidence that people, over many years, have suffered from too much short-term emergency funding without the chance for long-term, effective development and effective responses to people's needs. If there is going to be a stronger future that must be within the communities themselves, and people need to feel that there will be effective responses to their needs—in particular in the areas of health, employment and education.

I want to spend a bit of time on the background to what we are putting forward in this legislation about education, and also on the clear distress and confusion that was put forward to our committee because people had not had accurate information about the programs that the government was putting forward. We have had debate in this place before about the SEAM program. That is a program that looks at working effectively with parents, schools and also the Centrelink network to consider how best to ensure that families work with their kids and their schools to ensure that kids get to school. One of the major issues in the report that led to the intervention in 2007 was the concern that too many young people were not having the chance to attend school and therefore were entrenched in disadvantage from which they could not escape because, without effective education, there is no stronger future. In fact, there is no future. There is no disagreement—everybody understands that that is a reality. Yet, from the best information and evidence we received when we were in the Northern Territory, people were at the stage of celebrating 50 per cent attendance at school. That would not be tolerated in most communities. Whilst it is important that the attendance rates have risen from below 50 per cent, when you actually have a school with facilities that are available, with teachers that are available, and the fact that the young people are not actually engaging in that process, we have a problem and we have an ongoing problem.

The SEAM program is one that has been trialled now for a couple of years in, I think, six trial sites in the Northern Territory. Certainly that actually engages with families to ensure that they work with their school and with their children to ensure that kids get to school. Unfortunately, there seemed to be a degree of confusion—and I am saying that quite diplomatically—about exactly what SEAM is about. We heard from people that the intent of SEAM was just to rip their Centrelink payment away from parents as soon as kids were not at school. We did not hear that once; we heard that consistently, and that is an inaccurate and quite misleading view of the operations of the SEAM program.

We talked with teachers, we talked with people from the NT government and we talked with people from the department, who all reassured us that that was not the way SEAM was designed to happen. The idea was that there would be an engagement facilitated by having the process that Centrelink could be involved in. But the idea of people losing their Centrelink payment was a last resort, and that was after consistent nonattendance and a lack of engagement by parents in their kid's attendance at school.

Sometimes people seem to think that I tend to take a different view on some Centrelink and social security views, but on this one I will strongly advocate that I believe the SEAM program is one with which we can cooperate actively. It has a
great outcome if parents—and family members, not just parents—see the value of their involvement with their children and their school. So the process that I think we need is to ensure that we get the communication right, that we do not run scare campaigns with families and do not distance people from the very programs that are there to help them.

One of my greatest disappointments in the evidence which we received was that the degree of confusion and fear was so great that it actually stopped people thinking about where the positive outcomes could be. That is something I think that as a government and as a parliament we need to work more effectively on with communities to ensure that does not happen.

I know that there are going to be many people wanting to take part in this discussion, because it is happening in the community as well, and I will not have time to look at all the different issues that were raised with us. I know that the issue around income quarantining, which has been expanded in the social security bill that is part of this package to trial sites in other parts of the country, has caused great discussion and debate. It is most important that we continue to work effectively with the communities taking part in these trials as well as the ongoing process in the Northern Territory, to see what the intent of the program is and what the cooperative arrangements with Centrelink and with job assistance will be to ensure that people are able to engage effectively with their own budgeting and to ensure that they will be able to move forward. I know that this is a sensitive issue in some areas, and I think that this debate will go on. But I am confident that the people who had the real interest in the issues and who came and gave us extensive evidence in our inquiry will continue to work with government and also with departments to make sure that respect for people will be maintained through any decision.

The worst thing that could happen would be further division. I am confident that if we work effectively that will be overcome. But one of the messages I want to make very clear is that the discussions must continue. There cannot be a view that these changes are being forced on people and that there is no sense they are being respected in the process. The intent of the legislation all the way through is to maintain that there will be stronger futures. That must be continually in front of all the people who are working in the field and also in government.

One of the aspects of the legislation that did cause considerable discussion was around alcohol management plans. And you would remember, Mr Acting Deputy President, that in the Little children are sacred report, the report by the Northern Territory which led to the original intervention response, the issues around alcohol and drug abuse in communities and their then impact on the safety of families and children were extremely serious. I think there has been positive movement in this area, and certainly the evidence we received indicated that people felt that the stronger futures processes around alcohol management were, indeed, a step forward and that the continued ownership of local communities of their own alcohol management plans is a key part of that. There is great willingness for the communities to work with government.

Debate interrupted.

**ADJOURNMENT**

The PRESIDENT (19:20): Order! I propose the question:

That the Senate do now adjourn.
Aged Care

Senator CAROL BROWN (Tasmania—Deputy Government Whip in the Senate) (19:20): I rise in tonight's adjournment debate to talk about my experiences in the 'Walk a Day in the Shoes of an Aged Care Worker' campaign earlier this month. This is a very important initiative that highlights the work that our carers do across the country in looking after elderly Australians. I know that a number of my Tasmanian colleagues are also rolling up their sleeves and experiencing firsthand what aged-care workers do in their day-to-day jobs.

As part of the 'walk in the shoes' event I was able to spend a few hours with an aged-care worker as part of a buddy shift to give me a small taste of their daily routine. Spending time with these workers at a Hobart aged-care facility in my home state of Tasmania gave me an insight into the daily tasks they face. We were constantly on the go, providing care and support to high-care residents. My tasks included assisting in dressing residents, helping out with meal times and providing the general care to residents that they require.

I do think it is important for me to point out that these tasks that I performed are, of course, not the only duties undertaken by the workers. Due to privacy and OH&S issues it would not have been appropriate for me to do things such as bathing and toileting residents or dispensing medication. Also, my buddy's shift started at 7 am and my shift started at 8 am.

After my buddy shift I also had the opportunity to join members from my shift and other workers from the aged-care facility to discuss aged-care reform over a cup of tea. This was a rare time for them to catch their breath and to take a moment to have a chat and outline to me their experiences and thoughts on aged-care reform. They spoke to me about the challenges of working in the industry and the constraints of the current aged-care system. Conversations like these with people at the coalface of the sector are vital in broadening our understanding of the issues faced. I undertook to pass on their feedback to the Minister for Mental Health and Ageing, Mr Mark Butler.

While I only participated in the event for a few hours, this gave me the opportunity to get an understanding of the dedication and professionalism of our aged-care carers. They work tirelessly to provide the best possible care to the residents they look after and I applaud their passion and commitment. Working conditions are often difficult, dealing with people with dementia and other illnesses. I have always supported aged-care carers and now more than ever can appreciate and value the work that they do.

There are around 300,000 aged-care workers in Australia just like the ones I spent time with in Hobart. Quite simply, they are looking after our grandparents, mothers and fathers when they are most in need. I am not overstating the importance of aged-care carers when I say that society as we know it would not function without them. We owe it to our elderly to ensure that they receive the highest possible quality of care and we owe aged-care carers the utmost dignity and respect for providing this care.

I thank all of the aged-care workers who partnered with me during my buddy shift; their patience and guidance was probably tested but it was also greatly appreciated. I also thank the Tasmanian Health and Community Services Union, HACSU, particularly the State Secretary, Mr Chris Brown—no relation, even though we are in Tasmania—and organiser Meagan Lewis for facilitating the Walk A Day in My Shoes event. It was organised as part of the Age Well campaign, which I am sure all senators know quite well and which is focused on...
reforming the aged-care sector. The Age Well campaign is being driven by an alliance of organisations in the aged-care sector who recognise the need for reform. There are 28 member organisations under the umbrella of the National Aged Care Alliance, including Aged and Community Services Australia, Anglicare, United Voice, the Health Services Union, the Royal Australian College of General Practitioners, the Australian Nursing Federation, the Council on the Ageing, Catholic Health, the Pharmacy Guild of Australia, the Returned and Services League and Uniting Care, just to name a few. These organisations represent all facets of the aged-care industry from consumers to providers and their unions.

In February the organisations involved in the Age Well campaign released their blueprint for aged-care reform, called 'Preparing for our future now'. The blueprint outlines major reforms to the aged-care sector, including: building community care and wellness services that maintain a person's independence for as long as possible and that minimise the need for more expensive services; increasing Australia's ability to pay for aged-care services through a combination of government funding and co-contributions from older people according to their financial capacity; and improving the affordability of aged care for the community through a reasonable balance between individual responsibilities, support for those most in need and taxpayer funding. It also suggests some initial steps to lay the foundation for real and sustainable change, including announcing a wage-bridging supplement and signing a heads of agreement establishing the payment mechanism and paying the first instalment.

Recently, over 130 older people and their carers and workers from the Age Well campaign converged on Canberra for a day of action. The campaign delegation attended the House of Representatives' question time and the group was acknowledged by our Prime Minister. The Minister for Mental Health and Ageing, Mark Butler, also met with the group. The day of action was an excellent opportunity for the group to meet directly with their elected representatives and to highlight the need for reform in the aged-care sector. As the government is aware, as our nation ages so too will our reliance on the aged-care sector and the need for care of our elderly. Over the next 40 years the number of Australians aged over 65 will increase from one in six to one in four. Further to this, the over-85 population will grow from one in 200 to about one in 20.

As I have previously mentioned, we currently have around 300,000 aged-care workers in Australia, but by 2050 we will need more than 500,000 additional workers. By 2056, 25 per cent of Australia's population will be 65 or older, including seven per cent who will be aged 85 years or over. Some 280,000 people have dementia now, with 16,000 of these people under the age of 65. By 2050 there will be close to one million Australians with dementia. I am sure members of the chamber will agree that these figures are startling, but there is no escape from it. We know that there is going be increased demand and pressure on our aged-care system over the next 20 to 30 years. We need to ensure that we put in place sustainable, long-term reforms which meet the future needs and challenges of our ageing population.

The government is determined to get these reforms right. That is why the minister has met with over 4,000 older Australians, their families and their carers, as well as with industry stakeholders through their peak organisations, the National Aged Care Alliance and the Ageing Consultative Committee, and their unions. I had the pleasure of hosting one of those forums in
Hobart with Minister Butler. The forum—one of three that were held in Tasmania—was attended by over 100 people, including consumers, carers, providers and unions. It was an extremely productive event, with the participants focusing many of their questions and comments on a more flexible aged-care system that would allow people to stay in their homes for longer. The forum, as I said, was very productive and the feedback I received from a number of people was that we need to work together and get these reforms right. These reforms will not work unless we have everyone from the aged-care sector, including consumers, workers and providers, pulling in the same direction. Failing is simply not an option. We must succeed and we must get this right for the long term.

We need to make sure that these reforms do not just improve aged care over the next five years, but that they are sustainable for the next 20 to 30 years. Whilst our current investment in the aged-care sector is significant, this government recognises the importance of reform to the aged-care sector and to ensuring that we get it right.

Victoria: Natural Disasters

Senator McKENZIE (Victoria) (19:30): I rise to reflect on some issues arising from the natural disasters which are currently affecting my home state of Victoria. As I speak, families are moving back into their homes in Nathalia, a small town in central north-east Victoria. After almost a week of uncertainty, the evacuation order hanging over the town of about 1,000 people has been lifted. The makeshift levee that held back the flooded Broken Creek is being dismantled and many of the elderly residents and children, who also missed two weeks of school when they were evacuated, have begun returning. As we sit in our comfortable offices, these families will be scrubbing the grime off their walls, their floors and furniture and doing their best to assess the damage and get on with their lives. Many of these people continue to need emergency financial assistance, emergency shelter and temporary accommodation, food, water, clothing, bedding and other personal materials.

I would like to recognise the efforts of volunteers in Victoria, emergency services, businesses, professionals and individuals who selflessly helped during the floods, and the many resourceful and spirited Victorians who rallied to help families and communities and assisted with rescue and recovery efforts. I have been heartened and moved by the way in which Victorians have rallied to provide moral and practical assistance, even when those who helped were also the people who had been devastated. Many Victorians built strong bonds in the midst of calamity during these floods, and a lot of those strong bonds are a reflection of the strong relationships that are developed and maintained in regional communities. Victoria's devastation reminded us all that our communities and people are strong and resilient in the face of adversity and that Victorians have amazing strength of spirit.

We do, however, also need to ponder the role that the Commonwealth can play in improving the lot of Australians who find themselves in this very difficult position. The heavy rain started on Sunday, 26 February and it led to significant flooding in parts of central, northern, north-eastern and eastern Victoria. The next day, Castlemaine, Campbells Creek and Chewton experienced flash flooding, followed by further flooding in the Shepparton area and Moira Shire. The most significant flooding occurred in the Upper Murray River system and a number of townships including Nathalia, Numurkah, Katamatite, Tallygaroopna—my personal favourite—and Yarrawonga were severely...
affected. Wangaratta and Myrtleford have also experienced flooding. But it is the Moira Shire that was the most severely hit. We had emergency centres set up in the Shire of Campaspe and in Greater Shepparton as relief centres, but the devastation was most significantly felt in Moira, with initial recovery estimates of more than $15 million. I would like to congratulate the leadership of Mayor Alex Monk and our local members, Tim McCurdy and Sharman Stone.

It is estimated that approximately 250 homes and 2,055 rural properties have been damaged and 1,000 households displaced due to these floods. A large number of businesses, approximately 40, have been affected. There is significant damage to services and infrastructure in towns across the state. The Victoria State Emergency Service received more than 3,640 requests for assistance. The figure I would really like to bring to the Senate's attention is that whilst there were 250 homes inundated in the towns themselves, 2,055 rural properties were affected. As you fly over the flood-affected areas, you can see that the towns are not as bad as seeing the water all over the north-east of Victoria and thinking about the significant economic impact that will have on our regions going forward.

Almost 350 roads were closed or flood-affected and currently more than 160 roads, most of them local, remain closed or covered by water. Flood damage will cost border councils more than $33 million, but the damage to roads and bridges will be far greater. VicRoads at present is unable to fully assess the extent, because it is flat irrigation country and what makes it great for irrigation makes it harder for the water to drain away, so the area is still under water. The rail-freight lines have been closed and pressure has increased on roads due to the displacement. Detailed engineering assessments of rail and road infrastructure is being conducted.

I congratulate our emergency service personnel whose response to this event has been prompt and well coordinated. Integration across agencies has been effective. Financial arrangements are in place until 15 April to ensure those who need support receive it. Natural disaster relief and recovery arrangements personal hardship grants—relief assistance of up to $1,200 per household and re-establishment up to $30,000 per household—and low-interest loans to small businesses, primary producers and not-for-profit organisations are available from the Victorian government. Personal hardship grants and low-interest loans are available through local governments. There is an equity criterion for accessing the low-interest loans, and this is of particular interest given that the Goulburn Valley has gone through 10 years of drought. It is a horticulture and dairy area where we have seen a lot of water buybacks. The equity criterion for assessing the low-interest loan is a particular issue. Property owners need $250,000 of equity in their properties to apply. As a result of 10 years of drought few farmers have that much equity, despite being excellent primary producers. It is a function of the circumstances of the last 10 to 12 years.

The Victorian and Commonwealth governments have agreed to activate clean-up and recovery grants for small businesses and primary producers. The Prime Minister agreed on 9 March to activate these grants for the Greater Shepparton and Moira local government areas. I congratulate the Commonwealth for fast-tracking its February round of financial assistance grant payments to flood-affected councils at the Victorian government's request. These communities have been affected by flooding several times over, so the state and federal governments
need to stand beside these councils to help them recover and rebuild. I took the opportunity last week to host the shadow minister for agriculture and food security, the Hon. John Cobb, so that he could see firsthand the extensive damage to roads and to the agricultural and horticultural industries. I would like to thank the local member, the member for Murray, Sharman Stone, for coming with us and giving us the local perspective. The long-term effects for these communities and our Victorian regional economies will be ongoing and significant. Our growers are innovative, they are soldier settlers and they have seen hard times before. They are very proud and very productive, but it was obvious that the severe inundation by these floods on the back of the drought will have long-term effects.

Dairy farmers are already seeing loss of production in their cows, and their recovery could take up to a year. Paddocks that they would normally sow for grass for their cattle to eat in order to harvest the milk are under water. Cattle cannot eat wet or rotting hay. The Victorian coalition government and the Victorian Farmers Federation are working together to ensure emergency fodder supplies are made available and that farmers left without sufficient feed as a result of the floods have access to good quality, locally donated fodder.

Recovery will be longer for the horticulture industry. Some fruit growers still have water lying around their trees. That is particularly an issue for peach trees. Peach trees can only be under water for 48 hours before we start to see long-term significant damage. Pears can handle it for a bit longer. We have had trees under water for up to a week and we will not know whether they are going to stay alive until spring when we see the first shoots. Those primary producers will need assistance, and understanding the long-term impacts on their ability to produce will take some time. Some orchards north of Numurkah are facing losses of hundreds of thousands of dollars.

I particularly appreciate Ivan and Andrew Routley, who showed Hon. John Cobb, Sharman Stone and me through their flooded horticultural farm in Katunga. Andrew explained: ‘Our drain was switched off to minimise any flooding downstream and, unbeknown to us, that caused the damage.’

Although the clean-up efforts have begun in parts of the state such as Nathalia and Numurkah, they will remain inundated for many weeks. In Numurkah more than 34 hospital patients and aged-care residents were evacuated to other hospitals and health facilities due to the floods. The hospital was flooded.

An event like this reminds us that local communities need to know that government will assist them and that they will be able to access the very support that they need to begin the clean-up and recovery phase. They need adequate service delivery by federal, state and local governments, and adequate funding needs to be provided by emergency grants. We need to be sure about every aspect of flood mitigation management, emergency management arrangements and recovery, and we need to identify the best way to manage major flood events in the future.

Stynes, Mr Jim

Senator DI NATALE (Victoria) (19:40): I rise today to pay tribute to a wonderful footballer and an even better human being, Jim Stynes. With the passing of Jim Stynes, Australia did not just lose a great sportsperson but a wonderful Australian. The extraordinary flow of tributes in the last 24 hours is testament to the profound way in which the life of Jim Stynes touched so many of us. I did not know him personally. I grew up at a time when, as a young kid, I
was mad for footy. I played VFA footy for a few years. I am a passionate Tigers fan, but I do remember watching Jim Stynes during my teenage years. He was one of my favourite players. I think everybody who watched the game at that time has a soft spot for him.

He came to the game in an unconventional way. He was part of that bold Melbourne experiment, being recruited from Ireland, and played what was essentially a foreign game. He came over as a gangly teenager, but sporting genius shows through regardless of the sport you play. It was not long before he became an established AFL footballer.

He is perhaps best remembered for what is now part of football folklore. He ran across the mark in the 1987 preliminary final. It was an action which supposedly cost Melbourne a spot in the grand final. If you actually look at the replay of that match you will see that the kick from Gary Buckenara would have sailed through the goals if he were 20 or 30 metres out, but, still, it is something that entered football folklore. It could have been the end of Jim Stynes the footballer. At the time it was one of the defining moments of the eighties in terms of individual acts of a footballer and the consequences of those acts. It was a bit like his response to his battle with cancer: he used that as an opportunity to grow and become a better footballer.

Over a number of years he went on to become one of the game's most decorated players. He won a Brownlow Medal in 1991. To achieve that honour as somebody who did not grow up playing football, who was recruited from somewhere else, taking up the game late in their teenage years, is testament to his wonderful ability. He became the prototype for the modern ruckman. He was a player who could run across the ground and almost play part ruckman and part ruck rover and part key forward. He was well ahead of his time. He was an incredible athlete and an incredible footballer. The great irony, of course, is that he set a record for the longest number of games without injury or illness. I think he played 244 games of footy. For anybody who has played the game, the thought of being able to play that many games consecutively is unimaginable—for me, certainly. He was somebody who would play with incredible injuries and often played as well as he did when he was fully fit.

Garry Lyon talked about it as the greatest football story ever, and it is a pretty good story when you think about it. If it were just about his football career, I would still be standing up here giving the same tribute to a man who had incredible abilities. But he was not just a great footballer; he was a terrific person—a wonderful person. Footballers often retreat from public life and often will spend many years trading on the fact that they were an elite sportsperson, but that was not the make-up of Jim Stynes. He went on and established the Reach Foundation, which was an organisation targeting young kids. His own upbringing was not the easiest upbringing that one would imagine, yet he used that as an opportunity to inspire young kids and to try to teach them about the things that they have that are valuable—their inner qualities—to try to bring out the hero that exists in each and every one of us. He spent a lot of time focusing on the issue of youth mental health and wellbeing and youth suicide prevention. He made an enormous contribution to the Australian community. In fact, we have quotes from a number of people whose lives he touched. One person said:

Jim created a world with a rich tapestry of people and experiences that I walked into when I was fifteen; one that supported, challenged and fostered me to "be my best self".
Jim always had a way to inspire greatness in those he met, and he also expected it. He taught us to innovate, lead ... love and find greatness in those we worked with. So much of the person I am today and those I love most dearly have been moulded by him. There are countless stories like that. He was a wonderful human being.

All through this, while he considered his work with the Reach Foundation his calling, he was saddened by the state of the oldest football club in the nation, the Melbourne Football Club. Despite the fact that he had a huge fight on his hands in his battle with cancer, he took on the issue of the Melbourne Football Club, which was in the doldrums. It was a club that was struggling and did not have much on-field success, yet he managed to return to that club and breathe new life into it. He helped to get the club back onto a stable financial footing. His work with the club was similar to his work with the Reach Foundation: he transformed it. He was a transformative human being. He really carried that club when he could barely stand.

I think it is really in his final years that the greatness of Jim Stynes was something that we were all privileged to see. He thrived in a set of circumstances that would have sent most people to a very dark place. He would have been forgiven for self-pity and for curling up and trying to spend his last days sadly with his family, but he did not do that. I have seen a lot of people who have been faced with that diagnosis through my medical career. Think of the strength of character for a human being to say: I needed to live a better life and getting cancer has led me to a much better life.

He spoke of his experiences with cancer as a privilege and something that he could grow and learn from. His enduring positivity, his attitude, his compassion and his selflessness are all something that I think we are very privileged to have been able to witness.

It is a story that has touched me personally. I am a new dad: I have a one-year-old and a three-year-old—a young family, much like Jim. I would like to think of myself as being in the prime of my life, just as he was at the age of 45. I do not think I have even got close to the strength that that man had. To think that he has been taken away from us and from his family at such a time is something that I think that we are all very, very sad about. He is a man who gave so much. As I have said, I did not know Jim personally. My perspective is that of an outsider, but I do feel some connection to his story. I hope that I can do some justice to the life of a remarkable human being. We lost a father, a husband, a friend, a mentor and a colleague. We lost a gentleman, a philanthropist and an inspirational human being. I am sure I reflect the sentiments and thoughts in this place. Our thoughts are very much with his family, his friends and his siblings—who moved over from Ireland some years ago to be with him; he was that sort of human being. He will be sadly missed. He is a great loss, and we pay our respects to a great man, Jim Stynes.

New South Wales Rugby Football League

Senator FAULKNER (New South Wales) (19:50): 'The better team drew!' Those were the famous words of Warren Ryan, coach of the Newtown Jets, after one of the most unusual games in Australian Rugby League football history. He was talking about the famous nil-all draw, played by the Newtown Jets and the Canterbury-Bankstown Bulldogs on 28 March, 1982, at Henson Park in Sydney. Of course, next week marks the 30th anniversary of that game, the only nil-all draw in the Sydney
The previous lowest-scoring game in Rugby League premiership history also featured the Newtown Jets. In 1973 Newtown half-back Ken Wilson kicked a field goal to beat St George one-nil. Ken Wilson also played in the nil-all game of 1982 but, despite his best efforts, was not able to kick a field goal in the dying minutes of the 1982 clash. Newtown had been grand finalists in the previous year, 1981, but they were struggling in 1982, winning just one of their opening four matches. Canterbury on the other hand were on a roll and had won three out of four matches. The playing conditions were bad. The Sydney Morning Herald reported the game was marred by 'constant rain and gathering gloom'.

I spoke recently with Warren Ryan, who coached the Newtown Jets in 1982, about that day. He told me that the Newtown-Canterbury clashes were traditionally fierce. The teams were near neighbours and both played in blue-and-white colours. But, adding to the aggravation, John Singleton had become involved with Newtown and had purchased a litter of young Bulldogs for the Jets. This led to Canterbury noses being right out of joint and an even more spirited rivalry between the two teams.

But back to the match. Newtown had been winning possession and dominating territory for most of the game and tensions reached boiling point, without any score on the board, in the 74th minute when a fight erupted. Reports vary about the circumstances which led to the fight. The Sun reported it was following a ruck on the second tackle. The Telegraph said it was the fourth tackle. The Sydney Morning Herald said it was following a scrum. Everyone agreed Newtown was in possession, adjacent to their opponent's uprights, and just 10 metres out from their opponent's try line.

Out of the skirmish, Newtown prop Steve Bowden went down in spectacular fashion. Warren Ryan told me, 'Cassilles,' that is Peter Cassilles, 'belted my kid Wilson'—well he was not a kid then. The Telegraph agreed, reporting that Cassilles had punched Wilson, which led to Bowden along with Canterbury prop John Coveny getting involved in the fracas. The Sydney Morning Herald recorded
that referee Barry Goldsworthy took reports from the touch judges, each of whom assigned blame to different sides. Referee Goldsworthy packed a scrum and ruled a turnover. As the Telegraph explained, this was basically a penalty against Newtown because they had possession of the ball. Even if Newtown were not given a shot at a penalty goal so close to the Canterbury goal line, they could have attempted a field goal in the remaining time available to them.

Both sides missed crucial opportunities to score points. In the 22nd minute the late Allan McMahon, then a centre three-quarter for Newtown, was stopped from scoring with a try-saving tackle on the line by Canterbury's second rower and later coach Steve Folkes. Three minutes later Newtown again looked like they would score but were denied this time by the referee, who ruled a forward pass. Both teams missed penalty goals and Canterbury's Steve Mortimer missed a field goal from 20 metres out in the 61st minute.

Mr President, 30 years after it was played, the Newtown versus Canterbury Rugby League football premiership scoreless draw remains one for the record books. It's a oncer; a oncer in 104 years of the Rugby League premiership. As Geoff Prenter, a respected Rugby League journalist of the time, said in the Sun newspaper, of course a newspaper that no longer exists:

... no sport in the world could have rivalled the drama, the tension, and the excitement of yesterday's history making scoreless draw between Canterbury and Newtown at Henson Park. This was rugby league at its most gripping best. A game to be savoured, a game to tell the children about. The date—28th of March, 1982.

Senate adjourned at 19:58

DOCUMENTS
Tabling

The following government documents were tabled by the Clerk: